

Legislative Council

Tuesday, the 23rd September, 1958.

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

BILLS (5)—ASSENT.

Message from the Lieut.-Governor and Administrator received and read notifying assent to the following Bills:—

1. Constitution Acts Amendment.
2. Housing Loan Guarantee Act Amendment.
3. Legal Practitioners Act Amendment.
4. Reciprocal Enforcement of Maintenance Orders Act Amendment.
5. Rural and Industries Bank Act Amendment.

QUESTIONS ON NOTICE.

ALBANY HIGH SCHOOL.

Proposed Additions, Commencement, etc.

1. The Hon. J. M. THOMSON asked the Minister for Railways:

(1) Will work on the proposed additions to the Albany High School be commenced within the next four to six weeks?

(2) If not—

(a) when will the work be commenced; and

(b) when is it anticipated that the additions will be ready for occupation?

(3) If, in reply to No. (2) (a), a definite date has not been agreed upon, is it contemplated that the work will be commenced—

(a) prior to the end of the present term; or

(b) during the first term of the year ending the 31st December, 1959?

(4) In order to expedite the construction will tenders be called?

(5) If so, when can it be anticipated that such tenders will be called?

The MINISTER replied:

(1) No.

(2) (a) January, 1959.

(b) end of August, 1959.

(3) Answered by No. (2).

(4) and (5) Yes, in December next.

JUNIOR HIGH SCHOOL.

Establishment at Wyalkatchem.

2. The Hon. C. R. ABBEY asked the Minister for Railways:

(1) Is it the intention of the Government to build a junior high school with an agricultural wing at Wyalkatchem in the near future, as long promised to the residents of that area?

(2) Has the Government an overall plan to provide urgently needed high school facilities throughout country areas?

The MINISTER replied:

(1) When the enrolment meets the requirements of the regulation, this school will be given the status of a junior high school, and the establishment of an agricultural wing will be given consideration.

(2) The Government provides high school facilities where numbers warrant such provision.

TRANSIT SHEDS, ALBANY.

Government's Intention re Building.

3. The Hon. J. M. THOMSON asked the Minister for Railways:

(1) Is it the intention of the Government to commence the construction of transit sheds at the Albany new wharf this financial year?

(2) If so, will the Government intimate the approximate date?

(3) (a) Will local building contractors be given the opportunity of tendering for this work; or,

(b) is it the intention of the Government to carry out this work on the Public Works Department day-labour basis?

The MINISTER replied:

(1) No.

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

CHIDLOW SCHOOL.

Supply of Milk.

4. The Hon. C. R. ABBEY asked the Minister for Railways:

(1) Is the Minister for Education aware that milk is delivered to the Chidlow school children on only two days a week, namely, Tuesdays and Thursdays?

(2) Will the Minister take steps to provide milk for these children on all school days?

The MINISTER replied:

(1) Yes.

(2) The department is already negotiating with suppliers for daily service.

BILLS (2)—THIRD READING.

1. Local Courts Act Amendment.

2. Electoral Act Amendment.

Transmitted to the Assembly.

VERMIN ACT AMENDMENT BILL.

Second Reading.

Debate resumed from the 18th Sept.

THE HON. C. R. ABBEY (Central) [4.42]: I have examined the amendment contained in this Bill, and I can see no reason to oppose it. The purpose of the measure is to amend a situation that has existed for the past 12 months. It seeks to permit the creation of a board—through the protection board—as a separate body, which will handle vermin affairs in a particular district. I think that is a good move and one to which we should all agree. I support the second reading of the Bill.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment and the report adopted.

GOVERNMENT RAILWAYS ACT AMENDMENT BILL.

Second Reading.

Debate resumed from the 18th September.

THE HON. F. D. WILLMOTT (South-West) [4.45]: As the Minister told the House when he introduced the Bill, its main provisions are to appoint one commissioner, instead of three as has been done in the past; and to make the appointment for a period of up to seven years, rather than for seven years. The

Minister explained the reasons for those moves and I think they were quite adequate. I feel we cannot have any quarrel with the general provisions of the measure, because I am sure hon. members will agree that the appointment of three commissioners has proved to be a mistake.

As we all know, of course, Governments like anybody else, are capable of making mistakes. I daresay we all start making mistakes from the day we don boots because, no doubt, somewhere along the line we will, at some time, try to put the left boot on the right foot. There are, possibly, some who have made mistakes before they donned boots.

The Hon. H. K. Watson: And somebody made a mistake even before that!

The Hon. F. D. WILLMOTT: That is so. However, I think it will be agreed that before anything can be done to rectify a mistake, the mistake itself must be admitted. Occasionally Governments no matter what their political colour, are reluctant to admit their mistakes; with the result that it takes longer than it should to rectify the mistakes. I think the appointment of one commissioner is very important to the welfare of this State, but at the same time I am of the opinion that certain requirements are necessary. In the first place, the man appointed should be a first-class administrator. He need not necessarily have a deep knowledge of railway operations, but provided he has a sound business training, and an ability to delegate authority and pick out the men in his department with sufficient brains to accept that authority, he would be the type of man we would require as commissioner.

However, I can see some dangers in the appointment of a railwayman. I wish to make it clear that I am not necessarily opposed to the appointment of a railwayman, either from this State or from any other. But I do not think we should be tied in our thinking to the appointment of a railwayman. I hold that view for several reasons; the first of which is that generally speaking, I think railwaymen have been associated with one department of the railways or another, and their thoughts are likely to be confined to watertight compartments. I do not consider that would be to the best advantage of the railways in the future. Another aspect that must be considered in appointing a railwayman from the railway of this State, is that the appointment might give rise to jealousy. It is possible that men might have worked under him and feel he does not possess the necessary ability to justify the appointment.

There is a tendency always for that attitude to be taken by workmates when one of the fellows has an appointment such as this handed to him. I feel also that if we are going to be successful in the

future with our railways we will have to alter our thinking on management and administration.

Our problems are not peculiar to Western Australia. Recently I made some study of the position of the railways in America, as well as those in some other countries. In America I found that some of the problems are very much the same as ours. On the other hand, I think many hon. members in this Chamber have the wrong idea as to the problems facing the railways in America.

Just to give hon. members some idea of the position, I would like to quote from an American publication entitled, "Business Week," dated the 13th July, 1957. The main portion of this issue is on a special report of railroads in America, and it contains some rather interesting comments which I feel can be enlightening to us in this State. In one place it says—

Entirely too few roads have these management claiming programs.

They are referring to the appointment of men from the railways as against the appointment of men to manage the railways who have been trained for that purpose. The article continues—

Most railroad executives start out working on the railroad somewhere, and with seniority come up through train master, division superintendent, and so on. This isn't always bad by any means. But at the same time it doesn't necessarily make for a good management-man, and it doesn't necessarily make for a good businessman. A few railroad presidents go so far as to say if railroads were run less like railroads and more like other businesses, they would be in better shape.

I think there is a lot of truth in that statement. The railways in recent years have become too stereotyped in outlook and operation and a bit more imagination and application of normal business methods might be advantageous. There is another portion in this article, which deals with somewhat the same subject, and I would like to quote it. It says—

Railroads were built at a time when speed was not important and labour costs were low. Now that the reverse is true management is discovering mechanisation—and more particularly automation—not only can but must be applied everywhere to streamline operations.

I believe hon. members will agree that such is very necessary in our own railways. There are all sorts of problems, and some very much the same as our own, but the American railroads are somewhat different, because we have State railways while theirs are run by various companies. However, many of their problems are the same as ours and we will have to

tackle our problems in very much the same way as they are trying to tackle theirs.

In reading this report it seems to me that the thinking by labour in the American railways is very much what it is in our own State. I consider that labour's thinking and approach to this problem will have to be altered just as much here as in America. If I read a little more of this report I am sure hon. members will agree that it is very much in line with what I have said the position is in our own State. It says —

Most improvements railroads are installing have either as their goal, or as an important by-product, cutting the size of the labour force.

We know that at the present time our Government is attempting to reduce the size of the labour force. The report goes on—

The railroad brotherhoods, understandably unhappy over this trend, have long had rules protecting the jobs of their members. Management contends these rules are in desperate need of revision.

The same thing I think applies to our own unions in this State. Their approach to these problems is very much the same as that in America and there is need of revision. This is how one executive in America puts it—

I'm all for sitting down with labour and bargaining over how big a share of the pie it should get, but I'm deadset against labour making rules that limit the pie. The brotherhoods have too many restrictions that keep management from being resourceful and imaginative.

I think that applies to Western Australia and we will have to change our thinking. It is true as they say in that report that brotherhoods have too many restrictions that keep management from being resourceful and imaginative. Surely that has the same ring as there is in Western Australia. The problems in America are very akin to our own in regard to labour. I will quote a little further from this report because I think it applies very closely to our own position. It says—

Managements on most roads, while anxious to cut down on the number of "unnecessary people" as fast as possible with minimum hardship, predict that if they could reinvigorate the industry, more workers would be needed than ever before.

This article quotes a case and, if any hon. member cares to read it, he will notice one railway that made improvements. The report goes on—

The Chesapeake & Ohio Railway is a case in point. This road, with 1956 earnings equal to 8.28 dollars per

common share and an operating ratio (the proportion of revenues absorbed by expenses) of 67.9 per cent., is one of the healthiest railroads in the country. Yet, its labour force is at a record high.

This goes to show the contention of the management of those railways that if they can invigorate their railways and operate them on an efficient basis they will be looking for more men instead of trying to put them off. I think there is a good deal in that contention and we can learn a lot from the problems in America.

People have an idea that transport in America, unlike our own, has no restrictions. That is very far from the truth. In fact, they are subject to even more restrictions than we are in this State.

The Hon. A. F. Griffith: Well, well!

The Hon. F. D. WILLMOTT: I shall quote some of them to the hon. Mr. Griffith. I received some shocks myself.

The Hon. H. L. Roche: Socialism is there, is it?

The Hon. F. D. WILLMOTT: It is the home of free enterprise, but it operates in a different way. I certainly received some surprises.

The Hon. H. K. Watson: Don't give the Minister new ideas.

The Hon. F. D. WILLMOTT: No; I am going to show him that it sometimes works the opposite way. In America, the railways are subject to the ruling of a body known as the Interstate Commerce Commission. Without the consent of this commission, the railways are not allowed to alter their freights either up or down.

The Hon. G. Bennetts: The Commonwealth is doing it.

The Hon. F. D. WILLMOTT: This report contains something interesting in that regard—

The railroads' out-of-pocket costs for handling freight are usually lower than truckers'. If the rails were allowed to set their rates on the basis of these costs, they could conceivably drive a great many truckers out of business. To prevent this situation, the Interstate Commerce Act reads in part:

It is hereby declared to be the national transportation policy of the Congress to provide for fair and impartial regulation of all modes of transportation subject to the provisions of this Act, so administered as to recognise and preserve the inherent advantages of each . . . to encourage the establishment and maintenance of reasonable charges for transportation services, without unjust discriminations, undue preferences or advantages, or unfair or destructive competitive practices . . .

In America, the Interstate Commerce Commission, refused to allow the railroads to cut their freights because the cutting of rail freights might interfere with the truckers.

The Hon. H. L. Roche: The railways have to get permission to put up the freights, too.

The Hon. F. D. WILLMOTT: Yes, but here they are wishing to cut their freights but they are not allowed to do so. In America, the railways are trying to alter the legislation. I quote again from the report—

Because railroads feel rate revision is so essential to regaining their financial health and because they do not subscribe to ICC's philosophy on competitive ratemaking, they are now trying to change the law under which the ICC operates. In the Congressional hopper are two bills that, in effect, provide that ICC:

Shall not consider the effect of other modes of transportation in deciding the reasonableness of rates.

Shall not consider the relation of a proposed rate to charges being made by any other mode of transportation.

Shall not consider whether the rate is lower than necessary to meet the competition of another form of transportation.

So, anyone who thinks that transportation in America is not interfered with, is far wide of the mark. In fact, in another American publication—"Fortune"—I came across an article on railways in which the extraordinary statement occurs—

Of all forms of transportation in the U.S., only railroads and pipelines are both unsubsidised and completely regulated.

So, the position in America is as it is here; and quite frankly I think the people there are being fooled about by experts the same as are the people in this State. The truckers in America say they come up against difficulties, and they do. They are regulated just the same as are our own people; and they come up against most peculiar State laws.

A trucker in the State of New York might load his truck with 20 tons of freight and thereby comply with the axle-load regulations of that State. Later he finds himself in the State of Connecticut and has to off-load some four or five tons in order that he may comply with the axle-loading of that State. He goes on to the State of Arkansas and finds he can load another three or four tons on to his vehicle and still comply with the axle-load regulations of Arkansas. So, the transport people of America are in just as much of a mess as we are, and they are being

fooled about by experts the same as we are. I consider we are in need of a little less control in the matter of transport because the control we have does not work for the benefit of the railways, or anyone else eventually. I believe the effect of farmers carting their produce on their own trucks, is over-rated.

The Hon. H. L. Roche: It always has been.

The Hon. F. D. WILLMOTT: I say this because, generally speaking, the farmer wrongly bases his costs of road cartage. Most farmers—in my district anyway—base their costs on, perhaps, one trip that they happen to make with a backload of fuel on the return journey. To work out their costs on a single operation like that is quite wrong. The only cost they take into consideration is that of the fuel which they use. They forget that their truck has cost them a couple of thousand pounds in the first place, and that the farmer, or an employee, is away from the farm for, perhaps, a couple of days, and his work on the farm is lost for that period.

