

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

Title—agreed to.

Bill reported with amendments and the report adopted.

BILL—LOCAL GOVERNMENT.

Council's Further Message.

Message from the Council received and read notifying that it had agreed to the Assembly's request for a conference on the amendments insisted on by the Council and had appointed Hon. L. C. Diver, Hon. R. C. Mattiske and the Chief Secretary as managers for the Council, the Chief Secretary's room as the place of meeting and the time 10.30 a.m. on Friday, the 22nd November.

BILL—NORTHERN DEVELOPMENTS PTY. LIMITED AGREEMENT.

Returned from the Council with amendments.

House adjourned at 12.27 a.m. (Friday).

Legislative Council

Friday, 22nd November, 1957.

CONTENTS.

	Page
Questions: Coolgardie railway amenities, barracks and community waiting room	3456
Wellington Dam, supply of sand	3456
Esperance development, alterations to Chase Syndicate programme	3456
Collie overhead bridge, plans and construction	3457
Stockton railway crossing, flashing lights	3457
Collie-Roelands road, reconditioning	3457
Bills: Swan River Conservation, 2r.	3457
Western Australia (Sales-Promotion Labels), 1r.	3461
Parliamentary Permanent Officers, 1r.	3461
Metropolitan (Perth) Passenger Transport Trust, 2r.	3461
Mining Act Amendment, 1r.	3481
Workers' Compensation Act Amendment, 1r.	3481
Bills of Sale Act Amendment, Assembly's further message	3481
Nurses Registration Act Amendment (No. 2), Assembly's message	3481
Unfair Trading and Profit Control Act Amendment, 2r.	3481
Supreme Court Act Amendment, 2r.	3483

The PRESIDENT took the Chair at 2.15 p.m., and read prayers.

QUESTIONS.

COOLGARDIE RAILWAY AMENITIES.

Barracks and Community Waiting Room.

Hon. G. BENNETTS asked the Minister for Railways:

(1) Is he aware that the railway barracks at Coolgardie are now completed?

(2) Will he inform the House when a commencement will be made on the community waiting room at the above station, for the convenience of the Esperance-Norseman travelling public?

The MINISTER replied:

(1) Yes.

(2) Work has been authorised and will be commenced as soon as practicable.

WELLINGTON DAM.

Supply of Sand.

Hon. J. M. A. CUNNINGHAM (for Hon. N. E. Baxter) asked the Chief Secretary:

(1) In regard to recent work carried out at Wellington Dam, were tenders called for the cartage of sand, etc.?

(2) If the answer is "no", on what basis was this work contracted out or otherwise done?

The CHIEF SECRETARY replied:

(1) No.

(2) By piecework.

ESPERANCE DEVELOPMENT.

Alterations to Chase Syndicate Programme.

Hon. J. M. A. CUNNINGHAM asked the Chief Secretary:

(1) Will he inform the House if it is a fact that—

(a) The Chase Syndicate has erred in its appreciation of the problems inherent in the development of light lands at Esperance;

(b) that it has not met anything like its programme as submitted to Parliament in the early stages of negotiation;

(c) that one or more amendments or alterations to the original agreement between the Chase Syndicate and Parliament have already been made?

(2) When were these alterations made?

(3) In what way do they liberalise the conditions of the agreement?

The CHIEF SECRETARY replied:

(1) (a) A recent inspection indicated that no time has been lost in the normal establishment of pasture by the methods adopted by Esperance Plains (Australia) Pty. Ltd. since the signing of the agreement. The area ploughed and late-seeded serves

the purpose of fallow which normally would be seeded during 1958.

(b) It is one year since the agreement was signed. The company has complied with the requirements of the agreement during the first year from date of signing.

(c) No amendments or alteration to the original agreement between the State and Esperance Plains (Australia) Pty Ltd. have been requested or considered.

(2) and (3) Answered by No. (1) (c).

COLLIE OVERHEAD BRIDGE.

Plans and Construction.

Hon. A. R. JONES (for Hon. N. E. Baxter) asked the Minister for Railways:

(1) Is he aware that plans were drawn up for a new overhead bridge at Collie more than three years ago?

(2) Is it likely that this bridge will be built?

(3) If so, when?

The MINISTER replied:

(1) Site plans only have been prepared.

(2) Yes.

(3) Subsequent to the completion of the new locomotive depot and subject to the availability of funds.

STOCKTON RAILWAY CROSSING.

Flashing Lights.

Hon. A. R. JONES (for Hon. N. E. Baxter) asked the Minister for Railways:

(1) Does he know—

(a) that approximately 26 trains per day pass over the Stockton railway crossing at Collie;

(b) that during the last two months two very serious accidents—one of which may cost the department many hundreds of pounds—have occurred at railway crossings in the district?

(2) In view of the previous questions, when are flashing lights to be installed on the Stockton railway crossing?

The MINISTER replied:

(1) (a) The hon. member has been misinformed. The average number of trains passing over the Stockton level crossing is 15 daily from Mondays to Fridays. On Saturdays when the mines are working, the number is also 15, but on Saturdays when the mines are not working, it is nine.

(b) Of the two accidents referred to, one occurred at the Stockton level crossing on the 23rd August, 1957, and the other at another level crossing on a different line on the 16th November, 1957.

(2) The crossing protection committee which examines the needs of all crossings and determines the order in which the work should be undertaken, has not listed this crossing for flashing light protection. The committee consists of representatives of the Main Roads Department, the Railway Department and the local government authorities.

COLLIE-ROELANDS ROAD.

Reconditioning.

Hon. A. R. JONES (for Hon. N. E. Baxter) asked the Chief Secretary:

(1) Is he aware—

(a) that the Main Roads Department commenced work on the Collie-Roelands road many months ago to take out dangerous bends and to widen bad sections;

(b) that during the period when this work was in progress the bitumen surface was badly torn up, and deep pot-holes in the road now create a dangerous traffic hazard?

(2) In view of the previous question, can he inform the House the intention of the Main Roads Department in respect to the approximate date on which it intends to recommence work to put the road in good condition?

The CHIEF SECRETARY replied:

(1) (a) Yes.

(b) Reports show that during the progress of the work the road surface has deteriorated.

(2) Within the past two weeks a maintenance unit was transferred to the area preparatory to a water-binding organisation starting on the 25th November to reinstate the road surface to the tar primed stage.

BILL—SWAN RIVER CONSERVATION.

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [2.22] in moving the second reading said: It is hardly necessary for me to say that all members of this Chamber undoubtedly will agree upon the need for the removal of the existing sources of pollution of the river and for the prevention of the commencement of new causes of contamination. The problem of river pollution exists in many urban centres in the world, and steps have been taken in other countries for its rectification. The Bill, however, is the first by which the problem has been grappled with in Australia.

Before dealing with what is proposed in the Bill, I intend to give a short history of river pollution to show that it is not

a problem which has recently developed. I find that complaints regarding river pollution date back as far as 1870, when a publication which is not now extant, and which was called the "Inquirer and Commercial News," drew attention to the intolerable stench in the vicinity of Mill-st. and William-st. jetties. This was promptly cleaned up by an officer who was known as the inspector of nuisances.

Frequent Press references and official reports since those early days have indicated a recurring problem. There is ample evidence that flood waters bring down alluvial soil and fertilising agents—including nitrogen and phosphorus—in considerable quantities, so that increased agricultural development in the upper reaches produces in the river a richer nutrient medium for the growth of algae. We know the unsatisfactory condition which follow from large accumulations of algae on our river beaches. The proposal for the appointment of a conservancy board with statutory powers was first made in 1922.

A conference was held in March, 1922, of members of Parliament, representatives of local government and aquatic clubs, and of Government departments, at which the Commissioner of Public Health urged the appointment of a conservancy board with statutory powers. Nothing eventuated from that meeting until 1943, when an advisory committee was set up.

This is known as the Swan River Reference Committee, and it is still operating in a voluntary capacity. Originally its deliberations covered such matters as foreshore maintenance and improvements, but later its field was enlarged in scope to cover all matters affecting conditions of the river.

This advisory committee, which is most valuable so far as its powers go, consists of representatives of local governing bodies, sporting bodies using the river, State and Commonwealth Departments responsible for river administration in some form, and representatives of those departments able to make a contribution to the problem from the technical angle. The committee meets every two or three months and makes recommendations to the Minister for Works on matters submitted by a subcommittee, which arranges regular inspections and samplings of the river. The committee also considers matters submitted by the various Government departments which have to face problems of river control and development.

Unfortunately, a weakness of this committee is that it has been without legislative backing. It is acting in an advisory capacity only, and in itself lacks the power to take corrective action. Its members have done an excellent job over the years under difficult conditions, and they have initiated action designed to remove causes of contamination and pollution.

There is also in existence another honorary body known as the Swan River Conservation Committee. This committee comprises representatives of local governing bodies and other public bodies interested in the condition of the river. It holds regular meetings, makes inspections of the river, and considers ways and means of improving river conditions. Over the past few years the Government and local authorities have had monthly chemical tests carried out and a close examination made of likely points of pollution.

Noxious trade wastes have been removed from stormwater drains and disposed of in sewers after suitable treatment. Other noxious wastes have been connected to septic tanks. Sewerage systems have been extended, thus reducing contamination from improperly functioning septic tanks, and financial assistance given to local authorities has assisted in the removal of algae from the foreshores.

An inspector has been appointed to patrol the river, locate troublesome areas, and initiate action to remove promptly the offending weed or waste. This is all right as far as it goes, but it is not nearly adequate for the purpose intended by the Government.

Although the Bill appears fairly large, it is comparatively small. When we take out the essential detail regarding the constitution of the board and its routine procedure in administration, we find that what is left is easily understandable and contains just a few basic principles. The aim of the measure is to improve and maintain the condition of the Swan River and to keep the waters free from pollution as far as is humanly possible. The Bill, has been asked for by a number of responsible public bodies and individuals; and these public bodies agree in principle to the Bill and to several of the specific provisions contained in it.

There are definite reasons why this Bill is now before Parliament. If the advisory committees—the Swan River Conservation Committee and the Swan River Reference Committee—had been adequate, there would be no need for this legislation. But they are not adequate, because they lack statutory authority. It is in order to confer statutory authority upon some organisation that the Government feels legislation should be introduced.

So, in the first instance, there is a need for a central body to formulate a policy of river improvement and to co-ordinate the activities of a multiplicity of authorities having an interest in, and control over, river waters. Then, too, there is a need for a central body to determine what effluent or other matter can be allowed to go into the river; and if so, under what condition that effluent can be allowed to enter it. Thirdly, there is a need for some statutory power to prevent pollution nuisance and to prevent things being done

on the foreshore which will render the river unsightly. Fourthly, there is the need for prompt action by a central body to clean the river beaches and remove decaying weed and algae.

The Swan River Reference Committee has, on the basis of a co-operative approach, achieved much already with regard to these objectives. But with the growth of population and industry, the time has undoubtedly come when this committee must be given legislative backing; and the Bill seeks to achieve this purpose. It is based broadly on the recommendations of a special sub-committee of the Swan River Reference Committee, contained in an excellent report which was printed in 1955.

The Bill provides for a conservation board of 15 members. At first glance this number may seem large and possibly unwieldy. However, in assessing the numerical strength of the board, there had to be taken into consideration those bodies that were vitally interested in the preservation of the beauty and cleanliness of the river, as well as its utilitarian value. It seemed necessary that these bodies should be represented on the board, and that is the reason for its somewhat unusual size.

It is preferable to have an independent chairman who does not represent any particular interest. There is the question of local authorities which will be required to subscribe one-third of the administrative costs, and which therefore are entitled to adequate representation. The Bill proposes to give them six members on the board, one of whom shall be an engineer, and one a representative of the Perth City Council, which is the largest municipality concerned, and which it is considered is entitled, therefore, to direct representation on the board. It is proposed to allow one representative to the sporting bodies which use the river, and this surely cannot be quibbled at.

A number of Government departments are associated with the river and their experience and responsibilities entitle them to representation on the board. These departments include the Metropolitan Water Supply, Sewerage and Drainage Department, which has to carry out extensive drainage works, and which already uses the river to some extent for its drainage works. It is essential that there should be somebody on the committee capable of presenting the department's point of view; because we must not lose sight of the fact that this Bill breaks new ground, inasmuch as it gives this organisation the power to control Government departments as well as private individuals. Because it does so, it is essential that Government departments shall have the opportunity of presenting their points of view, before any decisions are made in connection with matters with which they are vitally concerned.

Then there is the Health Department. It is essential that there should be somebody on the committee representative of that department; and, quite naturally, a department like the Public Works Department, which is engaged in extensive constructive works, should have a representative on this important board. Nor could one exclude the Harbour and Light Department; and as there is a matter of chemical analyses and a degree of pollution, it is desirable that there should be a representative of the Government Chemical Laboratories.

The Lands and Surveys Department is very naturally concerned, because it has the power to give or withhold leases of river foreshores. It is desirable that its point of view should find expression. Also, there is the Town Planning Department, which can make a very sound contribution to discussions involving the construction of river foreshores and the use of adjacent lands.

The Bill provides that no polluting matter of any description which is likely to

- (a) impair the physical, chemical or biological condition of the waters, or
- (b) adversely affect the cleanliness of the foreshores, or
- (c) adversely affect the waters or foreshores for navigational, recreational or other beneficial uses

can be discharged into the waters, or along the foreshores, without the prior consent of the board. If consent is given, it shall be subject to such conditions as the board shall determine, so that the board will have complete power over the discharge of polluting matter into the river. This is an onerous responsibility, but one which the board must accept because it is absolutely vital in any plan of river control and improvement.

