

New Clause:

Hon. H. K. WATSON: I move—

That the following be inserted to stand as Clause 13:—

Section one hundred and nineteen of the principal Act is amended—

(a) by inserting after the word "case" in line 2 of Subsection (1) the following words and brackets:—

"(except where the deceased person has been acting in the capacity as a Trustee)."

Section 119 of the principal Act provides that when a person dies no dealing shall take place in his stock, shares, debentures, bank account or safe deposit, unless the executor produces from the commissioner a certificate that duty has been paid or that he consents to the dealing. The other evening the Rural Bank Act was amended to enable trustees to open accounts in savings banks and other banks. While this provision is a necessary safeguard with respect to a person's own account, there is no reason why the bank account of which he is trustee should be subject to a process of sterilisation for possibly quite a long period when his estate is being administered. The object of the amendment is to exclude cases where the deceased person has been acting in the capacity of a trustee.

The CHIEF SECRETARY: The section proposed to be amended makes it necessary for any corporation, society or company to obtain a certificate from the commissioner before permitting the removal or dealing in any assets of deceased estates held by them. No difficulties are encountered by trustees' representatives in obtaining the necessary certificate. This section has been in operation for 25 years and no complaints have been received by the department. If this amendment is carried it will create difficulty as it will be necessary for the corporation, society or company to satisfy itself that the deceased was in fact acting as a bona fide trustee.

Hon. H. K. Watson: I agree with that.

The CHIEF SECRETARY: In view of those remarks, we should not at this stage agree to the amendment.

Amendment put and negatived.

Title—agreed to.

Bill reported with amendments.

House adjourned at 1.37 a.m.

Legislative Assembly

Thursday, 6th December, 1956.

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

QUESTIONS.

EDUCATION.

Conversion of Residency, Albany, into Hostel, etc.

Hon. A. F. WATTS asked the Minister for Education:

(1) Has it been decided to convert the Residency at Albany into a hostel for high school boys?

(2) If so, what arrangements have been made to place the premises under the management of the Country Women's Association, and on what terms?

(3) If a decision has not been reached regarding such conversion, when is it likely to be made, in view of the fact that some

time will be needed before it can be prepared for use, and the demand for accommodation from the inland district exceeds that available at present?

(4) What alterations to the premises are required to fit it for a hostel and when will these be effected?

The MINISTER replied:

(1) and (2) No.

(3) A decision will not be made for some time.

(4) Not known.

COMO.

Construction of New Beach.

Mr. GRAYDEN asked the Minister for Works:

In view of the concern being manifested in the South Perth district, regarding the future of the Como beach, will he reaffirm the Government's expressed intentions in respect of constructing a new beach at Como when the Perth-Kwinana Highway between Mill Point and Canning Bridge has been completed?

The MINISTER replied:

The Perth-Kwinana Highway at Como, in the most popular area approximately between Gardner-st. and Alston-st., will be constructed on reclamation on the west side of Melville Parade, and will, for almost the whole of this length, lie entirely outside the area now grassed, planted and equipped with shelter sheds.

The plans for the reclamation now under preparation will provide not only for the new highway, but also for a strip of new foreshore west of the highway, which will suffice for the reinstatement of both the beach and a nature strip at least as wide as that existing. The new nature strip will be grassed and planted and furnished with shelter sheds as part of the highway scheme. The new highway in this area under these proposals will thus be flanked by a nature strip on both sides.

The highway will be of a controlled access type and access to the new beach and nature strip will be from Melville Parade across the highway by pedestrian subway or overway, the location and design of which are now under consideration. When the plans are further advanced, they will be discussed with the local authority before finality is reached.

PUBLIC WORKS DEPARTMENT.

Occupation of Parliament House Reserve.

Mr. JAMIESON asked the Minister for Works:

(1) In view of the tenure of occupation of Reserve A1162 by his departmental office buildings having expired on the 20th November, 1956, will he indicate how soon he could remove these departmental offices from this reserve?

(2) In the meantime, would he arrange to pay the Joint House Committee a rental as compensation for continued occupation?

The MINISTER replied:

(1) It is intended to seek the authority of Parliament to continue in occupation for a further period.

(2) Yes. A peppercorn rental will readily be paid on receipt of a claim.

TRAMWAYS.

Barrack-st. Jetty Service.

Mr. GRAYDEN asked the Minister for Transport:

(1) Is he aware that notwithstanding the complaints that residents of Mill Point, South Perth, have made to the Tramways Department and the instructions which the department has issued in an attempt to overcome the problem, trams continue to leave the Barrack-st jetty without regard for ferry passengers?

(2) In view of the fact that instances have occurred lately of ferry passengers being about to cross the road to board a tram when the tram has moved off, will he endeavour to further improve the co-ordination of the two services at this point?

The MINISTER replied:

(1) No. In general, tramway staff observe the department's instructions.

(2) Yes. Instructions will be repeated and action taken against staff offending in this manner.

STATE BRICK WORKS.

Disposal of Supplies and Retrenchments.

Hon. Sir ROSS McLARTY asked the Minister for Native Welfare:

(1) In view of the fact that private brickworks are able to sell their output and not dismiss employees because of lack of orders, why is it that the State Brick Works at Byford are stacking bricks, and intend to dismiss 35 to 40 men on the 21st December next?

(2) Has there not recently been increased activity in the building industry?

(3) If such is the case, could not the services of these men be continued when work resumes in the new year?

The PREMIER (for the Minister for Native Welfare) replied:

(1) In view of the fact that clay brick production fell from 107 million bricks in 1954-55 to 95 million bricks in 1955-56, during which period State Brick Works maintained their production, it cannot be accepted as a fact that private manufacturers are working to capacity and have been able to avoid dismissal of employees either in the period to the 30th June, 1956, or subsequently. State Brick Works are subject to the same forces of supply and demand in relation to price and quality as

other manufacturers and have been unable to maintain sales to full production capacity over the past nine months.

(2) There is a more buoyant tone in the building industry.

(3) State Brick Works have 2,980,000 bricks in hand and if level of sales increased to that applying in the 18 months to December, 1955, which is considered most unlikely, on reduced scale of production it would still take nearly six months to reduce stocks to a proper working figure. Production costs rise with double handling in stock piling but services of men would not be dispensed with if there were any reasonable prospect of production being absorbed in the near future.

WANDANA FLATS.

Accommodation and Vacancies.

Mr. ROSS HUTCHINSON asked the Minister for Housing:

(1) What vacancies exist for accommodation at the present time at Wandana Flats?

(2) Have any of the flats been vacant for any length of time?

(3) If flats have been vacant for some time, would he state the reasons for this?

(4) On what basis are these flats allocated?

(5) Is any preference given to any section of the community in the allocation?

The MINISTER replied:

(1) Nil.

(2) No.

(3) Answered by No. (2).

(4) On basis of date of application but subject to suitability for flat accommodation.

(5) No.

SWAN RIVER.

Contamination by Factory Wastes.

Hon. J. B. SLEEMAN asked the Minister for Lands:

(1) Is he aware that the Mt. Lyell Superphosphate Works at North Fremantle have applied for a lease on the river bank on which to deposit their pyrites residue which still has a quantity of acid left in it?

(2) Is he also aware that if this is granted the Swan River will be more contaminated than it is at present?

(3) If so, will he see that no lease is granted for this purpose anywhere near the river bank?

(4) If not, why not?

The MINISTER replied:

(1) Cumyng Smith and Mount Lyell Farmers Fertilisers Ltd. have applied for and are negotiating for a lease of North Fremantle Lots 324 and 325 adjacent to

the Swan River for the manufacture of acids, superphosphate and other agricultural fertilisers and for no other purpose without the consent of the Minister for Lands.

(2) Departmental inspectors are watching the position and have reported that pyrites residue is being deposited on the south-east corner of Lot 325 in order to consolidate and build a retaining wall of the residue along the river frontage and to create an elevated ground level for future building operations.

The construction of a well packed retaining wall of pyrites residue along the river frontage will ensure that the river is not polluted.

(3) No lease will be granted for the purpose of depositing pyrites residue.

(4) Answered by Nos. (1), (2), and (3).

FEDERAL TRADE MISSION.

W.A. and Investigations in India, etc.

Mr. JOHNSON asked the Minister for Industrial Development:

With reference to the Federal trade mission to India and Ceylon—

(1) What steps have been taken to ensure that Western Australian interests are adequately represented on this mission?

(2) Is it intended to ask for departmental representation?

(3) Is it intended to ask for State parliamentary representation?

(4) Are steps being taken to similarly explore the trade possibilities in Indonesia and Malaya?

The MINISTER replied:

(1), (2) and (3) The fact that a mission would proceed to India and Ceylon in March, 1957, was only announced in yesterday's Press, so there has been little time to consider desirable State representation.

(4) A trade mission to Indonesia and Malaya was held in recent years. No further mission is planned at present.

PERTH ART GALLERY.

Resignation of Director.

Mr. COURT (without notice) asked the Premier:

(1) Would he advise the House of the circumstances surrounding the resignation of the Director of the Perth Art Gallery, Mr. L. Thomas?

(2) Is the Government satisfied with the position?

(3) If not, what action is being taken?

The PREMIER replied:

(1) There is a board of trustees in charge of staff and activities at the Perth Art Gallery. Up to the present time no

representation or information has been made available to the Government in connection with this matter.

(2) and (3) Inquiries are being made.

BILL—VERMIN ACT AMENDMENT
(No. 1).

Read a third time and transmitted to the Council.

BILL—LAND ACT AMENDMENT
(No. 1).

Council's Amendments.

Schedule of three amendments made by the Council now considered.

In Committee.

Mr. Moir in the Chair; the Minister for Lands in charge of the Bill.

No. 1.

Clause 4, page 4, line 2—Insert after the word "to" the following, "respectively in subsection (3) and."

No. 2.

Clause 4, page 4, line 5—Insert after the word "out" the following, "respectively in subsection (3) and."

No. 3.

Clause 4, page 4, line 6—Delete the word "have" and substitute the word "has."

The MINISTER FOR LANDS: It will be remembered that when this Bill was introduced to deal with pastoral leases, a query was raised by the member for Stirling as to whether the Bill actually did, in fact, do what it intended to do. It referred to the powers of the Minister which were asked for in special cases in regard to the transfers of land, and the hon. member pointed out that, in his view, the wording of the proposal in the Bill did not, in fact, actually do what was intended.

As a result, the Crown Law Department drew up an amendment which was accepted by this Chamber, and it reads as follows:—

The special cases which may be approved of by the Minister and which are referred to in Subsection (4) of this section may be so approved notwithstanding that none of the conditions for a transfer or subletting set out in Subsection (4) of this section have occurred, been complied with or performed.

It was later found out that if the objection of the hon. member was valid in this respect, then it might also be interpreted in exactly the same way in regard to all agricultural lands of the State; not necessarily the pastoral areas.

Under the Land Act, the Minister has power to grant transfers in respect of agricultural land in certain cases. We asked

for transfer powers affecting pastoral leases, and they were agreed to on the lines I have just read out, but that precluded the Minister having any power in respect of agricultural land, and he will not have this power unless we insert in the Bill this provision. So, the Council has rightly sought to include in the measure not only Subsection (4) of the particular section to which we agreed, but also Subsection (3). This will give the power to the Minister and will remove for all time any doubt in respect of the point raised by the Leader of the Country Party. Therefore I have no objection to the proposals of the Legislative Council. I move—

That the amendments be agreed to.

Hon. A. F. WATTS: As I was the member who originally raised this difficulty, perhaps I had better say that after examining the amendments and having heard the Minister, I agree with him.

Question put and passed; the Council's amendments agreed to.

Resolution reported, the report adopted, and a message accordingly returned to the Council.

BILL—CRIMINAL CODE AMENDMENT
(No. 2).

Council's Amendment.

Amendment made by the Council now considered.

In Committee.

Mr. Moir in the Chair; Mr. Oldfield in charge of the Bill.

The CHAIRMAN: The Council's amendment is as follows:—

Clause 2—Page 2—Delete the words in lines 9, 10 and 11 "or in connection with which the convicted person has used a motor-vehicle."

Page 2—Delete the words in lines 9, 10 and 11 "or in connection with which the convicted person has used a motor-vehicle."

Mr. OLDFIELD: During the second reading debate, the Leader of the Country Party raised a question in regard to some words in the measure, but he did not see fit to have them deleted because it was decided that higher opinion should be sought. Subsequently this opinion was obtained, and arrangements were made to have the offending words removed; and this was done in another place. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

Resolution reported, the report adopted and a message accordingly returned to the Council.

BILL—LICENSING ACT AMENDMENT (No. 4).

Council's Amendment.

Amendment made by the Council now considered.

In Committee.

Mr. Moir in the Chair; Mr. Norton in charge of the Bill.

The CHAIRMAN: The Council's amendment is as follows:—

Clause 6—Page 3, lines 20 and 21—Delete the words "or which is operating in an isolated area" and substitute the following, "or any company which for the purpose of its business is operating in an isolated area."

Mr. NORTON: The amendment simply affects the canteens schedule; it brings it into line with the previous amendment in the Bill. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

Resolution reported, the report adopted and a message accordingly returned to the Council.

BILL—CHILD WELFARE ACT AMENDMENT (No. 1).

Council's Amendment.

Amendment made by the Council now considered.

In Committee.

Mr. Moir in the Chair; Hon. A. F. Watts in charge of the Bill.

The CHAIRMAN: The Council's amendment is as follows:—

Clause 2—Page 3, lines 10 to 11—Delete the words "or purporting to have the control of the child" and substitute the following:—"control of the child for such period other than one which the court considers to be limited or temporary."

Hon. A. F. WATTS: When we dealt with the Bill there was some discussion over the wisdom or otherwise of including the words "or purporting to have the control of the child." The matter has been considered in the Legislative Council, and it is proposed by the amendment to strike out these words and substitute "control of the child for such period other than one which the court considers to be limited or temporary." If the court is of the opinion that the person in question has only a limited or temporary control of the child, that person will not be affected by the provisions of the measure. On behalf of the member for Moore, I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

Resolution reported, the report adopted and a message accordingly returned to the Council.

MOTION—RAILWAYS.

Discontinuance of Certain Lines.

Debate resumed from the 30th November on the following motion by the Minister for Transport:—

That in the opinion of this House having regard particularly to the considerations referred to in Appendix "A" to this motion, the services provided by the railways listed in Appendix "B" to this motion should, notwithstanding certain other considerations, be discontinued and that such railways should cease to be operated

Appendix "A."

(a) The annual cash deficits of the State railways.

(2) The condition of State railways generally and particularly of the railways listed in Appendix "B".

(3) The need for improvements in the economical operation of the State railways, and for the concentration of railway resources to permit of all-round improvements in the cost of operating the railways.

(4) The facts that the railways listed in Appendix "B" are unprofitable and that their rehabilitation and operation would involve heavy expenditure when compared with existing and anticipated future traffic of those railways.

(5) The rising costs of operating railways.

(6) The need to avoid, to every possible extent, any necessity to increase rail freights on the remaining railways, and to provide for the adequate rehabilitation and operation of the remaining railways.

(7) The recovery of materials for use on other railways.

(8) The availability and use of other means of transport.

(9) The most satisfactory and economical employment of staff.

Appendix "B."

Railways	Length of Railway Miles
Meekatharra to Wiluna	11
Cue to Big Bell	1
Malcolm to Laverton	6
Geraldton to Ajana	6
Wokarina to Yuna	3
Burakin to Bonnie Rock	7
Mukinbudin to Lake Brown	5
Lake Brown to Bullfinch	2
Bullfinch to Southern Cross	2
Boddington to Narrogin	5
Busselton to Margaret River	3
Margaret River to Flinders Bay	2
Elleker to Nornalup	6

Brookton to Corrigin	....	56
Lake Grace to Hyden	58
Katanning to Pingrup	59
Gnowangerup to Ongerup	35
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HON. A. F. WATTS (Stirling) [2.40]: The Minister, in addressing himself to this subject a few days ago, suggested, in effect, that members should dispense with any parish pump politics and consider this matter on a State-wide basis. The latter part of that, I think, is what the Government has not been doing and it is something which I will endeavour, in part of the remarks which I wish to make, to do.

As a matter of fact I can, I think, say that I have six objections to this motion. The first is that at no stage has the Government referred to any intention or action to reduce the losses on metropolitan transport, and particularly the suburban coaching, which I will refer to later. In that regard, therefore, it has, in my opinion, suggested, up to date, that the country districts should accept the full brunt of this attempt at economy.

It will also be clear, if one looks at the relevant figures which have been disclosed to this House from time to time in recent weeks, that the losses on the lines that are proposed to be closed are considerably less than the losses on metropolitan transport or, indeed, the metropolitan-suburban railway system, and I will deal more extensively with that aspect later on.

Next there is a distinct lack of definite alternative proposals in respect of road transport to the areas affected, and without that I think it is not proper to ask the communities concerned, or at least a substantial proportion of those concerned, to give this motion favourable consideration.

It is all very well to say that perhaps, or in due course, or at some indeterminate future time—all of which words have been extracted from answers given to questions in this House in recent days—the Government, or the Transport Board will come to some determination as to whether or not a given type of transport in a given area should be instituted, or as to whether or not a better type of road structure would be required, but that leaves those who have to consider whether they should agree or not to a resolution of this nature in a position in which they are virtually buying a pig in a poke, because they are being asked to agree to the closure of one form of transport in circumstances that they at least understand, in some sort of hope of obtaining another, which may or may not improve their conditions, which may or may not give them satisfaction and which may, in the ultimate, make

their conditions more chaotic than they are at present so far as some aspects of road transport are concerned.

However, I can say more about that later, also. I wish now to refer to what appears to be a total absence of prior consultation with the local authorities concerned. I am unable to ascertain that any intimation was given to any local authority of any intention to deal, as this motion proposes to deal, with any railway in its territory.

I recollect during a by-election for the Murchison district some years ago that there was then the suggestion that some action should be taken on portion of a railway in that territory, and I examined the circular which was issued on behalf of the Labour candidate at that time, in which it was clearly stated that no railway would be discontinued without the assent of Parliament and prior consultation with the local authority.

No doubt that was a very reasonable proposition and it should be equally reasonable in the cases that we now have before us, but that consultation which I have referred to has not taken place. It is particularly extraordinary, I would suggest, in regard to areas in which the zone development committees have been sponsored and appointed and maintained by the several Governments of the last decade.

I refer, for instance, to the Albany Zone Development Committee which, as everyone knows, has done a tremendous amount of work in recommending development in what is known as the Albany zone, in which at least two, if not three, of the proposed discontinuance lines are situated and from inquiries I have made, at any rate prior to the introduction of this motion in another place, there was not the slightest consultation of an official character with the Albany Zone Development Committee.

That committee has been responsible, to some degree at least, for planning and proposing the development of not less than half a million acres of land in the Albany zone. Up to the present time its planning and proposals have resulted, I should say, in one of the greatest if not the greatest actual land development that has taken place in Western Australia; and it could be safely assumed that that committee would know more about the potentialities, possibilities and needs of the area within the zone in which it has operated than any other body in the State. Had that zone committee been approached officially on this matter and, after careful consideration of the proposition, it had come to the conclusion that particular lines in its area ought to be treated in this manner, there is no question about it that the Government's case would have been considerably stronger than it is at present.

I repeat, there has been no portion of Western Australia during the last 20 years anyway, and I doubt very much if any portion before that in one plan, that has so substantially developed as has the area situated within the so-called Albany zone. Not only has there been very great development as a result of Government activities—the State Government in conjunction with the Commonwealth—but there has also been tremendous activity by private enterprise on the land, considerable new areas having been taken up and developed. Many of those areas have by no means yet reached anything like full production. In fact, some of the areas to which I shall refer later have no settlers upon them because development of the properties which they will subsequently occupy is still taking place.

Turning back to the medium of road transport, as I propose to come to these developmental questions subsequently, I would say that in some instances there is little doubt in my mind that if the full facts are examined, it will be found that road transport will be inadequate without very heavy expenditure on road construction, which is apparently not proposed.

The last of these six major points to which I shall refer, having already made reference to the absence of any proposals for the saving or reducing of losses on the metropolitan system, is, I would say, nothing has been suggested so far to ensure greater efficiency in the management and working of the Government railways as a whole. I think that is something which is extremely necessary and desirable and was, as I shall mention later on, carefully referred to by the Premier during the election campaign. However, I will endeavour to elaborate on these points seriatim.

Dealing with the principal one, in answer to a question asked on the 13th November last, the Minister stated that for one year the net loss on the metropolitan transport systems was £1,544,393. In answer to another question on the same day, the Minister stated that the loss on the railways proposed to be closed, for 1954-55, was approximately £543,435; that is over £1,000,000 less than the loss on the metropolitan system for the same year. But we will go a little further and referring again to the question of metropolitan transport, it is easy to see that the loss on the suburban railways, accounts for a substantial part of the total losses referred to. Further, in answer to a question asked on the 6th November by the member for Mt. Marshall, the Minister said that the net loss on suburban coaching for the year 1954 was £1,043,768 and for the year 1955 it was £1,096,574.

In answer to an interjection by the member for Nedlands during the speech the Minister made last Thursday, which

interjection had regard to losses on metropolitan transport, the Minister merely remarked that it was a matter of increasing fares and that that did not have to come to Parliament. As the total revenue from coaching in 1956 was £372,421, and the loss over and above it was £1,096,574, it will be easily seen that nothing less than trebling or almost quadrupling the fares could make up the loss. That, of course, is utterly impracticable. If the Government were to double fares there would still be a loss of approximately £700,000 or a loss greater than the combined losses of all the railways proposed to be closed.

When one remembers that revenue credited to these railways is only that fraction directly attributable to the mileage covered on each line, taking no account of the overall result of the freight available to the railways, it seems to me obviously unjust to close these lines while such heavy losses continue to be made on the suburban railways and apparently no action is being taken substantially to minimise it.

I have perused with considerable interest the reports which have been supplied to members by the inter-departmental committee. There is one curious thing about the reports and that is that it is hard to refer to them in any order; two of them have no dates at all and the other simply has 1955 on it. I presume that that was the first of the three reports and so I shall refer to it as the 1955 report of the inter-departmental committee and on page 4 of that document it states—

In submitting a report the committee does not purport to have covered in its investigation the whole field envisaged in the general terms of reference. There must be some appreciation of the magnitude of the task coupled with recognition of the fact that each member of the committee has had limited time only available for his committee activities.

On the same page it goes on with these words—

Whilst some aspects of the terms of reference have been dealt with in detail, the committee feels that investigation on a full time basis either by a competent transport authority or a body of three persons extending over a period of 12 months would have been necessary to arrive at detailed conclusions and recommendations.

Whether as a result of that proposition or not, I cannot say, but the inter-departmental committee, which consisted, according to the names appended to the bottom of it, of nine or ten persons, was followed by smaller reports of three persons, namely, the Commissioner of Railways, Mr. Hall, the chairman of the Transport Board, Mr. Howard, and the Commissioner of Main Roads, Mr. Leach.

With the exception of Mr. Hall, who might be expected to have a considerable knowledge of the condition of some of these railways, the other two gentlemen were no better off—still having much other work to do—than the original members of the committee were, as referred to in that first report. So far as I can ascertain, neither of the two members, other than the Commissioner of Railways, made any visit to the areas concerned or any of them, for the purpose of determining—even supposing they were sufficiently expert to be able to do so—the various matters which could be regarded as being essential for determination in a matter of this kind.

I must confess that I am not at all satisfied that a proper investigation has been made into all aspects of this matter, because I do not think that if the second committee, which was supposed to have been doing that job—this is by no means clear from any of the reports, of course—had the time—in all cases, I think—or the knowledge to deal with the matter that it ought to have had, nor did it have the advantage, which I am satisfied it should have had, of taking evidence in the districts concerned or of consulting local authorities, which I have already mentioned.

So it is my opinion that the Government is not entitled to proceed with this motion without a proper inquiry. I would point out that the State of New South Wales, for example, has its railway difficulties as great in proportion to those in Western Australia. However, it has not got altogether the very considerable territory that Western Australia has and it has, fortunately for it, a much greater population, particularly a much greater population per square mile. But in that State they have not been content to make any propositions of this nature without a very substantial inquiry into the administration or the efficiency of the railway system there.

That inquiry, at the present time, is being conducted by an overseas concern which I understand rejoices in the unusual name of EBASCO. Its full title I do not know. U.N.O. means United Nations Organisation, so I presume that EBASCO means a lot of words. However, that is its name and it is making a very exhaustive inquiry into the railway system of New South Wales and I consider that that organisation is not the only one that could be used—because I am not sufficiently aware of all its qualifications—should there be an inquiry of some such character made in Western Australia, bearing in mind that that inquiry should be conducted by somebody who can be regarded as an authority competent to deal with all these problems on a disinterested basis.

However, I will go on to page 7 of the report for the moment and point out something else that may be of interest

to the House. The fixed costs of the railways, says the committee, are roughly 70 per cent. of the total cost and the variable costs, proportionate to the traffic handled, about 30 per cent. The closure of a few branch lines will have a direct result in reducing variable costs, but little effect on the fixed costs. So it is clear from that that 70 per cent. of the total cost will be little affected by the closures that are proposed.

I will now deal for a moment with that aspect in regard to the lack of definite proposals for alternative road transport. On page 7 of the report the committee says—

The developmental requirements of the State in other directions impose heavy commitments which do not permit of the extensive road improvement programme that would be required with heavy transport operating extensively throughout the State.