Another important fact that most farmers overlook is that if they operate their trucks on the road all the time, their repairs and maintenance have to be done by the local garage; because most farmers are not capable of doing the repairs themselves, and they have not the time anyway. If farmers put their trucks on the road to do all their cartage, and they knew that they would have to meet all these costs, I think that many of them would make use of the railways. One of the biggest stock-producers in my district—I suppose he sends as much stock from the district as any other man in the South-West—will pull on an argument with anyone at any time in regard to shipping livestock. His contention is that anyone taking stock on his own truck is completely mad because the railways can transport the stock at far less cost.

The Hon. L. C. Diver: Your speech is two years too late.

The Hon. F. D. WILLMOTT: It might be, but that is the position. Another point in regard to this is that two years ago the cost to a farmer of operating his own motor truck was not as much as it is today; and costs are rising all the time.

So it is my contention that if all restrictions on farmers were lifted, many of the contentions that are advanced would be debunked. If we say to a man, "you shall not do this," he immediately wants to do it. That is human nature.

I am quite sure that many farmers—particularly as their costs are rising—if they are given the opportunity to use the railways, are not going to rush out on the road with their trucks, when they know that when they wear those trucks out they are up for the expenditure of £2,000 per vehicle to buy new ones. Each

of them will say, "No, I had better keep this truck for use on the farm." There has been a great deal of bunkum uttered about the operation of road trucks. The Government is making a great mistake in imposing these restrictions. If it took them off, the spate of road cartage would be only for a short time.

The Hon. H. C. Strickland: Which Government put them on?

The Hon. F. D. WILLMOTT: All Governments have placed a restriction on farmers in regard to carting their own produce. I am not blaming this or any other Government. I am merely stating that the restriction exists, but it would be to the advantage of everyone if it were lifted. I repeat that it would debunk many of the mistaken ideas which are held on this question if the restriction were lifted.

In referring again to the appointment of the Commissioner of Railways, whoever receives the appointment will undoubtedly have some sticky questions to solve. Among other things, no doubt, he will be presented with the problem of rail closures. Although the Government would like hon. members and the general public to believe that anything contentious on this matter exists only in the minds of hon. members who are in Opposition, we know quite well that there is just as much difference of opinion among the members of the Government party and, what is more, among Cabinet members themselves.

The Hon. H. C. Strickland: Who told you that?

The Hon. F. D. WILLMOTT: That is, if we are to believe what the Minister for Justice said at Bunbury. In last Saturday's issue of "The West Australian," dated the 20th September,—

The Hon. H. C. Strickland: Your Bible!

The Hon. F. D. WILLMOTT: —the Minister for Justice (the Hon. E. Nulsen) was reported as having said at Bunbury on the previous day—

Rail Closures Retrograde, Says Minister.

The closing of country railways has been a retrograde step and one which he had strongly opposed, Justice Minister Nulsen told the South-West conference today.

He had hoped that the Legislative Council would reject the closures.

He had hoped that the Legislative Council would reject the closures!

The Hon. L. C. Diver: So did we!

The Hon. F. D. WILLMOTT: What a statement that is coming from a member of the Cabinet which brought the motion forward. Surely that is only—

The Hon. A. F. Griffith: Hypocrisy!

The Hon. F. D. WILLMOTT: Yes, I can only refer to it as hypocrisy. However, in that statement we have the answer to a question that is frequently asked, namely: Why did the Government ask Royal Commissioner Smith to inquire into rail closures?

The Hon. H. C. Strickland: The Government did not ask; the hon. Mr. Logan of this Council asked.

The Hon. F. D. WILLMOTT: The Government can use that as an excuse, but it does not readily concede everything the Opposition asks for.

The Hon. H. C. Strickland: It is a fact.

The Hon. F. D. WILLMOTT: What I have pointed out is the real reason why the Government asked Mr. Smith to inquire into rail closures. There is no doubt about it. If that is not so, what is the alternative?

The Hon. H. C. Strickland: Why did you not oppose the hon. Mr. Logan's motion?

The Hon. F. D. WILLMOTT: I think that is the correct reason. What else am I to think? Is the Minister for Justice beginning to worry about what Mr. Smith might have to say on closures? Is he trying to get out from under?

The Hon. L. C. Diver: He is always likely to reverse his decision.

The Hon. F. J. S. Wise: You must have been out of step last time, were you?

The Hon. F. D. WILLMOTT: I think Royal Commissioner Smith might say that some of those closures were a mistake, but I do not think he is likely to say that all of them were a mistake. I am of the opinion that it was not a mistake to close some of them, but I am not going to argue about it because I am not in possession of sufficient knowledge to ascertain which were mistakes and which were not. However, I still maintain—and I have yet to be convinced that I am wrong—that the basic idea of closing some of those lines was correct.

The Hon. F. R. H. Lavery: It was only suspension, you know.

The Hon. F. D. WILLMOTT: Well, we can call it suspension, if we like.

The Hon. G. Bennetts: The Government might issue instructions to close the Bunbury-Bridgetown line yet.

The Hon. F. D. WILLMOTT: If the timber industry happens to slump the Government might, but that would be an unhappy day for the Government. There have been some benefits obtained from the suspension of some of these lines. If it has done nothing else, it has brought home to the general public the parlous condition of our railways. Furthermore, it has brought home to the minds of some other people the necessity to use our railways if they wish to retain the railway services.

The Hon. L. A. Logan: They could have done that without closing them.

The Hon. F. D. WILLMOTT: If it has achieved that purpose alone, it will have done a great deal of good for the railway in this State. The ultimate outlook for railways can be improved only by people altering their thinking a little on this question.

When the Government decides on the appointment of a railway commissioner, hope it will not give way to pressure from any direction, to appoint anybody from the W.A.G.R. or anywhere else. I hope it will consider the applications on the widest basis and choose the man with the best administrative and business ability in an endeavour to bring some new thinking into our railway operations to lift the railway out of the rut they are in at present.

I do not condemn the appointment of railwayman as such, but there is the possibility that his thinking will run along the lines of our existing railway operation which is not good enough on today's standards. It would be of advantage if the Government were to appoint a new man who would introduce some new ideas to improve the working of the railway system in this State. Again I will quote from the report published in "Business Week." This extract refers to the operation of railways in the future, and it applies with equal force to this State. The report reads as follows:—

The Outlook—Although solutions to the railroad problem are far easier to visualise than to act on,—

We will agree with that. Continuing—

—the future of the industry is certainly not hopeless. There is nothing yet that's obsolete about railroads—only the way some of them are being run.

That certainly applies to the railways in this State.

I want to say this in conclusion: I said at the outset that a mistake has to be admitted before it can be rectified. I think it is quite conceivable that the Government will not get the right person on the first appointment to the position of commissioner. It is quite possible that the Government will make a mistake because, to some extent anyway, the choice of applicant will not be based on knowledge; it can only be based on opinion, and opinion can be wrong.

I hope that if the Government finds it has made a mistake in the appointment it will not hesitate to bring about a replacement. To achieve that result it has to admit a mistake, if any is made. I am quite sure that every member in this Chamber will back up the Government if it is prepared to admit to a mistake in the appointment to the position of commissioner, and to wanting to rectify it. That is quite conceivable and the Government should not be condemned if it make

a mistake in the first appointment. The only condemnation that can be levelled at the Government is if it does not rectify a mistake when one is made. I hope that when an appointment to the position of commissioner is made the Government will bear in mind what I have said. I support the Bill.

THE HON. L. A. LOGAN (Midland) [5.22]: This measure deals with three or four amendments to the Railways Act. The main one, of course, is the alteration of the three-commissioner system to the one-commissioner system. The other amendments deal with the right of the commissioner to receive revenue or profit which might be claimed as his right because of his engineering ability or qualifications in introducing some new invention for the benefit of the railways.

Perhaps it can be said that the appointment of three commissioners, as agreed to by this House some years ago, was not wrong entirely. It can probably be said that the appointment of the personnel was wrong. It is unfortunate that at this particular time, when the names of the three commissioners are being bandied about as being responsible for the mess which exists in the Railway Department, we forget that at the outset of the three-man commission there was one commissioner who has unfortunately passed away. In my opinion his name needs to be cleared because aspersions are being cast on the three commissioners. Initially Messrs. Hall, Clarke and Raynor were appointed as the three commissioners.

I am open to correction when I say this: During the period of Mr. Raynor's term as Assistant Commissioner there was very little dissension among the commissioners.

The Hon. G. Bennetts: You are correct in saying that.

The Hon. L. A. LOGAN: It was not until the appointment of Mr. Lee that the trouble became evident. That is the reason why I claim the appointment of the three commissioners was not at fault, but the appointment of the personnel was, and this eventually brought about the chaos. It is all very well to say that the Government should not have appointed Mr. Hall or Mr. Clarke, but it must be remembered that when applications for such positions are advertised, and replies are received from all over the world, qualifications of a high order are required. In this case one of the applicants had been in charge of the Indian railway system, and the other had been in charge of the Pakistan railway system. Surely both these men must have held high qualifications to fill these positions! It is pretty difficult for us to sit in judgment when no-one was sent from this State to India or Pakistan to inquire into the qualifications of those two officers. Had such a course been adopted the investigating officer would no doubt have

come back and declared that the qualifications of the two officers were quite sound. Therefore it is quite easy to be wrong in the appointment of the three commissioners.

I have one other query to make of the Minister with regard to the appointment of a single commissioner. When the three commissioners resigned, or were asked to resign, the Government appointed Mr. Brodie as Acting Commissioner. I am wondering why he was not appointed commissioner at the expiration of his six months' term of office. We all know that Mr. Brodie could not be appointed for a further term as acting commissioner, because the Act will not allow that to be done. Instead of appointing Mr. Brodie as commissioner for the rest of his term in the Railways Department, the Government decided to appoint Mr. Marsland as commissioner; thus Mr. Brodie was deposed. We should be given the reason because Mr. Brodie was doing a particularly good job. I contend it is a slur on Mr. Brodie to depose him from his appointment as acting commissioner and re-instate him in his former position.

I think it is a fair proposition to suggest that Mr. Brodie was shaking up some of the union officials, some of the administrative staff and heads of the department in an effort to improve the position of the railways. It is my belief that because he was doing too much shaking up he was discarded, and some other officer was appointed to the post—someone more amenable to the unions.

The Hon. H. C. Strickland: You are imagining these things.

The Hon. L. A. LOGAN: I am not imagining them. I am making a statement which the Minister can refute if he so desires. I have also mixed with railwaymen so I know what goes on.

The Hon. H. C. Strickland: You are doing Mr. Brodie a disservice.

The Hon. L. A. LOGAN: The Minister is the one who did a disservice to Mr. Brodie by appointing him as acting commissioner and then regressing him.

The Hon. H. C. Strickland: I shall tell you all about that.

The Hon. L. A. LOGAN: I say that Mr. Brodie was quite capable of carrying on in the position of commissioner.

The Hon. H. C. Strickland: You have asked for the reason and you will get it.

The Hon. L. A. LOGAN: During Mr. Brodie's six-months' term of office as acting commissioner, the attitude of and the atmosphere in the Railway Department became entirely different.

The Hon. H. C. Strickland: It still exists.

The Hon. L. A. LOGAN: There was a big uplift and Mr. Brodie was responsible for bringing about an improvement.

The Hon. G. E. Jeffery: Partly.

The Hon. L. A. LOGAN: He was mostly responsible.

The Hon. H. C. Strickland: Nobody denies that.

The Hon. L. A. LOGAN: Then why depose him? It is of no use giving the reason that it was on account of age because there is a difference of only three months in the ages of Mr. Marsland and Mr. Brodie. If there was a difference of 18 months or two years, one could understand the appointment of Mr. Marsland as Commissioner, but when there is a difference of three or four months only, the reason of age cannot be given. I know that anybody who is appointed as commissioner will have a pretty hard row to hoe.

The Hon. H. C. Strickland: I do not know why you did not apply for the position.

The Hon. L. A. LOGAN: I sincerely hope that the new appointee will get all the support that is necessary from whoever is the Minister for Railways. I have enough experience of the present Minister to know that the new appointee will receive help from him. There are many ways in which this Government can get down to the task of improving the position of the railways. I have said in this House that the railways can be run with fewer men, and I have been criticised for saying that.

In introducing this Bill the other night, the Minister mentioned that we wanted to get rid of some staff and that we wanted to bring about unemployment. We do not want that to happen and nothing was further from my mind. The amount of money saved by having fewer employees in the department and by a tightening up of the administration would have enabled more money to be spent in other directions which would be of benefit to the State. We do not want unemployment in this State; we only want the best results from the expenditure of Government funds.

The Hon. H. C. Strickland: You wanted 2,000 men to be sacked.

The Hon. L. A. LOGAN: I do not know if the Minister has an answer to this question.

The Hon. H. C. Strickland: You wanted 2,000 men to be sacked.

The Hon. L. A. LOGAN: The amount of money required for track rehabilitation seems to be enormous. Only the other day I saw the figure of £2,000,000 being mentioned as having to be spent on track rehabilitation. I would like to know whether the metal that is used, is tendered for; whether it is open to public tender. I would also like to know whether the sleepers used for railway lines are tendered

for; whether anyone has ever attempted to get them cheaper. I think the Minister could answer these questions, if he cared to do so. These are ways in which I believe that some costs could be reduced.