We must regulate the quantity and quality of trade waste and other deleterious effluents and discharges which find their way into the river from time to time. The board is also empowered to remove algae and weed from shallows and river beaches. It is expressly provided in the Bill that in order to save expense and avoid duplication of equipment and services, the board shall co-operate with local authorities and Government departments. There is also provision in the Bill for parties who feel aggrieved because of some decision of the board to make an appeal to the Minister.

One can imagine that some trade establishment has planned to discharge an effluent into the river, and believes that it ought to have a perfect right to do so; but the board declines to give permission, or gives permission under conditions which the establishment considers onerous. Power is in the Bill, if such a circumstance occurs, for the establishment to be able to make an appeal to the Minister.

It is proposed to pay modest fees to the members of the conservation board, but not the advisory committee. The members of the Swan River Conservation Committee and the Swan River Reference Committee have, up to now, been rendering their services to the State voluntarily. But this board will have a very big responsibility, and it will have a considerable amount of work to do in carrying out inspections, especially when applications are made for permits to do certain things.

It is not considered reasonable that members of the board should be expected to give a lot of time without some remuneration; and so it is proposed to pay three guineas per meeting, with a maximum of 36 guineas in any one year, and £100 per annum to the chairman.

It is believed that in the early years the cost of administration will not exceed £5,000, of which the Government will find two-thirds and the local authorities one-third. It might, in subsequent years, according to the State's development and when we have 1,000,000 people in the metropolitan area, reach £10,000. But if the work is well done in the initial stages it should not become a very expensive matter to maintain the river in a clean condition.

Other States have neglected to do it, and now they are reluctant to do so because of the great expense involved. In Western Australia, where development has not been as rapid as it has been elsewhere, we are in the fortunate position of being able to grapple with this problem before it becomes too expensive.

A technical advisory committee also is to be set up under the Bill, but the members will not receive any remuneration. They will be departmental officers who will be expected to tender their advice on matters referred to them as part of their ordinary duty. This committee will consist of the following:—

Chairman of the body known as the Swan River Conservation Board.

Chief Engineer, Metropolitan Water Supply, Sewerage and Drainage Department.

Commissioner of Public Health.

Director, Government Chemical Laboratory.

Director of Works.

Director, Industrial Development.

Director of Agriculture.

Commissioner of Main Roads, and

Member of the board being such one of the six persons representing on the board the interests of local authorities as is nominated from time to time, by the body known as the Local Government Association to represent those interests on the advisory committee.

It will be left to the Local Government Association to select from one of its six representatives on the conservation board,

one of those persons who will act on the advisory committee in conjunction with the heads of the various departments that I have enumerated. These public officers are highly skilled in their respective fields, and can render valuable assistance to the board on the multitude of technical aspects that will have to be considered, as well as in the general field of research.

The Bill sets out that it is the duty of the board to refer to the advisory committee any matters relating to standards. The conservation board will have to declare a standard in connection with effluent, for example; and before that declaration is made, it will be incumbent on the board to obtain the advice of the technical advisory committee with regard to what is a satisfactory standard to establish. A further advantage of the advisory committee is that it will take, and encourage the board to take, a reasonable and overall view of its responsibilities.

The one-third contribution payable by local authorities will be split among those in the region in the proportion of 75 per cent. on the basis of population and 25 per cent. on the basis of river shore line in each district. Considerable difficulty has been experienced in arriving at a satisfactory formula and this was one of the reasons for the delay in the preparation of the legislation.

It became necessary to consult with local authorities on a number of occasions to consider their points of view and endeavour to reach a decision which would be regarded as being completely satisfactory. I am pleased to say that the Local Government Association has expressed agreement with the Government's financial proposals. This formula places the financial responsibility on all local authorities in the region which will be the subject of control by the conservation board for the maintenance of a river which is an asset to all.

It is not only an asset to the local authorities that have a shore line in their districts and to the people residing in them, but the Swan River is also an asset to the whole of this State. I think it will be generally admitted that some loading ought to be placed on those local authorities which will derive the greatest benefit from the improvement to be effected because the ratepayers in those particular areas who are living close by the river will, in the main, naturally spend more time on the river foreshores than people from outlying districts.

Therefore, it is right that in those circumstances those local authorities should contribute more than others that are further removed from the river. If we can get the river into first-class condition and substantially improve it, inevitably that will result in a fairly large increase in land values in the areas of those local authorities that have a river shoreline.

As a result, the ratepayers will benefit directly from a communal effort. It has to be expected that in those circumstances they should be prepared to contribute a little more than persons residing in those districts which will not benefit directly in the same manner. This formula has been designed to meet that point of view. I repeat that the Local Government Association has expressed its satisfaction with the formula the Government has adopted.

An important feature of this measure is that Government departments are bound under it, and particularly those departments involved in any construction work or which are responsible for the granting of foreshore or river leases or licences. This measure will ensure that the board will have an opportunity to assess whether any harm to the river is likely as a result of construction work. For instance, the granting of a foreshore licence by the Lands Department or a jetty licence by the Harbour and Light Department will be given consideration by this board.

Reference to the Health Act has been deliberately excluded from the Bill because of the necessity for quick remedial action in the case of a hazard to health, and because the provisions of the Health Act are designed to improve rather than destroy the quality and condition of the waters. In other words, action under the Health Act will not be hindered in any way.

It is necessary for members to know the particular part of the Swan River that is to be subject to control. It will be controlled within these points: That part of the boundary of the Fremantle harbour which traverses the Swan River and which is established, at the time of coming into operation of this legislation, by the Fremantle Harbour Trust Act, 1902. That point will be approximately the existing road bridge. Point No. 2 will be the junction of the Southern and Canning Rivers. The Scott-rd. bridge over the Helena River is Point No. 3 and the Middle Swan-rd. bridge over the Swan River is Point No. 4.

The reaches of the river between those four points will be controlled by this board. That is to be the initial area. Provision is made in the Bill for an amendment of the area by proclamation. If it is considered desirable to extend the area, an extension can be made by proclamation. This is necessary to meet any sudden demand, such as the establishment of a new industry outside these boundaries, or of a different type of effluent from an existing factory similarly placed outside the existing boundary. Whilst it is felt that the boundaries already indicated are sufficient for present needs, power must be provided in the legislation to deal with any circumstance which might subsequently arise and endanger the work being carried out within the confined area.

The metropolitan region is also to be defined by proclamation. That is necessary in order to indicate the local authorities that will be obliged to contribute to the scheme. The reason for making provision for this to be done by proclamation is because of rapidly changing conditions and the possibility of alteration of boundaries or amalgamation of authorities. It is proposed in the first instance to include in the region all the authorities in the metropolitan area which come under the Traffic Act, except the Darling Range and the Cockburn Road Boards. Both of these are remote, and the latter has responsibility for ocean beach maintenance.

The control which it is proposed should be exercised by the board can only result in a better and cleaner river. Industry is protected not only by the advisory committee but also by the right of appeal to the Minister, and the general authority which he exercises in the administration of the Act and the responsibility which he has to accept—and to account for to Parliament—for the decisions of the board and the committee.

This Bill represents a practical step on the part of the Government to give legislative effect to a belief which it has held for a long time; that is, it is necessary to establish an authority with the requisite power to take action, and not merely to make suggestions. I move—

That the Bill be now read a second time.

On motion by Hon. J. G. Hislop, debate adjourned.

BILLS (2)—FIRST READING.

- 1, Western Australia (Sales-Promotion Labels).
- 2, Parliamentary Permanent Officers.
Received from the Assembly.

BILL—METROPOLITAN (PERTH) PASSENGER TRANSPORT TRUST.

Second Reading.

Debate resumed from the 20th November.

HON. C. H. SIMPSON (Midland) [2.48]: This Bill seeks to establish one authority to take over and operate all the road services in the metropolitan area. The rail services will not be brought under the jurisdiction of the trust. In effect, the proposal will socialise the particular functions of metropolitan passenger road transport for all time by eliminating private operators who have handled 54 per cent. of these services, in the process of which they have made a total profit of £86,000. On the other hand, the Government road services, handling the remaining 46 per cent. of the traffic, have made a loss of £266,000.

The Government rail and road services combined, show a loss, on last year's figures, of £795,092. The Bill proposes to wipe out the private omnibus operators—who have worked very efficiently in the past, and whose turnover for the past 12 months has shown the amount of profit already mentioned—in favour of one authority, which I believe will eventually become a losing proposition in much the same way as the existing Government services are losing money. Later on I will give reasons for my belief that that would be a logical trend.

The Bill was thoroughly discussed in another place and it was widely publicised. Therefore, I think most members know the pros and cons of the story. A joint select committee was appointed which considered evidence placed before it; and, as a result of the evidence given, seven members of that committee voted in favour of the trust proposals, with myself taking the opposite view.

It is obvious there must have been reasons actuating those concerned in coming to the conclusions they did. Perhaps if I explain the terms of reference we actually considered, as compared with those proposed, members will have some idea not only of the rather narrow issues to which the inquiry was confined, but of the more comprehensive issues which it was sought to have examined under the proposal, and which were put forward by the Deputy Leader of the Opposition in another place. First of all I will give the suggested terms of reference for a select committee as submitted by the Deputy Leader of the Opposition.

It was desired that the committee should take into account the cost to the State in capital and depreciation losses over 10 years and endeavour to arrive at some estimate of the liabilities that might be incurred.

Hon. F. R. H. Lavery: Is that a term of reference from another place?

Hon. C. H. SIMPSON: I am dealing with the terms of reference which were recommended. The second term of reference proposed was that the committee should examine legislative, administrative and financial disabilities of the proposed trust. The next was the rearrangement necessary in regard to taxing operators, concessions, and controls. Then there was the question of railway losses and possible replacement of road transport for a limited period. There followed the practicability of operators' services on contract basis for the whole or part of the system. The next was the trust proposals and compensations; and, finally, matters incidental thereto.

These terms of reference would have given anybody examining the question a very wide coverage of the issues necessarily bound up with the proposals. I think the necessity of taking a responsible attitude will be quite apparent to members in view of the fact that it involves a tremendous

amount of money and concerns a public utility of vital importance; and once the step is taken, there is no turning back, no matter how much it may be desired in the light of experience to change it.

I do not think there are any practical means of unscrambling the eggs once they are scrambled. Therefore, I think it would be wise for members to examine these proposals very closely before they commit themselves to an acceptance of this Bill.

Those were the terms of reference proposed to be examined. The Minister narrowed them down to these—and I will state them specifically:

- (1) The desirability of statutory authority.
- (2) Does the Bill satisfactorily achieve its purpose?
- (3) What type of authority should be set up and what conditions should apply?
- (4) Alternatives.

I might say that it was under some pressure that the Minister agreed that the suggestion of alternatives be examined.

Hon. E. M. Davies: What pressure?

Hon. C. H. SIMPSON: The Deputy Leader of the Opposition in another place—

Hon. E. M. Davies: He was not on the select committee.

Hon. C. H. SIMPSON: I am not talking about the select committee.

Hon. E. M. Davies: Tell us what pressure there was.

Hon. C. H. SIMPSON: I am talking about the terms of reference. The proposals were put up; and I think the Minister, in agreeing to the formation of a select committee, was, at first, inclined to accept the fairly comprehensive proposals. However, I happened to be present when he phoned the Deputy Leader of the Opposition and asked him if, as an alternative, he would accept the first three points which I have just mentioned. It was only after quite a bit of discussion that the Minister agreed to include the fourth point, and he expressed his opinion that these four terms of reference should embrace all that was necessary. At first sight, it might appear that they would; but I think, in view of the importance of this step, that more time and a more comprehensive examination would have been very desirable.

One of the very serious questions that we felt should be examined was the question of economics; and I say that with all due respect to those who came forward and gave evidence. Quite a proportion of the witnesses who gave evidence—and gave it very well—were not unduly concerned with the matter of economics—in fact many of them were concerned with such problems as street clearance, traffic control, avoiding street congestion, and town planning development of the future; and it seemed to me, in listening to that evidence, that

the questions of what it might cost, or what the economics of the proposal might be were furthestmost from their thoughts. The attitude was that somebody else should consider that aspect; yet, as a committee, we all felt that economics were very important.

There were two other matters of interest which engaged the attention of the committee. They were the questions of the operators themselves and the public interest, which I think all of us thought were very important matters for consideration. I do not want this speech to be a recital of what happened in the committee; because if members are interested—and I think most are—the file is on the Table of the House together with all the evidence; and the figures which I shall present, and the extracts I shall make, can all be checked by reference to that file.

I was asked to prepare a short article for a young branch of our party organisation, and in doing so I tried to represent a fair picture of the difficulties, first of all of the operators, because I think the public should understand their problems. I will say at once that the operators whom I know very well and with whom I have become friendly, have carried on their businesses with efficiency and have given excellent service. Yet they seem to be the victims of adverse conditions which became more acute as the years went by. I shall read part of the article I have prepared because I think that by doing this I will be able to explain my point with greater brevity than by dealing with it in any other way. This is what I have to say in the article—

To afford a clearer picture it is necessary to explain the general background of a complex and many sided problem. For instance, private operators have for years laboured under difficulties occasioned by rising costs of operation—mainly wages. Fare increases were only adjusted to proved losses. The time lag waiting for adjustment worked against the operator.

In former years Government Tramways competing with private operators were allowed to carry on at a loss. Fares were adjusted by the Government—usually under pressure. Private services had to pay their way and it was only when the McLarty-Watts government appointed an independent fare fixing authority that anomalies were corrected. The present Government reverted to the old system. This had the effect of diverting patronage on competitive routes to Government services where more attractive rates were offered.