There is no question whatever about it that, in certain districts affected by these proposals and the problems of heavy transport to be carried it would obviously result in very heavy wear and tear on roads including the light bitumen roads to which we have been accustomed.

So in those districts ordinary road users would rapidly lose all the benefits of good roads suitable for ordinary traffic which have been steadily built up during recent years. In the last three weeks or so, there have been innumerable questions asked in this House on the matter of alternative road transport, but it is as clear as the sun in the sky was this morning that no definite proposals or plans have yet been made or laid. For example, I have here an answer to a question which I asked the Minister for Works on the 6th November when he observed that under the stage construction principle of improving roads, finality in development is indeterminate.

That may be all very well for a state of affairs where the existing usage of roads continues, where the heavy traffic, which is now carried by rail is, in 95 per cent. of cases, not carried on the roads at all and where these roads of light structure are capable of carrying that traffic and, if maintained, will continue to carry it for a number of years. But I suggest that if in transferring some of these areas a very considerable quantity and, in some instances, an increasing quantity of heavy traffic is going to be carried, it will be found that those roads will be reduced to a state which would render them almost untrafficable for ordinary light traffic and at the very least put those districts in a position where their roads would be definitely inferior to the roads which exist elsewhere, which I suggest is not proper legislation as far as those districts are concerned.

It seems to me that up to date the Transport Board has not succeeded in giving complete, or even considerable, consideration to these transport alternatives and I have already said that in the absence of some very definite proposal in that direction, which can be established in my mind as a proposal which is going to solve this situation in a reasonably satisfactory manner, I am quite unable to subscribe to a resolution of this character.

In the report of the committee it is pointed out that the carriage of 20,000 tons per year by road means only seven 10-ton loads per day; so the carriage of 30,000 tons would mean 11 such loads and 40,000 tons per year would mean 14 or 15 such loads per day. I suggest it is impossible to rightly assume that the carriage of tonnages of that nature would be spread evenly over the whole period of 12 months. Where the carriage is for wheat and other types of grain, I suggest it is impossible to indicate over what period it might have to be carried.

But let us assume that it could be done fairly evenly over a period of six months notwithstanding the vagaries of shipping. If that were so and there were 30,000 tons to handle, it would mean 30 10-ton loads per day at least. I would suggest that in the case of gravel roads and lightly built bitumen roads, some of which are not very wide in character for traffic of that nature, it would ordinarily mean that every day traffic would find itself with extremely bad road conditions, and I do not think there is any argument about that.

It seems to me it is essential, if this motion is to be further considered, that there should be definite plans and undertakings to have essentially heavier types of sealed roads in some places and better types of roads in others. Some of those roads would involve an expenditure of up to £10,000 a mile. But on the face of it, there is no intention to undertake that type of work. As I said, the people concerned in this matter are virtually being asked to buy a pig in a poke, and I do not think any member is anxious to do that.

I have had a look at Section 11 of the State Transport Co-ordination Act, Sub-section (2) of which says—

If in the opinion of the board the services of any railway are inadequate and the requirements of the district are, or can be, better served by road transport, the board may recommend the closure or partial suspension of services of the railway or tramway. Any such recommendation shall be put before Parliament for its sanction or otherwise, provided that the Minister shall direct the board to call tenders for road transport to serve the district and the result of such tenders shall be ascertained before the Bill for the closure is put before Parliament.

In calling tenders the board shall frame all such conditions as will ensure that adequate provision is made for all transport requirements.

Clearly therefore the Act intended that definite proposals for alternative transport should be available before Parliament is consulted. I suggest it could be argued—if the opposition to my view wish so to argue—that this is not a Bill, and therefore the provisions of the Act do not apply.

But I give the Government credit for the fact that it has submitted this matter to Parliament and that, for all practical purposes so far as we are concerned, this motion, if carried by both Houses, has the same effect as if it were a Bill before Parliament. So I think the spirit, if not the letter, of legislation demands that before a Bill, or motion in this case, is put before Parliament for its consideration in accordance with Section 11 of the State Transport Co-ordination Act the board should have called tenders for road transport to serve the respective districts and the result of such tenders should have been ascertained before the motion reached us.

Then at least we could have dealt with this matter in the light of a definite answer to one section of our inquiries, instead of having no definite answer to a great number of our questions. I said earlier that there was no sign of any steps having been taken to ensure more efficient administration and running of the railway system; and I said that I would make some reference to the remarks of the Premier during the last election campaign. On the 3rd April last the Premier was asked the following question by "The West Australian":—

What additional loan money would be needed to complete the full rehabilitation of the system? Are you willing to find the money? If not, what policy changes do you contemplate?

In answer to these questions the Premier quoted £60,000,000. In answer to the question whether he was willing to find the money the Premier said "Yes, over a period of years." With regard to the matter of policy changes, he answered "More efficiency."

At that time it is apparent that Cabinet was aware of the report of the departmental committee dated 1955 which is the one to which I first referred. It is clear, however, that no information has been placed before us as to what action has been taken in regard to the words uttered by the Premier on the 3rd April, namely, "More efficiency." So I think we are entitled to press for some inquiry of a competent and considerable nature into that aspect of railway administration and affairs before we are asked to give an affirmative vote on a question such as this.

However, there are other aspects which also concern me. If this motion is agreed, it is quite obvious to me that it is only a beginning, or, alternatively, the rest of the report of the committee is to be ignored. The first report of the committee was to close 1,500 miles of line and later it recommended the closure of 2,000 miles. The first recommended 630 miles and the second 360 miles, making a total of roughly 1,000 miles. This was reduced to 842 miles by leaving out portions of certain lines, for example, that portion of the Tambellup-Ongerup line which lies between Gnowangerup and Tambellup.

During his speech, the Minister declared that, as a result of the closure of 842 miles, approximately 40 per cent. of the total length recommended for closure by the committee in stages, no men would be put off as they would all be absorbed in the rest of the service. If the remainder of the report of the committee is to be ignored and in view of what has been proposed by this motion, I can hardly believe that to be the intention—then surely this state of affairs of full employment cannot continue.

In fact, the committee's report makes it perfectly clear that it cannot continue because, in dealing with the second and third stages of the closure, it remarks that not less than 500 men in the track gangs could be dispensed with, and I would say obviously there would be a considerable reduction in employment in other parts of the service. But the committee refers to 400 men in the track gangs as a result of this further stage of its recommendations. I do not think this particular aspect of its report has been made clear to anyone outside Parliament.

If one looks at the balance of the railway lines that the committee proposes to close under the several stages, then one realises at the position will virtually be this: only the four main lines and a couple of connecting links, as it were, are to remain open for traffic at all. With 2,000 miles of railway line closed out of 4,119 miles, even assuming that it would not result in the dismissal of anything near 50 per cent. of the men employed in the railways the proportion of as 2,000 is to 4,119, would suggest it could not result in less than 25 per cent., which, in the face of railway employment, would be in the vicinity of 3,500 persons.

I refuse to believe that the Government proposes to deal with the 842 miles and stop there. If that were so, it would be a shameful proposition. It would certainly be unfair, especially in regard to one or two of those lines if they were sacrificed to others, equally strongly recommended by the committee for closure, were not be attended to and were left running. It is very necessary to give consideration to that aspect. The State could easily relieve itself to some extent and in only

one direction of one burden, to find itself concerned with another, which probably would be of a more serious nature, both financially and otherwise.

There is another aspect which concerns me and that is the lack of consultation—clearly evidenced by the committee's report prior to the making of it—with Co-operative Bulk Handling Ltd. The difficulties which it would experience in certain districts if these proposals take effect, and more particularly if other proposals take effect, have been very lightly skimmed over by the committee and the Government. They suggest quite nimbly that when a decision has been made to close those lines, they will talk the matter over with Co-operative Bulk Handling Ltd. to see how it will get on, or words to that effect.

I suppose that organisation acts as agent, or at least handler for the wheat industry in Western Australia. It is the biggest customer of the railways and is likely to be for a long time to come. Yet it is to be consulted only after a decision has been made! I have expressed the opinion in this House more than once that the Railway Department does not learn that the best way to do profitable business is to realise that the customer is generally right; in other words, it should serve the customer as he wants to be served, and not as the railways think he ought to be served, if there is a desire to do good business with him. It seems to me that this aspect of the matter is another example of the same sort, because at the present time at least, there is no evidence that such consultations prior to the introduction of this motion took place with Co-operative Bulk Handling Ltd.

I want shortly to deal more specifically with the railway between Ongerup and Gnowangerup which is one of those included in the appendix. There are at present 235 settlers using the sidings east of Gnowangerup. This number includes 21 settlers at Jerramongup and Corackerup, but it is intended to place 146 settlers on those areas. As proof of those figures, I asked the Minister for Lands a question some time ago.

The Minister for Works: Are they the people who are using the facilities, or could use them?

Hon. A. F. WATTS: At the present time 21 are using them. A considerable proportion of them will undoubtedly continue to use them whatever happens. Some, situated to the extreme south side, might be inclined to go elsewhere, but they are not there as yet. Certainly, a substantial proportion would use the line in the Corackerup area because it is comparatively close to Ongerup itself. On those figures there would be an increase of 125 settlers.

In addition, adjacent to Gnowangerup and Borden, very large areas in recent years have been taken up and are now in process of development by persons who are

not under any Government scheme. I pointed out a few weeks ago that those persons were considerably delayed in their activities by the wholesale reservations against selection, against which I protested two or three years ago, that were made in those areas by the War Service Land Settlement Board. In consequence, there was at least a year's delay in quite a number of cases before the persons could obtain the land they desired. The result of their activities and production, therefore, will not be apparent for quite a period. So it is quite clear to me that even if we discount the extra figures, as I am prepared to do for the purpose of making a conservative guess, by 50 per cent., then there will still be a substantial increase both of the inward and outward traffic at those sidings.

I have a puzzle that I want to present to you, Sir, arising out of these questions to the Minister. In answer to a question on the 20th November concerning the loss on the Gnowangerup-Ongerup line, the Minister said:

The statistics compiled by the Railway Department cover the section east of Tambellup to Ongerup. Separate details are not recorded for the subsection Gnowangerup-Ongerup.

I would remind you, Sir, that the Gnowangerup-Ongerup section is the one contained in the appendix to the motion before you. But notwithstanding this inability to answer my question, because separate details are not recorded, Appendix 6 of the undated report signed by Messrs. Hall, Howard and Leach, gives figures in respect of the Gnowangerup-Ongerup section.

In putting this puzzle to you, Sir, I have, only two alternatives. Either the accuracy of the figures given in the report is open to serious question, because they must have been developed by guesswork, if no separate records are taken, as the Minister stated; or the Minister was grossly deceived by his department in giving me that answer to my question. There cannot be any other way out of it. If the committee is able to report, as it has, and provide the figures in respect of the Gnowangerup-Ongerup section, then either the Railway Department had those figures and did not advise the Minister when he answered my question; or, alternatively, the figures in the report were arrived at by some system of guesswork.

It is difficult for me to imagine that the department did not inform the Minister to enable a question to be answered. Therefore I have assumed—and still assume—that no separate records have been kept. In those circumstances, I repeat that the figures given in the report in regard to the Gnowangerup-Ongerup section are open to serious question. But for what it is worth, the members of the

committee say that the operating expenses, excluding interest and depreciation, total £36,149. They go on to say that the operating expenditure saved by closure would be £24,019, which is £12,130 less than the stated operating expenses. So apparently £12,000 will continue to be expended if the line is closed. Anyway, the estimate made by the committee arrives at a figure of a net saving of £8,357.

In a district expanding as I have endeavoured to indicate, a loss of £8,357 on that item seems a very small sum compared with a loss of £1,960,000 on metropolitan coaches. However, let me come to the alleged amount necessary for essential reconditioning. That is given by the committee as £454,020. The length of the section is 35 miles, so that works out at £12,972 per mile, or just on £13,000. That seems to be another extraordinary state of affairs.

On the 7th November I asked the Minister what would be the estimated cost of constructing a railway similar to the Gnowangerup-Ongerup railway, and he said it would be £10,800 per mile. He went on to say that this class of railway would not permit maximum speed of axle load, and a higher standard was considered necessary. Anyway, the figure to build on present-day costs a line similar to that originally put there would be £10,800 per mile. So the essential reconditioning is estimated to cost £2,172 per mile more than a new railway of the type now operating would cost.

For what purpose are these maximum speeds desired? Dealing with heavy traffic such as wheat and super, it does no matter if high speeds cannot be attained and I suggest nobody would have very much objection—in all the circumstances as they now exist, and in view of the furore that has been raised by this motion in certain quarters—if it were suggested that the passenger services on this line were severely curtailed or discontinued because a road bus would adequately meet passenger demands.

I should have asked—but I failed to do so—a question as to whether the department could tell us what the loss on the passenger service was out of the total loss claimed. It is true that the passenger service is less than it was, but it still exists. In all the circumstances of the case, I think that if there were need for a high speed in regard to passenger traffic, the high speed should be done away with. There would be no need at this stage for higher speeds in regard to the transport of heavy goods, unless the quantity of stuff to be carried became so great that it was necessary to have one train following almost immediately behind another—and I do not think that is likely to happen just yet.

As to derailments, I do not know of any on this line. I have followed its existence and happenings fairly closely over the last 10 to 15 years, and I should like an independent expert to take evidence and examine it and advise as to what extent these estimates of essential reconditioning have or have not been exaggerated; because when I see that a proposition for essential reconditioning is going to cost the whole of what a new and modern railway would cost at present high prices, I am inclined to—without pitting my opinion against that of the people who have made this report—to say that it would be fair and reasonable in all the circumstances to have an independent expert take a look at it. That is what I think should be done with regard to this line.

I asked some questions about tonnages carried, and I was obliged to query—and still do so—the departmental figures. I would like to explain that in giving these figures the Minister stated that grain includes barley and oats but not wheat, and that wheat is included in “other traffic.” When I asked the question, I was not aware of that. I imagined that wheat was still grain, irrespective of the Railway Department; but I have since discovered that oats and barley are “grain” but wheat is “other traffic.”

So I have had to regulate my calculations accordingly, and have done my best. Other traffic from Ongerup and all other sidings east of Gnowangerup, according to the Minister's figures, totalled 28,926 tons for the three years ended the 30th June, 1956. Some of this, of course, would not be wheat, I presume, because I take it “other traffic” would cover traffic other than wheat, except grain, which is oats and barley. However, on that basis, I will take it as being all wheat, as I have no other details, and that makes the position a little more favourable to the department's answer.

Co-operative Bulk Handling Ltd.'s receipts at the same sidings for the same period total 1,500,532 bushels. That was notwithstanding the fact that receipts for 1954-55, owing to very dry conditions, were at least 250,000 bushels less than normal. Now 1,500,532 bushels is 40,555 tons for wheat alone, because all of the wheat was carried by rail, and that is nearly 12,000 tons more than the Minister's figures for “other traffic.”

Further to demonstrate the accuracy or otherwise of the departmental information, the Minister admitted a typographical error of 2,000 tons, and a further 600 tons due to another correction in “other traffic,” but now I must add to the figure of 40,555 tons of wheat the figure supplied by the Minister for wool, grain, super and other traffic to Ongerup and the sidings concerned, which in this case does not include any wheat and the other figures from those

sidings. The total traffic, I suggest, for those three years was not less than 87,734 tons.

Also, as I have said, the out-turn of grain for 1954-55 was much below normal, on account of drought conditions. However, we will take the figure of 87,000 tons and it works out at 29,000 tons per annum and this must substantially increase owing to new development taking place in the area. I have already said there are 235 settlers using the sidings and if we only increase that number by half the estimated new arrivals, we find that they would lift the total, on the same basis per head, to roughly 40,000 tons per annum for wheat alone.

This factor of expanding development seems to have found no reference in the calculations of the committee or the department. There is no mention of it in their report. They have made some reference to it in regard to a railway from Meekatharra to Wiluna, where they referred to the increased carriage of, I think, manganese and other minerals from shows in that area. But they have not paid the slightest attention to the fact that in and around this country, as I have indicated, there has been in recent years substantial development, which is still continuing. Now 40,000 tons per year works out at approximately 15 10-ton loads per day throughout the year, and I come back to where I was in regard to the road system.

I have already indicated that this daily average cannot be maintained for most of the year, and therefore it would be much higher per day in considerable parts of the year, and I again ask what is to become of the light gravel road and the strip bitumen road, in the few places where they exist, under this traffic, as in a letter which I got from an organisation at Ongerup, which has given consideration to the subject, they said the position would be too dreadful to contemplate, and I agree with that.

Now I would like to turn to the question of subsidies on these lines. The committee calculates the subsidy for the first year at £20,311, and that will be found in Appendix 7, but it does not show any tonnage on which it is calculated, and that is one of the aspects which are absent from the committee's report. It does not disclose, in many cases, the factors or facts upon which it bases its conclusions.

Sitting suspended from 3.45 to 4.6 p.m.

Hon. A. F. WATTS: Before the suspension I was showing that the calculations of the committee of the subsidy for the Ongerup-Gnowangerup section was £20,311 in the first year. That will be found in Appendix 7 of the report. But it did not

show any tonnage on which that was calculated. On the figures given by the Minister it is clearly reckoned on a less tonnage than can be expected. It seems quite safe, therefore, to increase it to £30,000, which is a very large figure.

The disadvantage under these proposals, of course, is that the subsidy is proposed to be extinguished in seven years and to be reducible by one-seventh per annum, so that at the end of seven years, whatever is the comparative charge or cost of road transport against any other form of transport, it would appear that the whole burden will fall on to the people who, under the circumstances I outlined, have been dispossessed of their transport. At the end of that time the Government will slip out of its financial responsibility, the whole of which will fall upon the persons concerned in the particular areas.

I propose to quote from some sections of the committee's report in order that members may have a better idea of what it did say in regard to certain matters. First of all, I quote from page 9 of the 1955 report. After covering some of the ground in regard to transport, it goes on to say this—

Bearing these features in mind, the committee considers that if the economic structure of the country surrounding an unpayable railway is such that its transport requirements can be amply met by road transport at a lower cost to the State, and the railway has no strategic or apparent further developmental value, then the section of railway line might well be closed.

I have attempted to indicate that there is an apparent further developmental value in those particular railway lines I mentioned.

In the same report, at page 20, the various lines that the committee recommended, totalling 1,513 miles, are set out. As I indicated, that adds a very considerable mileage of lines to those which are set out in the appendix to this motion. Of course, there are still some other lines mentioned later on, making up a total of approximately 2,000 miles. I content myself with advising members of the lines not included in this motion. They include the following:—

Clackline-Milling
Yilliminning-Kondinin
Kondinin-Merredin
Lake Grace-Newdegate
Tambellup-Gnowangerup
Wyalkatchem-Merredin
Wyalkatchem-Mukinbudin
Kalgoorlie-Leonora
Pinjarra-Boddington
Wonnerup-Nannup

in addition to those set out in the appendix to this motion.

Now we come to what is apparently the second report. There they give the lines proposed to be closed in four stages. The

first stage consists of 634 miles. All the lines mentioned in those 634 miles are included in this motion. In stage 2 we have a total of 660 miles, including the following lines:—

Brookton-Corrigin
Yilliminning-Kondinin
Kondinin-Merredin
Lake Grace-Hyden
Katanning-Pingrup
Tambellup-Ongerup
Mullewa-Meekatharra

A portion or some of those lines are included in this motion and others are not. Together, those two make up 994 miles.

Then we have stage 3 consisting of the following lines:—

Kalgoorlie-Leonora
Wyalkatchem-Mukinbudin

a total of 237 miles, thus making a grand total of 1,231 miles for the three stages. Finally we have stage 4 consisting of the following lines:—

Clackline-Milling
Amery-Kalannie
York-Bruce Rock
Wonnerup-Nannup
Boyanup-Busselton
Donnybrook-Boyup Brook
Boyup Brook-Katanning
Bowelling-Wagin

This is a further total of 513 miles, making altogether between 1,700 and 1,800 miles. Then the committee goes on to say—

The committee is of the opinion that when railway lines are closed, future policy of alternative road transport should be based on the issue of licences under the State Transport Co-ordination Act, rather than the opening of a district or any particular class of goods to unrestricted road transport.

On the assumption, which is a reasonable one, that the railway lines are going to be closed if the committee's recommendations are to be accepted, we find that before the people concerned can even use the much-vaunted road transport, they are obliged to apply for licences under the State Transport Co-ordination Act.

I have already referred to the question of elimination of the Government subsidy. That is contained on page 4 of the second report. On page 8 of that report there is evidence of what I have already said concerning their ideas of alternative road transport. The committee says this in paragraph 25 on page 8—

The condition of the roads in the areas served by the railways included in stage 1 is such that no additional expenditure is required beyond that which would normally be incurred by the Main Roads Department in its programme of continued improvement of the road system in the State.

I have already discussed that and indicated that there is very considerable evidence that such a road programme would be

entirely inadequate to give any fair deal to the people concerned because the roads are not and, on present types of expenditure, could not be up to a standard which would, in many cases, allow them to stand up to the traffic which would be involved.

On page 9 of the report they go on to make it quite clear that all present rail traffic on the sections involved should be diverted to the balance of the railway so that the traffic on this balance is not affected by loss of revenue. Accordingly the committee recommends that—

All goods in areas served by railways which are closed should be handled by road transport to and from the nearest rail facility.

Mr. Nalder: Would road transport be under the control of the department?

Hon. A. F. WATTS: It would be under licence in accordance with the State Transport Co-ordination Act. Taken into consideration with their other recommendations, there is no proposition that that should not be the case. I have referred to the position in regard to Co-operative Bulk Handling Ltd., and I think it is worth while evidencing what I said by quoting from the report of the committee. It is the third report, on page 3, and the Committee says—

After a discussion has been made on the recommendations contained in this report, and in the previous interim report, the committee suggests that it would be advisable for the Government to hold discussions with Co-operative Bulk Handling Ltd. This company is one of the major users of the railway system, and its part zoning scheme for the transport of wheat has been influenced to a certain extent by the geographic pattern of the railways. Any changes in part zoning which may become necessary or desirable as a result of the closure of some railway lines could probably be achieved more effectively and smoothly through the discussions suggested here.

There is also the question of whether the company would still wish to retain all the wheat bins on a railway which is closed, or whether it might prefer to concentrate some receivals at the rail head. At first sight this may seem desirable, but on the other hand there are certain advantages in having storage capacity reasonably close to the producing farms. It is to overcome problems such as this that the committee agrees that some discussions with Co-operative Bulk Handling would be desirable.

As far as I am aware, these discussions have not yet taken place and once again here is that atmosphere of uncertainty, most undesirable and improper, as to what is going to be the position if this motion is successful.

I would say that the closure of the railways set out in the motion would not at all satisfy the members of the committee, because they have made it clear that if the whole of their recommendations are not accepted, the gain to the railway system would not be worth having. That is to be found in another section of the report and it is on page 6, paragraph 13, when these words are used—

From these remarks it will be appreciated that the improvements in the operating result of the remainder of the system cannot be precisely estimated, yet it is, nevertheless, a considerable item. It will also be obvious that such an improvement cannot be effected unless a substantial portion of the unpayable lines is closed. With the closure of only a few minor sections the diversion of money, and the retirement of over-age rollingstock, will be on such a small scale as to have an insignificant consequential effect on the remainder of the system . . .

So I suggest it is crystal clear that even if the recommendations are, in the main, soundly based, they all have to be carried out, in the committee's opinion, before any worth-while result will ensue and there is no proposition before us to that intent so that, at the present time we are asked to agree to something which is going to make no worth-while contribution, in this committee's opinion, to what the committee thinks ought to be done, and I do not.

I would like to recapitulate my major objections to this motion: There has been no attempt to reduce the loss on metropolitan transport; up to date; the country is asked to take the full brunt of whatever is proposed to be done; the loss on the lines to be closed is considerably less than the loss on the metropolitan coaching line; and the lack of any definite or alternative proposals in areas affected. It is my considered opinion that nobody can be asked to vote affirmatively on this motion. There has been no consultation with local authorities which, in some instances, say road transport would be inadequate, in the light of the extent of what is apparently proposed. No steps have been taken to ensure greater efficiency in the railway system.

Later on in this debate I hope to have the opportunity of dealing with the railway between Elleker and Nornalup, which is also situated in the electorate which I have pleasure in representing, but it is my intention now to move an amendment to this motion. I move an amendment—

That after the word "motion" in line 5, the words "except the Gnowangerup-Ongerup section" be inserted.

The SPEAKER: I suppose the hon. member knows that if this amendment is discussed and voted on, we will not be able to go back to some of the other items in the motion. Standing Order 189 reads as follows:—

No amendment shall be proposed in any part of a question after a later part has been amended, or has been proposed to be amended, unless the proposed amendment has been, by leave of the House, withdrawn.

This motion is taken in connection with the appendices "A" and "B". Therefore if any other member wants to amend any other portion of Appendix "B" when a decision has been made on this amendment, he will not be able to go back to an earlier part of it. I hope the hon. member will understand that clearly. If another member wishes to move an amendment to an earlier part of the motion I suggest he does so now.