There is the matter of maintenance to which I referred previously. Each year an amount is set aside for maintenance. I believe that each officer in his own locality, who is allotted a certain amount, makes sure he spends it all, whether the uses to which it is applied are necessary or not. I have already been told that that is a fact; they make sure that, towards the end of the year, the money allocated to them, is spent. If it is not, the amount would be cut down the following year. These are some of the things the new commissioner will have to investigate. I am passing them on to the Minister.

The Hon. E. M. Davies: We heard that said about the Defence Department.

The Hon. L. A. LOGAN: You can apply it to quite a good many departments, I imagine, but at the moment we are discussing railways. I also mentioned once before the matter of railway inspectors using motorcars—I think at the time I used the term "Holden utilities"—when they could go by train and inspect the stations en route. Instead of using the very good metropolitan railway passenger service they use a motorcar. The Minister has never replied to my query in this matter. I raise these points, not to criticise the Minister or the commissioner—whoever he may be—but to try to bring the railways back to some sense of responsibility, in order to reduce the present colossal loss. This money could quite easily be put to some better purpose.

The hon. Mr. Willmott mentioned that the commissioner to be appointed could quite easily be someone divorced from the railways, and I think that is quite possible. In my opinion, the commissioner will have to be a very able administrator. He will have the heads of the departments—traffic engineering and administration—to whom he can turn for information. But a person with an administrative mind, capable of controlling men, is necessary if the railways are to be put back on a business footing. It has been said, because of the Minister's statement at Bunbury the other day, that the Royal Commissioner was appointed to inquire into the closing of certain lines. The hon. Mr. Willmott is off the track. The Royal Commissioner (Mr. Smith) was already on the job, delving into aspects of railway systems, before I moved a motion in the House. At that particular time there was no intention whatsoever of having any inquiry into the closed lines because requests were repeatedly refused—

The Hon. F. D. Willmott: I don't think it was those applications that were responsible for the inquiry.

The Hon. H. C. Strickland: Yes, it was.

The Hon. L. A. LOGAN: Repeated requests for an inquiry were ignored but, because of the motion I moved, and because I pointed out a fallacy, or very grave mistake, in the evidence submitted, an investigation is being made. The Minister will agree that I had one major complaint to make in regard to the delay in the carrying out of this inquiry.

What will be the use of Mr. Smith coming back after six or seven months and saying, "This line should not have been suspended," after it has already been suspended for two years? What is going to be the position? It is natural that an engineer should consider the track unsafe, because it has not been used for so long. The Government is wasting time and the very state of affairs—

The Hon. H. C. Strickland: The hon. member was told when I agreed to the motion—

The Hon. L. A. LOGAN: That was last November. This is September, almost 12 months later, and nothing has been done.

The Hon. H. C. Strickland: A period of 12 months is necessary before you can examine results.

The Hon. L. A. LOGAN: Further results were not necessary. If this inquiry had been held before the lines were closed here would have been no necessity for a trial.

The Hon. H. C. Strickland: A comparison has to be made.

The Hon. L. A. LOGAN: The Minister would have had all the evidence he required as to whether the lines should have been closed before. The evidence was here.

The Hon. H. C. Strickland: How are we to ascertain what is going to be saved if a trial is not given.

The Hon. L. A. LOGAN: There is no need. Apart from the Big Bell-Cue line, in my opinion no lines should have been closed. I agree with the Minister's statement in Bunbury that it was the most retrograde step taken in Western Australia.

The other parts of the Bill are only common sense. Provision is made for the commissioner to be appointed for a period of up to seven years; and also to enable him to take advantage of his ability to resign, providing he has the sanction of the Minister to do so. I think that is wise. The man has ability and it can be put to good use, I think he should be entitled to some remuneration. With those observations I support the Bill.

On motion by the Hon. C. H. Simpson, debate adjourned.

ACTS AMENDMENT (SUPERANNUATION AND PENSIONS) BILL.

Second Reading.

Debate resumed from the 16th September.

THE HON. A. F. GRIFFITH (Suburban) [5.38]: As the Minister indicated when he introduced the second reading of this Bill, its purpose is an attempt to clear up some anomalies that were brought about by the introduction of a Bill which amended the Act, referred to in his speech last session. It will be remembered that on the occasion of the introduction of the Bill last year, when speaking on the second reading, I asked for advice on certain questions appertaining to the formula laid down. I asked for an explanation of why the amount of £12, which was the basic wage figure referred to for the purpose of calculation so far as the new formula was concerned, was the amount that should be taken.

I ventured to state that if the Bill passed, as it was printed, there would be some people who would suffer deductions or who would suffer by receiving a lesser amount, by way of pensions than they were receiving before the Bill became law. The House was given an assurance that nobody would have his pension decreased but that some would have them increased. As a matter of fact, I think it was the Premier himself who said these words—and I quote him—"Increase to some and decrease to none," or words to that effect.

We now find ourselves in the position that the Government has to bring down a Bill to put right what was put on the statute book last year, and it does strike me as obvious that when hon. members of this Chamber, when dealing with a Bill, make certain suggestions to the Government and ask that things be looked into, insufficient attention is paid to those suggestions; and this is a typical example of what takes place.

The Bill is in two parts. Clause 2 deals with the Superannuation and Family Benefits Act, 1938-1957, and I do not propose to spend any time on that portion of the measure because there is no argument about it. The people who suffered last year will at least have some of their contributions made up to them by the effect of this clause.

In respect to the other clause which deals with the Superannuation Act, 1871-1957, I have some further comments to make. As the Minister knows, there is an organisation which is known as the Joint Superannuation Committee. It comprises representatives of a number of Government employees—people employed in various departments—who have banded themselves together for the purpose of protecting their interests and to make representations to the Government, when deemed necessary, on matters such as this. I have

here a letter, or extract from a letter, which I propose to quote. An approach was made to the Premier by the Joint Superannuation Committee on the 18th June, 1958, which was prior to the introduction of this Bill, of course. I quote—

A meeting of the Joint Superannuation Committee, attended by representatives of the organisations listed below, on Thursday, 29th May, heard representatives of the 1871 Pensions Committee present a case for a review of the adjustments to their pensions made by the amending Act of 1957.

The committee resolved unanimously to support the claim of the 1871 pension group for a review of the basis on which their pensions have been determined most recently by the amending Act of 1957. The claim is for an amendment to the provisions of that Act to provide that 1871 pensioners shall receive in addition to the pension on which he or she retired, all basic wage variations which have occurred since the date of retirement.

To apply this principle to the formula contained in the Act on page 12 would be to define item (a) as the current basic wage, item (b) as the basic wage at the time of retirement and delete item (c) from the calculation. My committee has appointed a small deputation to discuss this proposal with you should you desire further clarification of the matter. I would point out that the effect of the amendment of 1957 was to reduce many of the amounts received by pensioners and increase others by small amounts. The net result still leaves those pensioners well below what may properly be regarded as their entitlement having regard to the intention of the 1871 Act. The committee believes that the suggestion above is a reasonable compromise which will make more equitable provision than the present formula.

I am sorry that it is necessary to quote all this matter, but I am doing so in the hope that the Minister, whom I readily appreciate does not control this department, will have the opportunity of taking back to the Premier the suggestions contained in these quotations and of asking him to see whether, before the Bill is taken further, he will have another look at the matter in order to try to adjust or eliminate the still further anomaly that will be created if the Bill becomes law in its present form. In a letter dated the 8th July, 1958, the Premier replied—

Careful consideration has been given to your letter to me in this matter of the 18th June, 1958.

As a result, I would advise you it is considered that any alteration to the present deduction of £182 per annum

in the formula now used to decide pension payments would create preferential treatment for the 1871 Act pensioners, as these pensions are paid on a non-contributory basis as far as the pensioners themselves have been concerned. Any favourable alteration in the deduction in question would naturally be regarded as preferential treatment to the 1871 pensioners by a pensioners under the other State superannuation schemes and by a contributors to these schemes.

The proposal to adjust pensions automatically according to fluctuations in the basic wage could be a two edged sword if put into operation. In any event, considerable administrative difficulty would be encountered in operating such a scheme, with considerable increase in cost in operating adjustments from time to time.

In addition, those pensioners who retired when the basic wage was high would doubtless resist any reduction brought about by a fall in the cost of living and in the basic wage on the ground that their pension was calculated on the salary received over the last three years of their service as an employee of the Government.

Thank your members for their suggestion.

That was the Premier's reply, notwithstanding the fact that this Joint Superannuation Committee, comprised of the 1871 pensioners and all the other interests concerned, agreed unanimously that those submissions should be made to the Premier. Mr. Currie, the secretary of the Joint Superannuation Committee, replied to the letter from the Premier under date the 19th September, 1958, as follows:—

The Hon. the Premier,

Premier's Department,

Perth.

Dear Sir,

I refer to your letter of 8th July on the subject of adjustments to the 1871 pensions.

Your second paragraph claims that any alteration of the present deduction of £182 per annum would create preferential treatment for the 1871 Act pensioners, presumably in relation to 1938 Act pensioners. The Joint Superannuation Committee can see no reason for the application of principle derived from the 1938 Act to a group whose pensions were established under an entirely different system. Nevertheless an examination of the amount contributed by the Superannuation Fund to the 1938 pensioners leads to the conclusion that the 1871 pension

group is receiving far from preferential treatment. From the figures relating to the annual liability for pensions under the 1938 Act as published in the 18th Annual Report of the Fund I calculate that the average annual contribution by the Fund to each present male maximum age pensioner is £23. This is very much less than the £182 charged against the 1871 pensioner to meet the "fund" portion of a non-contributory pension.

It is important to realise too, that this £182 is not deducted from the pension in those cases where the application of the formula would actually reduce the pension below that provided by the original Act. In other words preferential treatment is already accorded some of the 1871 pensioners. It is with some surprise therefore that we learn that a Bill before the House proposes to restore supplementation amounts lost by the application of the formula by lately retired pensioners. Let me stress that the Committee does not doubt that such pensioners are due for an upward adjustment to counter cost of living rises since their retirement. It believes, however, that this proposal is a further anomalous addition to the many amendments which have attempted unsatisfactorily but no doubt sincerely, to combat the effect of inflation on these pensions.

The Committee is surprised also to learn the nature of the two objections to the basic wage adjustments scheme as set out in your second paragraph.

When, in 1951 you spoke in favour of just such a proposal, you challenged the then Treasurer to produce good argument to justify the omission of this principle. The pensioners are fully aware of the fact that basic wage reductions would reduce these pensions. It is small consolation to them that they have been protected from such reductions in the last twelve years. On the matter of the administrative difficulties of operating such a scheme, it is noted that while similar difficulty may exist in the basic wage adjustment of the many thousands of government employees the objection is not raised to deprive them of these just adjustments.

The Committee trusts that it is not too late to amend the contemplated legislation to ensure equitable treatment for all the 1871 group along the lines suggested.

Despite that correspondence and the proposition put forward by the Joint Superannuation Committee, and despite the criticism which the present Premier has levelled in regard to this very subject in the past, he seems determined to continue with the Bill on the present basis. I am

sorry that these quotations must be wearying to some members, but the Joint Superannuation Committee has asked me to submit in detail the proposal which it suggests would be the answer to the difficulties being experienced at the present time, in the hope that the Premier may see some good in the arguments put forward and take action before it is too late. The Joint Superannuation Committee makes the following submissions:—

The Committee of the 1871 pension group understands that certain legislation is contemplated to further amend the 1871 pensions. If the proposal is merely to restore supplementation amounts to certain of the lately retired group then the committee cannot stress strongly enough its dissatisfaction with this further anomalous addition to legislation devised, presumably with sincerity, for the purpose of restoring some measure of value to the 1871 pensions seriously devalued by inflation in the last 12 years. An anomaly already exists which exempts a certain few from the application of the 1957 formula and whereby no pension awarded at retirement can be reduced. If it is now proposed to restore supplementation amounts to a certain few another and a worse anomaly will be included in the Act.

The Committee believes it has to offer a just, equitable and what is a more easily understood solution to this problem and asks you therefore to consider the following carefully.

Because it is considered that by the application of the formula on page 12 line 6 of the Superannuation Act 1871-1957 a very grave injustice is being done to many retired public servants the following amendment is proposed:—

Delete the formula in line 6 and insert in lieu thereof the following formula—

$$52 (a-b) \div C = X$$

in which "52" represents the weeks in a year

"a" represents the current basic wage.

"b" represents the basic wage at date of retirement.

"C" represents the pension awarded under the 1871 Act.

"X" represents to the nearest pound the superannuation as assessed by this formula.

In plain simple language this amended formula will, from the date of his retirement, add to, or, deduct from each 1871-ers pension the rises or falls in the basic wage as they occur and will mete out justice to all up to the £1,000 pension limit. It has been

stated above that by the application of the formula as it stands today in the Act a grave injustice is being done to many highly respected and worthy ex public servants.

This grave injustice will continue to be done as long as the present formula remains.

This is a serious statement to make as it may, indirectly if not directly, reflect upon the honesty, integrity and uprightness of all responsible for compiling and/or accepting the formula. An error of judgment it is claimed has been committed by the acceptance of the formula probably on advice wrongly founded. By an analysis of the formula it is hoped to prove that, in principle, the formula is a contravention of the 1871 Act and that by its application grave injustices are being done to the 1871-ers.