As fares increased passenger resistance developed. People walked short distances where hitherto they had used public transport. Housewives cut down

on city trips; as cars became more freely available many shared private car transport.

Passenger journeys by road services fell from a 1952-3 peak of 75,000,000 to 65,000,000 in 1956-7, despite a general increase in population. Meantime there was discrimination between Government and private services in licence fees and charges. Private operators paid a Transport Licence Fee of 6% on gross earnings as a contribution towards road maintenance.

The present Minister did reduce that overall fee to 4 per cent. when the diesel fuel tax of 1s. a gallon was imposed.

The Minister for Railways: Were they all paying 6 per cent.?

Hon. C. H. SIMPSON: I shall come to that in a moment. The article continues—

The Government buses and trolleys paid 1 per cent. only. Tramways were exempt as they maintain their own tracks. It has been a sore point with operators feeling the pinch as the Transport Board take often exceeded the operators own profits. In fairness it must be said that where necessary the Transport Board reduced this tax and in some cases subsidized operators to enable them to maintain services.

In passing, it may be noted that while this tax is imposed on public passenger transport operators, the haulier who carries beer, bricks, or merchandise, etc., does not pay the tax.

There was further discrimination by reason of the fact that while the private operator had to pay import duty and sales tax on vehicles and spare parts (approximately £1,500 per vehicle) the Government services were exempt from these imports. Nevertheless despite these handicaps the private companies survived and managed in most cases to show a profit.

Another difficulty was the lack of provision for an extended franchise to operate over a period. While in practice applications for franchise extensions were seldom refused, there was no legal provision to guarantee a sufficient franchise term necessary to plan ahead and make financial arrangements.

The McLarty-Watts Government proposed a zoning plan providing for six operational zones. This was accepted in principle by all operators and was developing when the change of Government occurred in 1953. This proposal contemplated extensions of franchise and made adequate provision for both Government and private operators.

This would have greatly lessened the incidence of industrial risks, which can represent a serious threat by a

militant union against a monopoly operator—all the eggs are in the one basket.

The present Government attitude towards private operators was not sympathetic. The operators themselves felt that they faced an uncertain future. When the Trust scheme was proposed they were prepared to accept it as a means of salvaging what they had rather than to be looking down the barrel wondering what might happen next.

Because I released to the Press certain opinions which I held strongly, I was accused in the Press by the Minister for Transport of alleging certain things; and I think I should, in fairness, have the opportunity to reply. The first that appeared was: "Simpson Rushed into Print." For a matter of weeks, the Minister for Transport had had a lot of publicity regarding the trust proposals, which were published in the paper as being a wonderful step forward—in fact the greatest—in the re-organisation of city transport in the history of city transport. The Minister also—as was necessary, of course—released the report of the select committee to the House, and it received publicity.

It was only right that at that stage—while public interest was aroused—the opposite point of view should receive some publicity. If it had been delayed, it would have lost much of its effect. As any newspaper man will say, yesterday's news is as dead as the dodo.

Hon. F. R. H. Lavery: Don't you think it would have been nice to advise the other members of the committee that you were going to do it?

Hon. C. H. SIMPSON: I am sorry, but I cannot hear the hon. member.

Hon. F. R. H. Lavery: I didn't think you wanted to hear that.

Hon. C. H. SIMPSON: That is not so. The Minister had certain views and was strongly inclined towards socialism; and I do not dispute his right to uphold that creed if he so desires. But in all fairness, it is only right that those who hold opposite views should be afforded the opportunity to express them. The next item appearing in the Press was, "Simpson Was Politically Dishonest." I emphatically refute that statement. I think that over the years I have been in the House, no one would dream of attributing such a sentiment to me.

Hon. L. C. Diver: Is there a peculiar code for politics?

Hon. C. H. SIMPSON: We have to remember that there is no minority report on a select committee. The position is different from that pertaining to a Royal Commission. All that can be registered in

the official report is that one or more members dissented from the verdict of the majority.

So I contend that the Minister's statements were rather undignified, particularly as he had really scored a victory when it came to assessing the results of the inquiry in which we were engaged. I think he could have afforded to be generous, but I consider he was less than fair. He alleged that I had said the bus proprietors were intimidated, something, which he claimed was completely and utterly without foundation.

As I have said, I have known the bus proprietors for some years. I knew that as operators doing a good job they were willing and anxious to carry on as individuals in private business if they felt they were getting a fair deal. I knew that as a background; and I think I will be able to quote some portions of the evidence which will at least support the point of view that I held; namely, that they really felt they had no option but to accept the proposals that were put up by the Government.

The Minister for Railways: That was not the feeling at the first meeting.

Hon. C. H. SIMPSON: The normal man who is conducting a business which is going along reasonably successfully is the last one to give it away to the Government or anybody else—

The Minister for Railways: None of them wants to give it away.

Hon. C. H. SIMPSON: —if he can see a prospect of carrying on. That would be the normal human inclination. It was this combination of circumstances—I still contend there was a lack of sufficient consideration by the Government—which placed them in that position and induced them to accept the proposal put up by the Minister for Transport.

It is certainly true that there was nothing to prevent any operator from saying what he liked, and we were given the opportunity of free cross-examination, which, as the Minister for Transport admitted, was freely exercised. But it is a fact that out of the 12 private operators—I am talking now about 12 instrumentalities—only seven or eight, I think, gave evidence. This conveyed the impression that some of them would prefer to carry on. Mr. Adams, who had conducted a large and successful undertaking—I believe he is prepared and possibly anxious to assist the trust proposals—was not, I think, altogether happy about being placed in a position where he felt such a step was necessary. He said it was a bitter pill to swallow.

If I may quote a brief extract from the evidence of Mr. Lancaster, it will give an indication of his views, and it may give an indication of the views of others. Mr.

Lancaster is the proprietor of the North Beach Bus Co. and here are questions addressed to him, and his answers—

Supposing that you and other bus companies were given the opportunity of remaining in business and eventually there were perhaps two private operators with the rest of the metropolitan area being attended to by the transport trust. Would you be happy with such an arrangement?—No, I would not. I would always feel I was in a vulnerable position and that I could be shot at.

By Mr. Hearman: It would be like looking down the barrel of a gun?

—Yes, and I would feel that it was loaded.

That was the opinion of one very forthright operator; and I am afraid that I cannot escape the conviction that there might have been others. Operator after operator, when asked the question whether he would accept the trust proposals said, "Yes." He gave the impression that at least he was being loyal to a decision made by the majority of operators after, as I have already explained, having gone through a period when the future at least did not look too rosy.

The Minister for Railways: Mr. Lancaster's expression was made in the light of certain circumstances.

Hon. C. H. SIMPSON: Mr. Lancaster had a very good business.

The Minister for Railways: Yes. But the expression was made in the light of certain circumstances—if only he and another remained.

Hon. C. H. SIMPSON: I think it is a fair assessment of his attitude.

The Minister for Railways: Yes; but if only he and another remained.

Hon. C. H. SIMPSON: As I interpret it, it meant that he would have been perfectly happy to carry on; and one could judge by his remarks that he would have preferred to carry on. But once the trust was formed, it could control his affairs, rearrange his routes, and determine the franchise under which he operated. He would not have then enjoyed the freedom that he enjoys at present.

The Minister for Railways: Doesn't the Transport Board do that now?

Hon. C. H. SIMPSON: I do not think so. The Transport Board has been very much maligned. The Transport Board on the whole, as far as its powers enabled it to be, was quite reasonable. I think that, in the excerpts I have just read, I have admitted that. If members examine the evidence, as they will have opportunity to do, they will find a number of extracts which I think will convey the impression that I have given. If operators are ready to surrender to the

trust, and are prepared to throw in the towel, there must be some explanation for it.

The Minister for Transport when referring to me, said, "Not one member of the committee was denied the opportunity of questioning witnesses; and Simpson did." I have already covered that point. As I have explained, a number of witnesses who were called to give evidence, while expert in their own particular lines, were not called upon to answer such questions as would be asked of them by a Royal Commissioner, or a commission composed of accountants and transport operators who are not directly operating. I think such a body might have come to a different conclusion than that arrived at by the majority of the members of this select committee.

As I have said, in addition to the operators who gave evidence, there were two railway men; the general manager of the tramways; the chairman of the Transport Board; the Town Planner; the Traffic Engineer of the Main Roads Board; Mr. Lamb, the chairman of the Stock Exchange; Mr. Townsing, the Assistant Under Treasurer; Mr. O'Brien and Mr. Hickson of the Police Department; Mr. Green and Mr. Patterson of the Perth City Council; the Town Clerk of the Fremantle City Council and Sir Frank Gibson; and a representative of the Fremantle Municipal Trust.

With the exception of the operators, all of whom were not unanimous in endorsing the principle of the trust, those who gave evidence on behalf of the Fremantle Tramways Trust—who told a different story again—and Mr. Nicholls, of the Spearwood-Cooee service, most of the other witnesses gave evidence in regard to the economics of the taking over by the trust—in other words, the trust proposals. They dealt with such matters as traffic, and through-routing rather than whether the public interest would be served if the trust were appointed; or whether it would be in the interests of economy; and how it would affect the State in the providing of money or the standing up to losses which might ensue.

As I have said, one of the main questions that we felt we had to study—or at least that I felt I had to study—was whether the trust was in the public interest. While apparently the verdict of the select committee, based on the evidence given, was very much one way, I think it will be accepted by members that only two of the members of that select committee had had ministerial experience—one was the present Minister for Transport, who was sold on the trust idea; the other was myself.

I was equally convinced that the trust proposals were a socialistic experiment, and should be very closely examined before any attempt was made to adopt them. Both

of us had background knowledge which did not, and could not, emerge from the inquiry. I think that explains why my colleagues were perhaps influenced by the evidence submitted, without being able to assess the other values which, I think, were just as important in their relation to these proposals.

I would like to quote once more the economics of this business. The metropolitan needs are served by the three following public utilities:—

The suburban railway service.

The Government tramways, including trams, trolleys and omnibuses.

Eleven private operators, and the Fremantle Municipal Trust.

The 1955 figures for these three services were as follows:—

Suburban railways, 12,497,353 passengers equalling 16 per cent.

Government tramways, 29,928,000 passengers equalling 38 per cent.

Private operators, 35,291,000 passengers equalling 46 per cent.

As I have explained earlier, if we take the road services only, the private operators handled more than the Government services. The suburban railway services lost £528,915, the Government tramways lost £266,177, and the non-Government services, overall, showed a profit of £86,866. The Government tramways operate 263 vehicles with 900 employees, and the non-Government services operate 340 vehicles with 846 employees. To my mind, that gives some indication of the economics of the position in regard to private and public operation, and shows how they compare.

I am convinced—on the figures I have given, and from figures which I shall presently quote—that the trust is not the answer to this problem. I will quote again from the document. The following experience of trusts should be salutary. The Sydney and Newcastle trust, a Government-controlled body—

Hon. F. R. H. Lavery: Where are these figures from? Are they Mr. Napier's figures?

Hon. C. H. SIMPSON: They are correct figures.

The Chief Secretary: But whose are they?

Hon. C. H. SIMPSON: In 1955 and 1956, the Sydney and Newcastle trust showed a loss of £4,138,000. The Melbourne Transport Trust, which operates very efficiently and has control of road services, including the trams but not the railways, made a loss of £1,077,000. The Adelaide Trust, also a well-managed body, in 1955-56 made a loss of £686,247. In both cases, although the trusts are removed to a great extent from Government direction, the Government fixes the fares. So inevitably the question

of political direction and control operates against the possibility of making a profit and, incidentally, of creating a fund from which renewals and replacements can be made, as is the accepted practice in all private businesses.

Hon. L. C. Diver: But in this instance the trust could fix its own fares.

The Minister for Railways: Yes, under this Bill.

Hon. C. H. SIMPSON: I understand not; I understand they are fixed in consultation with the Government of the day.

The Minister for Railways: Where is this? Mr. Diver is talking about the proposed trust.

Hon. C. H. SIMPSON: I think the trust would recommend a fare schedule. Obviously nobody wishes to operate at a loss. While it would submit a schedule it would be at the discretion of the Government as to whether the schedule was adopted, whether it was delayed or whether it was modified. The general manager of the Western Australian Government Tramways, Mr. Napier, estimates that requisite establishments for the proposed trust would cost, as an overall figure, £5,000,000. His estimate, which he freely admits is an estimate rather than a detailed examination, is as follows:—

	£
(i) Private companies buses, depots, stocks, etc.	3,000,000
(ii) Establishment of a major workshop	500,000
(iii) Establishment of three only sub depots at £300,000 each	900,000
(iv) Buses to replace companies aged vehicles—25 at least at £8,000 each	200,000
	<u>£4,600,000</u>

Mr. Napier has been very adversely criticised, criticism which I think was unfair. As Minister for Transport for three years, I worked with Mr. Napier; and, although we had many differences over minor matters, I came to the conclusion that he was fundamentally an honest man. Also, considering the difficulties which he had to contend with, and which I will outline in a moment, he made a success, as far as it was possible to do, of the services he had to handle.

The Minister for Railways: Did you say a success? I like your example!

Hon. F. R. H. Lavery: A socialistic proposition and he lost £250,000!