Hon. A. F. WATTS: I was advised differently in regard to this matter but I do not propose to disagree with your ruling, Mr. Speaker, as you no doubt would have given it due consideration. In the circumstances, I ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

MR. HEARMAN (Blackwood) [4.27]: I intend to support the motion because it is a realistic approach to the problems which confront us. The problems as I see them fall into two categories. One is the necessity of dealing with the overall operational deficiencies and deficits which we suffer from operating our railways, and the other is the more specific question which boils down to the rebuilding of railways in certain areas mentioned in the motion.

So far as the first matter is concerned, I feel that in supporting this motion I am not in any way condoning wasteful or extravagant management—or mismanagement—of the railways which may be taking place in other parts. I do not think it matters whether we are operating 4,000 miles or 400 miles of line, but I believe it is desirable that we should operate these lines as economically and efficiently as possible. For that reason I do not propose to go into the question of any particular form of wasteful administration connected with our railway system generally. I think the proposition that the House should be discussing is whether we are, in fact, to rebuild these railway lines or whether we can substitute some other form of transport to serve the areas affected adequately.

I should like to draw the attention of the House to the difference in the approach to this matter on the part of the Government and on the part of my own party as evident in a motion that was debated in this Chamber earlier this session. I think the Government and I agree

that, with modern developments in transport, we could, with advantage to all concerned, substitute road transport in some areas at present served by rail.

My approach to it was that we should set up a test road to enable us to go very thoroughly into the economics of such a proposition and find out the most suitable type of vehicle and the most suitable type of road and deal with all the other questions which were mentioned in that motion in order that the House would be confronted with factual data on which we could assess the situation ourselves under our own operating conditions. That motion was opposed by members of the Government on the basis that the information that would be gained from such a test road, was already substantially in the hands of the Government; and it was opposed by other people on the ground that it was of no use. But quite obviously it would be fair to say that during that debate there was a determination to maintain rail services, come what may, in certain areas, and there was a fear that a test road such as I envisaged would indicate that certain railways could be closed.

It is unfortunate, I feel, that the terms of reference of the inter-departmental committee which the Government set up did not go quite as far as I would like, and the committee did not investigate some of the questions which I think should have been investigated—and I think they would have been determined if such a test road as I suggested had been set up. I think this would have satisfactorily answered the queries that the Leader of the Country Party has just raised as to the ability of transport to handle traffic in any given area, the economics of such a proposition, and the satisfaction or otherwise that road transport would give to the people most concerned in those areas.

It is rather strange to find now that the Leader of the Country Party, having opposed my motion, turns around and criticises the fact that we have not got the necessary data. This seems to be a little inconsistent. He suggested we should have the opinion of some independent authority in order to find out just what the economics of road transport are. In the absence of any test road in this State, which would provide all this data, I have made further investigations and I have found that there is a Mr. P. D. Phillips, Q.C. in Victoria who for a considerable number of years, appears to have interested himself in transport generally—both road and rail—and he seems to be accepted as something of an Australian authority.

I shall quote now from a supplement to the "Canberra Comments" for May, 1956, wherein Mr. Phillips has some interesting things to say. I think we could regard his approach as being reasonably objective.

I quote from a paper he gave to the Associated Chambers of Commerce where he said—

But taking the normal spectacle of a haulier up to 200 miles with carriage from consignor to consignee—a figure of 7d. or 8d. a ton mile would be close to the mark. So that, if an operator can obtain an average return of 8d. a ton mile, he will stay in business and may do very much better.

Now what of open competition with the railways? We may assume the road operator will vary his charges within limits but not greatly. He will not drop much below his 7d. and he will not go very much higher than 8d. or 9d. He must show an average return of about 8d. a ton mile.

Further substantial confirmation of the contention put forward by Mr. Phillips I have found in the latest copy of the Australian Transport Advisory Council's report. We find that even under our present regulations the costs of road transport, as this body estimates them, approximate closely to the figure given by Mr. Phillips. In the absence of any inquiry, such investigations as I have made rather indicate that the cost of road haulage is substantially below the cost of operating, I think, every railway line mentioned in the motion. I believe the lowest cost per ton mile of operation, without making any provision for track rehabilitation, is 11s. 9d., of approximately 1s. per ton mile, so, the 8d. or 9d. appears to be a substantial saving.

In the absence of any local data, we can, after having made such investigations as I have been able to make, establish the fact that road haulage will be cheaper on a ton mile basis than would be the operational cost per ton mile on the railways mentioned in the motion. I feel we have to make an objective approach to the question. We should consider the proposition before us which is, in effect, for the next few years, at any rate, to rebuild something like 800-odd miles of railway line. We should pay some attention to the question of not only the cost of this rebuilding, but the prospects of the subsequent economic operation of the lines.

To revert again to Mr. Phillips, it is estimated as a general statement, and with considerable qualifications, that for a railway line to attempt to break even, it must have available to it at least 80,000 to 100,000 tons a year to haul and the figure under certain conditions could be greatly in excess of that. I would emphasise that this is a general statement and must inevitably be qualified by topographical considerations, the types of loading available and whether loading is available in both directions and so on. We should give some consideration to the question of whether, as a matter of policy, we should endeavour

to rebuild these lines or whether we should try to establish a road system to serve the areas concerned.

I mention these figures so that members may appreciate the fact that if they refer to the various appendices to the inter-departmental committee's report, they will appreciate that the heaviest tonnage going over any line that it is proposed to close is 34,000 tons. Unfortunately in that particular case the tonnage is dropping rapidly. In 1951, the figure was 47,000 tons and I think that today it is down to 34,000 tons, in spite of the fact that the district is a rapidly developing one.

We should consider the question not only from the point of view of the immediate problem. If we are to go in for large-scale investment in railway construction in these areas, and if these lines are to continue to operate, it will unquestionably be necessary, in the foreseeable future, that we should take a business view of the matter. We should ask ourselves just what are the prospects of achieving some reasonable degree of profitable operation, or going some way towards meeting the operational costs in those areas. If we view the matter objectively, we must come to the conclusion that the prospect of getting an annual tonnage of 80,000 to 100,000 tons in the foreseeable future is not particularly bright.

At present we have all the inefficiencies that arise from the operation of two separate transport mediums in a particular area. If, today, we were opening up a lot of this country we would not be building railway lines. Since the war, no pressure has been exerted to build railway lines in the new areas that have been developed. It seems to be the opinion of Parliament that they can be developed by road transport. I emphasise that where we have two systems, we not only have all sorts of restrictions on the use of the road transport imposed in those areas but there is a tendency to get the worst out of both systems. We get an inefficiency that stems from the undue protection of the railways, and the inefficiency in road transport that stems from the restrictions imposed on operations.

Already in this State we have examples of places where railway lines have been discontinued and road services have taken over. The Port Hedland-Marble Bar railway is a case in point. Prior to the closure of that line, it had got to the stage where it was virtually impossible for it to be operated because of the physical condition of the roadbed. We had tremendous protests and all sorts of criticism about the closure. The member for Pilbara will well remember these things. I can recall questions as to whether his effigy should be allowed to be attached to the front of a Government engine, and so on. Today we have no requests whatsoever from that area for the reopening of the line. I understand that the Port Hedland-Marble

Bar line was closed and the position was left, without any interference from the Transport board, to the private hauliers to handle, and I believe that, as a result of the co-operation between the hauliers, a good service is given there.

I have good reason to suppose that we could expect a similar result in similar circumstances in many other areas. There is one point that I discussed earlier this session when moving the motion for a test road, which I think the House could well give more attention to, and that is this: If we are going to use road transport, let us use the best that it is possible for us to have. If we are to discontinue a railway service, the people in the area should get the best type of transport that it is possible to introduce.

Personally, I feel that in Australia, due to our restrictive standards of axle loadings and suchlike, we are not getting the best out of road transport. We have severe axle loading limitations which, I think, inevitably impose increased costs per ton mile on road haulage. Furthermore, I would suggest that it is particularly necessary for us to have a look at this question in those areas where we have not got what might be termed modern sealed roads. I have made something in the nature of a study of this matter and I am well aware that the problems that confront us in a lot of these areas of low traffic density—and inevitably they have relatively light roads in those areas—are not peculiar to us. They exist all over the world.

Vehicle designers have faced up to that problem and have devised vehicles which meet the situation. I think that in Australia there is a tendency to hamper the introduction of these modern vehicles by virtue of our limitations, principally on axle loadings. I have gone to the trouble to work out the actual pressure per square inch on the road surface of certain vehicles under certain circumstances. If we take a maximum axle loading of $7\frac{1}{2}$ tons, and the vehicle is equipped with the normal dual wheels with $8\frac{1}{2}$ inch tyres—I understand that that is the size commonly used by truck operators in this State—we get a pressure per square inch on the road surface of 84 lbs. If we go to the other extreme and we use the biggest tyres sold in Australia for commercial use, which are 14 inch tyres, we find that with an axle loading of 13.6 tons, which is going a substantial way towards doubling the $7\frac{1}{2}$ tons, the pressure per square inch on the road surface comes down to 70 lbs.

Mr. Norton: Are you talking of pay-load or all-up load?

Mr. HEARMAN: All-up load. It would seem to me that a vehicle, all other things being equal, which places a pressure of 84 lbs. on the road surface is likely to do more damage than one which imposes a pressure of 70 lbs. per square inch. But

the matter goes much further than that because what might be termed static load is one thing and there is another known as impact load, which greatly increases as the speed of the vehicle increases. Actually I think it is accepted that speed does as much damage to our lightly constructed gravel roads as weight. Consequently it becomes necessary, in the interest of maintenance of our roads, to reduce the speed of motor-vehicles and the best way to do that economically, I believe, is to permit an increase in the axle loading.

Where there are big axle loadings we find that there is no economic necessity or desire on the part of the operator of the vehicle to drive it fast. Operators quite cheerfully accept restrictions, and I know from my own personal experience that in one case they imposed the restrictions themselves—I refer to a particular timber mill operating with an average of 12-ton axle loadings. That timber mill keeps the speed of its vehicles down to 21 miles an hour, even though it has its own private roads and it could have a speed limit of 70 miles an hour if it wished.

It seems to me that this is a matter that not only Parliament but also the Government departments concerned could study very much more carefully. I am well aware of the fact that there are problems where heavy axle loadings are in force, and I refer particularly to bridges. I think that our future road and bridge building policy in this State should envisage the use of very much heavier axle loadings and I am sure that if the inter-departmental committee had gone into this matter—this is one of the things I wished to have investigated when I wanted a test road built—I am sure it would have come up with some interesting recommendations. I am sure it would have provided more of the information that the Leader of the Country Party wants. However, it was not within the terms of reference and we must turn, for information on this matter, to other countries where such tests have been conducted.

Earlier this session I mentioned the results of the Washo road test, as they term it in the United States, where they set out to demonstrate that very point. The test showed that axle loadings substantially in advance of the maximum we permit were not only very much more economic from the operator's viewpoint but also did less damage to the roads for the very reasons I have endeavoured to demonstrate. It is not as though this is some crackpot theory of mine. There is evidence from tests conducted in other countries which indicate that it is possible to increase axle loadings without doing any more damage to our roads. From memory, in one of the Washo tests an axle loading of 18,000 lb. did five per cent. more damage to the road than an axle loading of 32,000 lb.

It seems to me that we cannot continue indefinitely to disregard these lessons that are to be learnt from overseas, even if we are to be refused the opportunity of conducting tests of our own in this State. We have had a proposition put before us—we have either to rebuild these lines, or, alternatively, we can allow them to creak along for perhaps a few months or years as the case may be, or we can set about replacing them with an up-to-date modern form of transport. They are the alternatives and, as a result of all the investigations I have made, I have become firmly convinced that in areas of low traffic density, we have to give serious consideration to the question of road transport. We must remember that every area that is covered by this motion is one that could be regarded as an area of low traffic density and if we accept Mr. Phillip's postulation that there should be at least 80,000 tons available per annum, we must consider the road transport alternative.

The other alternative of allowing the position to drift as it has been drifting is one that, in my opinion, should not be accepted. The position is that in many of these areas we have rails that were second-hand when they were laid 30 or 40 years ago. Today we have the same rails, the same locomotives and the same rollingstock, and they cannot give the service which is required. In most cases they are giving a very much worse service than those settlers were getting 30 or 40 years ago when the line was first put down.

I would not be a party to insisting that people in those areas must inevitably be saddled with such a transport service for the next 30 or 40 years, because if we reconstruct our railway lines—and that is the only alternative that could answer the question—it is inevitable that the line must continue to operate for some considerable number of years—20 or 30 anyway. It is a big decision to make when one talks about reconstructing those lines because if we agree to it as a Parliament, we are more or less insisting that there shall be no substantial improvement in our transport facilities in those areas for a matter of 50 or 60 years or more—that is, taking the time from when the line was first constructed to when the reconstruction shall have reached the end of its economic life.

That approach, I think, is far too conservative. We owe it to the people in those areas, and to those living in other parts not served by the railways. We should go into this question of road transport thoroughly and use the best possible transport system. We hear a lot of talk about the railways in America being the most satisfactory medium with which to move bulk loads. That is true, too. But when we talk about bulk loads in America we talk about millions and millions of tons a year

going over a single line. In that country they do not consider a line with less than a 90 lb. rail; but in Western Australia we have not a single mile of rail that is more than about 80 lb.

The lesson we have to learn from America is that in order that a railway system can compete with a modern road service, the railways must be equipped with the latest of everything—the best type of road bed, the best type of rollingstock, engine power and everything else. Even then, after having expended millions of dollars, the American railways are still finding it extremely hard to compete with other forms of transport, notwithstanding the fact that their problem is an entirely different one to ours.

They have tons of loading available—they are not short of it. But here that is our basic problem; we are short of loads and the problem that confronts the House is that we have only so much money and we have to decide how to spend it to the best advantage. I feel that it would not be the most advantageous expenditure of that money if we were to utilise it in maintaining two transport systems in an area that cannot provide economic loading for one, and it would mean neglecting all the other requirements which I believe are equally important and necessary for the development of those areas. I refer to schools, hospitals, water schemes and so on without which we cannot develop areas. There is no alternative to a hospital—we either have one or we do not. There is no alternative to a school except correspondence, and I do not think anyone would regard that as a satisfactory substitute.

The lesson we have learnt in this State and also the lessons we learn from overseas seem to me to indicate that we can in many of these areas substitute quite satisfactorily and even with advantage to the people most vitally concerned, road transport for rail transport. For that reason I feel that, as a Parliament, we would be unjustified in continuing to expend money on railway lines which we know are of very little service, as they stand at the moment, and which would cost us a tremendous sum of money to bring up to anything like a state of reasonable efficiency. I think we could better expend that money in many other more important directions. What the proposition put to us simply means is that if we decide that we are going to keep all these lines in operation, we can expect that £7,000,000 or £8,000,000 per annum for the next ten years will go from loan funds into railway rehabilitation.

Mr. Ackland: Don't you think there is a possibility of economy in the railways?

Mr. HEARMAN: I certainly do think there are possibilities of economy in the railways and I have not discounted that in my thinking. I thought I covered that

point at the beginning of my remarks. My experience—and I think most members will agree with this—is that wherever we have an estimate that something will cost £70,000,000, by the time the work is carried out it is more often than not nearer £170,000,000. It may well be that the estimates are not completely accurate, as far as the rebuilding of these lines is concerned; but if my past experience is any guide, I think if there was any erring it would be an erring on the side of an under-estimate rather than an over-estimate.

The factor that I feel we must consider is that if we are to effect real economies in the administration and operation of our railways, bold action is required. I think that if we make a big enough bite into this question of the discontinuation, there is some prospect of achieving real administration economies. In my opinion criticism could possibly be levied on the basis that the 842 miles does not go far enough. If we can close sufficient lines to do away completely with an administration district, we will be cutting out a large amount of the overhead or fixed charges, as I think the railways term it, of administration.

Mr. Evans: Have you any interest in road transport at all?

Mr. HEARMAN: Only the interest I have expressed in the House from time to time.

Mr. Ackland: But you have no railways to be closed.

Mr. HEARMAN: If the member for Moore wishes to have a talk with the chairman of the road board concerned he will see that he agreed to the closing of the line. I have discussed it with him. If criticism can be properly made of this proposal, it is that it does not go far enough. I also believe, perhaps even in company with the member for Moore, that we are not getting a fair return for the wage bill we are paying on our railways.

Mr. Evans: Rubbish!

Mr. HEARMAN: We seem to have a difference of opinion there as well. It is high time that the trade unions—not only those concerned with railways, but with any other instrumentality or trade—must appreciate the fact that the capacity of industry—or even of a Government instrumentality such as the railways—to continue to provide employment for its members must bear some relation to the economies of those government instrumentalities for the carrying on of those industries. Until such time as we get a realisation of that factor, we are going to be in constant trouble not only with the railways but with everything else.

Mr. Evans: What about the farmers?

Mr. HEARMAN: I am not discussing the farmers at the moment.

Mr. Jamieson: When your farm does not show a profit, do you blame the workers?

Mr. HEARMAN: If I were to do so, I would have to blame myself because I do a lot of the work around my farm. I would, however, also blame the management.

Mr. Evans: Hear, hear!

Mr. HEARMAN: If, as managers, we are not getting sufficient return for our money, then we are blameworthy. I want to refer to appendix No. 1 of the interim report which shows that since 1949 the approximate increase in the cost of operating our railways is £8,000,000 of which, in round figures, £7,000,000 represents increases in wages and allowances. So it is idle for anybody to suggest that these additional costs we are incurring in our railway operations are in no way connected in the matter of wages and the return we are getting for the money we expend in wages.

It is necessary not only for members of Parliament but for leaders of industry and for Government departments generally to pay much closer attention to the question of the return we are getting for the wages that are paid out. We may be fast reaching the stage where industry may not be able to sustain the industrial conditions imposed on it. That is the position at which we have arrived in relation to our railway system. That is one of the facts I think which has prompted the Government to put this proposal before Parliament.

If the trade unions themselves do not recognise the significance of this proposal, then I suggest there is nothing we can do that will make them realise it. There should be no weakening on this. We should simply say that it is no longer possible to operate these lines economically, or to reconstruct them; that we must find a cheaper alternative of which there is one available to us. If we squib that issue, it is useless to talk about realism so far as trade unions are concerned. There must also be realism practised by management. This is a test case, and it will show how good we really are and whether we are sincere.

Mr. Ackland: Neither management nor the trade unions have anything to fear. There is not going to be a single dismissal!

Mr. HEARMAN: That is not quite right.

Mr. Ackland: The Minister has said so.

Mr. HEARMAN: I did not interpret it in that manner. Whether that was said or not, are we going to suggest that because nobody is to be retrenched we should not close the railway lines? I think we should, we must—we have to close those lines and, of course, reduction in staff must follow. I do not envisage, however, that there will be 1,000 men thrown out of work overnight. The process will be

gradual. There has been no suggestion that after a certain day the trains will cease to operate.

As a matter of fact, there was no need at all for the Government to have brought this matter to Parliament. It could have been done without reference to us at all. I am not blaming the Government for having brought the matter here; I think it is the right and proper thing to have done. Only a week or so ago, we were criticising the Government because it had not brought down an agreement dealing with land development.

Mr. Evans: You are as happy as a mouse coming home from a cheese factory.

Mr. HEARMAN: If we really want to see more return for the money paid out in wages, then the best way to bring the trade unions to their senses—and I believe that is necessary—is to make them pay the wages of their sins. Despite the shocking state of affairs financially, disclosed by the report of the Railways Commission, and the Minister also touched on this, we find the unions have before the court a claim for a 35-hour week.

Mr. Evans: What about a decrease in the price of butter?

Mr. HEARMAN: I do not think that is likely. The best way to bring some sanity into the matter and to deal with the attitude of the trade unions towards the impost they have placed on industry generally, is to take some realistic action.

The Minister for Transport: I do not think you are serving the cause of this motion by pinning the blame on the unions. They would still have had to be closed even if the workers worked 25 per cent. more than they do.

Mr. HEARMAN: I am saying that those are some of the factors that will have to be taken into consideration if we are to get a fair return for the wages paid out. I admit there are two separate problems, the first of which is the cost of rebuilding these lines which is estimated at about £7,000,000 or £8,000,000 annually, and if experience is any guide it will be much more. The other point is the question of the deficits with which we appear to be fiddling. Some say it is £5,000,000, but the Grants Commission says it is £6,000,000.

For my part, I do not think we could stand up to the expenditure that would be necessary to rehabilitate these lines as well as do all the other things necessary to encourage settlement in the country areas generally, not only the areas close to railway lines. We must be realistic about this matter. It is unfortunate perhaps, in my view at least, that we have not got more data available in our own State as to the cost of road transport. It is significant that people living in areas served by road transport, where originally railways were planned and in some cases approved, have not requested the construction of a railway.

In one of the most progressive areas in my electorate there has been no request for a railway. I have, however, had requests for a wider use of road transport. There are plenty of members representing agricultural areas and rural districts who are constantly acknowledging the advantages to be derived in the use of road transport by the number of applications that are made to the Transport Board for concessions. If we are to spend a lot more money in rebuilding these lines, then the people in those areas can logically expect greater restrictions on the use of road transport rather than greater freedom. That is inevitable.

All Governments, regardless of what they might profess on the hustings, have always tended to protect the railways in this State. That is one of the inevitable results, though I feel a regrettable tendency, of having such a large Government investment in our railways. If we are to expand our railway capitalisation and double it in the next 10 years then the logical corollary will be further restrictions on the use of road transport generally. There is not one rural area in this State that would like to see that happen. If we prefer the reverse to ensue, it will mean that regardless of whether we rehabilitate the lines or not, we must face up to the problem of additional road construction. We would serve those areas better by concentrating on road transport and road development—by putting money into roads which are needed and which can profitably and economically serve the community by lifting restrictions on the use of road transport in those areas.

The alternative does not appeal to me either, that is, to condemn them to use an out-dated form of transport. For those reasons I support the motion. I realise that there must be criticism of it, but I also realise that unless we do make a very substantial closure of the railway lines in this State, we are going to achieve no gainful or useful purpose whatever so far as effecting economies are concerned. We have to close perhaps more than the 842 miles of line; at least that is the opinion of the departmental committee. I support the motion as it stands.

The SPEAKER: At the end of his speech the Leader of the Country Party said he proposed to move an amendment to insert certain words after the word "motion" in line 5. The amendment he sought would have had the effect of bringing in the Gnowangerup-Ongerup line mentioned in Appendix "B." I have given further thought as to whether the proposed amendment might not be allowed. I did say that if it were permitted it would apply to Appendix "B" and that if "Gnowangerup to Ongerup" was deleted, we could not then go back.

After further consideration, however, I am prepared to allow an amendment to be moved after the word "motion" in line 5

as proposed by the Leader of the Country Party. This would provide each member with an opportunity to amend the motion to except a particular railway which he wished to strike out—that is, after the word “motion” in line 5—rather than go through them seriatim at the end.

Hon. A. F. WATTS: I take it that in view of your ruling, Mr. Speaker, there will be no objection to the order in which they are moved?

The SPEAKER: That is so.

MR. OLDFIELD (Maylands) [5.16]: In rising to support the motion, I feel that I must agree almost entirely with everything that has been said by the previous speaker. One criticism that could be offered with regard to the motion is that it is a case of too little, too late. Even the proposals before us do not go anywhere near far enough to effect the necessary economies within the Railway Department.

To obtain a proper understanding of how we have arrived at the straits in which we find ourselves, we must trace the history of our railway system in Western Australia. When we examine the position, it is rather obvious that a great percentage of our lines were built in days gone by for purely political reasons, and lines established in that way never have much chance of success. Not only were they built for political reasons—and I blame Governments of all political colours for this practice—but neither the lines nor the rollingstock have been properly maintained, chiefly through the shortage of funds.

That shortage, too, occurred through political reasons. From motives of expediency, Governments of the day have shied away from charging economic freights and fares. It is always considered better to lose a few pounds on the railways than to increase fares to workers or freights to farmers. A shortage of funds occurred during years in which the department could have maintained its lines and its rollingstock and built up an efficient service if the money had been available.

It is also necessary to have regard for the history of road transport as well as that of railway systems throughout the world. Railways came into being as a mode of transport to replace horse, ox and camel teams. During the last 20 years, however, the world has developed an efficient type of motor-vehicle capable of hauling great tonnages, and road systems have been built to take those vehicles. In that way we have developed a more efficient type of transport; and to try to compare an efficient railway service with an efficient road transport service would be tantamount to comparing a camel team with a railway system.

Today, speed is the essence of the contract with regard to transport, and door-to-door deliveries are becoming essential. The railways cannot compete with road

transport in the haulage of the majority of commodities. When we consider the tons and tons of everyday commodities such as radios, refrigerators and household appliances which require little or no packing when they are taken by road, as compared with their transport by ship or rail, it is obvious that road transport must win the day in the competition between rail and road.

In both the United Kingdom and America there have been great changes in transport in the postwar years. In the United Kingdom, railways almost went bankrupt towards the end of the war; and when they were nationalised by the socialist Government in the immediate postwar years, while there was criticism from the political opponents of the Government, not only in the United Kingdom itself but also overseas, there was little or no opposition from the railway companies, the reason being that the companies were starting to feel the pinch. They found they could not compete with modern road transport because it was simply cutting the ground from under their feet with regard to haulage over short distances.