The 1871 pension was laid down in that year and people who accepted employment in the Government service then knew that they were entering a service which provided a non-contributory pension scheme. It was part of the acceptance of the contract of employment that they knew that, at the end of their employment, they would have the benefit of the scheme. I said in this House last year—and venture to suggest again—that altering the 1871 Act was a breach of the contract made with those people. It is an extremely bad principle to give a man some form of pension and then take some of it away. The quotation continues—

In the first place the formula as set out in the 1957 Act is claimed to be scientific. Because of this by inference it has been implied that its full significance and understanding are beyond the comprehension of many who have attempted to study it. The formula is, without a doubt, unscientifically based and mathematically unsound in its arrangement. These, however, are minor points and may be discarded.

Secondly in the 1957 formula "a" is made to represent a basic wage of £12 and remains stationary at that figure. There is no scientific or mathematically sound reason why £12 should be selected. The basic wage is a constantly fluctuating amount and all calculations are scientifically based on these fluctuations. In the proposed amendment "a" represents the current basic wage or in other words the basic wage at the time of calculating the amount of a pension.

Thirdly in the 1957 Act "C" represents £182; the amendment would eliminate the "C" clause of the 1957 Act entirely because it savours of gross injustice and is certainly a violation of the 1871 Act and is wrong in principle. First make a study of

how this amount is computed and how it affects the 1871-ers in its application. The amount is computed thus—every 1871-er (except those whose pensions awarded under the 1871 Act would be reduced by the application of the formula) is charged for 14 units of superannuation (as under the Superannuation Act, 1938) every year from 1st January, 1958, until he dies. Thus he pays 5s. per unit per week for 14 units, or £3 10s. per week or £182 per year.

This it is claimed is a complete contradiction of the 1871 Act and a violation of the agreement entered into between the Government and its public servants. Over a period of 86 years from 1871 to 1957 be it said to their credit that no Government whether Labour, Liberal or Liberal-Country Party failed to honour their 1871 agreement with their public servants.

It has been said that Clause "C" of the 1957 Act savours of injustice and is a violation of the 1871 Act. Are these charges justified? Just study what it means to the 1871-er as compared with a beneficiary under the 1938 Act. The beneficiary under the 1938 Act for 14 units pays £182 per year. At retirement he may draw superannuation at the rate of £12 10s. per week. If he should predecease his wife she would draw £6 5s. per week plus child allowances wherever eligible.

On the other hand, each of the 1871-ers (with the exceptions already mentioned) in accordance with the formula, also pays £182 per year and will continue to do so until he dies. What does he get for these payments? Nothing: absolutely nothing. What is more, his 1871 pension dies with him. No benefit accrues from it for his widow. True, it is, he had the opportunity in or about 1938 to superannuate his wife under the 1938 Superannuation Act. For the privilege of taking out from four to six units he had to pay a lump sum of from £400 to £600. This comparison certainly acclaims a very definite differential treatment for the 1871-er and certainly dispels the argument that the deletion of Clause "C" from the 1957 Act would confer upon him preferential treatment.

Now consider the question—does the deduction of £182 violate the 1871 Act? It certainly appears to do so. The Act definitely lays it down that after services have been efficiently rendered and the retiring age has been reached a pension shall be assessed and awarded as a reward for services rendered.

The PRESIDENT: Order! Is the hon. member using this as his speech, or has he been supplied with the information?

The Hon. A. F. GRIFFITH: I thought I said in the first instance that this is information which has been submitted to me by the superannuation committee. I am quoting it in order that it can be recorded in Hansard; and the Treasurer of the day may thus consider the submission and perhaps do something for the people who are affected by this Bill.

The PRESIDENT: The hon. member is not in order quoting from lengthy documents.

The Hon. A. F. GRIFFITH: This is the third page of the document, and I am on the last half page of it. I crave your indulgence, Sir, to allow me to complete it because it expresses in concise terms the views of the people affected and, being concise, I think it will in the long run save the time of the House.

The PRESIDENT: The hon. member may proceed.

The Hon. A. F. GRIFFITH: Thank you, Sir. The document continues—

No suggestion of payment for this pension is even hinted at. It is definitely inferred that the pension is payment for long and efficient service faithfully given. This, it is thought, would be the judgment of any court of justice asked to adjudicate on the question. To deduct £182, as is provided in the 1957 Act, is a violation of the 1871 Act.

For these reasons Clause "C" as included in the 1957 Act should certainly be deleted.

Now consider what the amendment proposes in lieu of the 1957 formula so that the demands of the system and justice may be satisfied. As already stated it provides for additions to and deductions from all 1871 pensions in accordance with basic wage fluctuations as from the date of retirement of the recipient.

The plan is simple and just to the extent that it approximates keeping the earned pension, to a certain extent, in harmony with the fluctuating costs of living. Those who retired early, say in the 30's and 40's, when the basic wages were comparatively low shall benefit most while those who retired in the late 40's and early 50's and who have benefited with all wage earners from increased salaries and basic wage fluctuations will benefit to a lesser degree but in the same just measure.

It is hoped that the proposed amendment will receive your full and careful consideration.

I thought, by submitting that proposition from the Joint Superannuation Committee to the House, it would show hon. members as concisely as possible what the people concerned think about the situation. At this stage I do not intend to weary the House any longer and I thank hon. members for bearing with me while I read those quotations. I shall reserve my opinion on the second reading of the Bill, and I hope the Minister for Railways will ask his secretary to pass the submissions on to the Treasurer, and that the Treasurer will afford the time to have a look at what has been said.

We must bear in mind that when the Bill was introduced last year, warnings were issued and questions were asked about people who were likely to suffer deductions as a result of it. But in the words of the Premier, there would be "Deductions to none and increases to some"—at least his words were to that effect. I hope the Premier will take some notice of the submissions that have been made and will take action upon them. If he does that, some equity will be handed out to those people who now complain that they are not receiving equity. I will leave the matter at that, and I hope that the Minister will do as I have suggested.

On motion by the Minister for Railways, debate adjourned.

STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT BILL.

Second Reading

Debate resumed from the 18th September.

THE HON. A. F. GRIFFITH (Suburban) [6.9]: The Minister, when introducing the Bill, told us that this is the fifth or sixth occasion on which a Bill of a similar nature has been presented to the Legislative Council. In answer to a question asked by the Minister, during his second reading speech, I and the members of the Party to which I belong considered the question of this Bill to be a matter of policy. I do not believe in widening the scope of State trading enterprises; and I do not believe there should be any further encroachment by the State Government Insurance Office into a field which is already adequately catered for by other interests in the community.

The Hon. R. F. Hutchison: Much of it is lucrative business.

The Hon. A. F. GRIFFITH: Apart from the objection I have to the Bill on a matter of policy, there are some parts of the measure which bear examination and upon which some comment should be made. Therefore, I propose to examine the Bill and give reasons why I object to some parts of it. Reasons why the franchise of the State Government Insurance Office should not be widened have been submitted by hon. members of this House

from time to time and, like the Minister, who said that he did not propose to weary the House by going over and over things which have already been said, I do not propose to weary hon. members by repeating arguments which have been put forward on previous occasions.

Firstly, I would like to deal with the question of life assurance. During his speech the Minister said that by the Bill, the Government hoped to widen the scope of the State office to enable it to cater for other types of insurance, except life assurance. Then, like the hon. Gilbert Fraser, when he introduced a similar Bill last year, the Minister went on to give a lengthy dissertation of how much life assurance the State office intended to engage upon if this measure were agreed to.

The Hon. H. C. Strickland: There would be no life assurance under this Bill.

The Hon. A. F. GRIFFITH: I think this is where we will reach our first point of difference. The Minister has suggested that the office will not enter into life assurance under the provisions of this Bill. Anybody who has the slightest practical knowledge of the industry knows that there is a mention of life assurance in the Bill. The measure states that for the purpose of probate insurance the State office may be entitled to do so and so. Probate insurance is life assurance; if it is not, then it is all the more reason why this House should reject the Bill. If it is not meant to be life assurance, it would be of no benefit to the section of the community which the Minister in his speech claimed would be covered by that provision.

The Hon. H. C. Strickland: But it is not ordinary life assurance.

The Hon. A. F. GRIFFITH: I was a little surprised when I examined the Bill and found that, with the exception of one additional provision regarding the insurance of school children—with which I will deal a little later on in my speech—this Bill is identical with the one that was introduced last year. On that occasion I went to great pains to conduct some research into this matter, and I pointed out to the Government how unwise I thought it would be for the State office to undertake any form of life assurance.

This measure provides that probate insurance can be taken out by a farmer or grazier, and the interest in the policy is to be assigned to the Treasurer so that ready money will be available to pay the necessary probate duty on the death of the assured person. It has been contended that the inclusion of this type of insurance in the scope of the State Government Insurance Office is a result of representations made by a certain section of the community. Last year it was stated that that clause was introduced as a result of

representations made by the Farmers' Union. This year that claim has not been made quite so significant.

Sitting suspended from 6.15 to 7.30 p.m.

The Hon. A. F. GRIFFITH: Before the tea suspension I had reached the stage of discussing a persistent statement, that seems to be recurring, to the effect that the Farmers' Union asked the State Government to introduce this Bill in so far as it relates to the life assurance proposal contained in it. I refuted this statement last year, and read to the House some correspondence on the question which came into my possession, among which was a letter, signed by the general secretary of the Farmers' Union, addressed to the Deputy Leader of the Liberal and Country League, Mr. Court.

Whilst I do not propose again to insert the contents of this letter in Hansard, I do wish to reiterate that it was never the assertion on the part of the Farmers' Union that the Government be requested to introduce any amendments to the State Government Insurance Office Act to provide for this particular type of assurance, which, it is said, was requested by the Farmers' Union of the State Government Insurance Office. The purpose the Farmers' Union had in mind was an endeavour to reach a situation where it could be made easier for a pastoralist, or a grazier, to meet probate duties at death. It was with that idea in mind that the Farmers' Union made representations to the Premier asking him whether some arrangement could be made, whereby the Premier could receive an assignment of a policy in connection with the payment of probate duties.

The last paragraph of the letter signed by Mr. David, dated the 14th November, 1957, says—

The most important thing is that the proceeds of the policy to the extent to which they are applied in payment of duties should not be included as part of the estate for the assessment of duty.

This is a totally different assumption to that which has been put forward in the House in connection with the introduction of that particular phase of the legislation. The request was not that the insurance, as envisaged, should be taken out with the State office at all, but that the amount of this particular policy, whatever it might be, should be free of estate duty. There is good foundation for the Farmers' Union to suggest a proposition of that nature, because I think it was in about 1920 that a probate policy taken out, as such, was in those days in actual fact free of probate duty; and it was a great incentive to any person who took out a probate policy with the express idea of paying probate duty.

Where a policy was free of duty it was an attraction for anyone to take out a policy of that nature.

Now we know there is no exclusion for probate duty on any life assurance policy, and we know that at the present time there is no such thing as a probate policy in the exact descriptive sense. Any life assurance policy taken out with a life assurance office can be expressed and applied to the payment of probate duty. I argued in the House last year that on occasion it was felt good practice for a man to take out a policy on his own life, of which he made his wife the proposer. The wife then became the owner of the policy so far as payment out of it was concerned at the date of death. But even that does not exclude a policy from duty on the estate, unless the premiums for that policy are paid out of a private income the wife has.

With due respect to the Farmers' Union, I would discount the advisability of a suggestion such as that put forward by the Farmers' Union. As an example, I would like members to envisage what might take place in the case of two men, one of whom takes out a policy for a given amount of money and who, if this Bill became law, under its terms assigns his interest in the policy to the Treasurer; and the other of whom takes out a policy, keeps it in his own name, and does not assign his interest to anybody.

The simple question we should ask ourselves is, which is obviously the better business practice? Will the Minister perhaps put himself in the place of a man who takes out a life assurance policy and assigns his interest in it to the Treasurer. Immediately he hands it over to the Treasurer, any equity he has in that policy disappears until such time as it is re-assigned to him, whereas the man who takes out a policy in his own name has it free of any obligation whatever. He can negotiate it in one way or another, because it is not tied up. I would say respectfully to the Farmers' Union that it is not good advice to say to a man, "The best thing you can do is to take out a policy and immediately assign your interest in it to somebody," particularly where there is no necessity to do this.

The Hon. H. C. Strickland: Those are two separate policies.

The Hon. A. F. GRIFFITH: For the purpose of my argument they are two separate policies, but in actual fact they have the same application. Let us not refer to the State Insurance Office at all, if the Minister so wishes.

The Hon. H. C. Strickland: One could have a much lower premium.

The Hon. A. F. GRIFFITH: I would ask the Minister when he replies to this debate to tell me how one policy taken out with the State Insurance Office—

The Hon. H. C. Strickland: I said one could.

The Hon. A. F. GRIFFITH: Which one?

The Hon. H. C. Strickland: I will tell you later. You have two separate policies.

The Hon. A. F. GRIFFITH: If one has two separate policies taken out on the same life with the same office, or a different office, the basic premium would be much the same, because all those premiums over a long time are most competitive. All one has to do is to walk into the office of any life assurance company in Perth—or into more than one such office—and one will find that the quotes given are most competitive. It is not reasonable for the Minister to suggest that by conducting the business through the State office it will be cheaper, because that cannot be so.

The Hon. H. C. Strickland: Why not?