Hon. C. H. SIMPSON: I think we have to be fair. I will read what Mr. Napier said; and if members like they can check it. If there is anything in it that can be proved to be inaccurate, members will have the opportunity to point this out during the debate on the second reading. This is what Mr. Napier had to say—

1. The question uppermost in my mind is why socialise metropolitan passenger transport services while

private operators continue to provide a satisfactory service in meeting the travel wants of so many people? Surely from the Hon. the Treasurer's angle it would be preferable by far to do all possible to keep the private operators "on the road." If a Transport Trust backed by the Government is to become the sole operating authority then it would seem that the Hon. the Treasurer will be faced with a further drain on his limited loan moneys to the extent of £500,000 (approximately) per annum. This figure is the sum of the difference in operating costs (Government v. private companies) and interest on capital expenditure associated with the acquiring of private operators' interests and the meeting of the major needs of the proposed Trust.

In considering revenue from the districts now serviced by private operators it must not be thought that the revenue now recorded will be earned by the trust, because it is fair to assume that worker's fare, child's fare and pensioner's fare concession, now available on Government trams and buses, will be made to apply throughout all districts taken over by the trust—the outcome will be lessened revenue.

In the light of the loss recorded by other States—

Sydney and Newcastle—1955-56, £4,138,000.

Melbourne—1956-57, £1,077,425.

Adelaide—1955-56, £686,247,

and having in mind the all-out efforts made by those authorities to reduce costs and increase revenue, it is safe to predict that the projected trust would not present a brighter picture.

2. Should Parliament agree in principle to the creation of a one-only operator, it surely would be better from the Hon. the Treasurer's standpoint if the trust took over a private operator's district only when such operator gave notice of its inability to carry on. In such cases assets of use to the trust might be taken over at a mutually agreed upon valuation but no amount paid for goodwill. Such an arrangement would be a much less costly way of absorbing private operators' interests than compared with the cost of compulsory acquisition.

Mr. Napier did say that in cases like that there was no goodwill; but if there was a prospect of future goodwill—and I am talking about the attitude of members generally—cognisance should be taken of that so far as operators were concerned. Mr. Napier continued—

3. While a deal of criticism has been levelled at the existing passenger transport set-up in Perth and the suburbs, by no stretch of imagination can it fairly be said that the system is

chaotic, because without doubt operators are not muddling along and are in the main operating services convenient to the public. However, transport operators are at a disadvantage in that they are unable to create fares such that they meet increased costs.

4. It is believed that financially a sounder approach than the creation of a one only operating authority would be to do all possible to keep private operators in general "on the road" and to this end:—

- (i) lessen the number of private operators;
- (ii) allot zones of operation to the remaining operators;
- (iii) amend State Transport Coordination Act to provide for operators' representatives on the board;
- (iv) relieve operators by waiving Transport Board's fees and endeavour to seek a waiver of sales tax.

If, despite the introduction of these measures, an operator should be unable to carry on and other private operators be unwilling to take over the district then obviously the Government must become the operator, but it should not be obliged to acquire the company's assets and it should certainly not make any goodwill payment.

5. Appendices.

Appendix (1) is my spot estimate of the cost of acquiring private operators' interests and meeting the major needs of the trust.

Appendix (2) and (3) have reference to Appendix (1) from which it may be noted that it might transpire that expenditure on creating of depots would be £700,000 less than that shown on Appendix (1).

I do not want to quote at length; but there is one illuminating answer to a question asked by the Minister which might be of information to those present. The chairman asked certain questions. These, together with the answers, were as follows:—

If the private bus operators in the aggregate are making a profit, how do you make out that under trust control there would be a loss of £500,000 per annum?—By taking our costs as ninepence per bus mile greater than those of private operators, and this works out at about £400,000.

How do you account for that ninepence per bus mile over and above the private bus operators?—I have not before me the detailed figures but it is occasioned by the sum of several points. The Government meets the cost of superannuation, long-service

leave and relatively costly uniforms; it is obliged to work its staff 40 hours in five days, as against the private companies' 40 hours in six days; the Government's penalty rate for Sunday is double time and the private companies' penalty rate is 1½ time. The Government pays its driver on one-man buses an allowance of 3s. per day and the private company pays 1s. 6d. per day. The private companies' industrial award is not so much of a burden as the Government Tramways award; the latter is much more cast-iron, and some of the provisions in that award are not found in the private operators' award. The private operators arrange with their staffs to work in such a way as to reduce costs. The Tramway Department cannot do that. For instance, the Government must make provision for the vexed question of peak-hour transport requirements. There are two peaks, in the morning and evening. The evening peak is most awkward because of the Tramway Department's spread of shifts; in consequence the staff must be sufficient in number to permit the department being able to put the maximum number of vehicles on the road in the evening. The private bus operators bring into service during the evening peak their workshops staff, their car-washers and their mechanics to act as drivers for a number of additional trips required in the evening peak. I have not got before me the figures in detail of the expenditure in the case of the private operators, but they may be in the hands of the Transport Board.

The chairman said to him—

What makes you think that the award for the trust would be the same as for the Government tramways?

Mr. Napier replied—

The tramway employees would not be prepared to accept less and that would mean that the other members of the trust would be brought up to their level so there would be that increased cost of operation.

An interesting point that has been mentioned is that with one instrumentality in respect of 12 it is possible to economise so many overheads. That is a point which appeals to many people; but those experienced in running concerns know that actually it is a fallacy. The bigger an instrumentality grows the more administrative staff that is required. An outstanding example was the reorganisation of the Belgian railways after the damage done in World War II when they found that after the reorganisation they had to build up 84 per cent. in their wages staff; but their administration staff was built up 130 per cent.

I have the total figures from the various private companies and they are as follows:—With 340 vehicles the number of salaried staff is 76; and the wages staff, 769. That is roughly 10 times the number. On the Government tramways we find that for 263 vehicles the salaried staff is 109; and the wages staff, 781. I would like to compare those figures again. The private companies have 340 vehicles as against the Government's 263, and yet their salaried staff is 76 as compared with the tramways which is 109; their wages staff on the other hand is 769, while the tramways staff numbers 781.

The Minister for Railways: The tramways, of course, have permanent way employees.

Hon. C. H. SIMPSON: That is so; but they carry a relatively small percentage of the total passengers.

The Minister for Railways: They have been pillaged.

Hon. C. H. SIMPSON: On the trams there is a conductor and a motorman—two men per tram; and while they carry more and it is economic to use them during peak periods, it is possible to run a bus with one man, because the driver collects all the fares; whereas on the tram the conductor is very often too busy to collect the fares. I have seen passengers who have not been able to catch the conductor's eye to pay their fare get off the tram without paying.

The Minister for Railways: Were you Minister at the time?

Hon. C. H. SIMPSON: I forget. I might have been. Those things do occur, and I do not see how they can be avoided when operating a tram. There are generally two men operating trolley-buses; whereas for an omnibus, only one man is required, so that is the most payable of the lot. In actual figures that does not appear to be so, for the reason that at six o'clock at night one-man buses take over the whole of the evening transport. During the lean hours the receipts are not comparable with those taken during the day. So, relatively, the bus services generally do not show the same return as if the three services were operating at the same time.

Hon. G. Bennetts: There is a lot of delay through one man collecting the fares.

Hon. C. H. SIMPSON: That is overcome by having ticket sellers at starting points. At peak periods there is no delay, and it is a more efficient system than the other. To my mind undue emphasis has been placed on the recommendations of the town planner. While I admit that experts—like Professor Gordon Stephenson, who is a master planner—can give very valuable advice in regard to trends and the necessity to make provision for the future, very often these men appear to have a total disregard for the cost of carrying out the recommendations.

When Professor Stephenson prophesied that in 50 years' time the Perth metropolitan area may grow into a city with 1,500,000 population, and four out of five people living in Western Australia will reside in the metropolitan area, I must confess that I had a feeling of horror. I do not think that he was advocating extension of the metropolitan area to that proportion; he was merely advising what the trend might be, and in effect was issuing a warning against unduly hurrying the development of the plan for that area.

I am sure that the great figures in the history of this State in the persons of Sir James Mitchell and Sir John Forrest, who wanted to develop this State, would consider that a scheme involving the expenditure of hundreds of thousands of pounds should be avoided if it was possible to achieve the objectives by different treatment. The money saved in the development of the metropolitan area could, in my opinion, very profitably be spent on the development of the State. I made that proposal in all seriousness, but it received scant consideration.

We are faced with three forms of transport which cater for the travelling public; namely, the suburban railway services, the Government-operated road passenger services, and the private bus services. Of the three forms, the private bus service is undoubtedly the most economical.

Sitting suspended from 3.48 to 4.5 p.m.

Hon. C. H. SIMPSON: Before the suspension I told the House that I had put up a suggestion that for the time being at least there should be some suspension of suburban passenger rail services, and I find myself in agreement with one of the witnesses who expressed the same idea. Mr. Nicholls, manager of Coogee-Spearwood Bus Pty. Ltd. said—

Much has been said in reference to rail and road passenger services in the metropolitan area and having seen the operations of many large cities overseas, I am of the opinion that it will be a long number of years before traffic congestion in Perth is so acute as to make it unwise for large numbers of buses to enter the city. At the moment buses drop their patrons right in the heart of the city and through-routing will further improve this, whilst the rail is tied to one spot on the northern side of the city proper. On the establishment of the trust I would advocate that the railways vacate the field of metropolitan passenger transport with the exception of such peak period services as the trust desired and on the understanding that these would cease as soon as the trust had a sufficiency of equipment.

I feel that such a move as the above would save the Railway Department large sums and would supply much

extra and needed revenue to the metropolitan passenger trust at no extra cost to them.

In cross-examination I said—

You raised an interesting point when you advocated that the railways vacate the field of metropolitan passenger transport, with the exception of such peak periods as the trust desired. Would you say that if that were done, either by direct Government action or by the trust assuming control of the suburban railway service, there would be an immediate build-up of traffic for the road services?

The answer was—

I think that undoubtedly the road services would benefit and to my way of thinking there is enormous wastage today inasmuch as there are two forms of transport operating close to one another.

I further said—

Your attitude would be that as a community faced with a difficult problem, mainly in regard to the economics of transport, we could with advantage utilise one form of transport and concentrate on that instead of two?

The answer was—

Very definitely. Most road services are in close proximity to the railways; there are always some services in close proximity to them, almost without exception.

That was the opinion expressed by a competent operator who has travelled around the world and studied the problem in its special relationship to our set-up.

The Minister for Railways: Not practicable, though.

Hon. C. H. SIMPSON: There are reasons why the metropolitan transport services—I am talking about the rail services—do show a loss. In 1921 the railways, in order to meet what was then regarded as a threat from road competition, reduced fares; and they were not adjusted till 1952, and have not been adjusted since. Those fares—not only the ordinary fares but more particularly the concession fares—are ridiculously low when compared with the huge losses that suburban railway services make and their effect when in competition with road services, and particularly private operators.

I have here some figures from an assessment of fares in Perth, Sydney and Melbourne by rail and by omnibus over a distance of six miles. They are as follows:—

City	By Rail	By
		Omnibus
Perth	10d.	1s. 3d.
Sydney	1s. 3d.	1s. 6d.
Melbourne	2s. 0d. (first class)	1s. 1d.
	1s. 7d. (second class)	

By and large, and particularly in regard to rail fares, a lower figure is charged here in regard to ordinary passengers than rules in the metropolitan areas in the East. That seems rather extraordinary when one takes into account the heavy losses incurred by metropolitan railway transport.

The Minister for Railways: Do you know that the omnibus fares—the Government bus fares—from Claremont are dearer than the private bus fares?

Hon. C. H. SIMPSON: I would not question that. In the fundamentals it is not so hard to explain. A diesel rail-car costs 9s. 10d. per mile to run. A road bus costs in the neighbourhood of 2s. 6d., about a quarter of the amount. Some are a little dearer and some are cheaper; but I have given the average. I will admit that the diesel railcar will take a bigger load, but in the off peak period it never gets that bigger load. It does not get a bigger load than the average road vehicle would take, and the running is therefore uneconomic.

I know that the Minister will say, "When you were Minister you signed an order for 20 of these diesel railcars to operate on the metropolitan service." I can answer that one. First of all the advice of our technical authorities was that a diesel railcar would cost 5s. per mile to run as against £2 for a steam train. I think that the Minister can check that. Those figures were given to a Cabinet sub-committee and were published in the Press.

Hon. L. C. Diver: Were there comparable loads?

Hon. C. H. SIMPSON: It takes roughly three ordinary road vehicles to equal two diesel railcars; but as I have said, in the off peak period at least the vehicles are seldom filled, so the question of taking a 110 crush load in one vehicle as against 70 in a road vehicle does not matter very much, because no vehicle would have that load. As a matter of fact, a road bus, running at 2s. 6d. per mile could handle the load as easily as a diesel railcar running at 9s. 10d. per mile.

I would go further and say that the original idea was to reserve a proportion of the diesel cars for the country. It was only on reconsidering the problem in relation to metropolitan passenger transport that the majority were reserved for metropolitan use, and the reason given was that the different planning authorities had agreed that in periods of congestion it was necessary to retain the railway system to facilitate city clearance.

According to Mr. Nicholls, an experienced observer, our problem is relatively not acute; and he thinks that under a reorganised system road vehicles could handle the situation. If the 14,000,000 passengers per year carried by rail were fed to the road services, they would be of

great benefit to the private operators and might make all the difference between a loss and a profit. The economics of the question are so important that the picture must be viewed as a whole.

It cannot be denied that the railways operate suburban passenger services at a loss, and it would cut the loss to the railways and the community if those services were suspended. The units involved could then be sent to the country, and I think it would be easy to adapt them to either freight or passenger use. Those diesels could run much cheaper than steam trains; and besides meeting the needs of the country people, would reduce the fire hazard. There are good reasons why the suburban rail services should be suspended and the more economic road services built up.