I understand that since the railways were taken over by the British Government, they have deteriorated most rapidly; and the fault cannot altogether be laid at the door of the Government. It is a matter of modern conditions and trends. Furthermore, road transport has also been nationalised to a great degree and is far more efficient, serviceable and cheap.

It is true that in America the railways have been relegated to the haulage of bulk loadings over long distances. But great motor-wagons transport, even across country from coast to coast, the major proportion of consumer and high-freight goods, and the railways are finding it difficult to compete except with regard to certain types of haulage, and in respect of passenger traffic. Even with regard to certain passenger traffic, the railways have had to give super service to retain patronage in competition with road and air transport.

In 1953, the then member for Claremont asked questions of the then Minister for Transport as to the cost per mile of railways as compared with roads so far as construction and maintenance were concerned. The questions and answers are to be found at page 598 in Hansard of 1953. The extract is as follows:—

Hon. C. F. J. North asked the Minister for Transport:

For the purpose of comparison and assuming the questions relate to similar normal territory, would he please inform the House—

- (1) What is the estimated cost per mile of construction of main line single track on W.A.G.R.?

- (2) What is the estimated cost per mile of a main road of suitable width for modern traffic and capable of withstanding the heaviest trucks?
- (3) How would the upkeep of these two ways compare?

The Minister replied:

(1) £10,000 per mile for 60 lb. track with gravel ballast; £15,000 per mile for 80 lb. track with stone ballast.

(2) The estimated cost per mile of a two-lane surfaced road capable of carrying legal loadings is £10,500.

(3) Railway—£350-£550 per mile, varying with density of traffic, Road—£250-£350 per mile, varying with density of traffic.

Mr. Ackland: If you were to ask that question of the Main Roads Department today, you would be told, that the cost would be £14,000.

Mr. OLDFIELD: I was coming to that point. I was referring to the figures in 1953. Undoubtedly costs have risen. The cost of laying a two-lane road capable of carrying the heaviest traffic has increased in the intervening period. I do not know what it is, because I have not bothered to ask for the figures. But it stands to reason that in the same period, the cost of constructing a railway line has increased also—and I would say that it would have increased to a greater degree than the cost of constructing a road. There is no modern method of laying a railway track. It is an old-fashioned means of transport and the same methods are being employed year in and year out.

Mr. O'Brien: But the system is safe.

Mr. OLDFIELD: A comparison between the two system would probably show that the differentiation in cost would be the same as three years ago.

The Minister for Transport: On that point, I have been informed that the cost of rail-laying and other works associated with it has increased 300 per cent. in six years, but the cost of road construction has not increased at all.

Mr. OLDFIELD: Well, there we are! The difference is even greater than I expected, and I think what the Minister has said answers the remark of the member for Moore. We must realise also that there is a maintenance cost involved and the figures adequately indicate the difference between the cost of the two systems.

I appreciate that certain economies could be effected within the Railway Department. For instance, it is possible that £1,000,000 per year could be saved in respect of the Midland Junction workshops if there was strict supervision and pruning and other economies could be effected in other branches. But no matter what savings were made, I do not think anybody believes that we could economise to the extent of

meeting the deficiency of £6,000,000 a year. That is a lot of money to try to save by the introduction of economic measures which, incidentally, would take time to have effect.

In the closing of these lines, I do not believe that the saving of operational costs would amount to very much. I do not suppose it would really be worth considering. But every member of the House must have great regard for the amount of loan money that would be required to rehabilitate the lines if they are not closed. Even if a railway is operating inefficiently, in order to be kept going it must be capable of taking the traffic that goes over it. If an amount of £7,000,000 or £8,000,000 per annum is to come out of the loan allocations during each of the next 10 years for the rehabilitation of the railways, country members who are most anxious to have their comprehensive water scheme proceeded with, will be very disappointed.

Metropolitan members who are awaiting urgent drainage and other works in their electorates and rural members who are anxious for road development and so on in their territories will also be disappointed as most of those urgent jobs will have to be deferred for perhaps 10 or 20 years if money is to continue to be poured into the railways as has been the case since the war, with little or nothing to show for it. I believe that an increase in fares and freights would be justified if the services on these lines were to continue because it is obvious that any railway system that has lost the amount of money that ours has been losing for many years can only hope to pay its way by increasing its charges.

Mr. Ackland: Would you include in that the fares of rail passengers in the metropolitan area?

Mr. OLDFIELD: I remember supporting a Government which failed to increase fares, owing to political expediency. All Governments have acted in that way at times, and any member who says he has not been a supporter of such a Government is setting himself up as a paragon of virtue. We must face the facts.

Mr. Ackland: Would you favour raising the fares of the metropolitan people?

Mr. OLDFIELD: Yes, as long as there was a commensurate rise in country fares and freights.

Mr. Ackland: You have answered my question.

Mr. OLDFIELD: It is not the complete answer but, together with certain economies elsewhere in the department, such a move could help considerably towards reducing the deficit of the Railway Department. A deficit of £6,000,000 per year shows that the situation is desperate and therefore the only remedial action that can be effective is to take desperate measures.

I can remember when the previous Government, which I supported, proposed to close the Marble Bar-Port Hedland railway. The only opposition to the proposal came from a few pastoralists and others in the area; but I understand that today those who then raised opposition to the closing of that line are very pleased because the road transport system now operating serves them far better than the railway ever did. The member for the district at that time raised no objection to the proposed closure and, in fact, wholeheartedly favoured it.

The reason why the Government of which the member for Moore was a supporter, closed the Marble Bar-Port Hedland railway was that it was going to cost from £200,000 to £250,000 of loan money to rehabilitate it sufficiently to carry traffic. That Government was perfectly right in closing that line and allowing motor traffic to take over. Today we are faced with similar circumstances in regard to most of the lines which are the subject of this motion. If we examine the earnings of these lines and the small amount of freight they are carrying—they are carrying very few, if any, passengers—it would obviously be absurd to pour £7,000,000 or £8,000,000 per year into them indefinitely in an endeavour to keep them in operation.

I have great confidence in the future of road transport and am sure that those affected by the suspension of service on these lines will, within as short a period, perhaps, as twelve months, be pleased at what has been done. The question has been asked as to what alternative type of transport will be provided, and obviously it must be road transport. The most important point is whether the roads will be put in a condition to carry the traffic involved. Most of the main roads in our country areas are sealed and I believe the main road system throughout this State is better than in any other State of the Commonwealth, and our roads are kept in good repair—

Mr. O'Brien: Where?

Mr. OLDFIELD: The Collie district has good roads. I do not think anyone from the South-West could complain about the road system there, and neither can the member for Moore complain, because the road system from here to Geraldton—

Mr. Moir: Is was the member for Murchison who interjected, not the member for Collie.

Mr. OLDFIELD: The member for Murchison cannot complain, because some members of this House recently travelled to the Warburton Ranges and most of the road over which they travelled was at least good enough to allow a Holden car to get through.

Mr. Bovell: I am quite sure that neither the hon. member nor I would take our Holden cars over that road.

Mr. OLDFIELD: The member for Murchison asks where the good roads are. I would remind him that one does not put down a £15,000 per mile road between Leonora and Wiluna, for instance. A road of that type is only justified where the density of traffic warrants it. The hon. member would not suggest that the traffic density between Leonora and Wiluna would compare with that between Perth and Bunbury.

Mr. O'Brien: But the people there deserve a decent road.

Mr. OLDFIELD: The roads in that area are quite capable of carrying the traffic offering. As the density of traffic in such districts increases, there will, no doubt, be a commensurate improvement in the type of road provided.

Mr. O'Brien: Have you been from Meekatharra to Wiluna?

Mr. OLDFIELD: How many vehicles use that road per day? That is what we are dealing with in this motion; the closing of lines over which only one train per week runs.

Mr. O'Brien: I am talking of the road from Meekatharra to Wiluna.

Mr. OLDFIELD: How many vehicles use that road each day? I think if a traffic census for that area were taken, the hon. member would be surprised to find how few people there are in portions of his electorate.

Mr. O'Brien: But how many have used the road over the last 20 years?

Mr. OLDFIELD: There might not be as many vehicles over that road now as there were 20 years ago as the population of that area has fallen very considerably.

Mr. O'Brien: There were 10,000 people there years ago.

Mr. OLDFIELD: The point is that if £7,000,000 or £8,000,000 per year is to be poured into the railway system to keep the Wiluna and Laverton lines open, as well as others, there will be no money available for road work. If the member for Murchison asked the pastoralists and others, including the housewives in the towns in his electorate whether they would prefer a railway service or a good road transport service, including buses, I am sure they would vote solidly for the road service.

Mr. O'Brien: I have had two deputations to the Minister for Railways recently—

Mr. OLDFIELD: Once again some of the people of the country, in their selfish manner, want it both ways. They want the railway kept open to carry 20 tons of freight per week while they use the roads

to carry 120 tons. If they put that road freight over the rails, the railway would cart 140 tons per week instead of 20, and that might make it worth while to keep the line in question going.

The country people have contributed more than anyone else to the present position. We see farmers bringing down perhaps three bags of oats in order to obtain a permit to take back a load of fuel by road. They bring perhaps a couple of bags of oats to the produce merchant at Midland Junction and he pays cash and signs a docket, showing a quantity of oats and the farmer then gets a permit to take back a load of fuel. The farmers have been doing that for many years and it has contributed to the condition which renders necessary the closing of these lines. The farmer has been more responsible, possibly, than has any other section of the community.

Mr. Moir: What do the country people think of the position regarding suburban traffic?

Mr. OLDFIELD: Any loss there can be remedied by an increase in freights and fares and particularly the freights of wheat and super.

Mr. Ackland: But not the freight of chaff, I hope!

Mr. OLDFIELD: That is rated fairly high now. I wish next to deal with the railway strike of 1952. We now hear it said that the roads will not stand up to the transporting of the goods if certain railways are closed, but I would point out that for six months in 1952 practically all the freight moved throughout Western Australia was transported by road. The railways functioned only to a very limited extent at that time and I think that in the end there were only four or five locomotives in service, but during that six months' period about 75 per cent. of the goods transported in Western Australia were moved by road haulage, which proved to be both efficient and effective.

Mr. Owen: And the roads have not yet recovered.

Mr. OLDFIELD: We have heard all that before. I have heard about the roads in the North which have not yet recovered from the heavy use the army gave them, and the roads that have not recovered since the days of the wheat trucks, but I have driven over some of those roads frequently and have found them to be all right, in spite of the fact that they are carrying heavier loads today than ever before, because the vehicles in use now are capable of hauling much greater tonnages. I therefore think that argument can be discounted.

Again I say we should remember what happened in 1952 when the railways were out of action for six months. We lost less money that year than in any other

year before or since, simply because the railways functioned for only six months. The lesson to be learned is that the road system stood up to the almost complete closing of the railway system and most of those who transported goods during that time were far happier with the results of efficient road transport than they had been with railway transport. I support the motion.

MR. W. A. MANNING (Narrogin) [5.45]: I am satisfied that it is far easier to destroy than to build up and provide satisfactory alternatives, especially after listening to the speech of the member for Mt. Lawley. I wonder what the position is in regard to the people of the metropolitan area who use both road and rail transport according to choice.

Mr. Rodoreda: Like the cockies.

Mr. W. A. MANNING: The cockies will be able to use them only according to the Transport Board, but the member for Mt. Lawley can use either road or rail transport whenever he likes. To argue along those lines is fallacious and it will not get the hon. member anywhere. I believe in the railway system because throughout the world no better system has been found for long and heavy loads. The railways have successfully met the competition from road transport when the carrying of heavy loads is considered. Therefore, if we are to carry out successfully and cheaply the task of transporting heavy goods over long distances, we have to give some support to the railways. They have proved that this is the job for them.

There are alternatives, of course. However, I submit that the present is not a very suitable time to pull up railway lines. One speaker said that the motion is not designed to pull them up, but nevertheless even if we discontinue the services on them and take away the maintenance men off the track, we might just as well pull them up or someone else will pull them up for us.

There has been a fairly steep rise in the total tonnage of paying goods carried over the railways. In 1952, 2,934,894 tons were carried; in 1953, 2,486,905 tons were carried; in 1954, 3,082,735 tons were carried; in 1955, 3,278,633 tons were carried; and in 1956, 3,655,327 tons were carried. The tonnage of total goods and livestock carried for those years respectively was, 3,948,134, 3,262,993, 4,014,939, 4,301,782 and 4,523,421. Those figures indicate that there is an increased demand for the use of the railways and so there should be, because agricultural production is steadily increasing. This traffic is not likely to decrease because our progress in agriculture should continue in future years. Therefore, I think we should ensure that we do not take a retrograde step such as is suggested in this motion.

I am satisfied that consideration should be given to effecting economies in the maintenance and running of the railways and to do this there may be some action which is necessary to be taken along the lines suggested in the motion. Earlier in the session I submitted that it would be good policy if the main lines were improved to provide fast, efficient and regular transport and to be fed by feeder services operated by either the Government or private enterprise and that such a programme should be carried out to meet the individual needs of each district.

The argument I have against the motion is that it bulks everything together and in effect, says, "We will get rid of these individual railway lines." I think this is a problem which affects every district according to circumstances. I do not say that some of these lines should not be discontinued, but I do submit that some investigation should be made in regard to them with a view to ascertaining what possibilities they have.

It has been said that 70 per cent. of the total railway costs would not be affected if certain railway lines were closed. Therefore, we have only 30 per cent. of the railway costs to work on. This is the figure given to us by the inter-departmental committee which inquired into road transport and I would like to mention that the first recommendation of the committee was the closure of three lines, namely, Meekatharra to Wiluna; Cue to Big Bell and Malcolm to Laverton.

Members will have probably noticed that these railway lines are all situated outside the agricultural areas. The committee has suggested that consideration should be given to the closure of other non-paying lines. It should be noted here that it said that consideration only should be given. That is my contention, also. We should give consideration to the merits of each individual line.

If a railway in a mining area is to be discontinued, it would be a different proposition to discontinuing a line which traverses an agricultural area which may have a future potential. This area may not be producing much at the present time but if there is some prospect of production from the area being increased, why should we pull the line up?

Mr. Oldfield: This is not a railway closure Bill but a motion to suspend operations.

Mr. W. A. MANNING: It is not a question of pulling the line up. If the maintenance on a railway is stopped, we might as well pull the line up. The inter-departmental committee recommends that only three lines be discontinued because the future subsidy policy could not appreciably effect any marked savings. That is the result of investigations made by this committee. If it cannot appreciably effect

any saving in the operation of the railways, why destroy what we have until we know what we are going to replace it with? I cannot see any justification for this motion whatsoever. We have to be extremely careful in dealing with a problem such as this.

We seem to lose sight of the fact that 70 per cent. of the total costs are fixed. We have only to recover 30 per cent. of the costs and we can effect the transport of these goods profitably at reasonable rates. We also lose sight of the fact that these railways have to be worked on a competitive basis. Some people suggest that freights and fares should be raised. Why do farmers act like the member for Mt. Lawley suggests? Why do they travel down from the country to the metropolitan area with a load of oats and go back with a load of fuel? It is because the rail freights are so extortionately high. It is these freights that induce them to act in such a fashion. If we reduced the rail freights, there would be no inducement offering to such people to act in that way. If the Government could cut down on 30 per cent. of the railway costs, it could reduce the rail freights. Those are the aspects that ought to be considered.

Mr. Oldfield: What is more important Spending money on a comprehensive water scheme or spending it on the railways?

Mr. W. A. MANNING: This motion has nothing to do with the comprehensive water scheme and I am not saying that any particular line should be put back into order. All I am advocating is that each railway should be investigated according to its merits.

Mr. Oldfield: If there is £1,000,000 available to spend, would you spend it on the railways or on the comprehensive water scheme?

Hon. L. Thorn: Keep your red herrings to yourself!

Mr. W. A. MANNING: This is also mentioned in the report of the committee—

In view of the 70 per cent. fixed costs, competitive reduction of some freights may be the means of greater revenue.

Mr. Norton: What about wool?

Mr. W. A. MANNING: I am not concerned about wool for the moment. I am concerned about the efficient running of our railways and about cutting down railway losses so that we do not adversely affect the economy of our State. There is no reason why the railways should not be operated to serve the community and in such a way that they cover the expenditure involved.

The Minister for Transport: If I remember rightly, the member for Narrogin approached me in connection with a permit for the road haulage of timber.

Mr. W. A. MANNING: That is correct. I am not speaking against the haulage of timber by road if it has to be done because of the particular location of the centre at which the timber is produced. I am suggesting, however, that if the railways can carry timber at a price which will make it unprofitable to carry it by road, then I am certain that the railways will be used for the cartage of such goods.

The inter-departmental committee speaks of 25 lines which are earning sufficient to cover 50 per cent. of the operating costs. It then goes on to recommend this—

The claims of timber to be considered as a bulk commodity, in view of improved handling methods, should be taken into account when the freight schedules are revised.

The committee that investigated these matters is not satisfied with the position, as members can see from the figures I have quoted. The operating of the railways on a competitive basis and with probable reduction in freights is something that should be dealt with by the officers in charge. Those in authority should be given to understand that it is their duty to secure more business for the railways, and questions should be asked why they are not getting it. A private concern would have to do that and it would not have someone at the back of it to pay the £6,000,000 loss.

Mr. Ackland: It would have to put its business house in order.

Mr. W. A. MANNING: Of course it would. Our railways, however, are carried on and continue to make losses. The Midland Junction workshops, for example, could be dealt with and placed on a business-like basis under separate management. If the Railways Commission wants to buy trucks, etc., let it purchase them from the Midland workshops in competition with anybody else that makes them. I think it would be a good idea, also, if we relieved the commission of the burden of interest and sinking fund charges and then said to it, "Now, get on with the business and make the railways pay."

Mr. Norton: You would allow the commission to raise freights.

Mr. W. A. MANNING: I would have no objection to an increase in freights so long as they were competitive, but could the rates be increased and the service still remain competitive? I do not think they could. I suggest that before a decision is made to discontinue these lines, an opportunity should be given to the people concerned to discuss the matter and to enable them to submit a case as to why any particular line should remain.

People are applying for permits for the use of road transport all the time to the detriment of the railways. In some cases, of course, that is justified because the conditions and the charges imposed by the railways are so high. If we could get a committee of people formed in each district that would be affected by the discontinuance of a railway line to submit their case for the line to remain and if a discussion along those lines could be held between them and the Minister, we could perhaps wipe out some of this continual demand for road transport in competition with the railways.

It might mean an adjustment of the freight rates, but this would be all to the good as against the pulling up of the railway line. Such a committee as I have suggested should also discuss alternative means of transport. That is the main argument against this motion. We are considering the closing of various railway lines, but nothing has been put forward to show that there is any practical substitute for them. It is absurd to talk about using the road for the transport of heavy goods. The country roads would be torn to pieces if we carried heavy freights such as wool, wheat and superphosphate.

Mr. Oldfield: We have done it before.

Mr. W. A. MANNING: The saving that would be effected would be so slight that the committee does not recommend such a move, and further, we would be tearing up our roads as well. We have to admit that alternative means of transport may be the only answer, and I am not denying that that might be so. What I am suggesting is that each of these individual railway lines should be spared until an investigation is made into each of them according to their merits, and discussions entered into, particularly with the people concerned. We would get a far better understanding of the position. There is no relationship of these lines one with the other. The future outlook and the position of each is different. We should deal with them one by one.

MR. BOVELL (Vasse) [6.0]: The railway system in this State has been built up over the past 60 years to serve mainly the outback areas and to develop the rural, agricultural, mining and pastoral districts. The system has been extended at great cost to the taxpayer. I am amazed and alarmed at the thought that the Government is contemplating the closing of nearly one-quarter of the mileage in that system without making adequate inquiry. The inter-departmental committee's report referred to by the Leader of the Country Party and the member for Narrogin mentions only specific lines to be closed and consideration to be given to other lines proposed to be closed.

Every political party and every candidate for Parliament advocates the policy of decentralisation, and this move by the

Government strikes at the very root of decentralisation in this State which comprises one-third of the area of the Commonwealth, and is almost 1,000,000 square miles in extent. It is necessary to establish a transport system which will encourage the people to live away from the cities and their amenities. The great economic danger in Australia today is that over half the population in each of the States is confined to within 20 to 30 miles of the cities. That is a very unsavory feature in our economy.

Mr. Rodoreda: That resulted after 50 years of railway operation.

Mr. BOVELL: It might have been the result of the hon. member being in this House for 23 years. I oppose this motion because I do not think that mature consideration has been given to the position which will result if this motion is carried.

The Minister for Works: It is strange that you did not raise that point when the Marble Bar-Port Hedland line was closed by your Government.

Mr. BOVELL: In reply to that interjection, I would point out that the member of that district advocated the closure of the line.

The Minister for Works: You are now dealing with a principle.

Mr. BOVELL: That is so. I have not been in the Pilbara district, but I did at the time at least remain neutral. I neither opposed or supported the proposal.

The Minister for Works: You did not vote against it.

Mr. BOVELL: We are dealing with this motion which strikes at the elimination of almost one-quarter of the railway lines in this State. Admittedly, I am concerned with the proposals, as are most members who have been elected to Parliament by the people in their districts. It is proposed to close the line from Busselton to Flinders Bay. A considerable tonnage of timber is carried over it. If the Railway Department were to cater for that freight in a more efficient manner, it would be carrying more than it does at present. For the year ended the 30th June, 1956, that line carried 10,917 tons of timber.

The Minister for Transport: Would you be surprised that many of the saw mills operating in that district want to cart their timber by road?

Mr. BOVELL: That may be so. How does the Minister propose to deal with the lack of space for storing timber in the ports of Busselton and Bunbury if there are no trains to bring the timber to those ports when the ships are ready to take it away overseas or to the Eastern States?

As a result of inquiries I made recently, I discovered that the total tonnage carried on the Margaret River-Busselton line was 27,476, and the total tonnage over the

Flinders Bay-Margaret River line was 10,072. Included in the first tonnage is an item of 3,236 tons of potatoes carted from the Marybrook area. This district is not served by a main road. After one leaves the siding at Vasse, one would follow the railway line to Cowaramup, but the main road does not run parallel to the railway. It is served by a feeder road which is maintained by the local authority.

I would inquire from the Minister for Transport whether arrangements have been made for the Main Roads Department to take over all feeder roads running parallel to railway lines that are to be closed. Will the local authorities be responsible for the maintaining of the feeder roads running parallel to the lines?

The Minister for Transport: You do not seem to appreciate the small volume of goods that passes along such line.

Mr. BOVELL: The volume could be increased by some effort on the part of the Railway Department. If in this motion proposals for departmental economy and for a full inquiry into metropolitan rail transport, which as has been stated is responsible for £1,500,000 of the railway deficit, had been adopted, we would have given consideration to it on a fair and just basis. But the Government came in with a motion of this nature instead which need not have been introduced at all because the railway commissioners have power to discontinue any service they desire. The only need for reference to Parliament is for the pulling up of railway lines.

For reasons best known to itself the Government has decided on this step, the result of which will affect only the furthest outposts of the State. I have already referred to the dimensions of the State as compared with the Commonwealth. Looking through the appendix, the lines referred to are—

Meekatharra to Wiluna.
Cue to Big Bell.
Malcolm to Laverton.
Geraldton to Ajana.
Wokarina to Yuna.
Burakin to Bonnie Rock.
Mukinbudin to Lake Brown.
Lake Brown to Bullfinch.
Bullfinch to Southern Cross.
Boddington to Narrogin.
Busselton to Margaret River.
Margaret River to Flinders Bay.
Elleker to Nornalup.
Brookton to Corrigin.
Lake Grace to Hyden.
Katanning to Pingrup.
Gnowangerup to Ongerup.

If we look at the map of this State we will see that those lines are connected to terminal points and are the outposts. What will be the next move? Having done this, will the Government say in 12 months' time, "The railways are still losing

£6,000,000 per annum, so we will have to diminish the railway system further?" I believe that will be the case. Eventually the whole rail system will disappear with the exception of the metropolitan service.

Referring to the £1,500,000 loss on metropolitan traffic, I would point out that were it not for the goods traffic from the country, the loss would be much higher. I made inquiries as to the method of accountancy used in the railways applying to freight earned from the Margaret River-Busselton line. The answer was, "By crediting the section with its proportion of the through outfreight on a pro rata mileage basis." What would have been the loss if the freight from the goods consigned from the country was not credited to the metropolitan system?

The Minister for Transport: More goods are sent to your area than you imagine. It is not a one-way traffic.

Mr. BOVELL: That is so, and that substantiates my argument.

The Minister for Transport: If the lines between Perth and Fremantle were to be closed, who would suffer most—the country or the metropolitan folk?

Mr. Rodoreda: Do not answer that!

Mr. BOVELL: I take that advice and refrain from answering. What alarms me is that the Government has gone ahead with this matter without holding a conference on a high ministerial level of all the States in the Commonwealth. This problem of railway deficit is not confined to Western Australia. The Leader of the Country Party has said that on a ratio basis the loss in New South Wales is greater than the loss in this State, and in the former the distances are nowhere near as great.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. BOVELL: Prior to the tea suspension, I was referring to the fact that, to the best of my knowledge and belief, no approach had been made on a high ministerial level for a conference with the other States of Australia, which are suffering the same difficulties as Western Australia in relation to railway finances. I believe the Government has approached this matter without giving due consideration to all phases of activity within the railway system, not only in Western Australia, but throughout the whole of the Commonwealth of Australia.