The Hon. A. F. GRIFFITH: Because the basic principle of life assurance is the same. When I questioned the Chief Secretary about this last year, on his suggestion that it might be cheaper, and asked if it would be cheaper, he said, "I do not claim it would." Those words are recorded in Hansard. The hon. Gilbert Fraser never made any claim to the effect that the premiums of the State office would be cheaper than those of any other office. However, I feel sure, and I also said this in the House last year, that any practising solicitor, any practising accountant, or any businessman who knows what is good for himself or for his client in business, would never advise a man to take out a life assurance policy with the State office, or with any other office, and assign his interest in that policy to the Treasurer, when he had no need to do so.

We know full well that an assignment of this nature according to the Bill could be re-assigned to the person insured. But why go to the trouble of doing all that? The man who wishes to negotiate a life assurance policy as collateral security would be freer to do so if it were unencumbered, than if it were encumbered as an assignment to the State office. Once again I say it is bad business for a man to do that.

Reference was made in the Minister's speech to a statement made by Senator Spooner. The Minister referred to a report that Senator Spooner had made in connection with the lack of lending by some of these insurance companies for housing. I contend this was a mischievous attempt to confuse the issue. What Senator Spooner was referring to was a matter under the Housing Loan Guarantee Act, and not something in connection with private lending at all. It might be interesting for members to know—though I am sure they do know—that the life assurance companies in this State, and the fire insurance companies, have a very long record of lending millions upon millions of pounds to the Government, to building societies,

and to private individuals. It is part of the bread-and-butter of mutual life companies to lend this money to people who want to build houses. It is one of the predominant features of mutual life offices.

The Hon. F. R. H. Lavery: The borrower has to take out a policy of the same amount that he borrows.

The Hon. A. F. GRIFFITH: I do not think we need go into the pros and cons of the whole thing. The hon. member is, however, partly right.

The Hon. F. R. H. Lavery: I am right.

The Hon. A. F. GRIFFITH: Not entirely so. A man borrowing from an insurance company under certain conditions must secure the whole amount with the life assurance company. But there are other policies where a man need not necessarily do so. However, the hon. member is right in principle.

Without endeavouring to sell life assurance I would suggest that at this moment it is a very admirable provision that the amount of a mortgage can be secured by a life assurance provision, because at the date of death of the breadwinner there is sufficient to pay the mortgage off, and it does not leave an added burden for the widow to contend with at the date of death. One company has loaned £8,000,000 for housing during last year, and at the moment the major life assurance offices have set aside a total of £21,000,000 for the purpose of housing loans. It is mischievous to imply that these companies have not done all that they could have in this respect.

The Hon. H. C. Strickland: "The West Australian" must have made a mischievous statement.

The Hon. A. F. GRIFFITH: "The West Australian" reported what was said by Senator Spooner. We did not ask whether the Minister was correctly reported, as we sometimes do.

The Hon. H. C. Strickland: He said their record was very bleak. Do you dispute that?

The Hon. A. F. GRIFFITH: I do.

The Hon. H. C. Strickland: You are at odds with your Minister.

The Hon. A. F. GRIFFITH: That is nothing. There is a Minister down in the other House—

The PRESIDENT: I think the hon. member had better discuss the Bill.

The Hon. A. F. GRIFFITH: I think so, too. If Senator Spooner made such a statement and I find reason to make a comment, I think I have the right to do so. So far as fire insurance companies are concerned, they have, at the present time, about £500,000 on loan for housing; and they have made money available to building societies and to their own staff in order to assist with housing. A statement

was made that some clients of the State Housing Commission could be directed to the insurance office so that they could be satisfied. I will be a little factual and say that at the present time they are looking after a long list of clients they already have. I have already said how much money they have invested.

On that particular phase of this Bill it has been said in the House many times before that the mutual life offices in this State—the life assurance companies generally—have an excellent name. They have provided for this community over a period of years a service which has created great faith in the minds of the public, and I see no reason why, at this stage, something which is already adequately covered should be encroached upon by the State Government Insurance Office.

Reference is made in the Bill to child insurance, and it seeks an increase in the franchise of the State office to give a 24-hour cover. It is asserted by the Minister that a private insurance company took advantage of the limitations imposed by the statute covering the State Government Insurance Office to offer to parents a school-child cover over a 24-hour period. I think we would do well to examine the facts and see what really happened in this particular case.

What limited the State Government Insurance Office to insure under these conditions was a Bill which the Government presented to Parliament and which was passed by this House in 1954. I will admit that the Legislative Council did amend this Bill. However, in 1954 another Bill was introduced to widen the franchise of the State Government Insurance Office in another direction; but that Bill was rejected by the Legislative Council. However, the other Bill of which I spoke found its way on to the statute book and it was amended very slightly before it left this Chamber. It was amended not at the wish of the Minister in charge of the Bill at that time, but as a result of an inquiry made by an hon. member of this Chamber. The hon. member who inquired was the hon. Dr. Hislop.

The hon. Dr. Hislop, in accepting the measure and saying he would support it, asked whether some provision could be made to cover a further section of children not provided for in the Bill. He referred to university students. He said that by the use of the word "child" it might be thought that university students would be left out of the cover. As a result of negotiations, a small amendment was put into the Bill which allowed the State Government Insurance Office not only to cover children in that sense but also university students. That was done in this House and, I repeat, if there was any limitation on the part of the State Government Insurance Office in connection with that legislation, it was because

the Government presented the Bill to Parliament and Parliament accepted it in that form with the minor alteration to which I have referred.

It is basically not correct to say that Parliament limited the activities of the State Government Insurance Office in this regard because, I believe, had the State Government Insurance Office decided it wanted to cover children over a period of 24 hours a day this Chamber would have had no objection. However, we have heard it said in this Chamber, on more than one occasion, that the tariff offices would not touch this type of insurance; that they would leave it to the State Government Insurance Office to do; that they shied away from insurance on school children, or university students for that matter. But, it was the entrance into the field of one particular insurance company which wanted to insure school children over a 24-hour period, which weakened the State Government Insurance Office to the point that it had to do something about it, too; and we now find this particular portion in the Bill which is presented to us.

To prove that the situation existed long before 1954, when the State Government Insurance Office through the Government, introduced this Bill, I would point out that negotiations on the basis of child insurance and student insurance were already proceeding; and I will read to the House an extract from a letter dated December, 1951, that emanated from Hale School, as follows:—

As there have been many inquiries concerning the covering of medical expenses incurred as a result of school children playing football, the Council has decided to adopt a scheme submitted by The Employers' Liability Assurance Corporation Ltd.

A special School Pupils' Accident Policy has been arranged to cover medical expenses, up to an amount not exceeding £50, in any one year, in respect of not only injuries arising out of football, but all accidental bodily injuries sustained during the pupil's school attendance, including travelling to and from school and whilst engaging in all school activities.

The premium for this cover is a minimum of only £1 per annum per pupil, and the Council feels that parents will be interested in participating in the scheme. Your attention is drawn to the medical benefits which have been made as comprehensive as possible.

The scheme will come into operation at the beginning of next term and the premium of £1 will be charged to your first term account each year. There is no need for proposal forms to be completed by parents for this

scheme. If, however, you are not interested in participating in the benefits of this scheme, will you please advise the secretary prior to commencement of the first term?

We find it is an established fact that in 1951 there was a company which was prepared to carry out this particular type of insurance. The Federated Parents and Citizens' Association made representations on the question of this type of insurance when Miss Hooton was its secretary and Mr. Bridge was the president. The hon. Mr. Watts, in another place, was asked a question concerning the Government's intentions to cover school children for accidents of this nature and, as the then Minister for Education, he said that the amount was estimated to be too costly for the Government to engage on it at that time, and he did not see his way clear to commit the Government to the expense. Then through the process of these negotiations—

The Hon. H. C. Strickland: There was a difference of opinion in Cabinet on that one.

The Hon. A. F. GRIFFITH: There is a difference on a lot of things.

The Hon. H. C. Strickland: I think there might have been some pressure on them.

The Hon. A. F. GRIFFITH: Fortunately, we do not have to travel by train to get to this point. I do not know who was subject to pressure.

The Hon. H. C. Strickland: Put forward your policy.

The Hon. A. F. GRIFFITH: The facts concerning this particular issue—

The Hon. H. C. Strickland: You tell us your policy.

The Hon. A. F. GRIFFITH: The Minister has told us his.

The PRESIDENT: The Minister will have an opportunity to tell us.

The Hon. A. F. GRIFFITH: He has already told us on this point. I find that these facts are rather edifying and, as I said, it was as long ago as 1951 that the Council of Fire and Accident Underwriters brought in an Australia-wide school children's insurance scheme which provided reimbursements of medical, hospital, ambulance and nursing fees up to £50. One particular tariff company immediately made a drive throughout Australia and within 12 months had insured 6,537 pupils at a loss ratio of 56 per cent.

Part of the Australia-wide drive extended to Perth, and the local branch of the company, the Employers' Liability Assurance Corp. Ltd., was soon in the field. The first school to accept the cover was Hale; and I have read the letter which was sent out by the Hale School headmaster. Other colleges were approached, as well as the

headmasters of various high schools, including Mr. Glew, of Perth Boys' High School, who promised to place the matter before the parents and citizens' association. It was on the 23rd October, 1952, that, in "The West Australian" under the heading, "Expenses for Accident in School Hours," parliamentary reference was made to the reply of the then Minister for Education—who had, as I said, been asked the question concerning cover for school children—when he said that it was estimated the scheme would involve a premium of approximately £4,000 per annum. The secretary, and the president, of the Federated Parents and Citizens' Association were keenly interested in the idea, but they felt the project was far too expensive without Government assistance. I have already referred to the headmaster's opinion on this subject.

I am informed that Miss Hooton felt that something should be done about the matter. She was going to attend a conference of the Federated Parents and Citizens' Association in Adelaide, and she promised to discuss the matter there. On her return she informed the insurance company that the project was under consideration, but unfortunately nothing was heard from the manager until the Press statement was made in October, 1953. Obviously what had happened was that the Parents and Citizens' Association Federation, realising that the cost of the scheme was beyond its resources, had gone to the Government to see whether it would establish, partially or wholly, a Government scheme.

I do not propose to make any further comment on this matter except to say that the State Government Insurance Office did set up a scheme and, I think, the premium rate was 3s. 6d. per annum. The premium was subsequently raised to, I think, 5s. a year because it was found that 3s. 6d. was not sufficient. The loss ratio has been calculated at 371.4 per cent. That is an expensive form of insurance for anyone to undertake.

I want to dispel the theory that has been put forward, that this scheme originated in the mind of the State Government Insurance Office and that no-one else had been prepared to do anything about it. Now there is a particular company whose representatives in Perth have been prepared to extend the school children's risk up to 24 hours a day.

The Hon. F. R. H. Lavery: Do you know for how long the company has been prepared to do that?

The Hon. A. F. GRIFFITH: No, not exactly; nor do I hold any particular brief for this company or any other.

The Hon. H. C. Strickland: It was early this year.

The Hon. A. F. GRIFFITH: The only experience I have is that I attended a meeting of the parents and citizens' association of a high school in my province, and the representative of a certain company by permission of the meeting, gave a talk to the parents on the benefits that were to be derived from its policy; and they invited the parents to inquire about the policy. They said it was readily available for them to take up. I must confess that I thought the conduct of the people concerned was most businesslike and orderly. They did not attempt to distribute pamphlets, or do anything of that nature. They simply told their story and went away. But the Minister, when introducing the Bill, pointed out that great difficulty would be involved with various companies approaching school children; that we would have them approaching the children on this, that and the other. I am sure hon. members can readily see that not even the State Government Insurance Office would approach the children. What right would the children have to discuss business with a representative of a life assurance office?

The Hon. H. C. Strickland: There were complaints in another place that the private companies were not given access.

The Hon. A. F. GRIFFITH: In some instances that complaint is well founded.

The Hon. H. C. Strickland: You say they should not approach the children.

The Hon. A. F. GRIFFITH: I said that in the instance of the meeting I attended, these people were permitted to make an address to the assembled gathering. I take it that was done by the permission of the parents and citizens' association, but I did not inquire. It was not my business.

The Hon. R. F. Hutchison: I was there too, you know.

The Hon. A. F. GRIFFITH: I know.

The Hon. F. J. S. Wise: Count ten!

The Hon. A. F. GRIFFITH: I have no need to count ten. The hon. member will know that what I have said is the truth. If the hon. Mrs. Hutchison so desires, she can herself recount what took place. I am informed that the question of ingress to schools did not apply on the particular evening at this high school, but that in some cases these people have been refused the right to enter schools. The basis on which these representatives wanted to conduct their business was, no doubt, contrary to the Government's thinking; and I understand that a direction went out from the Minister for Education that nothing of this nature should be permitted in the future. The result is that these people have been stopped from going into the schools.

The Hon. H. C. Strickland: You agree with that, don't you?

The Hon. A. F. GRIFFITH: I agree as long as the opportunity is an equal one. The Minister, in the speech he made, said that the State Government Insurance Office did not intend to enter schools for this purpose. The fact remains, however, that arrangements are made for the premiums to be collected at the schools; and opportunity for one should apply for another in this respect.

I am going to make what I regard as a worthwhile suggestion. In 1954, the Government brought down two Bills, one of which was defeated in this House. The other was for the express purpose of dealing with the franchise for school children, and the House made no objection to it whatsoever; as a matter of fact we helped it on its way a little.