The Minister for Railways: And close down Collie?

Hon. C. H. SIMPSON: I think I have answered that question. We have heard a lot about street clearance and through-routing. I have here a note from an article which I prepared. It is as follows:—

Authorities such as the Perth City Council, the Fremantle City Council, Mr. Hepburn, the Town Planner, the Transport Board and the traffic authorities supported the trust proposal, because they considered it would ease the solution of traffic problems, street clearance and centralised authority, but most of them are not concerned with the economy angle. Through-routing and trans-routing, however, are not the full answer. The traffic inflow to the city in the morning and outflow at night are the peak periods. Incoming buses empty in the city and a proportion only is required to maintain the off-peak traffic. Surplus vehicles must be parked. This could be at bus stations, parking depots or quiet side streets. It is necessary to clear busy city streets so as to avoid congestion, but unnecessary running must be avoided to cut down costs.

That reorganisation could be effected under the present system, without the appointment of a transport trust. In a sense we have an example of through-routing in our railway system. Trains could run from Fremantle to Cannington or from Midland Junction to Fremantle; but owing to the demands of the transport system, with the bulk of the passengers in in the morning and out at night, very few of those trains do go on to Fremantle, and in fact there are few passengers who desire to travel right through. The result is that the surplus vehicles are parked in the station yard where provision is made for them.

One of the witnesses before the inquiry said he had spoken to the manager of the transport authority in London—a huge concern—who said they had no vehicles parked in the London streets. I can imagine that; but in a city as big as London, with miles of densely populated areas in the middle of the city, the buses could travel for 10 miles and be assured of ample pick-ups all the way through. In those circumstances why should they want to park on the streets? I am assured that outside London and in small English cities they now use the market squares for parking vehicles, because the marketing operations of years ago no longer apply.

I appeal to members to study this question carefully before arriving at a decision, because the measure represents a point of no return. All the relevant evidence is on the file and can be examined, and in the main the answers suggest themselves. I do not suggest that the bus companies should not receive every consideration, because they have done a wonderful job in adverse circumstances.

The Minister for Railways: Do you mean financial assistance?

Hon. C. H. SIMPSON: If necessary; and that is covered by Mr. Napier's evidence. He said it would be far cheaper for the Government to assist the existing bus companies than to assume responsibility for running the whole system.

The Minister for Railways: Do you uphold that view?

Hon. C. H. SIMPSON: Yes; because I know what the companies have done. They have done a wonderful job. Their affairs could be examined to the extent that the Minister or some other authority should be satisfied that they were capable operators and running an efficient service; and if necessary their schedules for services could be revised and assistance could be given. All that would be far cheaper than setting up a trust such as is suggested. I feel also that the turnover tax should be abolished. While it may be theoretically logical to make them pay so much for the cost of the roads, why should one section only of the community be taxed? A man who is not a licensed operator, but who carts merchandise, pays no extra tax.

The Minister for Railways: Isn't the tax a premium for the licence or monopoly?

Hon. C. H. SIMPSON: I do not think that makes much difference, but the tax paid by some operators was more than the actual profit earned, and they found difficulty in building up funds for replacements. In the interests of public transport, I think the existing companies should be assisted. They have had the experience of competition through private individuals using their own cars and

transporting their friends, and I feel that the lot of the bus operator merits serious consideration. The man who travels by public transport must get the cheapest fare possible consistent with good service, and all such factors must be taken into account. Why tax one individual and not the next?

The Minister for Railways: Some of these bus operators have had relief.

Hon. C. H. SIMPSON: I know the Minister has not been unfair in some cases; but I am referring to the need for further consideration of the cost of this proposition to the Government immediately, and the possibility of incurring great expense later. It must be realised that if you create a monopoly you place all your industrial risks in the one basket. Mr. Napier gave a picture of what happens when a Government concern, with a number of employees, has an active union secretary who gets repeated concessions that are not given in the same measure to employees of the private operators.

Another point is that, when a concern becomes too big, the personal contact between the various component personalities is lost. In a small concern everyone knows everyone else; and a mechanic in the shop will be quite prepared to take a vehicle out on the road for instance. In a department a repair becomes a job number. In a small concern it becomes an urgent repair to be done for a friend on the road. In Northampton, in England, with 150 buses, they consistently undercut the costs of the London transport authority by as much as 2d. in the 1s. owing to lower overheads and the maintenance of a better spirit, because the men all know one another and are prepared to give one another consideration. In another place Mr. Ackland voted against the Transport Bill proposals—

The PRESIDENT: Order! The hon. member must not refer to debate in another place.

Hon. C. H. SIMPSON: I did not intend to do that, but was referring to an explanation Mr. Ackland gave me outside the House. He visited Canada and the U.S.A. where all the transport is run by private enterprise.

Hon. F. R. H. Lavery: He went there to inquire about wheat and sheep—not buses.

Hon. C. H. SIMPSON: In those countries transport represents 10 or 11 per cent. of the national budget as against from 30 to 35 per cent. in Australia. Mr. Ackland was so impressed by the superiority of the service given by private operators that he determined not to support the trust proposals.

Hon. Sir Charles Latham: The C.P.R. is run by the Government.

Hon. C. H. SIMPSON: The transport services generally in those countries are operated by private operators. As regards putting all one's eggs in one basket, we have a good example in Collie, where because of the attitude of the union leader, a self-confessed communist, the Government has had to accept arrangements in regard to coal that seriously affect the price and consequently electricity and rail costs.

The Minister for Railways: The coal is cheaper now than when you bought it.

Hon. C. H. SIMPSON: I do not think so. The railway files are illuminating. If the industrial risks are spread, the Minister knows there is less danger of trouble. He also knows that when I had the job of Minister I was trying to devise a system which would balance the risks; and with a view to reducing the incidence of those risks I think that that was a more satisfactory solution.

It has been said by an eminent citizen—namely the Right Hon. Robert Gordon Menzies—that, "The safety and security of the average man lies in the diffusion of Government power." Whether that power be in the hands of a Government, or a Minister, or a union dictator matters very little; but the safety and security of the general public rests on that power being balanced among a number of people rather than being concentrated in the hands of a very few or even of a single individual.

So I will content myself by referring members to the file on the table of the House where they can confirm the facts that I have collated from the evidence; and I am hoping they will reach the same conclusion as I have. The trust proposal, if inevitable, could well be deferred for 12 months. However, I am hoping that if these suggestions I have made are given consideration—and I think in the community interest they should be adopted—it will be found that there will be some assurance of prosperity for those who operate their vehicles and there will not be this tremendous load for the Government to carry.

HON. E. M. DAVIES (West) [4.32]: Unlike Mr. Simpson, I intend to support the Bill; because, in the first place, I consider it is an honest endeavour by the Government to take over the services of road passenger transport in the metropolitan area from those organisations which have—as has already been expressed—rendered a very valuable service to the people, and particularly those in the metropolitan area.

Each and every one who gave evidence before the select committee said that the Bill was a fair and honest endeavour to do something towards solving the problem of road passenger transport in this State. It is a problem that is agitating not only the minds of the transport authorities in

Perth, but also the minds of those people who are associated with transport in other parts of the Commonwealth—and, indeed, in other countries.

Even in London, those in charge of transport have been beset with difficulties although one would think that in that city, where there are millions of people compared to the few hundred thousand in Perth, there would be sufficient passengers to operate road transport successfully. In that city it was considered necessary for a passenger transport board to be constituted to control and operate not only road passenger transport, but also the underground railways of London. In other parts of the British Isles, also, similar moves have become necessary for the same reason that this Bill is before Parliament today; and that is because of a gradual falling off of passengers who would be the potential users of road transport.

Some reference has been made that the metropolitan rail services should be brought under the control of the proposed trust when it is established, and it has also been suggested that the rail services between Perth and Fremantle should be discontinued, so that road transport could cater for such traffic. In London, the underground railway is not connected with the main railway stations except at various terminals, and one has to board a bus to reach the main line trains or stations. There are some main railway lines in London, of course, that cater for metropolitan passenger traffic; and they do not come under the control of the London transport board. So I venture to say that it would not be feasible—at the present juncture, at any rate—to make any attempt to discontinue the rail service between Fremantle and Perth and hand such traffic over to road transport.

Apparently Mr. Simpson has taken great cognisance of what Mr. Napier, the general manager of the tramways, said in evidence before the select committee. He made no mention of the evidence given by the Chief Railway Commissioner, Mr. Hall, and the Chief Traffic Manager, Mr. Brodie. They stated that the operation of metropolitan rail services was necessary because railways overhead charges represented about 70 per cent. which had to be met whether passenger traffic was carried by the railways or catered for by road transport. Another reason for operating the rail service between Perth and the port of Fremantle is to enable goods and freight to be carried to the port.

So irrespective of what Mr. Simpson has said, it would still be necessary to carry out that service; and the operating of the signalling system, the maintenance on the permanent way and other railway services would go a long way towards making up the overhead charges of 70 per

cent. Further, it costs no more to run diesel trains or even steam trains—I believe that steam trains can be converted to diesel locos for passengers traffic—and I do not think it can be denied that they can carry both passenger and goods traffic.

Hon. L. C. Diver: The proposed trust will operate only certain sections of the passenger transport service.

Hon. E. M. DAVIES: Although I respect the interjection made by Mr. Diver, I intend to make my speech in my own way. The Chief Commissioner of Railways went on to say that there should be close liaison between the railway department and the proposed road passenger transport trust. He did not suggest that the Railway Department should be represented by a member appointed to that trust with voting powers, but felt that it was necessary that when the trust was discussing matters that related to the Railway Department, a representative of the department, in a non-voting capacity, could attend the meetings of the trust in order to give advice on certain technical matters.

That is a very fine gesture on the part of Mr. Hall as the Chief Commissioner of Railways, and it is entirely different from the attitude adopted by Mr. Napier, who has been quoted by Mr. Simpson in many instances. There was no reason to say that there should not be any agreement or co-operation between the Railway Department and this proposed trust, especially in deciding when it will be necessary to run services on the railway and also to give any additional service by road.

It is wrong to suggest that road passenger transport could cater for all the metropolitan passenger traffic at peak periods. It would be necessary for the metropolitan railway service to operate to its fullest extent during such periods, especially when these services could be run at very little extra cost because of much of the expense already being included in the overhead charges which represent 70 per cent. of the total railway expenses. Under arrangement with the metropolitan road transport trust, it would therefore not cost much extra to operate additional passenger trains on the metropolitan rail services.

Hon. A. R. Jones: Only £500,000 a year.

Hon. E. M. DAVIES: This is a different proposition altogether. Surely members can realise that in the establishment of this proposed trust there is the probability that something will be achieved to overcome the difficulties that exist in the metropolitan area at present. This Bill was considered by a select committee of eight members comprising all parties; and only one, Hon. C. H. Simpson, has seen fit to disagree with its recommendations. Mr. Simpson also said something about socialism. To my mind this proposal does

not represent socialism. The Bill proposes that the trust should be divorced from ministerial control, and the trust will consist of men with the best brains possible, in an effort to tackle this problem, which is receiving the attention not only of transport authorities in this State but also those in many other parts of the world.

Therefore, it is wrong for Mr. Simpson to use the word "socialism." It is remarkable that only two or three sessions ago the same gentleman asked the Government to take over the railway operated by the Midland Railway Co. On one occasion he is desirous of extending socialism in this State; but at the moment he condemns it because we are attempting to establish a trust, divorced from political control, which is to be made up of men who will be competent to work out an arrangement whereby we can profitably run our metropolitan passenger transport system.

Hon. C. H. Simpson: The circumstances were very different.

Hon. E. M. DAVIES: I know. No doubt Mr. Simpson will say that the reason he wanted the Government to take over the Midland Railway Co. was that it was losing money. Now, when it is proposed to take something away from the Minister and place it in the hands of a trust comprised of men with the best possible qualifications in the transport sphere, we are told that this is socialism.

Hon. C. H. Simpson: I must deprecate the remark made by Mr. Davies when he said that I wanted the Government to take over Midland Railway Co. because it was losing money. I did not say that.

Hon. E. M. DAVIES: As I said previously, this Bill has been considered by a select committee comprising members representing all parties in this Parliament, and Mr. Simpson was the only one who disagreed with the committee's findings. Whilst he was speaking, Mr. Simpson made the statement that only he and the Minister for Transport had ministerial experience. I would like to inform Mr. Simpson that I believe he has made that statement without giving full consideration to it.

Hon. C. H. Simpson: I meant as Minister for Transport.

Hon. E. M. DAVIES: The hon. member said "ministerial experience." I would point out that Sir Charles Latham was a Minister in the Mitchell-Latham Government and also a Deputy Premier. Subsequently, he was appointed a Minister in the McLarty-Watts Government. I would say that Sir Charles Latham has had as much experience as any of the other members of the committee; because not only was he Deputy Premier in the Mitchell-Latham Government, but he was subsequently a senator in the Federal Parliament. Later, he was elected to this

House, and in 1952 was Minister for Agriculture. Thus he has had a great deal of ministerial experience. Whether he is supporting Mr. Simpson or not I cannot say. However, I do know that he was one of the members who signed the select committee's report.

Hon. C. H. Simpson: I agree with all that.

Hon. E. M. DAVIES: The reason that it becomes necessary to try to do something with regard to a metropolitan passenger transport trust is the gradual reduction in the number of passengers being carried by the various forms of road transport, which are operated by private organisations, and those operated by the Government. It is not only here that we find this state of affairs; it is the same in other parts of the world. Mention has been made that transport in America is operated by private enterprise. I would like to say that there are some forms of public transport operated by private enterprise, but they are operated only because of their association with other forms of industry; and this has enabled them to carry on. They, too, are feeling the effects of the gradual reduction in passengers carried.