We know that some years past, the Commonwealth railways were showing a huge deficit, but today through reorganisation and the rehabilitation of that system profits have been shown over the past several years. In the interests of decentralisation, to assist in keeping the population in the country areas and in the interest of further development, we should not hastily close our railways, which have been

established at a great cost to the community generally. Admittedly, transport systems and modes of transport alter from generation to generation.

The Minister for Works: You didn't say a word in regard to the closure of the Marble Bar-Port Hedland line.

Mr. BOVELL: I had no occasion to offer any comments because I was not versed in the circumstances that surrounded the Port Hedland-Marble Bar railway.

The Minister for Works: This proposal is because of the same problem.

Mr. BOVELL: No, it is not.

The Minister for Works: Yes, it is.

Mr. BOVELL: So far as I know, the development in the area between Port Hedland and Marble Bar is static, but the development in my own district from Busselton to Margaret River, and Margaret River to Flinders Bay has doubled in every respect in the past decade.

The Minister for Transport: It has not had the effect of doubling the increase in transport by rail.

Mr. BOVELL: Why blame the people there?

The Minister for Transport: I am not blaming anybody. It is obvious the people have preference for road transport.

Mr. BOVELL: They are desirous of maintaining the railway system and it may interest the Minister for Transport if I read portion of a letter dated the 22nd November, 1956, addressed to me by the Augusta-Margaret River Road Board. It reads—

My board is very concerned at the suggestion recently made that the railway line from Busselton to Flinders Bay be closed. It is appreciated that at the present time the line is not an economic proposition, but it is felt that considerable improvement could be made by proper co-ordination with the existing road service, as it frequently happens that a railway road transport bus, a passenger bus and a train arrive on the same day. Further, the district is expanding so rapidly that heavy rail transport must shortly become an economic necessity.

That statement is in reply to an interjection by the Minister for Works—the Deputy Premier. The district has in one decade since the end of the war doubled in productivity, it has increased considerably in population—I think by one-quarter—and the prospects of further increased development are envisaged.

The Minister for Works: All these considerations would have applied to the Upper Darling Range railway.

Mr. BOVELL: That railway was in the precincts of the metropolitan area where there is adequate transport of all description and adequate facilities for the conveyance of not only passengers, but goods that may be produced.

The Minister for Works: So long as there are adequate facilities, you will not object?

Mr. BOVELL: The Darling Range area was not concerned with heavy commodities like timber as is the Augusta-Margaret River area. Some short while ago I asked the Minister for Lands a question in relation to the development of the Scott River area and I was encouraged by the reply he gave me. He indicated that a survey would be commenced in January and it was hoped to make the land available for selection after the survey was completed. I think the Minister for Lands will agree that the natural centre for that area, when it develops, will be either Augusta or Nannup. Admittedly, Nannup so far is to retain its rail service, but I think with the scenic and climatic attractions of Augusta, the people would normally use Augusta as the centre and not Nannup. However, if this railway is removed—further development of the area is envisaged, and the Minister has given encouraging replies to my question—settlers there will be denied the facility of rail transport. All in all, that district is developing rapidly and there is great scope in the immediate future for further development.

The Minister for Transport: The traffic is falling. Every year it is getting less.

Mr. BOVELL: I would say to the Minister for Transport that some activity should be in evidence that the Railway Department is doing something to encourage rail traffic. I know quite a lot of road transport is used for the cartage of timber, because the railways cannot provide the facilities.

The Minister for Transport: That is not the reason.

Mr. BOVELL: Why is it?

The Minister for Transport: Because it is so convenient to go from the mill to the city with a road vehicle, as against three lots of handling if it goes by rail.

Mr. BOVELL: I have given my reasons for objecting to the motion as it is and I feel it is not in the best interests of the future development of the State. I can only reiterate that all the lines concerned are the terminal points—the outposts—of the State. I feel that at the end of the financial year, if and when these lines are closed, there will be no great reduction in the railway deficit and what can we expect then?

Is the Government of the day going to say, "All right, we will go in a little bit further and gradually diminish the rail

services throughout the State?" I feel more consideration should have been given to the alternative system of transport. These lines are going to be terminated without the provision of any alternative system of transport. I was in the district of the member for Murchison not so many weeks ago and the concern up there was that at Malcolm there are no facilities for storage. I tried to elicit some explanation from the Minister representing the Minister for Railways about priorities and so forth, but the replies given me indicated no consideration had been given to the position of handling goods at destinations, which in this case would be Malcolm.

The Minister for Transport: You would not have storage at Malcolm any more than at Marble Bar, because goods go direct to the store or settler.

Mr. BOVELL: No, they do not.

The Minister for Transport: Yes, there is no question of a depot.

Mr. BOVELL: I would gain the knowledge from the Minister's interjection that any goods going from Perth to Laverton would be carted by road all the way.

The Minister for Transport: No.

Mr. BOVELL: They will be carted to a terminal point which in this case is Malcolm and there have to be facilities to deal with the goods on arrival, including storage. Otherwise trucks will be shunted off and people will have to come in from Malcolm to Laverton, which is a distance of about 60 miles. In the rainy season the road is impassable and all this will involve the people in additional expense. Insufficient consideration has been given to the closing of these lines, and I oppose the motion.

MR. NORTON (Gascoyne) [7.43]: It is regrettable that we hear that railways have to be closed, but when it is for the economic good of the State, we must look around and see what can be done to give the people the service which is required in the outlying parts. It is very apparent that a number of previous speakers have not had any experience with road transport, what it can actually do and its cost of operation.

Roads are being developed in areas where people thought there was no material to make reasonable ones, but with the aid of chemists, certain soil mixtures have been put together and roads have consolidated into very serviceable all-weather ones. That is the first vital link which must be put down before the cessation of a railway. Then we have to look to the most suitable vehicle; one that will do the job most economically, and there is no doubt that there has been introduced into this State in recent years a conveyance which is capable of carrying, either large or small loads, over long or short distances at very reasonable prices.

Vehicles of the type I refer to are usually multi-wheeled diesel trucks which run at low cost both in respect of maintenance and fuel. Their wages cost is also down as they carry large loads. Where a great saving is made is that the vehicle carts mostly from the consignor to the consignee, doing away in many instances with two lots of handling. This has been the experience as far as I am concerned with the transport which now operates between Carnarvon and Perth.

Originally we had the road service from Carnarvon to Geraldton, and then the service was by rail to Perth. This took in the vicinity of three days when everything went well. Some two years ago the road and road service, as we called it, was initiated by which the goods were carted from Carnarvon to Geraldton by road and from there they were taken by the Midland Railway road service to Perth. This reduced the time by a day so that the goods came through in two days.

Just over twelve months ago, the position was taken over by the Transport Board and tenders were called for a through-transport service with the result that one company got the franchise for the handling of all goods—that is, perishable goods grown in and around Carnarvon—for delivery direct to the Perth market, and it had the right to take back loading of any type on its vehicles, providing such vehicles had carried perishables to Perth.

It may interest members to know—particularly those who will be affected by the closing of any railway—that the price for the haulage of those goods over the 612 miles was £14 6s. a ton which works out to 5.7d. per ton per mile. The back loading was carried out at 15s. per cwt. for 1 cwt. lots, gradually reducing until a 5-ton lot would be carried for £12 a ton. If my reckoning is correct, this is 4.8d. per ton per mile. We have quite a big saving here because the goods go from the warehouse direct to the consumer so that we have the saving in connection with handling charges in the metropolitan area.

Mr. Nalder: That will not be the position with the closing of these railways.

Mr. NORTON: I am trying to indicate that an economical service can be provided. I am not saying that a service will be given as cheaply as the one I am referring to because the one from Carnarvon operates over a distance of 600 miles, and I point out that for the 300 miles between Carnarvon and Geraldton, full loads are carried at £6 per ton, which is exactly half the price. So again it works out at 4.8d. per ton per mile.

In getting the costs down to a minimum an important factor is the licensing of the vehicle. Here the member for Blackwood was on the right track because he referred to axle loading and the amount a vehicle could carry. Each State has its own regulations as to the loading of vehicles and

there are many anomalies. I have taken out an analysis of the Tenth Schedule of our regulations and it is interesting to see the difference that is allowed in the axle and tyre loading in various types of vehicles.

Assuming that all vehicles are using 1100 x 20 inch tyres, which are practically the standard tyres today and which allow for the maximum permissible load of 5,000 lb. per tyre and we take an ordinary four-wheeled truck fitted with single tyres, we find it is allowed a total overall loading of nine tons. That would mean that we would have an individual tyre loading of 5,040 lb. per tyre. There are two vehicles only which allow for a loading of this amount, and the other is a semi-trailer vehicle fitted with single tyres.

As regards another vehicle—a two-wheel vehicle with duals on the back—the permissible loading per tyre is only 5,000 lb., but under our regulations it is permitted a load up to 5,227 lb. How that came about I do not know because it is contrary to all regulations in the schedule. The interesting part of the schedule to note is that from there on, as the number of tyres increase on a vehicle, so the weight allowed to be carried on each tyre decreases. It decreases until with a 14-tyred vehicle with five axles the permissible load is a maximum of only 2,880 lb. per tyre.

If a person looks at the corresponding area over which the tyres make contact on the road, and takes the vehicle which carries nine tons and that which carries 18 tons, he will notice that the area is nearly double for the same poundage of the vehicle. By this I mean that the four-wheeled vehicle carrying only nine tons has 2.2 square feet of tyres pressing on the road whereas the vehicle carrying twice that weight has a road bearing surface of 7.65 square feet. It will be seen, therefore, that there are some great anomalies in the loading of vehicles. I feel that if the larger vehicles could be allowed to be loaded, in comparison with the four-wheeled vehicle, our transport costs would be greatly reduced.

As far as I can, I have made a study of the various licensing regulations throughout all the States of Australia, and I find that they have only one thing in common—the maximum tyre load of 5,000 lb. When we come to the axle loading, if it is a single axle, it varies from 17,000 to 18,000 lb. according to the States, but it is more or less the same. When we have a tandem axle it is slightly reduced with the exception of Queensland which retains the loading of 18,000 lb. per axle throughout.

Last year the Australian Motor Vehicles Standards Committee made a recommendation for the licensing of vehicles, and the recommendation, in general, is slightly higher than is allowed in the Western Australian regulations. In essence, this

committee recommends that vehicles be licensed to carry a weight according to the distance between the front and rear axles of the combination of the vehicle. It starts with a 4ft. to 8ft. vehicle with a maximum of 12 tons 19 cwt., after which it allows for a gradual rise in the carrying capacity of each vehicle by 6 cwt. for every extra foot of length between the axles, up to a total of 51ft.

Victoria is a State which licenses under this principle. South Australia, in my opinion, has at present the most sensible type of licensing because it licenses in respect to the combined width of all the tyres, but just how the calculation is arrived at, I am not sure because the details have not been supplied to me.

I think it would be appropriate here for me to show how the Tenth Schedule operates in respect to the particular vehicles of which I have details. These vehicles are ones which are actually licensed today. The first one is type E and it is a semi-trailer fitted with dual tyres on the rear of the truck and dual wheels on the rear of the trailer. It has an overall length of 29ft. 4in. and its tare is 10 tons 17 cwt. 1 qr. The total all-up weight, with load, would be 16 tons. This means its permissible pay load would be only 5 tons 2 cwt. 3 qrs., or an average gross weight on each tyre of 3,584 lb. The 16 tons is spread over an area of 5.4 sq. feet of road surface.

Further, I have details of another semi-trailer, similarly fitted, but its overall dimensions are slightly greater. I meant to say, when referring to the Tenth Schedule, that for every four feet over the maximum length stated in the schedule, an extra ton of loading is allowed. So, as this vehicle is four feet over the permitted maximum length, it is allowed to carry a 17-ton load; and this, with the same tyres and fittings, except that there is an extra four feet between the axles, means that it is permitted to carry an extra tyre load. The tyre load permitted is 3,808 lb.

So, members can see that licensing has not taken into account the area of the road on which the tyre presses. This is one of the vital factors, as far as I can make out, in the licensing of a vehicle. I have here the particulars of a type GA vehicle which is commonly known as an octopus or an eight-wheel vehicle. It has tandem axles under the engine and a tandem axle at the rear. The front axles are fitted with single tyres and the rear with duals, giving it an equipment total of 12 tyres.

This vehicle, with its 12 tyres, has an all-up load of 15 tons. The one I mentioned previously, with 10 tyres, has a permissible load of 17 tons, which does not seem at all reasonable. When one comes to the permissible pay load of this vehicle, one finds that it is only 3 tons 10 cwt. 3 qrs.,

which, for a vehicle of this size, is ridiculous. This gives a maximum tyre loading of only 2,800 lb. per tyre, and a tyre bearing surface of 6.5 sq. feet.

It can be seen that this truck is built to carry loads which are far in excess of what are permissible, and it could carry those loads without even exceeding the maximum axle load, which is less, in the aggregate, than the maximum tyre load of any vehicle.

The next truck to which I wish to refer is the type "J" in the schedule. This vehicle has 14 tyres. It is a semi-trailer type with a dual wheel back axle and a tandem dual wheel bogie on the semi-trailer. It has an overall length of 33ft. 8in. with a permissible all-up load of 18 tons. After the tare weight is allowed for its pay load is only 5 tons 16 cwt. 3 qrs. This vehicle has an average tyre weight of 2,880 lb. but the tyres have a bearing surface on the road for 18 tons of 7.65 square feet.

There is one other vehicle operating on the Carnarvon-Geraldton road and probably it is one of the biggest vehicles operating on a general transport service in Western Australia. It is an 8-wheel 4-axled tractor with a semi-trailer and bogie or tandem axles at the back. It is fitted with six axles and 20 tyres and the overall length is 42ft. I could not get from the schedule the maximum loading nor was I, in the time permitted, able to get from the Secretary for Local Government the exact all-up loading of this vehicle. He gave me an estimate of an all-up load of 32 tons. If that were permissible—I think it is rather high—in comparison with the rest of the schedule, it would give a pay load of 13 tons 17 cwt. or a tyre weight on the road of 3,584lb. while the bearing surface on the road to carry the 32 tons would be 10.56 square feet.

A lot could be done by examining these licences to see whether we could get some reasonable loading for these vehicles. I believe that if these points were considered properly, we would have no trouble in getting the alterations approved. It might be that we would have to get certain roads licensed to carry certain weights; power to do that has already been vested and has been used on a number of occasions. I doubt whether there are any main roads in this State which could not carry, pretty well all the year round, the maximum axle load as set out in our schedule. I think that they could even take the maximum load of 5,000lb. per tyre provided the air pressures did not exceed 80lb. per tyre and the maximum speed was governed to between 35 and 40 m.p.h.

These vehicles, particularly the last one I mentioned, which has 20 tyres, would actually form a pneumatic roller which would help to compress the road and keep it in good condition. This vehicle would

not damage the roads in anything like the way that the single-tyred two-axle type vehicle does. These small vehicles, which are permitted to carry nine tons gross, are high-speed vehicles, narrow in their track, and their road impact at high speed, and with the sway of the vehicle, cause far more damage than the big diesel outfits which are using balloon tyres. We have only to imagine this 20-tyre vehicle as a roller; it would be like four sets of rollers, each one 44 inches in width, rolling the road as it went along.

Should it be considered that the bridges, and there may be some, are not capable of carrying the gazetted weights, these bridges could be marked and avoided by such vehicles. Thus we would be able to get a vehicle carrying its maximum load and giving a far cheaper transport service throughout. If the formula is accepted, under which the bearing surface of the tyre is the feature which sets the carrying capacity of the vehicle, I am certain that a saving in transport costs can be effected and in doing this we will save the Government on subsidies, save the man on the land in freights and in general give to the people a far more satisfactory and cheaper service than they are getting now. I am sure that once the people have had the experience of a good road transport service, particularly in the out-back areas, where they now have a mediocre rail service, they will not be sorry about the changeover. I support the motion.

MR. OWEN (Darling Range) [8.7]: I rise to oppose the motion.

The Minister for Works: What an extraordinary man you are!

MR. OWEN: This may seem strange—

The Minister for Works: It certainly does.

MR. OWEN:—because when two of the railways in my own electorate were closed, I raised no opposition; in fact, I supported the move because in those cases the railways had outlived their usefulness. They could carry next to no goods and in many cases, because of the steepness of the grade, the commission was using the old-type Garratt engine to drag one coach and one passenger—a train crew of three to cater for one passenger. There was no doubt about the fact that it was uneconomical to run both those railway lines in my electorate.

On the other hand, there is another line within my electorate where, although it has not been officially closed, the service has been suspended for two or three years and there was considerable opposition from the people who were served by that railway. It seems to me that the main opposition was because of the failure of the Transport Board to provide a proper alternative service, and I fear that that might be the position, and possibly would be the position, if this motion were agreed to.

The services would be suspended and the rails torn up before suitable alternative services were provided for the people in the district served by the present lines.

The Minister for Transport: It needs an Act of Parliament before that can be done.

MR. OWEN: I agree. But coming back to the Bellevue-Mundaring line, the service has been suspended for 2½ to 3 years and only recently I took a deputation to the Transport Board in regard to it. Two railway officials were present and it was explained that one of the big difficulties in reinstating the service was the necessity to spend £30,000 on rehabilitating tracks which had not been used for only 2½ years; in other words, 15 miles of track would require £30,000 to be spent on it to put the line in order. Yet it was giving satisfactory service and many trains per day were running over it at the time of the suspension of the service.

Therefore, if we suspend these other services it is only the beginning of the end and in no time the rails will have to be torn up. Although the motion reads that it is merely to discontinue the services on certain lines, the Minister explained the need to take material from those lines to build up others which are still to be carried on. To me that seems rather uneconomic. I will agree that when they took up the Upper Darling Range line the sleepers were used at Collie, and some of the rails were put into a line to one of the mines. But when one considers the limited life of a sleeper, even when put in as new, and as the cost of laying it is possibly more than the actual cost of the sleeper, one realises how uneconomic it is.

When we use a sleeper which has already had eight or 10 years' service, its life in a new position on some other line is so much shorter, and to me that is uneconomical. The same applies, but, of course, to a lesser extent, when using rails which are partly worn out and which are being taken from one line and used on another. On reading the report of the Western Australian Government Railways Commission, it seems that this would be only the first step in closing all our small lengths of line, and I would like to quote a portion of the report which reads—

Closure of some of the non-paying branch lines will help the rehabilitation of the remainder of the system—indeed it will improve the position of consolidated revenue fund at Treasury—but the point must be borne in mind that minor or piecemeal closure will have comparatively little effect. Substantial benefit can accrue only from a major contraction of the present attenuated railway system, from 4,119 miles to roundly 2,500 miles.

Although the motion deals only with the closure of 842 miles of railway track, the commission has in mind the closure of another 800 odd miles. No doubt they will

then see some portions of the system which cannot be economically managed, and they will advocate further and further suspension of railway services until eventually we will get down to the main lines from Perth to Kalgoorlie, Perth to Albany, Perth to Geraldton and Perth to Bunbury. It would be like a person cutting up his coat to patch his pants and eventually finishing up in shorts.

Mr. May: He would not have either.

Mr. OWEN: He would not be properly clothed, and I do not think we would be properly served by our railway system.

The part that concerns me is the provision of an alternative service to take the place of the railways. I think the only answer is to provide all-weather sealed roads to allow an efficient road service to supply the necessary transport facilities to the districts concerned. This may be one way in which the Government is endeavouring to use petrol moneys to save its funds from the loan programme. During the course of this debate and in a previous debate, the member for Blackwood went to some length to prove to the House that ordinary gravel roads could be made to stand up to heavy road transport. Before I am satisfied of that, I would like to see tests carried out in districts other than the lower South-West, and with vehicles other than the slow moving type.

I can quite believe that on those gravel roads, particularly where there are frequent showers and with the slower moving traffic—the hon. member suggested a limit of 25 miles an hour—it would be similar to a roller going over the roads more or less constantly, thus providing a surface which would become compact and stand up to that traffic easily. But if those vehicles were speeded up, as modern transport is speeded up, to anything above 30 miles an hour, the effect on the road surface would be much different. Firstly, there is the question of the suction of the tyres, and the wind caused by the vehicle moving at that speed will mean that the surface of the road would corrugate.

Mr. Hearman: Why did you oppose the suggestion of a test road?

Mr. OWEN: I feel the only answer is a sealed road which as we all know, is so expensive. Gravel roads throughout the State and particularly in the inland areas where conditions are much drier, start to corrugate after a few weeks. In fact, I have noticed that some of the roads in my own district, though formed and rolled, have within a week begun to corrugate. Although much research has been done on corrugations, I firmly believe they are caused by the action of the wind constantly displacing large volumes of air under the vehicle and at the sides of the vehicle. Once the level of a gravel surface road is broken and there is the continuous

pounding of heavy vehicles, the foundations commence to crack and this is the first step in the process of disintegration.

This applies particularly where there are dry conditions followed by rather wet conditions such as we have over so great a part of our State. Once the corrugations form, and the foundations crack and heavy vehicles run on top of them, large potholes are formed and shortly after the entire road becomes a quagmire. I think that was demonstrated even on a sealed road if the reports we have had on the Hume Highway between Melbourne and Sydney are any indication. This was once quite a good sealed road but under the constant impact of heavy road traffic, and under the heavy rainfall conditions experienced there in the early part of the year, what was a first class highway became a quagmire and was closed to all traffic for several weeks on one occasion. That could happen here.

Until we have made provision for these sealed roads to permit road transport to operate in an efficient manner, I feel it would be a mistake to consider closing any of our railways. The member for Mt. Lawley said that several years ago, owing to the metal trades strike, the railway services had been reduced to the use of only half a dozen locomotives and that road transport handled efficiently the traffic offering. I will admit that road transport did a very good job indeed in handling that traffic, but it had a very adverse effect on our roads, particularly the lighter roads even though they were sealed.

Even though they did break up and even though potholes were formed in many sections, the full effect was not noticed until a year or so later when we had a very wet winter and the foundations that had been cracked by the heavy transport broke up completely. On sections of the York-rd, particularly, there were whole sections affected, and a few miles of road had to be torn up, and are still being reconditioned by the Main Roads Department.

That is only an instance of what heavy road transport can do even on what we class a modern road. I agree with the suggestion of the member for Narrogin that we cannot deal with all these sections together as mentioned in Appendix "B" to the motion; each one must be investigated and dealt with on its merits. It has occurred to me, without knowing the volume of traffic there was on the Norseman-Esperance railway, that it could have been advocated that, because of the comparatively small amount of traffic there, we should close that railway. In the light of events that have taken place recently, there is likely to be very much increased traffic over that section of line. Had we closed it 12 months ago, I am sure we would have had to reconsider the matter of again opening that section of railway.

The same could apply to any of the sections mentioned in Appendix "B." Accordingly I feel that before we pass a motion of this nature we should go very closely into every section mentioned and deal with it on its merits. To give members some scope to discuss it in that manner, I move an amendment—

That after the word "motion" in line 5, the words "except Elleker to Nornalup—61 miles" be inserted.

On motion by Mr. May, debate adjourned till a later stage of the sitting.

(Continued on page 3066).

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Returned from the Council with amendments.

BILL—STATE TRANSPORT CO-ORDINATION ACT AMENDMENT.

Message.

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

Second Reading.

THE MINISTER FOR TRANSPORT: (Hon. H. E. Graham—East Perth) [8.28] in moving the second reading said: This Bill contains only two principles and I do not anticipate any violent objection to the amendments sought to be made. As a matter of fact, in respect of one of them I can say that this is an amendment actually suggested in some respects by the member for Nedlands. If I can refresh the hon. member's memory, on the 28th November last I am reported to have said something to the effect that my feeling was that it would be better for the Minister to have power to pay but to use the funds levied upon the bus companies and which are collected by the Transport Board. The member for Nedlands said that he agreed with that.

The matter I am submitting is, of course, in connection with the provision of bus shelters for the patrons of public transport. Members will recall that there was a provision in the Traffic Act Amendment Bill to provide that the Minister could spend moneys on the erection of shelters within the metropolitan area and deduct the expenditure from the allocation made to the local authority in whose districts such shelters were erected. It was felt when the Bill was being discussed in Committee that it would be preferable for this procedure to take place in respect of the fees paid by the bus companies in the metropolitan area to the Transport Board, because indirectly the patrons of the buses would be paying the Transport Board the fees in the fares they were called upon to meet, and they would thus be enjoying the benefit of the shelters.

I want to make it quite clear that it is not the desire of the Minister or of the board that they should embark upon a programme of constructing bus shelters. Generally speaking, local authorities—particularly of recent days—have been most co-operative and anxious to do the best they can for the patrons of public transport; but there are some of them in a few places who show no solicitude whatsoever for the trials and tribulations of bus passengers, either before or after they have made their journeys.

It is not my wish to paint a harrowing picture to members; but in the heart of the city of Perth, for instance, all of us, from time to time have seen many hundreds of people lined up in queues in beating, driving rain, with no shelter whatsoever, and the Government and I feel that something should be done in connection with it.

Members should not think that there will be all sorts of hideous structures in the heart of the city, assuming that it applied in the actual city streets. But if shelters were erected by the Transport Board instead of by the local authority, then every regard would be had for the aesthetics of the city. In the outer suburban areas the shelters would no doubt follow the general pattern of those that have already been provided. As this matter was discussed previously, I do not intend to say any more about it.