I suggest that the Government should forget about the Bill now before us and bring down one to widen the franchise of the State Government Insurance Office so as to cover children on a 24-hour basis, bearing in mind that equal opportunity must be given to the other companies. They must be able to compete. The proposition of the company that has been prepared to offer a 24-hour cover, has obviously awakened the State Government Insurance Office to the point where it asks for this extension of its franchise.

I can speak only for myself here in the House, and I say that if the Government decides not to proceed with the Bill I will support a measure introduced for the express purpose of widening the franchise which was included in the Bill that was introduced in 1954.

I oppose the second reading of this measure for the same reasons as I opposed the Bill previously and will, so long as I am here, continue to oppose Bills of this nature.

The Hon. H. C. Strickland: You won't be here if you don't.

The Hon. A. F. GRIFFITH: That is a silly thing to say, and I shall ignore it. For the reasons I have given I cannot see my way clear to support the Bill. If the Government is anxious to have this additional franchise in regard to school children, I say to it, sincerely, to bring down a Bill for that purpose, and I will support it.

The Hon. H. C. Strickland: Why not support the provision in this measure?

The Hon. A. F. GRIFFITH: I am obliged to oppose the second reading.

On motion by the Hon. L. A. Logan, debate adjourned.

MUNICIPAL CORPORATIONS (POSTPONEMENT OF 1958 ELECTIONS) BILL.

Second Reading.

THE HON. H. C. STRICKLAND (Minister for Railways—North) [8.10] in moving the second reading said: This is

only a minor, but a necessary, amendment. The Bill seeks to alter the date on which the municipal elections will be held this year. The 22nd November was fixed for the holding of these elections, but subsequently the Federal Government announced it would be holding general elections on that day. Therefore it was deemed necessary and wise to postpone for one week, the holding of the municipal elections. In this event, the Municipal Corporations Act is required to authorise the postponement. The Bill merely authorises the elections to be held on the 29th November, in lieu of the 22nd November, as had been publicised. I move—

That the Bill be now read a second time.

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

INDUSTRIES ASSISTANCE ACT AMENDMENT BILL.

Second Reading.

Debate resumed from the 18th September.

THE HON. L. A. LOGAN (Midland) [8.13]: The hon. Mr. Diver made some research into the Bill, but unfortunately he has had to go to see his daughter in hospital. The only reason for the amendment is to make the measure permanent, instead of its having to be brought before Parliament, periodically, to have its terms extended.

The measure came into being in December, 1914, for the purpose of giving assistance to rural industries, particularly, because of a bad season. I do not know how much money is in the fund, but I believe it is a considerable amount. This is due to the repayments that have been made by the people who received assistance. Because of the conditions which operate today in regard to the wool industry, we never know when the fund will need to be drawn on. Therefore it is necessary to safeguard the fund by prolonging the life of the Act. This can be done by giving permanency to the measure rather than having to bring it before Parliament year after year. I have no hesitation in supporting the second reading.

On motion by the Hon. H. L. Roche, debate adjourned.

PREVENTION OF CRUELTY TO ANIMALS ACT AMENDMENT BILL.

Second Reading.

Debate resumed from the 17th September.

THE HON. J. M. A. CUNNINGHAM (South-East) [8.15]: This is a Bill which, on the explanation of the Minister, is designed primarily to bring the penalties,

at the request of the society itself, more into keeping with present-day practices and circumstances. With this object, very little argument can be found. Many Bills are introduced for a similar reason, namely, that the legislation they seek to amend has lost some of its original intent; and anomalies have been created because of the changing circumstances and cases which, from time to time, come before the organisations and committees which are empowered to administer the respective Acts.

The only clause which has been indicated to me by outside people as being contentious is Clause 5 which seeks to lift the amount of compensation—which, at the moment, is limited to £10—that shall be paid by any person who is convicted of being cruel to an animal. The provisions of this clause originally were intended to apply to cruelty inflicted on working animals such as cart horses drawing bakers', butchers' and other tradesmen's vehicles. It was among these animals that the inspectors of the society found that most acts of cruelty were committed. This is difficult to comprehend in a nation such as ours which purports to be civilised. We know that the inflicting of pain on human beings or animals is not confined to the precepts of religious organisations, but is governed by the standard of civilisation.

Most religious groups in the world, whether they follow the Mahommedan, Buddhist, Jewish or Christian faith do not take a great deal of cognisance of the infliction of pain on animals and, in fact, some religious organisations inflict pain on animals as part of their rites. However, those nations which object to the infliction of pain on animals have attained a high standard of civilisation which we all seek.

The Society for the Prevention of Cruelty to Animals ranks among those organisations, such as the Red Cross, whose principal objects are to prevent and relieve pain and suffering. The parent society of this movement—that is, the one which is entitled to use the prefix "royal"—has been operating in Western Australia for many years and it has many branches in various parts of the State. One of the largest is at Kalgoorlie. The reason why I feel strongly about one clause in the Bill—to which I raise objection—is that when the branch in Kalgoorlie was first formed it was manned entirely by local people who also raised their own funds, and they performed an excellent and worthwhile job. Their only handicap was that all moneys raised at that time had to be forwarded to the headquarters of the society in Perth.

However, because the local people required money so that their own branch might function properly they were reluctant to forward to Perth any funds they raised. When the parent society in Perth changed its rules and regulations to provide that the Perth society was the only body that had power to collect funds

in Western Australia, the Kalgoorlie people found themselves in the position that all money raised in their district had to be sent to Perth and that any finance they might need would be doled out to them from the society's headquarters in Perth.

In return for this the district was given the privilege of having one visit a year from an inspector or veterinary officer who made a round of the district to collect funds which generally amounted to £150 or £200. During this visit the owner of an animal could avail himself of the services of the inspector should he desire to have his pet destroyed, but had to overlook the fact that he may have had to wait for 11 or 12 months for those services. This fact, however, did not seem to worry the Perth headquarters of the society.

As a result, the people who formed the local branch disbanded to re-form themselves into a body called the Eastern Goldfields Society for the Prevention of Cruelty to Animals. Quite understandably, the Perth society opposed the idea and, in fact, did all it possibly could to prevent the local organisation from operating as it intended. It pointed out that Kalgoorlie did not have a qualified inspector or veterinary surgeon to carry out the necessary work. However, the Kalgoorlie people overcame this difficulty by obtaining the services of a person who, although not recognised as a veterinary surgeon at the time, was subsequently made the veterinary officer for the district. That Officer was Col. Ryan. This was brought about by the assistance of you, yourself, Sir. Col. Ryan has filled this position admirably ever since.

Another attempt was made by the Perth society to prevent the Kalgoorlie organisation from raising and retaining any moneys collected for its own use. By the assistance and good graces of the then Chief Secretary (the hon. Hubert Parker), that move was quashed and since then matters have settled down and the Kalgoorlie society now performs all the duties that previously were carried out by officers who were sent to the district from Perth headquarters. As a result of its activities, practically all cases of cruelty to animals—especially horses of tradesmen—have been stamped out. Today, of course, the incidence of such cases has diminished by the advent and use of motor vehicles for delivery work.

Nevertheless, this clause is still necessary because there are still some people who have the perverted idea that it is sport to shoot animals—even blood stock—in paddocks and on the highways. This legislation, therefore, will empower the body concerned to effect reprisals on such offenders. On the other hand, however, if this measure is passed in its present form, in one fell swoop it will again place the Kalgoorlie society in the position of being literally an unrecognised group and will

make it difficult for that body to retain any funds it has collected for its own purposes, or to exercise its authority by appointing someone to act as an inspector or veterinary officer. Naturally, the Kalgoorlie people consider this a retrograde step.

I believe that a similar society exists at Albany and that it will be placed in the same position. Therefore, during the Committee stage of the Bill I intend to move an amendment designed solely to bring within the scope of the legislation all societies incorporated in Western Australia who have, as their object, the prevention of cruelty to animals. I am purposely leaving the wording of the amendment open so that in the future other similar societies may be formed—because of the vastness of our State—with the object of covering local activities. It is quite obvious that the difficulties encountered in the Eastern Goldfields, in an effort to carry out the functions of such a body, will be made all the more difficult by the fact that the Goldfields organisation was controlled from Perth, which meant that the visits by inspectors and veterinary officers were few and far between.

We find that even the services of one man—Col. Ryan, who literally makes this his life's work—are of inestimable value and there is no doubt that the duties he performs could not be done from 300 miles away. In fact, when I was discussing this measure with Col. Ryan only recently, a man drew up in a utility in the back of which he had his pet which he wanted destroyed to relieve its suffering. Col. Ryan performed this duty on the spot and the only charge made was for the supply of the actual materials used. That is the way the Kalgoorlie society works. Every officer serves in a voluntary capacity and all money raised is spent on the maintenance of the society and to ensure that its work is continued.

Therefore, no good purpose would be served by omitting the society from the scope of the Bill, nor would any good purpose be served by making it difficult for some other society to be formed in the future for similar purposes. In view of this, although I am supporting the second reading of the Bill—and I commend the Government for introducing it—I believe the measure will be improved if the House agrees to the amendment I propose to move in Committee.

THE HON. J. D. TEAHAN (North-East) [8.28]: Many societies are formed with the object of bettering our living conditions, and among those is the Society for the Prevention of Cruelty to Animals which does an excellent job. I have often thought that one of the benefits we have derived from the use of the motor vehicle is that beasts of burden are not now subject to the cruelties that we knew of in years gone by and which we have often

witnessed. It is a pleasant thought that a grand animal such as the horse is not now subject to the cruelties it was subjected to when we were young.

This Bill seeks only to increase the penalties provided under the Act in order to bring them into line with present-day values. They will then be effective as a deterrent against those who may be cruel to animals, domestic or otherwise. I draw attention to one feature. I would not like to see the society in the Eastern Goldfields disturbed in any way. It has complete autonomy and it has done a good job in the prevention of cruelty to animals. Those of us who have moved around the Goldfields will know of the satisfactory work done by that society. It has alleviated much suffering among animals and it has put others out of pain. At all times of the day or night the services of the members of the society are available.

Col. Ryan, who was mentioned by the hon. Mr. Cunningham, is on call at all hours of the night or day to attend to the sufferings of animals, and I know personally of the good work he has done in that direction. Anything which will disturb the existing set-up will not be in accord with the wishes of Goldfields members. It appears that under the Bill the Royal Society for the Prevention of Cruelty to Animals is to become the all-powerful body and that all other organisations, like the one in the Eastern Goldfields, will be disbanded automatically. If that were to happen, a great disservice would be done.

I would ask the Minister to give serious consideration to an amendment to overcome that difficulty, and to agree to action which will retain the existence of the society on the Goldfields so that its good work will not be marred. I support the second reading.

THE HON. G. BENNETTS (South-East) [8.32]: I could not let this Bill pass without saying a few words. To me it seems that Col. Ryan is looked upon as a doctor in Kalgoorlie. Hon. members who know the Goldfields will realise that there is one dog and one cat per head of population. While there are a dozen doctors to look after the health of the human beings, there is only one officer looking after the health of the animals, and he is Col. Ryan.

I was a member of the Kalgoorlie Municipal Council and I know there is an animal pound. If it is desired to destroy a dog which has been injured, that can be done at the pound, on certain days of the week, but a lot of trouble is experienced in the process. In the case of Col. Ryan it is merely a matter of ringing him up to ask for the destruction of the suffering animal. A few weeks ago, some members of my family asked him to treat a dog which suffered from distemper, and he did a good job in giving the required treatment.

Only yesterday morning, my wife and I were sitting in our car outside of Elliott's chemist shop in Kalgoorlie. We saw an old pensioner coming along with his dog. The animal suffered from distemper. The owner of the dog saw the chemist about treatment to the animal. The chemist said, "We have nothing here for that purpose. We will ring up Col. Ryan and he will attend to the dog." When Col. Ryan was contacted by telephone he arrived almost before one could fire a shot out of a gun. He gave the necessary treatment to the dog. The pensioner who owned the dog would not, in all probability, be able to pay Col. Ryan, and the services would be rendered without payment.

In Kalgoorlie we have a good organisation to deal with prevention of cruelty to animals. I hope that when this Bill reaches the Committee stage, amendments will be moved to enable the continuance of the society now operating on the Goldfields. I support the second reading.

THE HON. E. M. HEENAN (North-East) [8.35]: Other Goldfields members have explained the implications of the measure before us as it affects the position of the society on the Goldfields. The Bill appears to be quite innocuous. It was the opinion of those who made a cursory study of it, that its sole purpose was to increase the existing penalties to bring them into line with current monetary values. For that object the Bill seems to be all right, and it has received the unanimous approval of hon. members in another place.

About 10 days ago I, together with other Goldfields members, received a letter from Col. Ryan who is the secretary of the Eastern Goldfields Society for the Prevention of Cruelty to Animals (Inc.). He requested that I forward a copy of the Bill to him at Kalgoorlie so that he could examine it. I did that.

In company with Mr. Evans, the hon. member for Kalgoorlie, and the hon. Mr. Teahan, I interviewed Col. Ryan. He immediately pointed out that the Bill contained a provision which would have the effect of putting the Goldfields society outside the provisions of the Act. He requested that we take steps to protect the interests of that society. Hon. members will see that on the notice paper there stands in my name an amendment which has been framed to meet the wishes of the secretary of the Goldfields society.

In one way it might seem a pity that there is not one society functioning throughout Western Australia for the laudable purpose of preventing cruelty to animals. Hon. members representing the Goldfields and country electorates are aware that people living in far-distant portions of the State do not always receive what they consider to be proper

treatment. This is one of the defects which such people attribute to centralisation.