Unfortunately, the increase that has taken place in the population—I am not going to quote figures, because, as Mr. Simpson has said, they are on the file—has not stopped this gradual reduction in the number of passengers travelling by public transport—particularly road transport. The majority are suffering a reduction which has reached millions. The reason given is that with the increased purchase of motorcars—there is a great number of cars on the road today as compared with a few years ago—many car owners do not like to pass by people who live adjacent to them. I think that is human nature. This means a reduction of the number of passengers using road passenger transport. In addition, there are other people who decide—because at times there has been an increase in fares, and particularly if they only have to go a short distance—to use shanks's pony and not public transport.

We also have to take into consideration that in the suburbs today there are shopping centres and super-marts; and many people are doing their shopping in the suburbs and not using the transport as much as they formerly did. One operator, who is still making a profit, said that although he would like to carry on, he would not like to be the one man out. There were others who said the same. Others came to the committee to say that they supported the Bill and the proposed road passenger transport trust.

We heard quite a lot of talk from Mr. Napier, who made the suggestion that when a private operator is unable to carry on, the Government should step in and

assist him. I think that has already been done in some instances, as far as the Transport Board could do it. There has been a great deal of criticism of the Transport Board in some isolated cases, and I venture to say that that would be so in regard to any organisation. As I said at the beginning of my remarks, many of these people have played an important part in providing transport in the metropolitan area and assisting in the development of some of the outer suburban areas; but they came to the select committee and said that they felt they could not carry on much longer.

I think the Minister could tell members that there are some private operators who definitely stated that they are not prepared to carry on very much longer. I took a great deal of notice of the evidence given by Mr. Adams, president of the Omnibus Proprietors' Association, who stated that although this was a bitter pill to swallow, he had come to the conclusion that private operators could not carry on much longer.

The amount of £86,000 has been mentioned as the profit made. I would like to point out that the £86,000 profit has been made by about 11 or 12 operators. In some cases the operators made a fair margin of profit; but in others they did not. Therefore, if we take the £86,000 profit and spread it over the whole of the private operators who have endeavoured to serve the public, we will find that, with the exception of one or two, the profits are by no means reasonable at all.

Hon. A. R. Jones: They wouldn't be able to pay for long-service leave.

Hon. E. M. DAVIES: If there is to be another rise in fares, or if there is an increase in costs such as we had recently with the imposition of the diesel tax, a lot more operators will be unable to continue their services. We have these gentlemen, who have worked hard and managed their own transport services, saying that the time is not far distant when something will have to be done. One operator stated that transport was a national problem which would have to be tackled in a national way. We must liken it to the provision of water supplies, electricity and many other services of a national character. Whilst it may have been possible at one time for people to run this form of transport and make a reasonable profit, the time is gradually approaching when they can do so no longer.

They realise that the offer made to them by the Minister for Transport is a most fair, equitable and honest attempt to try to do something in an honest way. As supporters of the Government, we would not like to wait until some form of road transport operated by a private individual ran down to the point where it no longer existed, and then see the Government step in and say it would run the service.

This Bill proposes to offer compensation to these people, to be agreed either between the two bodies—the Government and the operators—or settled by arbitration. This will give them a fair recompense for the services being taken over. It is not possible to provide sufficient capital and debentures will be issued which will bear one per cent. interest over and above the Commonwealth long-dated loans. The operators agree that something is being done to try to assist them.

Amendments to the Bill were recommended by the select committee. The members tried to get away from some of the ambiguities in the measure, and suggestions were made along those lines. These amendments have been incorporated in the Bill. This is not socialism; it is the provision of a trust which will be divorced from political control. It is proposed to try to obtain the best brains possible in regard to transport and to tell those gentlemen, "Here you are; you endeavour to reform and run these transport services."

We know there are quite a number of services today which, by a rearrangement, would not be necessary; and we know that those engaged in providing private passenger transport services have said that they are unable to form themselves into one group because they cannot raise sufficient capital. With the exception of one or two who would like to carry on because they are making a reasonable profit, the operators consider that the transport trust is desirable, and should be brought into being.

There was one witness, who operates in a small way—I believe he has two buses, one which he uses and the other which he keeps in reserve for special purposes—and who said he would like to carry on. However, I think it would be a matter for the trust to say whether he could carry on or not. In my opinion, it is not a service of very great importance.

I, with the members of the select committee who signed this report, believe, after hearing the evidence, that it is necessary for this Bill to be passed in its present form; and I trust the House will agree to it in order to eventually create this trust, which we hope will be able to operate metropolitan road passenger transport in a better manner than at present. I support the second reading.

HON. J. G. HISLOP (Metropolitan)
[4.57] The more that is said, the more most of us realise that the bus companies are in a very difficult position; and probably we are in as difficult position as the bus companies, but from a different angle. Most of their difficulties seem to be purely financial; and it becomes clear to me that those difficulties have been caused by Governments, past and present, and both State and Federal, which had so little

vision in regard to what was happening to road transport. They remained hungry for taxation from these sources.

There is no other answer; and it surprised me to realise that after the Commonwealth Government set up a committee representing members of the Commonwealth Parliament—mostly ministerial—from each State to consider road transport in its serious relationships to the economy of Australia, it came to the conclusion that it could not remove a tax from one single authority, and decided to impose a diesel tax of £2,000,000 and a further £3,000,000 in respect of roads throughout Australia in the near future.

One of the things that really got these bus companies into trouble was our insistence, as a House and Parliament, on the original 6 per cent. turnover tax—which has since been reduced, I think, to 4 per cent. and downwards—without realising that most people were leaving the buses as a means of transport. We failed to realise the necessity to reduce or eliminate such a tax.

That is the position as I see it; and I am quite convinced of the truth of the statement made by one person to me when he said, "If you leave us alone and do nothing at all but allow present conditions to exist, we will all slowly fade out and there will be nothing left of us, and we will be in a serious plight. Here we have an opportunity to do something and get out of the debacle with something like reason for all concerned."

That is the position that was placed before me. On the other hand, I believe there is just as much truth in the remark of the individual who says that there is no reason why this matter should be hastened; and that if it is, many individuals will suffer considerably financially. Quite a number of purchases, if the trust is formed, will be made through Government departments.

Hon. Sir Charles Latham: I do not think so.

Hon. J. G. HISLOP: Do not worry about that! This applies particularly to insurance, because it will all go to one firm. If the insurance business of the trust did not all go to the State Government Insurance Office, I should be most surprised. Therefore that is one section of the community which would lose heavily on the inauguration of the trust.

If there is no alternative to the trust, then we have to become realists and vote for the Bill. But the question is: Is there a way out? Can we appeal to the Federal Government to realise that its approach to the question of transport is not in the interests of this State and that the elimination of diesel tax on public transport—

Hon. F. J. S. Wise: It's the cold hand of the Federal Treasurer.

Hon. J. G. HISLOP: I realise that; I realise that cold-blooded finance runs heavily through certain quarters in Australia. Even at this late moment we surely could make direct application to the Federal Cabinet for something to be done in the way I have suggested to ensure that this socialistic approach to transport in Western Australia shall be obviated. If such an appeal were made, we might equally make an appeal to this Government to forgo the turnover tax, particularly in regard to the bus services that cannot continue. The reason they cannot continue is that Governments have been so hungry in the past, and still are.

The Minister for Railways: The turnover tax has been reduced a lot.

Hon. J. G. HISLOP: Yes. If we could get rid of the Commonwealth diesel tax and reduce the sales tax—

The Minister for Railways: And the payroll tax.

Hon. J. G. HISLOP: Yes. If we could do these things and make the Commonwealth Government realise that if transport is to be of use to Australia it has to be cheap, we might get somewhere. If the diesel tax and the turnover tax were reduced, these people could carry on as they have in the past. I believe that an industry of this sort is better in the hands of private enterprise than in those of a trust.

I am not at all surprised at Mr. Napier's evidence; it is just what every man in the street believes. The position is that with 263 buses as against 340, about 100 more employees are required and an additional 26 administrative heads or executive staff.

Hon. Sir Charles Latham: Was that his fault or someone else's?

Hon. J. G. HISLOP: I am not saying it is Mr. Napier's fault, because I think that is the general trend in Government organisations throughout Australia.

The Minister for Railways: It all comes under the heading of management.

Hon. J. G. HISLOP: It may do, but I do not think we can blame Mr. Napier for something which is universal. I am prepared to accept his figures as a pretty close guess as to what will happen under a trust to control public transport.

Therefore, while the bus companies must be in difficulties we, as I said earlier, must also be in difficulty in making up our minds how to approach this matter. I feel that a vigorous protest ought to go forward from the members of this House to the Federal Government asking that consideration—in fact a good deal of consideration—be given to a reduction in the costs, from the Commonwealth end, of transport within our city.

At this juncture I am not prepared to state what I will do when the vote is taken on the second reading; but I hope that before that moment is reached, something can be done along the lines I have suggested.

HON. F. R. H. LAVERY (West) [5.6]: As one who was a member of the select committee, I desire to make one or two observations, and one concerns the question of economics. I was impressed by the fine interrogation carried on by Mr. Hearman who asked all types of financial questions. The result of the questions he asked apparently left him in no doubt that there was no alternative to a trust. Mr. Simpson made it quite clear that he did not approve of the trust, but the rest of us who were members of the committee, no matter what our personal or political ideas were, were left in no doubt, after deliberating on the matter, that there was no alternative to the trust that we could recommend to Parliament. I particularly wished to mention Mr. Hearman, because I believe that when the committee commenced taking evidence, he was opposed to the trust, but that after hearing the evidence—I am saying this personally—he was convinced there was no other alternative that could be put before Parliament.

Members know that for a number of years I was employed as a driver in this industry, and I also took an active part in union affairs in the industry. On the 2nd December, 1926, the Metro Bus Co. became an organisation, whereas the night before the buses were run by private operators. I do not envisage the same thing applying if the Bill is passed, because what is suggested in the measure will take a considerable time to bring to fruition. I do feel, however, that, as Mr. Adams, the manager of the Metro buses said, it must be a bitter pill to those people who have built their businesses up to such a high standard. Men who travel Australia know that there is no transport organisation elsewhere in the Commonwealth which gives a better service to the public than does the Metro Bus Co. and, to a lesser degree, some of the other companies in Western Australia. I am speaking now of our private companies, and of the Government services in the Eastern States. None of them can compare with ours.

This industry has been in my blood for so many years that I take a great interest in it. One of the problems which is concerning me, was mentioned by Mr. Simpson, and that is: How is the public going to fare as a result of the trust? As the measure is worded, I believe that no political pressure could be brought to bear on the trust. Once the trust is brought into existence, it will have a tremendous job, on account of finance, to give service to the public.

Transport is big business, and it is the life blood of the people. It is time that the Governments of Australia, both State and Federal, realised that in this vast country, with its long leads of communications, road transport, both commercial and passenger, plays a most important part.

The traffic engineer of the Main Roads Department, Mr. Davies, who has just laid a report before us based on his recent visit to England and Europe, gave us some valuable information as to what is occurring in other countries. He made three points with which I do not think any operator in this State will disagree. He said, firstly, that the purchasing of private cars in Europe and England—he did not quote America—had put a gradual squeeze on all public transport systems, whether privately run or Government-owned. Secondly, he referred to the tax-mindedness of the people; and thirdly, he mentioned the supermarkets and the first-class shopping centres in the suburban areas of the countries that he visited.

Hon. R. C. Mattiske: Do you think those three things should be eliminated?

Hon. F. R. H. LAVERY: I do not suggest anything of the sort. I am making the point, and I am sure the hon. member will appreciate it, that this is the squeeze; it is taking trade away from the bus operators.

Dealing with our own State, I should like to quote some figures which I think may change one or two members' minds on this question. The Commissioner of Railways submitted to the select committee some figures which he takes out every month showing the number of passengers carried. On the 25th December, 1954, the figures for the four previous weeks showed that 532,000 passengers were carried. For the four-weekly period ended on the 8th December, 1956, 788,000 passengers had been carried; and for the period ended the 12th October, 1957—and this included Royal Show tickets, football final tickets, etc.—the figures had reached 1,121,000 passengers carried. So it will be seen from that that the number of passengers carried by the railways in a four-weekly period had almost doubled in three years.

These figures refer only to the metropolitan area; and yet over the period from 1952-53 to 1956-57, the number of passengers carried by road transport decreased by 9,288,000. Whereas the number of passengers carried by the railways has increased, the number carried by buses has decreased. The supply of passengers, like petrol, is limited; and if there is an increase in the number carried by the railways, there must be a corresponding decrease in the number carried by buses. When the bus companies lose 9,000,000 passengers over a period of four years, it becomes a financial burden to them.

Hon. Sir Charles Latham: People are entitled to take the cheapest method of travel.

Hon. F. R. H. LAVERY: I am not quibbling about people wanting to travel on the railways. People can travel how they like—by air if they want to—but we are discussing the reason for the fall in patronage of the buses. These bus operators have built up their businesses by hard work. I have heard Sir Charles Latham speak in this House before about people building Western Australia up to its present stage through hard work. The bus operators of this State have built up businesses by hard work; and they have been able to provide profits for their shareholders while at the same time rendering a grand service to the people of this State. The members of the bus companies who are sitting at the rear of the Chamber—

The PRESIDENT: The hon. member must not make any reference to people in the gallery.