The other amendment is to make the State Transport Co-ordination Act conform to the Traffic Act in respect of the definition of "local authority" so far as the metropolitan area is concerned—and this in respect of one matter only. To be more specific, under the Traffic Act the Commissioner of Police is the traffic authority in the metropolitan area as defined. This amendment seeks to make the Commissioner of Police the local authority—again in the metropolitan area—only so far as bus stops and bus stands are concerned. The section of the Act that is proposed to be amended states—

The local authority shall if so required by the department appoint within its district such stands for omnibuses as may mutually be agreed upon between the local authority and the board.

In the event of failure to reach agreement, there is provision for the matter to be referred to arbitration.

In actual fact, it has been found that the procedure is for the police, in conjunction with the Transport Board—and of more recent days perhaps also the Main Roads Department—to investigate the best stopping places and to make a determination in connection with them, and the local authority is apparently not very concerned in the matter because it is a traffic problem; and I think that in

the great majority of cases the recommendations of the Police Traffic Branch are accepted without question.

So as to avoid the necessity of submitting these matters to local authorities, with consequent delay and with no useful purpose being served whatsoever, it is sought to streamline the procedure. As a matter of fact, I was somewhat amazed to learn that all these various matters in connection with traffic are contained in the Traffic Act, but that the matter of where a bus stand should be is contained in another statute altogether. That seemed to me to be out of place, and particularly out of place that a different authority from the traffic authority should be the determining factor.

I stress that in the country districts, where the local authorities are the traffic authorities, they will continue, as in the past, to decide where the bus stops shall be. Therefore there is no interference with them at all. I consider that both of these amendments are logical and commonsense, and I move—

That the Bill be now read a second time.

On motion by Mr. Hearman, debate adjourned.

BILLS (2)—RETURNED.

- 1, Brands Act Amendment (No. 1).
- 2, Architects Act Amendment.
Without amendment.

BILL—LAND AND INCOME TAX ASSESSMENT ACT AMENDMENT.

In Committee.

Mr. Moir in the Chair; the Treasurer in charge of the Bill.

Clauses 1 to 4—agreed to.

Clause 5—Section 9 amended:

Mr. COURT: I was wondering whether the Treasurer has received representations from the mutual life offices regarding the treatment of their land. They enjoy special treatment in other States in respect of the proportion of the land that they occupy for their own affairs as distinct from that rented to other people. I understood that representations were to be made to the Treasurer, and I was wondering what his reaction would be.

The TREASURER: Some correspondence has come in recently in connection with this matter. Time has not been available to enable close consideration to be given to the representations. However, I will undertake to have investigated the suggestions submitted, and a report will be submitted to Cabinet next Monday. Any decisions made by Cabinet which might involve any alteration of the Bill will be put

on the notice paper in the Legislative Council by way of amendment in the name of the Chief Secretary.

Clause put and passed.

Clause 6—Section 10 amended:

Hon. Sir ROSS McLARTY: I move an amendment—

That after the word "by" in line 6, page 3, the following be inserted:—

(a) Adding after paragraph (b) of Subsection (1) the following paragraph:—

(ba) All lands vested in or in the occupation of or held in trust for or under the management and control of any church or religious denomination in the State and returning revenue, provided that such revenue is devoted to and used solely for religious, charitable or educational purposes.

This amendment would exempt churches from the payment of land tax. I know that the Treasurer has given consideration to this matter, and he gave me some proposed amendments this evening which will give the churches considerable relief. But, even so, the Bill will still involve the churches in a much more severe tax than is being paid at present.

In Victoria, and, I think, South Australia, all church land is exempt; and I read to the Treasurer letters which I had received from the Church of England and the Methodist Church pointing out this fact. Those churches have also written to the Treasurer, if they have not seen him, and placed before him the extremely difficult position in which they would have been placed had he gone on with the original proposals in the Bill.

I can only conclude that the churches are exempt from the tax in the other States because of the use to which their money is put. The other evening I explained to the Treasurer—and again he already knew the facts—that there is one large property in Hay-st. in which the Church of England is concerned, and it is laid down by Act of Parliament that all the income derived from that big property must go to educational services.

So it will be seen that the money is earmarked and is specified by Parliament and I think reasons can be advanced why it should not be taxed. Although the premises are let to business concerns the church does not enter into the business carried on, which is that of a motor business and agency, and the income received by the church from that source must be used for educational purposes, by direction of Parliament. All the money derived by churches in this way is to be used in connection with education, the keeping of

the clergy, assistance to orphanages and other Christian works which churches undertake.

The other night the Treasurer said that some firms occupying church premises enter into competition with other firms and that therefore the church property should be taxed, but I say the church derives no benefit other than rent from the businesses conducted on its property and since the money it receives is not used for profit making I think it should be exempted from land tax. Even now the churches have difficulty in meeting their financial obligations and, in common with all other walks of life, their costs have increased. Any further burden by way of taxation will make their position still more difficult.

I think we could well follow the good example of other States in exempting the churches from this tax as it would not involve the Treasury in much financial loss. By means of these amendments the Treasurer proposes to give the churches some relief from the original provisions of the Bill.

The Treasurer: Substantial relief.

Hon. Sir ROSS McLARTY: The Treasurer will probably tell us the details. A reasonable compromise would be if the Treasurer agreed to the churches continuing to pay what they are paying now, instead of increasing the rate.

The TREASURER: I want to make it clear that the Bill would not charge the churches land tax except on land on which they are already paying that tax. The amendments which I have on the notice paper if agreed to by Parliament, will give the churches total exemption from land tax on church land on which hospitals have been built although at present they pay the tax on that land. The Leader of the Opposition referred to an amendment which I propose to move to a later Bill. That amendment will create three rates of tax which the churches will not be liable to pay on land in connection with which they already pay land tax.

The present rate of tax is either 1½d. or 2½d., according to whether the land is improved or unimproved and under the proposed amendment to the next measure the churches, in regard to land on which they already pay land tax, would pay tax at the rate of 1½d. in the £ or 2d. in the £ or 3d. in the £ according to the total value of the land owned by them and let to tenants who carry on business thereon.

That proposed amendment would provide a great deal of relief to churches in respect of such land compared with the rates of tax proposed in the Bill. The maximum rate of tax proposed in the measure is 8d. in the £ and the proposed amendment

would make the churches liable for a maximum of 3d. in the £ in respect of their taxable land.

Hon. Sir ROSS McLARTY: Over and above a value of £20,000, is it not?

The TREASURER: The Second Schedule of the next Bill sets out the rates of tax, starting at 2d. in the £ and going to a maximum of 8d. in the £. Under the proposals some churches—I think at least three, because they own very valuable land in the city upon which are erected business premises let to various concerns—would be liable to a maximum rate of 8d. in the £ under the provisions of the next Bill but under the amendment that I propose to move, the maximum tax levied on churches for land let to business concerns would be 3d. in the £, instead of 8d. in the £.

I think that is a substantial concession. It is hard to believe that when churches are called on to pay this maximum of 3d. in the £, they will not be able to recover all or a substantial part of the increase from their tenants. I think most of their leases would contain provision to pass on increases in rates and taxes and failing that, I think the tenants would not be likely to raise objection to meeting the increase voluntarily. As I said the other evening, if churches were to be left on the present rate of tax or exempted from taxation on this class of land, the organisations renting premises from them would be placed at considerable advantage as against their competitors whose premises were on land which was liable to the maximum tax contained in the Act.

For my part, I see no reason why a person or organisation renting premises constructed on land owned by a church should have a special advantage. I repeat that the amendment I propose to move to the next measure will give the churches a substantial advantage. Perhaps the main reason why Cabinet agreed to offer this concession is that churches do not receive a taxation rebate in respect of the land tax they pay. Other persons or organisations that pay substantial taxation to the Commonwealth receive a deduction of at least £40 in £100 with regard to land tax paid to the State.

I think that the concession I have referred to in connection with land tax will make up to the churches the disadvantage of not being able to claim the deduction in regard to land tax. I hope the amendment I have foreshadowed in connection with the next Bill will be regarded by this Committee as reasonable and I ask the Committee not to agree to the amendment under consideration.

Mr. COURT: This being the assessment Bill as distinct from the taxing Bill, it gives us the opportunity to address ourselves to the principles, as it were, as to what should form the basis of assessment. In other words, what items we feel, as a

matter of principle, should be or should not be exempt. It is important at this stage to bear that clearly in mind because I feel, somewhere along the line, as happened many years ago when tax was somewhat unimportant in amount, insufficient attention was given to the principle of what should be or should not be taxed.

It is the same with income tax. Until the rates go up people are not very concerned, but when they are increased they look more closely to the assessment Act to ascertain what they can do to avoid paying the tax. At the moment everyone is very tax conscious because the income tax rates are so high. I feel that church property should be exempt from land tax. The Treasurer has advanced an argument which, on the surface, appears to have some logic in it, namely, that an unfair situation could be created because of people trading side by side; one renting his premises from a church body exempt from land tax and the other renting his premises from an ordinary landlord who was not exempt.

I would be quite prepared to allow the economical level of those rents to be determined in the ordinary course of business. After all is said and done, the church body would be out to get a reasonable rent. It would not be so foolish as to let its property at less than an economic rental for premises in, say Murray-st. or Hay-st. We have put forward a proviso that the church must apply the net proceeds from the property let, to its true functions such as the conducting of schools, hospitals and the upkeep of the ministry, etc.

We have yet to do more in this community, both individually and collectively, to preserve the church, because churches today are having a severe battle. It is only those churches that have been able to help themselves, such as those that have come under the Wells scheme in recent months, that have been able to get their finances in reasonable order. If we make it possible for them to obtain more income from their properties without a heavy burden of tax, it follows that their work can be expanded. If a church such as the Anglican Church has a great deal of property, for the purposes of this Bill it would be aggregated and the rate of tax would be at the highest rate that that aggregation produced.

The Treasurer has foreshadowed an amendment in another Bill in relation to a lower rate of tax to be levied in connection with these bodies. That does, to a certain extent, offset the argument I advance that aggregation of their property could be unfair against their tenants in one particular property. The garage in St. George's Terrace is part of the income-producing property of the Anglican

Church and that therefore would bear the highest rate of tax that the aggregation of that property could produce, and that could be unfair.

There is an important point that should be taken care of. If the Government persists with its amendment, it should grant some relief in the taxing measure. That is in connection with the legal restrictions on these churches not recovering the increased land tax even at the lower rate proposed by the Treasury. The trustees of the Methodist Church have been quite frank in regard to their lease with tenants and they show that they have a fixed lease until 1962, and as is customary the lessee has to pay municipal rates and any increase in them is automatic.

However, it is also customary not to alienate from the owner any responsibility in regard to the payment of land tax, and there is a good reason for that. These documents usually specify that the tenant is responsible for rates and taxes, excluding land tax. I am not quite sure about the legal position with respect to State land tax, but I know it was obligatory with the Commonwealth land tax. Therefore, it is found that the Methodist Church has a lease which runs until 1962 with a non-recovery clause in respect of land tax.

The suggestion was advanced by the Treasurer that tenants would voluntarily take care of the situation, but there is no reason why they should. They have entered into a long-term lease which has certain advantages both to the tenant and to the landlord. It would be unreal of us to expect the tenant in that case to make an adjustment outside the terms of the contract. Therefore, I would like to hear if the Treasurer is prepared to grant some concession in those circumstances.

Where it can be proved that there is a bona fide lease which cannot be broken, I would like to know whether he will grant some relief until the lease has expired. I still support the amendment moved by the Leader of the Opposition as I think that, as a matter of principle, we should exempt church properties from land tax, with the proviso that the proceeds from the letting of such property are applied for proper church use.

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

Ayes	....	16
Noes	....	22
Majority against	....	6

Ayes.

Mr. Bovell	Mr. Nalder
Mr. Cornell	Mr. Oldfield
Mr. Court	Mr. Owen
Mr. Grayden	Mr. Perkins
Mr. Hearman	Mr. Roberts
Mr. I. Manning	Mr. Watts
Mr. W. Manning	Mr. Wild
Sir Ross McLarty	Mr. Crommelin

(Teller.)

Noes.

Mr. Evans	Mr. Lapham
Mr. Gaffy	Mr. Lawrence
Mr. Graham	Mr. Marshall
Mr. Hall	Mr. Norton
Mr. Hawke	Mr. O'Brien
Mr. Heal	Mr. Potter
Mr. W. Hegney	Mr. Rodoreda
Mr. Hoar	Mr. Sewell
Mr. Jamieson	Mr. Sleeman
Mr. Johnson	Mr. Tonkin
Mr. Kelly	Mr. May

(Teller.)

Pairs.

Ayes.	Noes.
Mr. Brand	Mr. Andrew
Mr. Mann	Mr. Brady
Mr. Hutchinson	Mr. Nulsen
Mr. Thorn	Mr. Toms
Mr. Ackland	Mr. Rhatigan

Amendment thus negatived.

Hon. J. B. SLEEMAN: Whilst we are dealing with the exemptions portion of the Bill, I think we should do something for another section of the community. I refer to industrial trade organisations. They own buildings such as the Trades Hall in Beaufort-st. and other smaller trades halls. They could almost come under the heading of "education," although it might be a little risky to place them under that heading.

Hon. Sir Ross McLarty: And the buildings belonging to political parties, too, eh?

Mr. Court: What about the Employers' Federation building?

Hon. J. B. SLEEMAN: If it were our poor destitute party, it would not matter; but if it were the Liberal Party, it would be a different proposition because it owns some very valuable buildings. The Leader of the Opposition knows that the trustees of the Trades Hall and of other buildings belonging to the trade unions in this State are as poor as a church mouse. As far as I am concerned, I have never seen all this money that is supposed to be around the trade union organisations during elections.

Mr. Court: We will swop you 1140 Hay-st. for the Trades Hall building.

Hon. J. B. SLEEMAN: I think the trustees would be well up against it if they were called upon to pay all they owe.

Mr. Court: What, on the Trades Hall?

Hon. J. B. SLEEMAN: Yes, and as far as the Fremantle Trades Hall is concerned, the trustees of that organisation are always broke and always will be unless they are able to get a great many more members by which means they could obtain more finance. The principle to which

I am referring is nothing new and I think it should be followed in this case. I move an amendment—

That after the word "by" in line 6, page 3, the words "land owned by or in trust for any association of employees or any trade union of employees" be inserted.

The CHAIRMAN: I must point out to the mover that if the amendment is agreed to, the clause will not make sense because it will read—

Section ten of the principal Act is amended by land owned by or in trust for any association of employees or any trade union of employees.

Hon. J. B. SLEEMAN: It is a matter of opinion whether the amendment is sensible or not. Personally there is nothing nonsensical in it that I can see.

The CHAIRMAN: What I am pointing out is that the amendment is drafted wrongly. The intention is clear but the wording is not.

Hon. J. B. SLEEMAN: Can you suggest any better way of drafting it?

The CHAIRMAN: It is not my province to draft amendments for members. I would suggest that the hon. member reads the clause with the amendment and sees if he is satisfied.

The TREASURER: I mentioned earlier an amendment which I proposed to move to the schedule in the next Bill and pointed out that the maximum amount of tax which would apply to revenue earning land owned by churches would be 3d. in the £. That amendment will also apply to societies, clubs or associations not carried on for pecuniary profit or where the land is not the source of profit or gain mentioned in the proviso to paragraph (c).

Therefore, the acceptance of the foreshadowed amendment to the next Bill would mean that trade unions, clubs and societies of various kinds would pay at the most a rate of 3d. in the £. At present they pay 1½d. to 2½d. according to whether the land is improved or not. Thus, in connection with trade unions, clubs and societies, the foreshadowed amendment will be a considerable concession to them compared with the proposals which are in the Bill. The concession which the Government proposes to offer in that direction is well worth while. I therefore oppose the amendment.

Hon. J. B. SLEEMAN: In view of the promise by the Treasurer, my amendment will be met to a slight degree. I suppose we should be thankful for a little. As he opposed my amendment, there does not seem to be any chance of it being passed,

so in an attempt to save something from the wreck with the foreshadowed agreement to the amendment to the next Bill, I ask leave to withdraw my amendment.

Amendment, by leave, withdrawn.

The TREASURER: I move an amendment—

That after the word "amended" in line 5, page 3, the following be inserted:—

- (a) by adding after the word "hospital" in line three of paragraph (c) of Subsection (1), the passage, "or any hospital conducted by or on behalf of any religious body,"; and

(b)

At the present time land owned by a religious body upon which a hospital is constructed and operated, pays tax under the Land Tax Assessment Act. The Government considers that such land should be totally exempt from land tax. If this amendment is agreed to, that purpose will be achieved.

Hon. Sir ROSS McLARTY: I am sure all members will support the amendment. Not many hospitals in the metropolitan area will be concerned, but, of course, those in the country will be. This is a very desirable amendment and it will apply to religious denominations running hospitals. I have pleasure in supporting the amendment.

Amendment put and passed.

Mr. COURT: I move an amendment—

That after the word "by" in line 6, page 3, the following be inserted:—

Adding after paragraph (c) of Subsection (1) the following paragraph—

- (ca) All land owned by or in trust for any person or society and used or occupied by that person or society solely as a site for a building owned and solely occupied by a society, club or association, not carried on for pecuniary profit, provided that—

- (1) where a building erected on land to which this paragraph would refer if the building were solely used or occupied by the person or bodies specified in this paragraph is partly used or occupied, or is intended to be partly used or occupied, by persons other than those persons or bodies, the unimproved value of that land shall,

for the purposes of assessment of those persons or bodies, be reduced to an amount which bears the same proportion to that unimproved value as the rental value of the part so used or occupied, or intended to be so used or occupied, by those other persons bears to the total rental value of the building;

- (2) for the purposes of this paragraph the use or occupation of any building or part of any building by any society, institution, club or association, not carried on for pecuniary profit, which is affiliated with the owner of the land on which the building is erected, or with which that owner is affiliated, or which is controlled by or controls that owner, shall not be deemed to be use or occupation by a person other than the owner.

This would have the effect of creating another paragraph to Section 10(1) in which the exempted lands are listed. Therefore it is proper that the amendment should refer to that section. It refers particularly to bodies carried on not for pecuniary profit, and does not seek to exempt portions of their premises which are rented. The amendment is rather involved, and largely it has been taken from the Commonwealth legislation. A similar provision was in the Commonwealth Land Tax Assessment Act up to the time that Government abandoned land tax. The appropriate provision is Section 13.

Briefly the position is this: If one of the bodies owned premises the unimproved value of which was assessed at £100,000, those premises would be broken up into two parts by the commissioner. The part occupied by the body concerned and the part rented to other people are treated separately. Assuming that a valuation by the commissioner of the part operated by the body concerned showed it had a rental value of £6,000 per annum, and it was receiving rents outside to the tune of £4,000, the proportion of the building taxable would be in the rent ratio; that is, the taxable portion would be four-tenths based on £40,000 in value.

I consider this to be a desirable amendment. These bodies are part and parcel of our community life and they serve a desirable cause. They are not carried on for pecuniary profit, and they gain no tax

advantages as do trading concerns. If this land tax were imposed it will mean a charge on their members to recover the amount. In any case they can only recover from the tenants the amount which the rented portion bears to the whole premises. Other States have given this recognition.

We are now considering land tax legislation of New South Wales and Victoria of fairly recent origin. The Commercial Travellers' Association is a case which readily comes to mind and is one readily understood by members because quite a few in this Chamber have had long association with that body. It is exempt under the New South Wales law and it was exempt under the Commonwealth legislation while it was operation.

The TREASURER: I have to oppose this amendment. I think I should say this is not a Bill to give money away—Government money. It is a Bill to try to obtain additional money for the State. The organisations to which this amendment refers already pay land tax under this Act and they have paid it for years. Therefore this is most certainly not the time for Parliament to exempt from the payment of land tax these persons and associations which have been called upon to pay the tax through the years.

The other argument which I would put forward against this amendment is the same as that which I advanced to the Leader of the Opposition, although there was certainly more merit in his amendment in connection with land owned by churches than there is in the amendment put forward by the member for Nedlands in connection with clubs, and I trust the amendment will be defeated.

Mr. COURT: The Treasurer says this is not the time to give money away. If we do not raise these things when an Act is under review, there will never be a time when we can bring these matters to the notice of the Chamber. When a Bill is brought down for a severe tax such as the one proposed by the Treasurer, these people take notice of their obligations.

The Treasurer: The maximum rate will be 3d. and not 8d.

The COURT: There will be a lot of threepences, as values have been pushed up.

The Treasurer: They have valuable land.

Mr. COURT: Because of their own prudence over the years.

The Treasurer: What about expenditure by both Federal and State Governments and local government authorities?

Mr. COURT: They run a service in the community and are part of our way of life.

Mr. Johnson: They provide beer-drinking facilities.

The Treasurer: They are in competition with others who pay up to 8d. in the £1.

The COURT: The Treasurer said he used the same arguments as in connection with the churches. In this connection we are not seeking exemption for the rented portion.

The Treasurer: There could be a lot of anomalies under the proposal.

The COURT: They have not arisen under Federal law and the other States must be happy about it. There is one final explanation I should have made in connection with the second part of the amendment which may have been rather obscure to some members. There are occasions—and again I refer to the Commercial Travellers' Association—where we get a united and a State body operating in the one premises and that explains the need for paragraph (2), because if that were not included an anomaly could arise. It does happen where the senior body for Australia operates in the same premises as the State body.

Amendment put and negatived.

Mr. ROBERTS: I move an amendment—

That after the word "by" in line 6, page 3, the following be inserted—

(a) by adding to paragraph (f) of Section (1) the following subparagraph—

(iv) any widow of a member of the Forces within the meaning of the Repatriation Act, 1920-1956 (Commonwealth Act) or of that Act as amended at any time, or by a widowed mother of an unmarried member;

Provided that this subparagraph shall not apply in respect of land held by the widow or widowed mother, the total unimproved value of which exceeds £10,000, so far as concerns the amount by which such value is in excess of £10,000.

I would refer members to an amending Bill, No. 11 of 1945, where Section 10 of the principal Act was amended. It seems that the Government has overlooked war widows and widowed mothers when bringing down this amending Bill. I think it was inadvertent that war widows and widowed mothers were overlooked because

they are the only pensioners to my knowledge who have not been included in that section of the principal Act.

In the proviso I have included the amount of £10,000 as that is the amount mentioned in a Bill with which we will be dealing. In using this figure we must not overlook the fact that a war widow or widowed mother may have been left a farming property and should be able to receive some benefit from the payment of land tax. It was not my intention to include a wealthy widow or widowed mother and I think £10,000 is a reasonable amount. I hope the Treasurer will give serious consideration to this amendment because I feel these people are due for some relief under this land tax measure.

The TREASURER: I have not had time to fully investigate this amendment but my understanding of the Commonwealth social services legislation is that the civilian widow's pension is subject to the application of a means test whereas the war widow's pension is not.

Mr. Roberts: That is correct.

The TREASURER: I would be in favour of placing the war widow on the same basis as the civilian widow in regard to exemption from land tax. However, the difficulty does arise that one class of widow is subject to the application of the means test, whereas the other type of widow is not subject to that test. I am prepared to go this far and say I will have a closer investigation made of this amendment and in the event of agreeing to it at a later date on the basis of the total unimproved value of the land exceeding in value £5,000 instead of £10,000, I shall arrange with the Chief Secretary in another place to include an amendment of this type in the Bill. At this stage I cannot see my way clear to accept the amendment even on the basis of reducing the £10,000 to £5,000, but I am sympathetic with the principle and in the event of no substantial objection being raised in the course of a closer examination of the amendment, I give an assurance that I shall take action along the lines I have mentioned.

Mr. ROBERTS: May I, with your indulgence, Mr. Chairman, change the figure to £5,000?

The CHAIRMAN: No. The hon. member has already moved the amendment and spoken on it.

Mr. MAY: I agree with what the Treasurer has said, that consideration should be given to the amendment. We should, however, always remember that there is a difference between the payments and the benefits that a war widow receives as against those that an ordinary widow receives by way of a social service pension. A war pension is not included in taxation.

Mr. COURT: A civilian widow would not be paying any tax.

The Treasurer: Some civilian widows pay tax.

Mr. MAY: Civilian widows on a pension do not pay tax. There is a big difference between the pensions of war widows and ordinary widows. I do not want members to think that I am not in sympathy with war widows because for 30 years I have attended to their wants. I think we should have been given more time to examine the amendment in fairness to the civilian widows and widowed mothers. The member for Bunbury has mentioned an exemption of £10,000. If a war widow is receiving a war pension, which is fairly substantial and is completely free of any means test and taxation, and on top of that she has an income of £10,000—

Mr. Roberts: It is not an income of £10,000.

Mr. MAY: If the taxable value of the land is £10,000, it can be assumed that she would be in receipt of a reasonable income from the property. I agree that further consideration should be given to the amendment.

Mr. COURT: I move—

That the amendment be amended by deleting the figures "£10,000" in lines 3 and 4 of the proviso and inserting the figures "£5,000" in lieu.

I agree with the sentiments expressed by the Treasurer. The member for Bunbury included £10,000 because it was the lowest figure in the schedule. The Treasurer has foreshadowed amendments to the taxing measure, which alters the position. The object of the member for Bunbury will be served if the maximum is fixed at £5,000 because he seeks to exempt a residence, farmlet or farming property. He made it clear that he did not seek to grant an indefinite exemption to a person who inherited valuable property and who, therefore, would not need this relief. It is true that war widows get a pension without any means test whereas the civilian widows do not.