The situation before us is a classic example. About 10 or 11 years ago, the people on the Goldfields who were interested in the prevention of cruelty to animals were not satisfied with the services given by the society in Perth. The Perth organisation was receiving considerable revenue from the Goldfields but it was felt that that organisation was not giving the services which the monetary contributions from the Goldfields warranted. For that reason a number of gentlemen took steps to form a society on the Goldfields. In passing I must pay a tribute to the late Mr. Fred Hicks who took the initiative in this matter and who became the first president of the branch when it was formed about 10 years ago. Its secretary was Col. Ryan who still holds that position today.

As was pointed out by the hon. Mr. Cunningham, the Goldfields society is autonomous. It conducts its own affairs and it collects donations on the Goldfields. The members of its committee formed themselves into honorary inspectors, and they have done their job so well that in these days very rarely are prosecutions made. Goldfields members have been given the assurance—and from my experience I know it to be a fact—that Kalgoorlie and Boulder are among the cleanest towns in Australia as regards the prevention of cruelty to animals. I was given such an assurance personally by Col. Ryan and other people who are in a position to know about these matters.

It will be a great pity if the present Act is amended in such a way as to place the society on the Goldfields outside of the Act—in other words to render it inoperative—and to bestow on the society in Perth the sole responsibility of attending to the work of prevention of cruelty to animals in the State. I therefore propose to move an amendment during the Committee stage which will have the object of preserving the society on the Goldfields, and any other society which has for its aims and objects the prevention of cruelty to animals. In that way not only the society in Perth, but also the one on the Goldfields and any other which may exist in the State, will be able to continue their work under the various provisions of the Act. Without my amendment, however, the only society which will have jurisdiction or a say in this State will be the one in Perth.

The feeling cannot be avoided that the society here in Perth must have known what it was about when it submitted this Bill to the Government. As I say, it looked innocuous enough on first appearances, and the idea was conveyed that its only purpose was to increase penalties and, but for

the vigilance of Col. Ryan on the Goldfields, that idea might have persisted and the real purpose of the measure might have escaped attention.

I am sure the preceding speakers have already made the position clear but if my few words have assisted in that regard I will be pleased. My own idea is that the societies now operating are the one here in Perth, the one on the Goldfields, and the one in Albany, about which I know little or nothing; and my amendment will include them all. Whether it will be the desire to include all societies that may be incorporated in the future, is open to question. That matter can be discussed at a later stage. I support the Bill. It has some worthwhile provisions and I am sure it will receive the support of most members on the second reading.

THE HON. F. R. H. LAVERY (West) [8.47]: I just want to make two observations. First of all, the proposed increases in penalties that are embodied in this Bill will be of no benefit at all unless our magistrates are prepared to act on them. I have noticed that in the last three or four years, this Parliament has on several occasions increased penalties for various offences, such as stealing poultry and all those types of things, but after a policeman has apprehended somebody, the court lets him off with a 10s. fine, or something like that. I think it is time that some action was taken to make such a person pay to the full limit of the magistrate's jurisdiction.

The other point is that, following upon what has been said, it does seem to me that the Bill has very neatly or quietly, tried to make the Royal Society in Perth the only society in Western Australia. It may be all right to do this, but at least the matter should be brought into the open, and not be provided for as it is in section 10 which states—

Section 15 of the principal Act is to be amended by substituting for the words, "any society for the prevention of cruelty to animals" in lines two and three, the words, "the Society."

That is a cunning and neat way of trying to put something over, and I hope that members have noticed that because I do not think it is in order.

THE HON. H. C. STRICKLAND (Minister for Railways—North—in reply) [8.49]: I do not think that there is any intention to put anything over anybody. It was at the request of the Royal Society for the Prevention of Cruelty to Animals that the Bill was introduced; and obviously very few of us were aware there was a similar society operating on the Goldfields or at Albany. Before we consider the amendments that Col. Ryan has requested, I would like to say

that 300 miles is considered a little too far away for the Royal Society to attend. It is also 300 miles to Albany, and it is 300 miles to Geraldton, and there may be a society wanted there, or in the North-West; so I can of course do nothing but support an amendment which will leave it open to other societies to be covered in the future.

Question put and passed.

Bill read a second time.

In Committee.

The Hon. L. A. Logan in the Chair; the Hon. H. C. Strickland (Minister for Railways) in charge of the Bill.

Clauses 1 and 2—put and passed.

Clause 3—Section 3 amended:

The Hon. J. M. A. CUNNINGHAM: I move an amendment—

Page 2, line 8—Add after the word "(Incorporated)" the passage "or any society incorporated in Western Australia for the prevention of cruelty to animals."

This amendment is intended to cover all societies at present incorporated in the State, but because of the size and magnitude of the State, it is quite conceivable that even now there might be other organisations in the process of being formed, and if this Bill is passed as it is, it would make it difficult for any future organisation to be incorporated, and so I have specifically left it open so that the new section will read—

"Society" means The Royal Society for the Prevention of Cruelty to Animals, Western Australia (Incorporated), or any society incorporated in Western Australia for the prevention of cruelty to animals."

It is quite obvious that this will ensure that the organisation in Kalgoorlie, and the one in Albany—whether it is incorporated in exactly the same way or has the same rules as the Goldfields society or not—and in fact, any other organisation that may be formed in the future elsewhere in the State, will be fully covered and enjoy the rights and privileges of this Act.

The Hon. E. M. HEENAN: I hope the Committee will read the amendment which stands in my name. If it is the intention or wish of the Committee that any society which is now in the process of being incorporated or which may be incorporated in the future may be provided for, that suits me. The situation which caused the formation of the body in Kalgoorlie may cause the formation of a similar body in Geraldton or Wyndham, and that has to be envisaged. I do not want to force my wording on the Committee, or say it is any better than that of the hon. Mr. Cunningham's, but as this matter has been brought

forward by the society on the Goldfields, I would like its name to be specifically mentioned, as it is in the amendment standing in my name on the notice paper; but I would agree to deleting from my amendment the words, "which is now".

The Hon. R. C. MATTISKE: I think it is only splitting straws. The amendment in the name of the hon. Mr. Cunningham quite clearly covers the intention of this Committee and I feel that to add further words—

The Hon. E. M. Heenan: Don't you think "Incorporated" should be defined?

The Hon. R. C. MATTISKE: No.

The Hon. E. M. Heenan: Don't you?

The Hon. R. C. MATTISKE: I think the wording "or any society incorporated in Western Australia for the prevention of cruelty to animals" is quite clear and fills the bill. I see no objection to leaving it at that instead of cluttering it up with further unnecessary words.

The Hon. H. C. STRICKLAND: To overcome this impasse I feel—and I think the hon. Mr. Cunningham will agree—that as the Act is going to state specifically in it "The Royal Society for the Prevention of Cruelty to Animals, Western Australia (Incorporated)" it would also look much nicer and be more specific if the Eastern Goldfields society was included; and, if the correct name of the Albany society was known, I would suggest that it also be included. The three societies therefore could be included and also provision made for any other society which may be incorporated in the future.

The Hon. J. M. A. CUNNINGHAM: Actually, I do not have any great objection to that. The sole purpose of the amendment is to include other organisations. If we are to include the Eastern Goldfields society, by virtue of the facts advanced by the hon. Mr. Heenan who recognises its initiative in this move, then I point out that there is another one in existence to be considered. It appears that this is all redundant because in the original provision, "Society" means "The Royal Society for the Prevention of Cruelty to Animals, Western Australia (Incorporated)." I want it understood that I have no objection to the Kalgoorlie society being specifically mentioned, but if that is done I think the Albany society should be mentioned also and the whole thing would then seem to be cumbersome.

The Hon. G. BENNETTS: Seeing that this matter originated in Kalgoorlie, I feel that both Kalgoorlie and Albany should be mentioned.

The Hon. A. F. GRIFFITH: If the Committee follows that practice we should, to be logical, revise almost every Act of Parliament, for the purpose of writing

things of this nature into it. If we include the name of the Kalgoorlie society and the one in Albany, will we not in future have to bring down Bills to include any other such societies that may be formed? If one started up at Carnarvon, in the Minister's home town, he would want that written into the Act.

The Hon. H. C. Strickland: It is covered.

The Hon. A. F. GRIFFITH: The hon. Mr. Cunningham's amendment covers the lot either now or in the future and I do not think there is need to mention the society in Kalgoorlie specifically. The letters R.S.P.C.A. are a household expression and we all understand what they mean. I think the simple expression "or any society incorporated in Western Australia" is to be preferred.

The Hon. E. M. HEENAN: As this matter had its genesis in Kalgoorlie and when it was brought under the notice of the member for Kalgoorlie and myself, we understood that this amendment would be introduced. The Act contains no definition of "society"; but the measure will define "society" by referring to the Royal Society for the Prevention of Cruelty to Animals, Western Australia (Incorporated) which is the one in Perth, and if we mention that one for the first time we should, equally, mention the Kalgoorlie society. If we are not to mention the names of these societies specifically, I think they should all be left out. I have great regard for the Perth society and for the men and women who do its work, but if we mention them we should mention the Kalgoorlie society and any other well known ones.

The Hon. J. M. A. CUNNINGHAM: While giving full credit to the hon. Mr. Heenan's amendment, I wish it to be quite clear that I had no communication from Kalgoorlie, from the secretary or anyone else in regard to this matter. I heard about it only when the Bill was being dealt with in another place and that is why, at the end of last week, I asked the hon. Mr. Griffith, if I were not here, to place on the notice paper an amendment dealing with the matter. I repeat that although I have no objection to the inclusion of the name of the Kalgoorlie society, I feel it is redundant.

The Hon. H. C. STRICKLAND: My only reason for raising this question was the impasse I have mentioned. I did not mention the Goldfields society, as I had never heard of it previously. If we are to include the name of the Kalgoorlie society and that of the Albany one, we will have to report progress in order to establish the name of the Albany society. However, we could test the feeling of the committee by allowing the amendment to be put.

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

Ayes—11

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

Noes—11

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

THE CHAIRMAN: As the voting has resulted in a tie, the question is resolved in the negative.

Amendment thus negatived.

The Hon. E. M. HEENAN: I move an amendment—

Page 2, line 8—Add after the word "(Incorporated)" the passage "or The Eastern Goldfields Society for Prevention of Cruelty to Animals (Inc.) or any other society incorporated under the provisions of the Associations Incorporation Act, 1895-1957, and which has for its aims and objects the prevention of cruelty to animals."

I think that will meet the situation because it will include any societies now incorporated, or which may be incorporated in the future, provided that they are duly incorporated under the Association's Incorporation Act; and they have for their aims and objects the prevention of cruelty to animals.

The Hon. J. M. A. CUNNINGHAM: I have no objection to the amendment; and after the decision which has been made I hope that hon. members will support it.

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

Clauses 4 to 9—put and passed.

Clause 10—Section 15 amended:

The Hon. F. R. H. LAVERY: Because of the amendment which has just been made to Clause 3, I think this clause is now redundant.

The Hon. J. M. A. CUNNINGHAM: I do not think it will make any difference. The amendment defining "society" covers all the societies we have mentioned; in other words all societies incorporated for the prevention of cruelty to animals.

Clause put and passed.

Clauses 11 to 13, Title—put and passed.

Bill reported with an amendment.

COLLEGE STREET CLOSURE BILL.

Second Reading.

Debate resumed from the 17th September.

THE HON. R. C. MATTISKE (Metropolitan) [9.20]: The Bill is a very short one but, at the same time, it is an important one; and I would urge the House not to overlook its importance because of its brevity. Collateral to the main purpose of the Bill is the whole principle underlying modern educational methods, with particular reference to the size of schools, the recreational facilities available, the finance required and the qualifications for admission.

At the present time Perth Modern School accommodates 710 pupils; and I understand that the proposal is for it to provide for a further 1,300 students with the additional accommodation. In effect this will mean practically trebling the size of the school as we know it today. The Minister gave us very little information when he introduced the measure, and I feel that we are entitled to considerably more information than we have been given so far. With such drastic increases to the intake of pupils, we might well ask, what will be the impact on the finances necessary for the proper running of the school? Will it mean that the overheads in running it will be less per 100 students than previously? Will they be less than if, say, two or three smaller schools further separated were provided, or will it mean that savings can be effected?

Again, so far as the administration is concerned, does it mean that fewer teachers will be able to control the whole of the school and provide better educational facilities than might be the case with two or three smaller schools? Also, what is the position with regard to recreational facilities? I think we all know that at present Perth Modern School is under-equipped as regards its recreational facilities; and this is an extremely important aspect of education. I am not saying that there should be all sport and no work; but if we are to educate the youth of today and provide them with healthy minds it is imperative that at the same time they should have healthy bodies. For that reason due provision must be made for recreation.

I am fully aware that adjoining Perth Modern School is a reserve known as Kitchener Park which, at present, is used to a comparatively small extent by the general public. But bearing in mind the hue and cry that went on when it was proposed to take a certain section of another well-known reserve for another purpose, I am wondering what would be the reaction of the general public if the Government were to say that, with the additions to Perth Modern School, there is

insufficient space for recreation, and it is imperative that portion of Kitchener Park be taken for that purpose.

In my opinion this is a most important matter and one on which the Government should give the House further information. Also, what will be the system of administering what we might call the old and the new schools, when the new one is completed? Are they to be treated as one composite college, or are they to be treated as separate identities? What will be the qualification for admission? Is it to be the same for both sections of the composite college? If so, what are to be the qualifications?