Hon. F. R. H. LAVERY: I apologise. These people have built up their businesses by giving a service to the public. I would not be at all worried if people who really knew the transport business were nominated as members of the trust; but I shall be worried about the future if people are appointed to it who have no knowledge of transport but are merely chosen because they are entitled to some promotion. That has happened in the past on occasions and we do not want it to happen to this industry again in Western Australia.

Hon. Sir Charles Latham: If I were you, I would not support a Government which did that.

Hon. H. L. Roche: He probably won't!

Hon. F. R. H. LAVERY: I sincerely hope that these bus operators will be suitably compensated when they surrender their organisations. If a person makes a nice garden for himself, which is admired by everyone, he does not want to lose it. The same applies to any business.

Mr. Adams, when giving evidence before the select committee, spoke on behalf of the omnibus owners' association, as well as for his own company. While Mr. Simpson said that there were some members of that association who did not want to give up their businesses, I think he will admit that those people did say that if the trust were established they would find themselves in a difficult position if they were left out of it.

Hon. C. H. Simpson: That is what I said.

Hon. F. R. H. LAVERY: Perhaps that is where Mr. Simpson is getting this idea of "pressure" about which he spoke several times. The evidence submitted to the select committee left us with the view, irrespective of what our thoughts may have been before—and as Mr. Herman stated

quite clearly in his submission—that there was no alternative but to agree to the formation of a trust.

The Commissioner of Railways and Mr. Brodie, when giving evidence, stated quite clearly that it would be impracticable to have the suburban railway system under the control of the trust, as has been suggested by some people. They also said that it would not be feasible to close the metropolitan railway passenger service, but that that system should be worked in close liaison with the road services. This would be for the benefit not only of the trust and the railways, but also of the people of the metropolitan area. I support the Bill.

HON. A. R. JONES (Midland) [5.24]: I, like some other members, feel at the crossroads when discussing a Bill of this nature. While I am always content to encourage private enterprise to the full, and to support it to the full so long as it gives a service to the community, and does not make excessive profits—I believe that that is the way every concern in this country should be run—it appears that in this instance private enterprise has, after all these years, come to the conclusion that it cannot carry on under existing circumstances; and that something must be done about it.

I have searched the evidence submitted, and I have searched my mind to see just why this position has arisen. It seems to me that part of the trouble is that we are such prosperous people at present that our wage earners are able to afford their own transport.

Hon. F. R. H. Lavery: You are not objecting to that, are you?

Hon. A. R. JONES: I do not object to people being prosperous.

Hon. Sir Charles Latham: It is much more expensive to travel like that than by public conveyance.

Hon. A. R. JONES: I also believe that the diesel fuel tax has had a big influence on operators' costs; and the turnover tax, which I think is most unjustified, must also be having a crippling effect on these concerns. The railway competition, too, is unfair; and part of the failure of the bus companies must be attributable to it.

The Minister for Railways: Who was there first?

Hon. A. R. JONES: The lack of organisation of routes has, in my opinion, also contributed to some of the trouble. Many people who have their own vehicles are using them to travel to and from work; and there are a large number of people unscrupulous enough to pick up passengers and make a charge for it. That deprives the public transport system of a certain amount of patronage and a considerable amount of revenue every year. There has been a drop of something like 10,000,000

passengers per annum over the last few years; and if any member cares to walk around the car parks early in the morning, he will find three, four and five passengers travelling in the one vehicle.

Hon. F. R. H. Lavery: That is right.

Hon. A. R. JONES: In the area in which I live I know of one man who picks up three of his neighbours, and they pay a certain amount per week to help pay for the petrol, the vehicle licence fee, and so on. That is definitely wrong.

Hon. L. C. Diver: Isn't that free enterprise?

Hon. A. R. JONES: It has contributed, in part, to the downfall of the bus companies. I suppose it is free enterprise. But these people pay only the ordinary licence fee; they do not pay a special licence for driving a commercial vehicle, whereas the bus companies have to pay all those extra charges. These private individuals do not have to pay wages; and, furthermore, they pay no tax on what they earn. I would venture to suggest that that has played a big part in the downfall of these bus companies. I think the practice I have just mentioned should be more strictly policed.

Hon. R. F. Hutchison: You would not let a man pick up his neighbour and take him into town?

Hon. A. R. JONES: I did not suggest that. I said that it was wrong for any person to arrange, week by week, to pick up two or three of his neighbours, and make a charge for taking them to work. Surely the hon. member would admit that that is wrong! That sort of thing is putting bus conductors and drivers out of work.

Hon. F. R. H. Lavery: But unfortunately you can't stop it!

Hon. A. R. JONES: I believe it can be stopped. I think, however, that we must be a little wary of the trust, because I have a fair amount of knowledge of what happened in Adelaide. I was there for about two years. When the trust was first established, its position was quite good; but at a later stage, as with most enterprises under Government control, its position altered; and that makes me frightened.

In the first instance it started off practically owned and conducted by private enterprise, and a trust was formed from the managements of other concerns. But step by step they gradually got worse; and when I left Adelaide there were many disagreements between the trust staff; and at the time of my departure, it was not possible to distinguish that organisation from one run by the Government.

The trust that is proposed in the Bill will take over the Government Tramways; and, so far as I can see, the buses will be a very big problem; they will raise the

cost of the trust and the cost of transport in this State very considerably. I say that, because I cannot see the tramway workers and the bus workers coming under the same award as that operating for private enterprise.

Hon. F. R. H. Lavery: The Arbitration Court will look after that.

Hon. A. R. JONES: This will mean that all those engaged by the private companies who formed the trust would work under the same conditions as the tramway employees. Accordingly I cannot see any possibility of decreasing the cost to the trust—in my opinion it will be increased considerably. Another matter that exercises my mind is, that if this trust is formed, and the financial difficulty is overcome, I still cannot see what chance it has of success if the railways are not controlled or brought into close liaison with the transport trust organisation.

It has been proposed, so far as the Government is concerned, not to take over and run the railway section of the transport system in conjunction with this metropolitan transport trust. We can only assume, therefore, that it will be run as a separate part; and if it is to be run as a separate part, and the railways have the say as to the fares to be charged and the times that they will run, they can always compete with, and make it difficult for any buses that operate against them.

Hon. F. R. H. Lavery: Mr. Hall said the problem was the main line.

Hon. A. R. JONES: The way to overcome that would be to have sufficient liaison between the trust and the railways; to police the passenger fares that will be charged; and to work closely in relation to the time table so as to avoid any overlapping and wastage. It appears to me that it will be a very good opportunity to reduce the permanent railway traffic to a minimum, to allow the buses to take the greater share of the transport, and to run trains only when it is essential to lift heavy traffic in the mornings and in the evenings.

Hon. R. F. Hutchison: What a progressive idea!

Hon. A. R. JONES: I cannot understand the hon. member's views. It seems to me to be a progressive step if we can help these bus companies—which will be known as a trust—to cater for the transport in the metropolitan area, and to do it at a profit, while on the other hand using the railways sufficiently to lift the peak period traffic, and thus helping to cut the loss of £500,000 which this State has recently suffered. I think that is a progressive and a right step to take. But if Mrs. Hutchison does not think so, she would increase the railway traffic and the losses will be increased progressively.

Hon. G. E. Jeffery: You would not suggest closing some more country lines.

Hon. A. R. JONES: I would not suggest anything of the kind; and at the appropriate time I hope to have something more to say about that. I find myself very perplexed at the moment, and I propose to listen carefully to the debate on this matter, because I feel that those associated with the traffic problems of the metropolitan area will probably know more than I do of those problems. What I am worried about is that it is proposed to hand this whole matter over to the Government; and I do not think that should be done.

What I have seen of a similar trust makes me certain that if it is not a Government-controlled show when it starts it will become so before very long. In this case it is very nearly a Government instrumentality, anyway. I have no doubt that it will eventually sustain a loss for which the Government will be responsible.

I am prepared to consider anything that will give the companies operating at the present time a chance to recover themselves on a solid basis; and I suggest we could do this by the reorganisation of routes to ensure that the buses are not operating in competition the one with the other, or in competition with the railways. Where bus routes are authorised in sparsely populated areas a subsidy could be paid until such time as the area became thickly populated enough to carry the service. New areas must be provided with transport, and the cost should be borne by the Government until such time as the area can carry its own service. Partial elimination of the turnover tax would be a great help; and, as Dr. Hislop suggested, if the Federal Government could be made to see the folly of imposing diesel fuel tax at such a time when the financial resources of the bus companies are strained to the utmost, there could be a saving. I think it is essential that if a trust is organised railway fares and railway timetables be given careful consideration, and the whole matter tied up with the organisation of the transport service generally.

Like others, I will reserve my final decision until I have heard the entire debate, and any suggestions that might be put forward, to see if we cannot provide a transport service for the people in the city and in the suburbs. I would rather see this done by a private organisation than have any form of trust established which, in my opinion, would be getting very close to Government control; and, as we know, the railway organisation is losing more money from day to day.

HON. H. L. ROCHE (South) [5.40]: I dislike this legislation intensely; but in spite of all the propaganda we have had in the last week or two in respect of it, I have not seen one practical alternative put forward in view of all the circumstances; not a single alternative has been submitted

by anyone, including "The Western Australian" newspaper, which seems to be somewhat critical, or fearful, that, with no alternative in front of us, we might accept this legislation.

For my part I do not think that any Government-controlled organisation, or any body such as this—which, although not Government-controlled, will eventually find itself subjected to interference at governmental level—can run a transport organisation in an area such as the metropolitan area nearly as efficiently as can private enterprise.

We have reached the stage where apparently the bus companies find some of their members crippled financially and with their plant worn out. There are others who, while they are financial and able to make a profit under existing circumstances, see no hope for the future and no prospect if existing conditions are allowed to continue, of eventually finishing up in a position, better than that of their less fortunate competitors.

The Government policy—and not necessarily this Government, bad as it is—has been to force these people to pay turnover tax of six per cent.; but in view of the desperate circumstances of some of the companies, they have now been relieved of that, while others have had their turnover tax reduced to four per cent. In some areas the buses have had to compete against cheap railway fares which, to my mind, have been kept artificially cheap in order that when the State came to take over these private concerns, the compensation payable would be reduced or minimised as far as possible.

The Minister for Railways: That is not right.

Hon. H. L. ROCHE: We have had competition from the Government bus services; and, in certain circumstances, the private companies have continually had their routes set out for them in such a way as to cause them the maximum loss. Above all that, as far as I can see, they have been subjected to control in the areas they are allowed by the Transport Board to service under the so-called Co-ordination Act, which again can be used to place private companies at a disadvantage in their competition with the railways and the State bus services.

But we come back to the point that if we refuse to pass this legislation, what have we as an alternative? It is quite possible that in 12 months' time the Government could bring before this House legislation which is not even as favourable as that which we are at the moment discussing. It could introduce legislation which would not only result in the private bus companies being placed in a much less favourable position than they are at present under this Bill, but which could also incorporate

a much greater measure of governmental, political or Transport Board interference, brought about by the creation of the trust.

The Minister for Railways: This House would still have to pass the legislation.

Hon. H. L. ROCHE: That is so. If the Government desires this legislation to be passed, and it is rejected, there is nothing to stop the Government from reimposing the six per cent. levy on the private bus operators, and that would make their positions more difficult.

The Minister for Railways: That would be unreasonable.

Hon. H. L. ROCHE: The Minister might be proud of his Government; he will not mind if I am not. It appears to me that the move by some people at the eleventh hour to bring pressure to bear on this House to reject this Bill has little to commend it. I cannot see what purpose that would serve. As the Minister very aptly said in his interjection, if this Bill is defeated, legislation might be submitted to this House on a future occasion when the private bus operators were in a much worse position than they are in today; and we would then have no alternative but to pass that measure as it was introduced by the Government. If that came about, the final result would be worse than the result brought about by the passing of this Bill. Little as I like so doing, I have to support the second reading.

HON. R. F. HUTCHISON (Suburban) [5.47]: I would like to make a few observations on this measure, because the constituency which I represent covers industrial suburbs where public transport is much needed. The residents of those suburbs depend to a large extent on public transport. In the setting up of the proposed trust, the aim should be the cheapest form of transport for people who do not own vehicles. That is a very important matter to the workers of this State. The convenience of the travelling public does not seem to have been considered in the slightest in the past. That has resulted in great hardship on those depending on public transport. At present there is a hotchpotch unco-ordinated plan of metropolitan passenger transport.

There is need to bring about stability in public transport so that the public will know that transport is available to them and they will not have to fear that this or that suburb will be deprived of it. That is a real fear, and, has been often spoken of. Many people claim that they do not know whether next week they will have public transport at all. The availability of public transport very often determines whether a person will build a house in a particular suburb. That may not sound important in this House, but it is very important to the people who are without cars.

The safety of public transport vehicles is another important aspect. So many of them today are in such a run-down condition that they are continually breaking down, and that results in much inconvenience to the public. With a measure like this, we should not raise bogeys on an attempt to defeat it. It is a progressive measure. One bus proprietress told me that she was only waiting to see the outcome of this Bill, because she did not know what to do. She said she would be very happy if the Government would take over her bus service because she considered it had been a great headache to her of late. Therefore, not everyone on the side of private enterprise is against this Bill. No doubt the people who reside in closely settled districts, and who have no private means of transport, are in favour of it.

Reference was made by Mr. Jones to car owners picking up their neighbours to go to work. That has come about because of the chaotic state of public transport that is available today. Very often a lift given by the owner of a car causes him inconvenience. It must be remembered that people have to go to work at a set time; and if public transport vehicles break down, they have to make other arrangements to get to work. It is not a case of the women or the shoppers who have a more leisurely approach to public transport making use of the opportunity to travel with their neighbours in private cars; that is done by the men who have to get to work on time for the reason that I have given.