Mr. May: They get other advantages too.

Mr. COURT: Yes, but the hon. member would be the last in the Chamber to object to the benefits they get. The figure of £5,000 is a realistic one. It would be quite common for a widow to have a residential property where the unimproved land value was £1,000. On the old scale of tax she would be called upon to pay £5 4s. 2d. and under the new scale £8 6s. 8d. This may not sound much, but it is another burden that she has to carry and I feel that this is the time and place to try to seek relief.

Mr. JOHNSON: It is proper that I should state my qualifications for opposing the amendment. I do not want anyone to think I am not sympathetic to war widows.

I happen to be the State president of an ex-servicemen's association, which is as sympathetic to war widows as anyone else. I can agree with the idea which I presume caused the member for Bunbury to move his amendment and that is that the war widows are not sufficiently well treated, but I feel that the effect of his amendment is to raise the pension of a war widow who is fortunate enough to have landed property, but not the war widow who is not the owner of landed property.

It is a sectional improvement which is unfair to those war widows whose husbands either had no property in the form of land, or had property in other forms. The method the hon. member should use to achieve his objective, is pressure upon the authority which pays the war widows' pensions. I feel that the member for Bunbury misled me when speaking to me privately a while back, whether in innocence or not, because I understood him to say that the war widows were already included in the Act.

Mr. Roberts: I never said anything of the sort.

Mr. JOHNSON: Perhaps I misunderstood the hon. member. War widows are not subject to a means test whereas civilian widows are. To include an unmeans-tested group with a means-tested group is a bad piece of construction, if nothing else. Furthermore, knowing that civilian widows have to exist on a pension which is less than that received by war widows—

Mr. Oldfield: Much less.

Mr. JOHNSON: Yes—and whose responsibilities are identical, I consider it is not right or just to try to give a benefit not just to war widows, but only to those war widows who are fortunate enough to be the possessors of landed property. In the interests of justice I shall oppose the amendment; and I am doing so not without a great deal of sympathy for the war widow. I feel, however, that the method adopted here is wrong, unjust in construction and uneven, and would lead only to further feeling between various groups of unfortunate women. I feel that the whole idea has miscarried, and I oppose it.

The TREASURER: I intend to vote for the amendment on the amendment, but not to support the amendment as amended. I repeat that I shall investigate the proposal more closely than I have been able to do, and I shall have it considered by the members of Cabinet after getting reports upon it from expert authorities. In the event of Cabinet then agreeing to something being done along these lines—not necessarily in this form—action will be taken through the Chief Secretary in another place.

Mr. I. W. MANNING: I am pleased that the Treasurer is agreeing to do something about this matter because, like the member for Collie, I know of a number of widows

who have attempted, because of the war service of their late husbands, to be granted a war widow's pension. If these people have a small property or home, they are, because they are subject to the means test, able to receive only a partial pension. Had they been able to obtain the full war widow's pension, they would be free from the means test.

Personally, I do not know of many widows with valuable property who would be seeking assistance, but I do know of war widows who have been left a small property or a home, and a sum of £200 or £300. I also know of many cases where the husband—an ex-serviceman—has died and his widow has attempted to get the war widow's pension because, as a civilian widow, she would be subject to the means test. Even although he will not accept the amendment, the Treasurer could give favourable consideration to granting some relief in this regard. I support the amendment on the amendment.

Mr. ROBERTS: I agree with the amendment on the amendment and I would like to take this opportunity of thanking the Treasurer for his assurance that consideration will be given to this matter in another place. There are a number of war widows and widowed mothers who are in dire straits and I feel that the imposition of even a small land tax would be a big burden on them.

The Treasurer: The same argument could apply to civilian widows.

Mr. ROBERTS: I agree, and I have the greatest sympathy for them; but they are covered under the Act in regard to land tax.

The Treasurer: I meant civilian widows who were not eligible for the civilian widows' pension.

Mr. ROBERTS: I agree with the Treasurer.

Amendment on amendment put and passed.

Mr. COURT: Did I understand the member for Bunbury to infer that he will withdraw the amendment as amended and not proceed with it.

Mr. Roberts: No.

Hon. A. F. WATTS: I am in favour of the general principle of the amendment moved by the member for Bunbury; I am also in favour, if consideration is to be given to the persons mentioned, of consideration being given to civilian widows as well.

The Treasurer: Hear, hear!

Hon. A. F. WATTS: I have no hesitation in saying that the situation is a little worse so far as civilian widows are concerned. In the normal way I would be most anxious to vote for this amendment as amended, but the Treasurer has made us a reasonable offer. Apparently he wants

to give consideration not only to war widows but to civilian widows also. He has undertaken to give the matter consideration and, if possible, he will have an amendment moved in the Legislative Council. If the Treasurer does decide that the amendment cannot be moved, there is nothing to prevent any member in the other Chamber from moving it. I think we would be well advised to allow this amendment to go, in view of those circumstances.

Amendment, as amended, put and negatived.

Hon. A. F. WATTS: I move an amendment—

That the word "deleting" in line 6, page 3, be struck out with a view to inserting the words "suspending the operation of."

If that amendment is agreed to it will be necessary to move the other amendments which I have on the notice paper. Clause 6 sets out to delete paragraph (g) of Subsection (1) of the principal Act and that is the paragraph which exempts improved agricultural land. This Chamber, by a majority, has agreed to the principle of imposing a tax upon improved agricultural land and therefore I think it is only reasonable, in view of the long period over which that land has been exempted, to accept this amendment which will have the effect of limiting the operative period to two years so that Parliament can then review the position. At the end of the two years Parliament will have to decide whether it is prepared to continue the imposition of land tax on improved agricultural land.

The TREASURER: I am not deliriously happy about the principle contained in this amendment. However, to save time and effort I will be prepared to support it if the Leader of the Country Party agrees to make the period three years instead of two years. Unless he will do that I will have to oppose his amendment.

Hon. Sir Ross McLarty: Do you want to make it an election issue?

The TREASURER: I had not thought of that!

Hon. A. F. WATTS: Like the Treasurer, I am not deliriously happy about accepting his suggestion. But if he accepts the proposal for one year longer it establishes a basis. After a fairly long experience in this Chamber, I have frequently come to the conclusion that is best to accept three quarters of the loaf rather than to expect to receive the whole of it by some other action. If the Treasurer insists on three years instead of two, I shall not oppose it.

Mr. COURT: The Leader of the Country Party is apparently accepting the principle that we are going to allow improved agricultural land to be taxed.

Hon. A. F. Watts: We have to accept that principle.

Mr. COURT: We can oppose it.

Hon. A. F. Watts: We have already done it.

Mr. COURT: I do not think we have, because we have not voted on it.

Hon. A. F. Watts: I cannot move the amendments after the clause is struck out or passed.

Mr. COURT: I am hopeful that we will be able to take out the reference to improved agricultural land, or at least to register our protest against the change in principle envisaged by the Government after some 25 years. I know that the arguments used is that these people can now afford to pay land tax. It is true that conditions are different now from what they were when the tax was removed. But the fact remains that this is still a most important part of the State's economy and anything we can do to assist the burden will be in the interests of the State.

Land will be subject to revaluation from time to time and, if I heard the Treasurer aright, he said that approximately £300,000 of the £1,000,000 would come from the tax on improved agricultural land. That is not a lot per head but taken collectively it is a great deal from one section of our economy, especially when it is remembered that that section cannot adjust its prices. It is entirely in the hands of the world's market except for those products which are disposed of locally. For that reason, Mr. Chairman, I would like your ruling as to whether it will be possible for me to move to delete the words which reinstate the tax on improved agricultural land—in other words paragraph (g) of Subsection (1).

Hon. A. F. WATTS: There is nothing, Mr. Chairman, to prevent the member for Nedlands from moving to strike out the remainder of the clause if he wishes to do so after I have struck out the word "deleted," because the amendment inserted by the Treasurer comes two or three words before that. I want your ruling on the position, Sir, because I have certainly not obstructed the member for Nedlands or any other member.

The CHAIRMAN: When the member for Stirling rose I was just about to state that it is quite in order to move to delete those words because the previous amendments dealt with words prior to the ones under discussion.

Mr. COURT: On a point of information, would not the fact that this word is being deleted with a specific objective to which the Treasurer is agreeing restrict me in what I seek to do, or would I be free after this word is deleted to move for the deletion of paragraph (g) Subsection (1).

The CHAIRMAN: If the word is struck out the hon. member can oppose any word that it is proposed to insert in lieu.

Amendment (to strike out word) put and passed.

Hon. A. F. WATTS: The member for Nedlands actually wishes to move to strike out the remainder of the clause after the word we are deleting. Would it not be in order to let him do so before I move to insert the words "suspending the operation of."

The CHAIRMAN: If the member for Nedlands were to move in that direction and were not successful, the Leader of the Country Party could not go back.

Hon. A. F. WATTS: I move an amendment—

That the words "suspending the operation of" be inserted in lieu of the word struck out.

Amendment put and passed.

Hon. A. F. WATTS: I move an amendment—

That after the words "Subsection (1)", the words "for a period of two years from the coming into operation of this Part of this Act" be added.

The TREASURER: I move—

That the amendment be amended by striking out the word "two" and inserting the word "three" in lieu.

Amendment on amendment put and passed.

Amendment, as amended, put and passed.

Mr. COURT: In view of the fact that I was seeking the defeat of paragraph (g) of Subsection (1), it would be wrong of me to let this go without a protest. For the reasons I gave before, I am opposed to the suspension of paragraph (g), Subsection (1), because it is desirable that we do not approve the re-taxing of improved agricultural land. If the clause is amended, I propose to vote against it.

Hon. A. F. WATTS: I feel the member for Nedlands is kicking against the wind. Having accepted the principles, we have had three or four divisions on other things with exactly the same result, and the hon. member knows that if we have another division on this we will have exactly the same result. I think he is trying to tease me in this matter. It is rather unnecessary and slightly unjustified. If it were practicable to throw this clause out now, I would do it, but the hon. member knows as well as I do that it is not. So I am trying to make the best of a very bad job for the reasons I have just given.

Mr. COURT: Apparently the Leader of the Country Party reads something into my comment and objective other than that which is proposed. I have no intention of teasing him, and I was rather surprised

that he should move for the suspension of the operation of this clause rather than for its defeat. I realise, of course, that this is all a matter of tactics and that half a loaf is better than no bread at all. I still object to the re-introduction of tax on improved agricultural land, and this is the only opportunity I have to express my objection. If we were only to call for a division when we were sure we could win, the Treasurer would be very pleased because we would then be able to go home early.

Clause, as amended, agreed to.

Clauses 7 to 28—agreed to.

Title:

Mr. COURT: Could I have your ruling, Mr. Chairman, as to when I can raise an anomaly that has only just been pointed out to me? Unfortunately, there was no clause dealing with the amendment to Section 12. Can I mention this to the Treasurer now or on the third reading?

The CHAIRMAN: The hon. member can only deal with what is in the Bill.

The Treasurer: I suggest to the hon. member that he represent the matter to me, and I will have a look at it.

Title put and passed.

Bill reported with amendments.

Report.

The TREASURER: I move—

That the report be adopted.

Mr. COURT: Do I understand that owing to the suspension of Standing Orders the third reading can be taken tonight? I would like your advice, Mr. Speaker, as to whether I could raise an anomaly that has been pointed out to me dealing with the amendment to Section 12. Unfortunately, there is no clause in the Bill that seeks to amend Section 12.

The SPEAKER: The member for Nedlands can move to have the Bill recommitted for the consideration of any clause.

Mr. COURT: That would not serve my purpose because there is a section of the principal Act which is now anomalous due to the amendments made to the Bill. I am seeking advice as to the best time for me to bring this matter to the notice of the House.

The SPEAKER: This is a motion for the adoption of the report. In the Committee stage the Bill is dealt with clause by clause and the hon. member can move to have it recommitted.

Mr. COURT: That will not get me anywhere because Section 12 of the Act is not relevant to the Bill. It concerns an anomaly in the principal Act because of the amendments made.

The **SPEAKER**: If it is not relevant to the Bill the only way it can be dealt with is by the introduction of an amending Bill.

Mr. **PERKINS**: As I understand the position, Mr. Speaker, the member for Nedlands is entitled to speak against the motion for the adoption of the report if he thinks we have done something that would make the adoption of the report undesirable.

Point of Order.

Mr. **Lawrence**: On a point of order, Mr. Speaker, what right has any member to go against your ruling?

The **Speaker**: I have only tried to give an explanation. The member for Nedlands sought information and I tried to be helpful. He mentioned there was a particular section he wanted to refer to. I have indicated that he can oppose the adoption of the report; but if he wanted to deal specifically with any clause in the Bill, that would need to be done at the Committee stage, and to do that he would have to have the Bill recommitted. If he wants to oppose the adoption of the report and make some reference to a particular matter that he considers out of order, I will allow him to do that.

Mr. **Lawrence**: May I ask a question? Could it be that you have upheld my point of order? I suggested, with due respect to your position, that members are not allowed to speak against your decision.

The **Speaker**: When the Speaker gives a ruling, the only way to dispute the ruling is by raising the matter in the House, and finally the Speaker has to submit to the view of the House. In this instance, the member for Nedlands merely sought an explanation concerning a difficulty confronting him, and asked how it could be tackled. I think I have made the position clear. If the member for Nedlands desires to oppose the adoption of the report, he is entitled to do so.

Debate Resumed.

Mr. **COURT**: I can achieve what I want to do by that process, Mr. Speaker. The amendments that are being made to this Act have introduced a new principle inasmuch as, for the first time, we will have differential rates of land tax in the Act. So far, Section 12 of the principal Act has had no danger in it so far as joint owners of property are concerned. While there is a uniform rate of tax, it does not matter how many own the property; they all pay their proportion and it is quite equitable.

Section 12 was originally inserted in the Act to protect the revenue where there were joint owners. It provided that if two or more persons were owners, whether jointly, severally or otherwise—of land subject to taxation under this Act, they

should each be liable. That was to ensure that the burden of the tax was borne by each and every person, both jointly and severally, and the Crown would not be cheated out of its just dues by one party defaulting.

But now that we have introduced the principle of differential rates of tax, it follows that Section 12 could have an effect not intended by its original authors. We could have the situation that the value of the property for assessment purposes would be the aggregate value of the property jointly held. Take, for example, 10 people owning a valuable city property worth £200,000. Individually, if they were taxed separately, they would only pay tax on £200,000 divided by their share—that would be £20,000 each.

In view, however, of the new principle we have introduced into land tax in this State, an anomaly will be created, and these people would have to pay tax as though they were owners of a property valued at £200,000. I hope the Treasurer will agree to have the matter investigated with a view to having that anomaly removed.

The **Treasurer**: Yes; I will do that.

Question put and passed.

Report adopted.

BILLS (2)—RETURNED.

1. Mental Treatment Act Amendment.
2. Farmers' Debts Adjustment Act (Continuance).

Without amendment.

BILL—LAND TAX ACT AMENDMENT.

In Committee.

Mr. **Sewell** in the Chair; the Treasurer in charge of the Bill.

Clauses 1 to 4—agreed to.

Clause 5—Second Schedule added:

The **TREASURER**: I move an amendment.

That the following be inserted in lieu of the items in the Second Schedule commencing with the words "Not exceeding" and ending with the symbol and figures "£60,000":—

Not exceeding £5,000—One and one-half pence for each pound.

Exceeding £5,000 but not exceeding £20,000—£31 5s. 0d. plus two pence for each pound in excess of £5,000.

Exceeding £20,000 but not exceeding £30,000;—£156 5s. 0d. plus three pence for each pound in excess of £20,000.

Exceeding £30,000 but not exceeding £40,000—£281 5s. 0d. plus four pence for each pound in excess of £30,000.

Exceeding £40,000 but not exceeding £50,000—£447 18s. 4d. plus five pence for each pound in excess of £40,000.

Exceeding £50,000 but not exceeding £60,000—£656 5s. 0d. plus six pence for each pound in excess of £50,000.

Exceeding £60,000—£906 5s. 0d. plus seven pence for each pound in excess of £60,000.

but where the land is used for the purposes of a society, club, or association, not carried on for pecuniary profit, or where the land is the source of a profit or gain mentioned in the proviso to paragraph (c) of subsection (1) of section ten of the Land Tax Assessment Act, 1907-1956, which removes exemption from assessment for taxation, the tax shall be—

- (a) if the unimproved value as so assessed does not exceed £5,000—at the rate of one and one-half pence for each pound of that value; or
- (b) if the unimproved value as so assessed exceeds £5,000 but does not exceed £20,000—at the rate of £31 5s. 0d. plus two pence for each pound of that value in excess of £5,000; or
- (c) if the unimproved value as so assessed exceeds £20,000—at the rate of £156 5s. 0d. plus three pence for each pound of that value in excess of £20,000.

The alterations which this amendment would bring into being as compared with the printed schedule to the Bill are, firstly, to create a new minimum bracket. The minimum in the printed schedule is 2d. in the £ where the unimproved value of the land ranges up to £10,000. The new minimum will be up to an unimproved value of £5,000 and the rate of tax will be 1½d. This amendment will reduce the rate of tax where the unimproved value of the land does not exceed £5,000 from 2d. in the £ as set out in the printed schedule to 1½d. Therefore there is a concession of ½d. in the £ in the amendment compared with what is in the Bill in respect of land where the unimproved value does not exceed £5,000. Thereafter the amendment changes the existing brackets in the Bill; and that comes about because the existing maximum of 8d. in the £ is wiped out and the new maximum becomes 7d.

In the amendment, the brackets are changed to bring about a situation where the rate in the £ will be less in most instances than would be the case if the printed schedule were persevered with and Parliament finally accepted it. In other words the amended schedule which I propose, grants relief practically throughout

the scale, compared with that printed in the Bill. My amendment also covers the discussions we had earlier about the maximum rate of tax to apply to land owned by churches and let for the purpose of bringing in revenue. It will deal further with the position of clubs, societies and similar organisations and will set for them a maximum rate of 3d. in the £. I hope what I have said will indicate that the amended schedule is more desirable in every way than the original as contained in the Bill.

Mr. BOVELL: My amendment sought to make the tax 1½d. on an amount not exceeding £5,000 but the concessions the Treasurer has made to some degree meet my wishes and I will not proceed with the amendment.

Mr. W. A. MANNING: Has the Treasurer sufficiently covered the position regarding clubs, societies, and so on? I might form a society for the dodging of payment of land tax. Would such a society receive the reduction?

The TREASURER: I think the position is covered. I discussed the question with the Commissioner of Taxation who is in charge of both these Acts and he is satisfied that there will be no difficulty in effectively administering the amendment. However, in view of the bright thought of the member for Narrogin I will have a quiet, semi-humorous talk with the Commissioner of Taxation and tell him to keep an eye on the member for Narrogin.

Hon. Sir ROSS McLARTY: The proposed new schedule will be more acceptable to the taxpayers than the old one and it makes substantial reductions. I said earlier that the Treasurer's estimate of £1,000,000 would be exceeded and I think that is beyond doubt. I suppose that in drawing up the new schedule the Treasurer has given consideration to the amount of revenue he may lose and it would be interesting to hear his estimate of the loss resulting from the proposed new schedule. I think he will still get well over £1,000,000, in view of the increased valuations in city and rural areas.

To bring the facts more clearly before members I will explain what the effects of the new schedule will be. The Treasurer has fixed a new minimum and a new maximum, the minimum being reduced from 2d. to 1½d. and the maximum from 8d. to 7d. On £5,000, in the Bill as printed, the amount collected would be £31 13s. 4d. but the amendment reduces that to £31 5s., and for churches, clubs, etc. it would also be £31 5s.

I will read out these amounts, the first one under the present Bill, the next under the Treasurer's amendment, while the third column will relate to churches, clubs, etc. On £10,000 the figure is £83 6s. 8d., reduced to £72 18s. 4d., relating to churches, clubs, and so on. On £20,000 it is £208 6s.

8d., reduced to £156 5s. and the same applies to the third column. On £30,000 it is £375, reduced to £281 5s., and the same applies in the third column.

On £40,000 it is £583 6s. 8d., reduced to £447 18s. 4d. and in the third column £406 5s. On £50,000 it is £833 6s. 8d., reduced to £656 5s. and £531 5s. in the third column. On £60,000 it is £1,125, reduced to £906 5s., with £656 in the third column. On £100,000 it is £2,458, reduced to £2,072 with £1,156 in the third column. On £200,000 it is £5,791, reduced to £4,988, with £2,406 in the third column. I think that indicates the practical effect of the proposed tax.

In regard to churches, clubs, etc. we find that if the unimproved value, as assessed, exceeds £30,000, the rate of £156 5s. plus 3d. for each £ for that value in excess of £20,000 applies. Comparing these with the taxes in the other States, we find that the amendment has brought us more into line but I notice that we are still somewhat in advance of the Eastern States, particularly on the lower amounts. I think the Treasurer will still receive an amount exceeding his estimated £1,000,000.

I propose to move an amendment to the Treasurer's amendment. He said this is not a Bill to give money away and we realise that, but I do not think my amendment on the amendment, if agreed to, would give anything away as it would still bring into the Treasury a considerable amount of new money. I move—

That the amendment be amended by striking out all words after "£20,000" in line 11 of the second column of the proposed new schedule.

If agreed to, the amendment will mean that there will be a flat rate of 3d.

The CHAIRMAN: The Leader of the Opposition has not indicated whether the words to be struck out come after the first "£20,000" or after the second mention of it. It appears first in the part reading "exceeding £5,000, but not exceeding £20,000." Then it reads, "exceeding £20,000 but not exceeding £30,000." It is the second £20,000 that the Leader of the Opposition is referring to, is it not?

Hon. Sir ROSS McLARTY: That is right, Mr. Chairman.

The TREASURER: This amendment could be described only as devastating from the Government's point of view. It proposes to make a tax of 3d. in the £ the maximum irrespective of the total unimproved value of the land held by any person or organisation. Roughly, I would say that it would deprive the Government of 50 per cent. of the additional revenue to be obtained.

Obviously, if the Government were to be deprived of that amount or even a substantial portion of it, drastic action would have to be taken to raise the additional revenue that would be lost. On a previous

occasion I pointed out that all the States in Australia operate on a graduated system of land taxation. From memory, New South Wales and Queensland have a maximum of 8d. in the £; South Australia, a maximum of 7½d. in the £, and Victoria and Tasmania a maximum of 7d. in the £.

Clearly the graduated system has been established and the maximum tax imposed in the other States is higher than that proposed in this legislation. The main argument I put forward against the amendment is that it would deprive the Government of a very large part of the additional revenue it seeks to obtain under this legislation.

Mr. COURT: During the second reading debate the Treasurer told the House that he would give the Committee a "break-up" of the various amounts he would collect in the taxing brackets. That is rather important so that we can judge where the main incidence of the tax will fall. The Treasurer is inclined to rate this 3d. in the £ as being only a small tax, but even on the proposed basis that the Leader of the Opposition has put forward, the increased taxation will amount to a staggering sum. In the case of the Anglican Church, for example, working on this 3d. in the £ scale, the increase will be from £3,125 to £7,406, assuming that they got in first and the tax is based on the 1955 values. The Treasurer said he would also give consideration to the pegging of values so that a person would not be having a nightmare about a man going round with a pencil and paper continuously revaluing properties.

In spite of what the other States have done we should address ourselves to what we are going to do. We are endeavouring to attract people here. We have just attracted a very substantial syndicate to take up land around Esperance. We are going to jump our land tax from nothing up to a graduated scale of 8d. in the £ and I am wondering what the impact will be on this newly-formed company.

The Treasurer: It will accept the laws of the State as they exist and as they are amended from time to time, the same as other citizens.

Mr. COURT: It will have to if it wants to stay here. However, it would be interesting to know whether the Chase syndicate was told that before it came here. Also, as the Leader of the Opposition has just told me as an aside, the electors were not told. The Treasurer should tell us how he proposes to get the £1,000,000 increase and from that information we can better appraise the amendment.

The TREASURER: On the question of valuation, my advice is that where a new valuation is made, the Commissioner of Taxation uses that valuation for a period of five years. Whenever a new valuation is made that becomes the commissioner's

basis of land tax in respect of that particular property for a period of five years.

Mr. Court: But he is not bound by that. Is not that only internal practice?

The TREASURER: I do not think he would be bound by it, but it is a procedure which he follows and it has much to commend it. During the time I remain Treasurer, I will co-operate with him to see that he continues to follow that practice. Working it out roughly, the acceptance of the amendment moved by the Leader of the Opposition would prevent the Government from getting £500,000. Denying the Government that amount of revenue would have serious repercussions and it would have to take drastic steps in other directions to raise increased revenue and possibly to apply economies of a nature that everyone would regret very much.