At present, as hon. members are well aware, in order to study at the Perth Modern School it is necessary for a student either to win a scholarship or to pass the Junior University Examination.

The PRESIDENT: I do not think there is anything about that in the Bill. It is a question of a road closure. I hope the hon. member will stick to the Bill.

The Hon. R. C. MATTISKE: I will couple up my remarks with the closure of the road. But, as I said in the initial stages, I think that this measure opens up every aspect which deals with modern educational methods. I was just saying that at present there are certain qualifications for admission to the Perth Modern School. I think that the qualifications which now obtain are very important and there is no bar to any income group or social group.

The PRESIDENT: I think the hon. member had better get back to the Bill. He is now dealing with educational facilities, which are not provided for in the Bill. It is a road closure measure.

The Hon. R. C. MATTISKE: Very well, Mr. President. In connection with the actual closure of the road, what is the need for it? It is to provide for additional facilities. I have inspected the plans in the office of the Principal Architect and he was good enough to explain to me at some length what is not obvious on the face of the plans; and I appreciate that co-operation on his part. But the extremely important point is that those plans have been prepared for some time and work has in fact commenced, the foundations being well under way. Yet a Bill is now submitted to this Chamber for us to apply the rubber stamp.

I feel it is flouting the powers of this Parliament for the Government to come along at this stage and in effect say, "We have started with the work, it is imperative that we should proceed with it and therefore you have no alternative but to apply the rubber stamp so that we can continue with the job." This is not the only occasion on which that sort of thing has happened. We had it only recently

with another measure and, in view of the seriousness of the move, full consideration should be given to the necessity for this Parliament to have a say as to whether or not something shall be done. The Government should not put Parliament in the position where it is forced to apply a rubber stamp.

There are many aspects of this road closure which warrant considerably more explanation on the part of the Minister, and I hope that in replying he will supply us with that information. I regret that I did not have the opportunity to amplify my remarks on certain other aspects, as was done in another place; nevertheless the fact remains that certain information is most definitely required, and I hope the Minister will provide it.

THE HON. H. C. STRICKLAND (Minister for Railways—North—in reply) [9.30]: The hon. member has not told us whether he proposes to support the measure, or to oppose it. Apparently he is going to oppose it. However, from the educational point of view the Bill is a very important one. As I explained, when introducing the measure, the road concerned is of little use; it is rarely used by vehicles. It could be put to much better use by the establishment of classrooms and other facilities on the area. The road in question separates the Thomas Street Infants' School from Modern School, and the object of closing it at this stage is to assist the urgent educational requirements in the expansion of school buildings.

The hon. member said he was worried about recreational facilities. College-st. is towards the eastern side of the area concerned, and it could never be used as a recreation area, unless the infants played marbles on it. That is the only recreational use I can see. On the western side, however, recreational facilities are provided right down to the council yards. There are tennis courts as well as an oval adjacent to this school. I would say that they have more recreational facilities in that school than in any other at the moment.

If huge areas in the central city block are, however, to be set aside for each school for recreational facilities, I am afraid there will be a very great expenditure involved in resumptions to provide them. The idea is that the school will be turned into a high school, and the qualifications for entry will be similar to those for any other high school.

The Hon. G. C. MacKinnon: We might not like that, either.

The Hon. H. C. STRICKLAND: That may be so, but it has become urgent to provide high school educational facilities. There are 1,300 children to come to this school and they will be drawn from

Subiaco and West Perth. If they do not attend this school they will have to be sent out to other suburban schools which will increase the accommodation problems there. The Education Department considers this is the correct thing to do with Modern School, and the Subiaco council, which has been approached, supports the move. The road is in the Subiaco council's area, and that council supports the move to close College-st., with a view to putting the area it covers to some use. At the present time it is of no use to vehicular traffic, and as far as recreation goes, the only use to which it could be put is for children to skip on, or for boys to play marbles on.

Question put and passed.

Bill read a second time.

In Committee.

The Hon. L. A. Logan in the Chair; the Hon. H. C. Strickland (Minister for Railways) in charge of the Bill.

Clause 1—agreed to.

Clause 2—Closure of College-st., Subiaco:

The Hon. R. C. MATTISKE: I thank the Minister for his explanation, though there is certain other information for which I asked which has not been supplied. The plans for the enlargement of Modern School must have been prepared well in advance of this session of Parliament, and there must have been ample time for the matter, before it was an accomplished fact, to have been placed before Parliament.

The Hon. H. C. STRICKLAND: The only information I can give is that if plans were prepared, the finance was not available until this financial year. That is why work is being proceeded with now.

The Hon. A. F. GRIFFITH: The only point at issue is, what would be the position if we rejected this Bill? We would have the Public Works Department carrying on with foundations for a building with which it should not be proceeding until the permission of Parliament had been obtained—particularly if those foundations were to go over the road. The Government might find itself in a position similar to that in which a previous Minister found himself in relation to a temporary building which he had no right to build. If parliamentary approval for the closure of a road is required it must be sought without our being presented with a fait accompli. That is what the Government has done.

The Hon. H. C. STRICKLAND: That is not quite fair. The Government has not bull-dozed this through as did a previous Government.

The Hon. A. F. Griffith: I did not say bull-dozed.

The Hon. H. C. STRICKLAND: I did not notice the hon. member taking exception to the bull-dozing that was carried out previously. If the Bill were rejected, then the buildings would have to be restricted so that they would not encroach on the road.

The Hon. A. F. GRIFFITH: I merely said that we might find ourselves in a position similar to that concerning a building down below. At that time the Minister did not bull-doze it through. He found that the land was in the charge of the Joint House Committee, and had he known it before he would have introduced a Bill. The only reason I did not voice an objection here at the time, was that I was not an hon. member of this Chamber.

The Hon. F. R. H. LAVERY: Not very many years ago a street had to be closed at Fremantle for the purposes of a school. I heard no objection raised when Foss-st. was closed.

The Hon. G. C. MacKINNON: During the Address-in-reply I mentioned some reasons against the closure of Modern School, but no comment was forthcoming from the Minister on the remarks I made. Accordingly I feel I must voice my opposition now.

Clause put and passed.

Title—put and passed.

Bill reported without amendment and the report adopted.

LAND TAX ASSESSMENT ACT AMENDMENT BILL.

Second Reading.

Debate resumed from the 17th September.

THE HON. R. C. MATTISKE (Metropolitan) [9.42]: I did not intend speaking to this measure, but there are two aspects which have not been brought out in the debate. In my opinion they are important and should be given consideration by the House. The first is the fallacious belief that the only method of arresting the decline in the State's finances is by imposing additional taxation. The second point is that this State is principally a primary producing State and therefore every encouragement, and no discouragement, should be given to primary production.

There is no denying that the finances of the State are worsening. One need only refer to the Year Book published by our Government Statistician to see that. The latest copy I have is that published in 1957. From it I get the information

that, in the year 1951-52, the State revenue per head of population was £57.6. That revenue increased until in 1955-56 it was £74.1 per head of population. Expenditure, on the other hand, grew from £58.6 per head of population in 1951-52 to £76.9 in 1955-56.

The general rise in both income and expenditure during those years was certainly affected by the increases that took place in the basic wage of this State. Therefore we must acknowledge that, and also that the normal growth of the State must promote greater financial activity. But that is no reason why the deficit should increase from £1,000,000 in 1951-52 to £2,800,000 in 1955-56. I therefore submit the finances have worsened, and the answer does not lie in an endeavour to improve revenue through imposing additional taxation, but by getting greater value for the money that comes in as revenue through a close watch on expenditure.

I think many Governments—not only the Government of this State—do not pay sufficient attention to that expenditure, with the result that the cry is always for more and more income. In this State I feel there is far too great an accent on participation in trading concerns.

We have had plenty of references in this Chamber during recent years regarding the results of the State Brickworks, State Sawmills and many other State Trading Concerns; concerns which are operating in competition with private enterprise. Let us take bricks as one instance, excluding the fact that the State Brickworks produces a pressed brick which is not made by private enterprise other than at the Cardup works. Take wire-cut bricks, for example. The private manufacturers are producing an infinitely better brick in competition with the State Brickworks. In fact, it is unfair competition, in that the private companies pay income tax, payroll tax and a host of other things, not excluding sales tax on machinery. Therefore, the private enterprise individual is really at a disadvantage; but despite that fact he is turning out a better article and is able to make a profit on the results of his year's trading, whereas the State trading concern has been losing up to £50,000 in one year.

That is only one instance. There are other cases where similar losses have been incurred, and I feel there is too great an accent on State Trading Concerns. In more recent months we have had other examples, such as the State Implement Works. Admittedly, it is a very fine works and is able to do good work, but I feel it is exceeding the purpose for which it was originally commenced, and that it is now taking skilled tradesmen from various engineering works in the metropolitan area.

If that is so, I regard the methods as unfair trading methods, because of the charges which it does not have to meet.

The PRESIDENT: Can the hon. member tell me how he will connect this up with the Land Tax Bill?

The Hon. R. C. MATTISKE: Most certainly, Mr. President. We have the position where the Government is saying that through lack of income it is necessary to impose a tax on the rural community in this State. I am pointing out that through the mis-handling of the State's finances and through the unnecessary waste of money in many avenues, the Government is apparently forced into this position.

The Hon. H. C. Strickland: I think you are worrying somebody.

The Hon. R. C. MATTISKE: I say that if the Government were to give due consideration to the expenditure by the State there would not be any necessity to impose this tax. The Minister just interjected by saying that I am "worrying somebody." I assert that I am not "worrying somebody" but that the Government is worrying people and worrying them in no uncertain manner at the present time by the many handouts it is making, not only from Consolidated Revenue, but also from loan funds.

The Hon. H. C. Strickland: Which ones would you deny?

The Hon. R. C. MATTISKE: Gifts from loan funds—

The Hon. H. C. Strickland: Which societies?

The Hon. R. C. MATTISKE: —on which the Government of this State has to pay interest.

The Hon. H. C. Strickland: Which ones?

The Hon. R. C. MATTISKE: The Minister asks which ones I would not give. That gives me a thought. I will answer a question with a question. I will, in due course, ask the Minister to advise this House of all the gifts that have been made during the past year or so and to state specifically the funds from which they have been made.

The PRESIDENT: The hon. member will have to put it on the notice paper.

The Hon. R. C. MATTISKE: I will, and hope it will give the Minister the information he asked for in his interjection a moment ago.

The Hon. H. C. Strickland: That does not answer my question.

The Hon. R. C. MATTISKE: I know I am getting on ticklish ground so far as this debate is concerned, but if proper consideration were given to the expenditure of this State, there would be no necessity whatsoever to impose further taxation.

So far as the second aspect is concerned I speak very feelingly. It has been said on more than one occasion that metropolitan representatives are concerned only with the metropolitan area and have no concern at all for the primary producing section of the community. I say that is quite unfair and that our concern is for the people in the whole of the State and not for those in one particular section, nor in any particular political group. Therefore let us look at the State as a whole. It is principally a primary producing State. No one can deny that. It is something that is accepted by the Grants Commission and must be accepted by any sane-thinking person. We cannot hope to be a secondary producing country as our distances from materials and our home consumption markets, principally in the Eastern States, are such that the freight factor alone is a sufficient bar against competitive trading with producers in the Eastern States.

Therefore, let us pay greater attention to the primary producer. We all know quite well that the selling prices of his commodities are restricted beyond his control. Therefore, if the industry is going to prosper there is only one way to do this; decrease production costs. I therefore say in all sincerity that a move to impose an additional tax—something new—on the primary producer, no matter how small it may be, is a step in the wrong direction, and one I hope to which this House will not agree.

I am not saying, for one moment, that the farming community in this State is in such a sorry plight financially that it cannot bear the tax that is proposed by this measure. Farmers who have been operating over the past decade must, or should be, on a sound financial footing at the present time, through their own industry and the encouragement given in the form of taxation concessions. They should have built up the values of their properties to such an extent that they can now function very efficiently, despite the falling prices of wheat and wool. But that is not the point.

I maintain we should further expand the primary production of this State. With the knowledge gained in recent years regarding the benefits to be derived by the use of trace elements, further large tracts of land in the State are available.

The PRESIDENT: You are getting away from land tax.

The Hon. R. C. MATTISKE: I am sorry if I appear to be getting away from the direct question of land tax, but as it is a tax applicable to primary producers I felt it would give me an opportunity to refer to the financial conditions obtaining in the primary production field. Every encouragement must be given, not only to those primary producers already established in this State, but to others who come here for that purpose.

We know what has happened with the Chase Syndicate, but despite the fact that it may have used methods not entirely orthodox, or against the better judgment of others operating in the Esperance area, I feel it has done a considerable amount of good in that it has at least focused attention on that area, and others have been attracted there. I feel that by giving every encouragement to our primary industries, we need not go overseas looking for secondary industries. It would be better for the Government to give a little encouragement to people in the Eastern States who are starved for suitable land. If it did this, there would be a great deal of additional capital coming into this State for primary producing purposes.

I apologise if I have strayed from the narrow path, but these two aspects are extremely important. For those reasons I will vote against the second reading of this Bill.

On motion by the Hon. J. M. Thomson, debate adjourned.

House adjourned at 9.56 p.m.

Legislative Assembly

Tuesday, the 23rd September, 1958.

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