When I was in Melbourne I took notice of the feeder services radiating from the trains and trams. I consider the Melbourne Tramway Trust provides a very efficient form of public transport. There is none of the higgledy-piggledy haphazard methods of running public transport, as we see in this State, where two or three buses travel in close proximity and none is available for long intervals.

In a State like Western Australia with a vast area and a sparse population, it behoves every one to do the best possible for the greatest number of people. This idea is not put forward by people of one political shade; it is advocated by people of all political opinions. The public transport system should be established with the greatest degree of safety possible and with the greatest convenience to the travelling public. Profits should be the least important of the considerations. I contend that the proposed trust, if it is established, should take that point into consideration, that a high profit is not the most important matter.

If we move forward with more confidence we would get progress quicker in this State. If we did not have so many horse-and-buggy methods in use here we would get further. That applies to many other things besides transport. This State seems to be hopelessly backward in the provision

of public transport. That is not only my point of view, but also the point of view of womenfolk who are charged with the care of the home and with the need to send their children on public transport to school. The present public transport that is available appears to be a bugbear. Mothers are worried about the state of the buses in which their children have to travel.

On motion by Hon. R. C. Mattiske, debate adjourned.

BILLS (2)—FIRST READING.

- 1, Mining Act Amendment.
- 2, Workers' Compensation Act Amendment.

Received from the Assembly.

BILL—BILLS OF SALE ACT AMENDMENT.

Assembly's Further Message.

Message from the Assembly received and read notifying that it no longer disagreed to the amendments made by the Council.

BILL—NURSES REGISTRATION ACT AMENDMENT (No. 2).

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to the amendments made by the Council, subject to further amendments.

BILL—UNFAIR TRADING AND PROFIT CONTROL ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [5.57] in moving the second reading said: As members are aware, this Bill was proclaimed on the 18th January this year and as its name implies, it is aimed at the elimination of unfair trading practices. The Bill proposes to enlarge the definition of unfair trading or of unfair methods of trading competition by providing that any person engaged in trade or commerce as a buyer or a seller who discriminates directly or indirectly against competitors of the purchaser over and above any discount or rebate available at the time of the sale to the competitors in respect of the sale of goods of like quantity and quality would come under the definition of unfair trading practices.

This amendment is not aimed at any particular firm or person. It follows substantially Section 412 of the Canadian Criminal Code and its object is to specifically prohibit secret discounts, which are an objectionable form of price discrimination. I am informed that all but a few American States have found it necessary to enact a law similar to this one.

The other amendment—and there are really only two, apart from the continuation of the present Act—separates the duty of the commissioner from that of investigator. Experience has revealed that it is advisable to effect such a separation. Although the commissioner has carried out his duties with commendable discretion and judgment, the amendment would remove the cause of complaints which any interested person may have, and who may be called upon to show that he is not engaging in unfair trading practices.

Experience has revealed that the proposals submitted in the Bill would be a substantial improvement to the legislation. Since the Act came into operation last January, it has necessarily been somewhat of an experimental nature. This, of course, was only to be expected.

The commissioner, who is a man of repute and who is highly respected in the community, has performed a most meritorious service in the face of considerable difficulty. He has not strived to make anyone face a public inquiry and he is willing to settle any case out of court on just and reasonable terms. The procedure has usually been that after investigation has reached a stage where a *prima facie* case has been made out, the papers are referred to the Crown Law Department for determination as to whether action would be likely to succeed.

If during the investigation it appears there is a prospect of a settlement out of court, that prospect is thoroughly canvassed, and it is pleasing to note that in a number of cases the practice has been markedly successful. Without going into a lot of detail in connection with the commissioner's activities, since last January and without mentioning names, I propose to give the House some slight indication as to these activities.

In regard to important commodities, such as tyres, tubes and batteries, a large manufacturer with a number of wholly owned subsidiaries, was called upon to submit accounts and agreements for examination, and it was found that the manufacturer allowed these subsidiaries preferential discounts which were contrary to the interests of competitors. Experience in the United States shows that price rises follow the elimination of competition and this is against the interests of the public.

In regard to blue metal, by arrangement certain quarry owners reserved the right to withhold supplies from other persons for supplying major contracts. Action is pending as there seems to be a relaxation in that policy. Complaints were received that supplies of yeast were not available to the public. After an examination of all the factors, the distributing companies and the trade consumers agreed to permit sales to resume and consequently the matter was amicably settled.

An exhibitor reported that he was unable to obtain supplies of movie films. The action taken resulted in supplies being made available and no further steps were considered necessary. Although there was no liaison between the commissioner's office and the Honorary Royal Commission on Restrictive Trade Practices, the commissioner refrained from dealing with any matters which came within the orbit of the Royal Commission.

It may be of interest to mention that an investigation into the grocery trade has taken place. It appears that manufacturers are concerned that a large proportion of the buying is being concentrated in the hands of a comparatively few retail organisations or groups. They fear these groups will be in a position to dictate terms to the manufacturers, especially the small local manufacturers. An investigation is proceeding into the production and distribution of superphosphate in the State and the inquiry will include the price being charged to the consumers.

The Act has been in operation for only 10 months. It has been administered in a very able manner and the commissioner is carrying out his duties in accordance with the intention of the Act. The Government has been very fortunate in securing, and is certainly appreciative of the splendid work being performed by, Mr. Wallwork. Although there may be a wide difference of opinion as to the efficacy or the need for this Act, it will be agreed that Mr. Wallwork has been very impartial, very fair and very wise in the course he has followed. No section of the community can charge him with showing any partiality in the discharge of his duties.

I emphasise again that this legislation is not designed to harass anybody, and I would like to add that quite a number of small traders welcome the Act and have no wish to see it discontinued. The Bill will not in any way affect a trader—be he trading on his own account, be it a corporation or a company—who practises fair trading methods and follows the accepted ethical standards.

It is designed to protect genuine traders against unfair trading methods. It is most desirable that the functions of the commissioner should be divorced from the investigations, and this has proved to be necessary in the light of experience. It has also been found necessary to introduce the further amendments to prohibit as far as possible discriminatory rebates, discounts and allowances.

In conclusion, I would like to mention that legislation of this type is in operation in Britain, Eire, various States of the U.S.A., and in Canada, and it is thus comparatively widespread. I move—

That the Bill be now read a second time.

On motion by Hon. G. C. MacKinnon, debate adjourned.

BILL—SUPREME COURT ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [6.2] in moving the second reading said: This Bill results from the intention of the Commonwealth bankruptcy administration to move the Bankruptcy Registry from the Supreme Court Building to new premises in Adelaide Terrace, where the Official Receiver's office will also be located. The administration also intends, when the transfer takes place, to have a Commonwealth officer appointed as registrar in bankruptcy. This action is in accordance with Federal policy, and the bankruptcy district of Western Australia is the last to be brought into line in this respect.

The moves, which are overdue, are advantageous to the Crown Law Department because they will relieve the Registrar of the Supreme Court of the burden which he has carried as Federal Registrar in Bankruptcy, and will make available much needed accommodation at present occupied by the Federal registry. However, serious technical difficulties will arise concerning the transaction of bankruptcy business when the registry is removed from the Supreme Court, because of the fact that, in this State as in some others, there is no Federal court of bankruptcy, and the Federal jurisdiction in bankruptcy is exercised by the Supreme Court assisted by certain Commonwealth officers.

This means that all bankruptcy process must be issued under a Supreme Court seal. There is authority for only one such seal and that seal must be kept in the custody of, and be used only by, the Registrar of the Supreme Court. Unless another seal can be provided specially for use in the Bankruptcy Registry, there will be grave difficulties and inconvenience in issuing bankruptcy proceedings, as all documents requiring the seal will have to be brought to the Supreme Court to be sealed.

A further difficulty is that, in this State, all files and records under the Federal Bankruptcy Act are really Supreme Court records, and there is no statutory authority for allowing their removal from the Supreme Court and placing them in the custody of a Commonwealth official, even though he be the Registrar in Bankruptcy for this district. The Bankruptcy Registry would not be able to function without having ready access to all its files and records. Apparently the bankruptcy administration anticipated that it would be possible to overcome these difficulties in the same manner as in Queensland, where a similar set-up to that proposed for this State has existed for some time past.

In Queensland the Supreme Court judges have made a rule of court prescribing a special seal to be used for bankruptcy business and authorising the Registrar in Bankruptcy, who is a Commonwealth official, to have the use and custody of the seal. The same official, by another rule of court, has been given the custody of the bankruptcy records of the Supreme Court of Queensland in the exercise of its Federal jurisdiction.

When an approach for similar action was made to the Chief Justice in this State by the Inspector General in Bankruptcy on his recent visit to Perth, it was pointed out to him that, unlike the Queensland statute, the Supreme Court Act of this State made provision for only one seal and that statutory authority would be required before the administration's wishes could be acceded to. It was also pointed out that no authority existed for the judges to make rules enabling court records to be placed in the custody of a Commonwealth registrar in bankruptcy.

The Inspector General then made a formal request that steps be taken to secure the statutory authority required. The Chief Justice agreed to the request, but intimated that the amendments should extend further than the bankruptcy jurisdiction so that all other eventualities would be provided for. The amendments are of a non-contentious nature and the Chief Justice desires to assist the Federal authorities in the matter.

There is another amendment in the Bill which concerns an entirely different matter and this also has been brought to notice by the Chief Justice. It now appears that the effect of the judgment of the High Court in a certain divorce case could be more far reaching than was at first supposed, in that it raises doubts as to the power of the Full Court of the Supreme Court to hear appeals in certain matters apart from matrimonial causes, more particularly appeals from a judge sitting in court or in chambers in the ordinary civil jurisdiction.

Jurisdiction in such matters was conferred on the Full Court by the Supreme Court Acts of 1880 and 1886, and it had always been considered that that jurisdiction of the Full Court was preserved by Sections 16 (2) and 58 (1) of the Supreme Court Act of 1935. There can be no doubt that it was intended to preserve the Full Court's jurisdiction and a large number of appeals from judges, and other matters, have been heard since that date. The High Court has now suggested that Section 16 (2) did not preserve the appellate jurisdiction and that, although the subsection is not easily construed, it does not have the intended effect because the Acts, and in particular the Supreme Court Act, 1886, giving that jurisdiction, were actually repealed by the Supreme Court Act of 1935.

Although Section 58 (1) (b) of the Supreme Court Act provides that the Full Court shall hear and determine appeals from a judge sitting in court or in chambers, and other matters mentioned in that section, the High Court has thrown doubt on the efficacy of the provision in these words—

In the enactment of Section 58 (1) (b) of the Supreme Court Act, 1935, it seems reasonably clear that no more was intended than to provide for the distribution of business, as the heading of the part in which the section stands seems to show.

The heading of that part, Part IV, is "sittings and distribution of business."

Except in Section 58 (1) (b)—and the dictum of the High Court just quoted throws doubt on this construction—there is nothing in the Supreme Court Act which specifically confers on the Full Court jurisdiction to hear and determine the matters mentioned in that section. This might have been an accidental omission.

It will be seen that Section 58 has a subsection number (1), but no other subsection. It seems possible that the draftsman intended to add a paragraph numbered (2), providing specifically for that jurisdiction, but somehow overlooked it when the draft was being assembled.

There is no need to stress the desirability of resolving with the least possible delay the disturbing doubts which have now arisen.

The Bill therefore seeks to specifically confer on the Full Court retroactively from the commencement of the Supreme Court Act, 1935, jurisdiction in relation to all matters mentioned in Section 58 (1) as doubt may possibly be felt as to that jurisdiction of the Full Court. I move—

That the Bill be now read a second time.

On motion by Hon. H. K. Watson, debate adjourned.

House adjourned at 6.9 p.m.

Legislative Assembly

Friday, 22nd November, 1957.

CONTENTS.

	Page
Questions : Education, (a) disposal of night-soil, Glenorchy school	3484
(b) classrooms, South Bunbury school	3485
Bush fires, warning to school children	3485
Lands, application by C. J. Mitchell, etc.	3485
Ocean beaches, formation of control trust	3486
Gascoyne River, (a) experimental clay bar	3486
(b) Government Geologist's report on clay bar	3487
Drainage, Belmont-Kewdale area	3487
Housing, East Belmont grease traps	3487
Water ski-ing on river, control by Harbour and Light Department	3487
Bills : Town Planning and Development (Metropolitan Region), Message	3484
Town Planning and Development Act Amendment, Message	3484
Offences Concerning Children, 1r.	3487
Western Australia (Employment-Promotion Labels), 3r.	3487
Parliamentary Permanent Officers, 3r.	3488
Mining Act Amendment, 2r., remaining stages	3488
Workers' Compensation Act Amendment, 2r., remaining stages	3491
Bills of Sale Act Amendment, Council's amendments	3506
Nurses Registration Act Amendment (No. 2), Council's amendments	3507
Motor Vehicle (Third Party Insurance) Act Amendment, 2r.	3508
Adjournment, special	3510

The SPEAKER took the Chair at 2.15 p.m., and read prayers.

BILLS (2)—MESSAGES.

From the Governor received and read recommending appropriation for the purposes of the following Bills:—

- 1, Town Planning and Development (Metropolitan Region).
- 2, Town Planning and Development Act Amendment.

QUESTIONS.

EDUCATION.

(a) Disposal of Nightsoil, Glenorchy School.

Mr. W. A. MANNING asked the Minister for Education:

(1) Is he aware of the article and picture in the "Weekend Mail" of the 16th November, regarding the disposal of night-soil by the students when they attend the Glenorchy school?