In reply to the question by the member for Nedlands, I can give him the estimated revenue proposed to be brought in in a full year under the schedule as it was set out in the Bill. I can give him the figures as they have been divided into the various groups. They are as follows:—

Amount.	Rate.	Estimated Revenue.
		£
Not exceeding £10,000	2d.	680,000
£10,001 to £20,000	3d.	100,000
£20,001 to £30,000	4d.	83,000
£30,001 to £40,000	5d.	100,000
£40,001 to £50,000	6d.	80,000
£50,001 to £60,000	7d.	70,000
Exceeding £60,000	8d.	470,000

That would make the total tax collected on unimproved capital value of the land an estimated amount of £1,583,000. That would be the total collections, including the increase, and the increase works out at approximately £1,000,000. Those figures are sufficient to prove that the acceptance by the Committee of the amendment moved by the Leader of the Opposition would have a very serious if not a disastrous effect upon the Bill and upon the proposals of the Government to raise an additional amount of revenue. Therefore I again ask the Committee to defeat the amendment.

Amendment on amendment put and negatived.

Amendment put and passed.

Mr. COURT: Before the Second Schedule, as amended, is put to the vote, I raise the question of church bodies in particular who have long-term leases under which they cannot recover the extra land tax to be imposed. I would not attempt to put forward an amendment tonight because it would involve a fairly lengthy

piece of drafting and I am no lawyer. I would suggest, however, that the amendment receive careful consideration and should read something along these lines:—

Provided that where any society, club or association not carried on for pecuniary profit or the owners of land the source of a profit or gain mentioned in the proviso to paragraph (c) of Subsection (1) of Section 10 of the Land Tax Assessment Act, 1907-1956, can show to the satisfaction of the commissioner that this tax cannot be recovered under the terms of any written lease in force on the 1st December, 1956, the tax shall be waived during the term of the lease to the extent that the tax imposed by the Land Tax Act Amendment Act, 1956, exceeds the tax payable immediately prior to the passing of that Act.

I would not suggest that this is even legal phraseology, but it does convey what I seek to convey, namely, where the people concerned can demonstrate to the satisfaction of the commissioner that they cannot recover under a written lease the extra tax, that they be excused for the balance of the lease to the extent that the tax has been increased. For instance, if the land tax was £1,200 a year at present, and the Bill increased it to £3,000, and they can demonstrate to the satisfaction of the commissioner that they cannot go outside of the terms of the lease to recover the extra £1,800, that for the balance of the lease they be excused from paying the extra £1,800.

The TREASURER: If the hon. member would make available to me a copy of the statement which he has just read I shall certainly cause consideration to be given to the suggestion.

Clause, as amended, put and passed.

Title—agreed to.

Bill reported with an amendment and the report adopted.

BILL—VERMIN ACT AMENDMENT (No. 2).

In Committee.

Mr. Moir in the Chair; the Treasurer in charge of the Bill.

Clause 1—agreed to.

Clause 2—Section 103 amended:

Hon. Sir ROSS McLARTY: From the proceeds of the land tax it is proposed to set aside £100,000 for the Vermin Trust Fund. As I pointed out during the second reading, no matter what increases may be obtained from this tax in the future, the sum of £100,000 will still have to be provided. The Treasurer said during the

second reading that if there was a shortage of funds, the amount could be met by the Treasury. That being the position I move an amendment—

That after the word "pounds" in line 25, page 2, the words "or any greater amount approved by the Treasurer" be inserted.

I do that because the need may arise for a greater sum than £100,000, and the Treasurer will be empowered by this amendment to increase the amount if an appeal is made by the Vermin Trust Fund for additional moneys which are urgently needed. One does not know what will arise in regard to the destruction of vermin. Measures will have to be taken quickly and money made available.

The TREASURER: I have no objection to the amendment. I would point out that in addition to the amount expended under the Vermin Trust Fund for the control and destruction of vermin, there is a substantial amount expended through the Agriculture Protection Board. The other evening the Leader of the Opposition was discussing the amount expended out of the proceeds of the vermin tax. I thought it desirable to advise that in addition to that amount, a further sum of £105,000 was expended through the Agriculture Protection Board.

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

Title—agreed to.

Bill reported with an amendment and the report adopted.

MOTION—RAILWAYS.

Discontinuance of Certain Lines.

Resumed from an earlier stage of the sitting.

HON. A. F. WATTS (Stirling—on amendment) [11.25]: I propose to say a few words on the amendment which has been moved by the member for Darling Range for which activity I am indebted to him. At the outset I would like to say the Elleker-Nornalup line is situated in the electorate I represent although that has only come about in very recent times. In some respects very many of the arguments that apply to the other lines which I discussed in some detail today also apply to this one, because I would say again that no notice whatsoever has been taken of the land development which has taken place in the vicinity of part of this line.

Also there has been considerable activity in the area between Denmark and Mt. Barker, known as Denbarker, and also between Nornalup and Rocky Gully. The Forests Department, according to newspaper reports on several occasions, has expressed its intention of commencing a new sawmill town of at least 1,000 inhabitants at the junction of the Shannon and Weld Rivers. Admittedly that is beyond the end

of this line, but it is the considered opinion of the Denmark Road Board that, if this was to be the case, it would be very desirable to extend the railway to this point, or to the Shannon River rather than close the existing line. Such a procedure would enable very large quantities of timber to travel downgrade to the natural outlet at Albany, instead of mainly on an uphill grade to the west coast. Again, a great deal of land has been taken up along the eastern section of this line—that is, of course, nearer the Great Southern line between Albany and Mt. Barker where Elleker is situated—for development, and also on the Hay River on the eastern side of Denmark.

I feel at this stage that I must read the views of the chairman of the Denmark Road Board on this matter which was expressed to me in a letter dated the 9th November, 1956. This letter was written subsequent to the reading by the chairman of a letter from the Minister for Railways to the Denmark Road Board. Members opposite in many cases are well acquainted with the chairman of the Denmark Road Board. He is Mr. Fred Stahl who at one time held a position of some responsibility in the trade union movement. He is therefore a man, to those who know him, who it likely to have much interest in the district and who is not an irresponsible person. He took the strongest objection to the remarks of the Minister for Railways. In his letter he said this—

In my view Mr. Strickland did not make any endeavour to ascertain the true facts relating to this district. Nothing is known of any local investigation and no contact was made with the local governing authority representing the residents of the district.

He went on to say—

He is obviously trying to force the passage of the Bill through Parliament without thought to the effect the action is likely to have on the areas concerned. He (the Minister) states that the areas served by these lines do not appear to have any prospect of any future development. I challenge the Minister to prove there is no development in this district and no potential of future development.

The Minister for Lands and the Premier have given a promise that the Denmark area will be given consideration when other land settlement schemes are being established. The Dutch Government and others have shown strong interest in this area particularly in the valuable Owingup swamp area.

It then goes on—

Mr. Strickland states that it is necessary to curtail expenditure on lines that have outlived their usefulness. There are many ways open to the Minister to curtail expenditure without closing this line

That ends the quotation from Mr. Stahl, but I must say I am in agreement with Mr. Stahl's sentiments, particularly as, I repeat, there is no mention of any action to cut the astronomical loss on suburban railways coaching of which I have already given details.

I am advised that the speed limit on this line is 30 miles an hour. Yesterday I asked for some files in regard to this, and while there is not a great deal on these files of recent vintage, there is one communication which is extremely interesting dated the 26th July, 1956, a matter of four or five months ago. It is headed, "Economic Comparison of Road Versus Railways and Discontinuance of Non-paying Lines" and is addressed to the Secretary, Western Australian Government Railways Commission and it says—

Further to discussion with the Commissioner on the 25th inst. regarding unpayable sections of railways additional information desired by the Commissioner is—

Life if maintained only to keep traffic operating without capital expenditure apart from minimum re-sleepering.

The report under that heading is—

To Denmark, speed restriction within two and a half years due to rail and sleeper position. Balance possibly seven and a half years.

So it appears that with respect to approximately half of the line, without anything more than minimum maintenance there is a life of two and a half years according to this report and on the other section of the line—a balance of about 30 miles—there is a life similarly of seven and a half years. That information is to be found on: File—Elleker—Nornalup Section—proposed closing of, No. 14459/52.

It would not appear that the allegation made in part of the committee's reports that the whole of this line is in such a bad condition that it should be closed forthwith, will bear examination in the light of that statement which is a recent and official document despatched to the Secretary for Railways from the Albany responsible officers. It indicates as I have said a life with only minimum maintenance of between two and a half years and seven years over the whole of the line. What leads the committee to the conclusion it should be closed immediately in these circumstances somewhat passes my comprehension.

Further, I might also read a letter from the Denmark Road Board addressed to the Minister for Railways, Hon. H. C. Strickland, M.L.C., and is dated the 16th November, 1956. It reads as follows:—

At a meeting of my board held yesterday I was directed to protest in the strongest possible terms against the

proposal that the Elleker-Nornalup section of the railway be closed. This is done in support of a resolution carried unanimously at a public meeting representative of residents from Elleker to Walpole held in Denmark on the 9th instant.

My board deplores the fact that it was not consulted in this matter, neither apparently was the Albany Zone Development Committee which is responsible for the development of this area.

Strong exception is taken to the reasons given by you for the inclusion of this line in those submitted for closure. To say that this district, to use your own words, "has no prospect of future development" is proof positive that no investigation was made.

The line is said to be running at a loss. No one disputes that but where is the fault. A developmental line is pushed through, and then through apathy, lack of foresight, finance or what you will is not followed up by the logical development of the territory it traverses to make it pay its way.

You are invited to tour this territory right now until mid-January when all other parts of the State are dry. Nowhere else have you a mild climate with 45 inches of rain spread over a growing period of nine months with green pastures until well after Christmas. This area that has no prospect of future development has been crying out for years to be populated. It could carry at least 10,000 people and for all time. No attempt has been made to use the line to tap the vast timber resources it leads into. There again is something that could make the line pay and attract further population to this area with no future!

That last line is intended to be ironical. It goes on—

My board has requested its parliamentary members to resist your proposal in every possible manner. It is also anticipated that members of your own party in Messrs. Hoar and Hall will have something to say in this matter by the tone of some of their electors at the public meeting.

I regret the tone of this letter but my instructions were to stick to facts and pull no punches. In the latter I am afraid I have failed. Much more could be said.

So I am well supported in the statements I made earlier in regard to this particular line of railway.

At Walpole there is a timber mill run by people known as Swarbrick Bros. All the timber from this mill has been despatched from Nornalup by rail, much of it to South Australia, contributing to reducing the adverse balance with the other States. Only

15s. a ton is credited to this line in respect of an average of 15,000 tons of freight carried over it in each of the last three years. This does not give a fair return for the traffic resulting from this line. The figure is calculated from answers given to questions on the 8th November.

In answer to a further question on the same day as to what type of transport service will be substituted for the railway if closed and how frequently it will run, the Minister replied—

Probably a railway road service with a frequency at least equal to the existing service.

This is symptomatic of the uncertainty to which I referred earlier this afternoon. Obviously a railway road service could not cope with the average traffic referred to, let alone when it increases, as it will.

Members will realise that when I supplied that information to the Denmark local authority, they were not filled with enthusiasm for a railway road service to handle the quantity of freight to which I have referred. In these circumstances, all heavy traffic would have to be carried under private arrangements at greatly increased cost and I think that is borne out by the report of the inter-departmental committee which suggests that only a subsidy of £636 in respect of the first year of closure would be required. Obviously this amount of £636 does not take into consideration any considerable quantity of freight. I should say at most, a very few hundred tons and possibly not even that when compared with the £20,000 estimated by the same committee, I think, in the Gnowangerup district. It is quite obvious that £636 would not provide a subsidised transport service.

The situation in this district is that lots of the people have small properties and many are engaged in dairying and potato growing. The former are far from prosperous and so far as can be gathered from questions and the report of the inter-departmental committee, these people are to be left to carry nearly all the 61 miles on their own resources without a railway, which on the evidence on the file I quoted, is capable of working at least for two and a half years with minimum maintenance, if not seven and a half years.

So it seems to me that once again in regard to this particular track, the fullest consideration has not, up to this stage, been given to the development of the district or to the actual economic necessity on technical grounds for considering the closing of the railway or, as in all the other cases, to the reasonable alternatives to road transport and I submit to the House that the absence of the latter, as in other cases which have been mentioned, has been substantially responsible for the very strong opposition which has been worked up against this proposal.

Had there been some concrete and satisfactory proposals discussed with the local authorities and presented to the people in a definitive form, the task of the department in having these lines considered would, I think, have been a great deal easier. Of course, it was not done and the situation is now that they are still no better off and are particularly hostile to the railway being closed, as I am. Therefore I can only support the amendment.

MR. HALL (Albany—on amendment) [11.45]: In my opinion, the Elleker-Nornalup line is an important railway link in the Albany electorate, and I feel sure it is of great importance to Denmark and the surrounding districts. Large shipments of timber and produce are being sent over this line direct by rail to the Eastern States and through the port of Albany.

I ask the Government to check this line again before the closing of it is put into effect—if, in fact, it is put into effect. I believe that if the illicit cartage was carefully checked, the line would benefit greatly. The line is in good condition, as is evidenced by the answers to the questions asked recently in the House by the Leader of the Country Party. There can be no doubt as to the condition of the road, which also serves Albany from Nornalup.

For my part, I feel strongly that the settlers, as well as the timber mills, should make up their minds which method of transport they desire. I believe they cannot have it both ways, and it appears to me that today that is what they want. I wish now to quote the revenue at Denmark for 1954, 1955 and 1956:—

	1954	1955	1956
	£	£	£
January	1,748	846	2,212
February	2,935	2,617	2,122
November	2,070	2,031	4,092

The figures for December are not yet available, but from those I have given members can see the steep increase that has taken place in the Denmark revenue. The Leader of the Country Party mentioned the shipments of timber from Nornalup, Swarbrick's Mill, Kent River Mill and Whittakers. The Kent River Mill has gone out. I quote the following figures for the months of July, August and September, as under:—

	July, August, September.	Tons.
1951	503
1953	1,587
1954	1,922
1955	1,488
1956	2,047

From these figures it is obvious that the district has progressed sufficiently to warrant the retention of the line. If the people in the district would decide what they wanted and would support the railway, they would receive the utmost support from the workers in the district. If they have to leave they will be penalised, because many of them have spent a lot of their time and money in building homes and establishing small properties.

Again I ask the Government to look into the proposed closure and to find out the feeling of the settlers before it does anything drastic in the district. I believe the line is sound and that if the produce in the area were diverted to it, it could be made payable. In the district cream, fruit, sheep, cattle, wool and vegetables are produced. I ask the Government to review the position of this line.

THE MINISTER FOR TRANSPORT (Hon. H. E. Graham—East Perth—on amendment) [11.50]: First of all I express the hope that we are not to go through each line seriatim with the member for the district pushing the barrow in respect of the line. The expression "pushing a barrow" might be particularly appropriate because a vehicle of about the size of a barrow would suffice to move all the goods that are conveyed over some of the railways.

To some extent I must repeat what I said when introducing the motion. Many people seem to find it impossible to accept the fact that a new form of transport has been born and that it has been proved. To hear some of those who protest, it would be imagined that the people in the areas concerned would be without transport or communication of any sort—in other words, that a heartless Government in Perth was going to cut them off entirely from contact with civilisation or alternatively that the charges that they would be called upon to bear would be so terrific as to impose a crippling burden upon them.

We can all indulge in flights of fancy; we can erect our men of straw and then have a certain amount of fun in trying to knock them over, but this is an important and serious matter to the whole of Western Australia. The railway system, unfortunately, is a mill-stone around the neck of the State.

THE SPEAKER: Order: I ask the Minister to resume his seat. I make this clear that the matter before the House at the moment is the amendment. Whilst I know that general principles will apply to each railway, I point out that the Minister when he introduced the motion spoke in general terms, and he will have an opportunity to reply later. I suggest that now he confine himself as far as practicable to the amendment before the Chair.

THE MINISTER FOR TRANSPORT: Thank you, Mr. Speaker. To conclude on the point with which I was dealing, the impact that the railway system is making upon the finances of the State, both loan and revenue, is such that surely if we are capable of seeing anything we can appreciate that something has to be done about the situation, otherwise we might as well shut up shop—continue our railways and do nothing else.

In respect of this particular line, and of all other lines, I venture the opinion that more investigation and discussion has taken place on this occasion than ever before in the history of Western Australia. Therefore, it ill-becomes the member for Stirling, to make the suggestion that he has, that the Government is closing this and other lines without proper investigation because he, of all members of this Chamber, happens to be the one who piloted through the House the closure of several lines; and I suppose he has that distinction of all the 50 members.

Reading the speeches made at that time I find that reasons identical with those now being submitted, were given to the House, and in respect of one line, at any rate, there had been an inquiry by certain departmental officers who were almost identical with those who made the final report, but not as extensive as those who made the first summary and report to the Government. This matter has been investigated over a period of two years. The line from Elleker to Nornalup is 60½ miles in length, and the records show that over the past two years, notwithstanding the development that might be taking place in the area, the amount of rail freight offering has fallen off.

In 1953-54 some 18,000 tons was carted over the line, and in the next year—the latest for which I have figures—there was a drop of more than 4,000 tons because a total of 14,083 tons of goods was conveyed over the line. Not all of it was carried over the complete length of the railway; some of it went over only minute portions of it. Of the tonnage that was hauled last year, 9,500 tons left that railway system to go to other destinations, and 4,665 tons were received—that is to supply the provisions and requirements of the district. Of the 9,500 tons of goods that left the railway, 6,800 were represented by timber.

I have had requests from many members on the other side of the Chamber and, I think, from practically every sawmiller in Western Australia, asking permission to be allowed to transport timber by road, and it is only because of the Transport Board, which is like a red rag to a bull to certain members, that the timber is not going by road instead of rail. I do not know that this applies to Swarbrick's mill. I do not think it applies to Whittakers' mill at Denmark because

they take the timber by road. As has been mentioned, Kent River is non-existent. I am pretty certain that the timber from Swarbrick's mill would go by road if they were permitted to cart it by road because at present they are required to load their timber on to road trucks to convey it some miles, and then rehandle it on to rail trucks before it is transported to Albany.

Hon. A. F. Watts: They say "No." Mr. Swarbrick came up here specially to tell me.

The MINISTER FOR TRANSPORT: People say these things.

Hon. A. F. Watts: He would hardly make a special trip for fun.

The MINISTER FOR TRANSPORT: If Mr. Swarbrick said that, I would say he is the odd man out of all the sawmillers. I have some lists here of the approaches made by various members on the other side—not because there is any party research in connection with this but because in the main they represent country districts. The total quantity of goods going into Denmark is very small. I am unable to vouch for the accuracy of the figures, but I venture to suggest that no responsible officers provide estimates and returns to Ministers that are not in accordance with fact, or very closely approximating fact, when it is a matter of estimating the future.

The Railways Commission has informed the Government that essential reconditioning of the line will cost no less than £557,750. The operating cost at present, bearing in mind the commitments of the line, is 18d. per ton mile.

Hon. Sir Ross McLarty: Will you get that £557,000 to rehabilitate the line?

The MINISTER FOR TRANSPORT: Many railway lines require attention. As has been pointed out, with the exception of 489 miles—and work is still required on those sections—the whole of our railway system is running down. All the lines listed here will, I suggest, close down automatically in a short time without any motion or Bill for closure, because of the financial incapacity of the State, irrespective of who is occupying the Treasury bench, to meet the terrific demands that will be made if this work is carried out. If as the Leader of the Opposition suggests, the money can be obtained and devoted to that particular task, the cost commitment will be 3s. 8d. per ton mile in respect to that section of the line. To me the position is so fantastic that it is almost impossible to argue in connection with it.

All sorts of things can be done in these days of refrigeration but I well remember in the old debating days the instance being used that it is possible to raise a polar bear at the Equator; but nobody in his right senses would think of so doing. Of course, it is possible to continue this and other

railway lines; but it would be nothing short of midnight madness to do it because of the terrific cost to carry such a small tonnage of goods, and whatever tonnage of goods is carried, a great deal of it no doubt under protest—

Mr. Ackland: Did you look at the clock?

The MINISTER FOR TRANSPORT: It might be very appropriate when we as responsible elected members of Parliament are endeavouring seriously to discuss a proposition such as this. It is true that there is no concrete set of proposals in respect of what form of transport will take over when the line is closed or the service discontinued, but in view of the small amount of goods involved that presents no difficulties whatever. I have already had approaches from hauliers with vehicles large and small who, in some cases, have paid off the greater part of the cost of their vehicles but because of the present circumstances they are unable to meet the balance of their commitments—they are unable to get work and are looking for jobs anywhere at all.

The Transport Board has not encountered difficulty of which I am aware in respect of servicing areas in many parts of the State. Members are aware of the service given, for instance, to the Lakes country. Those people produce wheat and the rest of it and they require their provisions, superphosphate and so on, to be transported. I do not know that there are any broad bitumen surfaces, all-weather roads or anything else in that country, but those people have had nothing else but road transport and the board makes arrangements for them. In the more civilised parts, if I may term them as such, there would be no difficulty at all. I have already stated that the Government is not likely to allow a discontinuation of railway services until such time as proper arrangements have been made.

Is it likely that the Transport Board will get people to submit prices for haulage at the present time when, who knows, the action might not be taken? I do not think that the Government is likely voluntarily to take this action if Parliament decides otherwise, notwithstanding that Parliament, of course, has no authority in connection with it. But the Government has submitted the proposition to Parliament for the purpose of getting a view point from members representing the various districts concerned. So in connection with this particular line, by and large, the same story applies as with the others.

Members will recall the member for Vasse telling us of the developments and progress that had taken place in the Margaret River area, or in the area between Busselton and Flinders Bay. The figures reveal that notwithstanding the development and activity in that area year by year the volume of freight carried on that line is reducing. If we subtract from the

total what the position would be if the Transport Board were not restricting road transport, it gives us some idea of what the people in the district think of using the railways. For the life of me I cannot understand why they are going to the trouble of assembling and having protest meetings when they are scarcely using the railways; in other words, if they did not operate the people would scarcely miss them.

In the case of Nornalup and Denmark, the people would have more frequent road service than they have a rail service. I think that would be of some advantage to them and I know that there is a bitumen road from Albany to Denmark and the road between Denmark and Nornalup is quite trafficable. Therefore there is no possibility of the people in that area being denied a reasonable form of transport. I have some figures to show that the cost of road and rail haulage for Swarbrick's timber would be about the same, except that he would not have to wait for rail trucks and would not have to rehandle the timber. In other cases transport by road is cheaper than by rail.

Mr. Ackland: That would be the whole of the freight by road and not part by road and part by rail?

The MINISTER FOR TRANSPORT: No, the whole of it by road because there will be no railway line.

Mr. Ackland: Would you let them cart—

The MINISTER FOR TRANSPORT: At present we are discussing this particular line.

Hon. A. F. Watts: Do you mean to cart to Elleker or Marbellup?

The MINISTER FOR TRANSPORT: No, Albany.

Hon. A. F. Watts: That is not much further.

The MINISTER FOR TRANSPORT: The railway freight is 36s. 10d. and, based on figures available at the Transport Board office for comparable work in comparable areas, the cost by road would be 38s. 2d. per ton. I think any member will readily concede that the advantage would be in favour of the sawmiller because the difference is only 1s. 4d. a ton and that would not meet the cost of transshipping of sawn timber from one vehicle to another.

There is an additional advantage with road transport in that when the timber arrives at Albany, instead of someone having to go along with a truck to pick it up and take it to the timber mill, or the particular job, the truck would run straight from the mill to the site at Albany. That would be a tremendous advantage to the sawmiller and the party at the other end. It would be merely a matter of telephoning the sawmiller in the morning and almost within half an hour the timber would arrive on the site.

Hon. A. F. Watts: Except that in this case three-quarters of the timber goes to South Australia.

The MINISTER FOR TRANSPORT: Then it would go straight from the mill into the ship via the road truck.

Hon. A. F. Watts: It goes by train, all the way.

The MINISTER FOR TRANSPORT: That may be so in regard to sleepers.

Hon. A. F. Watts: That is so, and in regard to crossarms.

The MINISTER FOR TRANSPORT: It would be sleepers principally. But in that respect he still has to get the timber put into the road truck and then into the rail truck and the two freights are almost identical. There is no warrant for expecting this stretch of railway when compared with others, and I think it is a matter of bowing to the inevitable because of the circumstances. Nobody yet has been able to cast any doubt in my mind as to the efficacy of road transport providing a decent service in respect to the areas named by this resolution, and certainly not in this case where there is quite a good road, at least 50 per cent. of which is bituminised.

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

Ayes	....	....	....	....	8
Noes	....	....	....	....	29
Majority against					21

Ayes.

Mr. Ackland	Mr. Nalder
Mr. Cornell	Mr. Owen
Mr. Grayden	Mr. Watts
Mr. W. Manning	Mr. Bovell

(Teller.)

Noes.

Mr. Court	Mr. I. Manning
Mr. Evans	Mr. Marshall
Mr. Gaffy	Mr. May
Mr. Graham	Sir Ross McLarty
Mr. Hall	Mr. Moir
Mr. Hawke	Mr. Norton
Mr. Heal	Mr. O'Brien
Mr. Hearman	Mr. Potter
Mr. W. Hegney	Mr. Roberts
Mr. Hoar	Mr. Rodoreda
Mr. Jamieson	Mr. Sewell
Mr. Johnson	Mr. Sleeman
Mr. Kelly	Mr. Wild
Mr. Lapham	Mr. Crommelin
Mr. Lawrence	

(Teller.)

Amendment thus negatived.

On motion by Mr. O'Brien, debate adjourned.

House adjourned at 12.15 a.m. (Friday).