age of 16 years; and in this progressive age of ours, when everybody wants to reduce the age for everything, and people want to be fully responsible almost before they leave school—they are demanding more and more of the benefits of adulthood—I would like to think that this measure will be a good starting-point. When young people reach the age of 16 years and continue to break the law, they should accept the same responsibilities as, and the penalties incurred by, persons of 18 years of age who, together with their families, have to suffer humiliation—if there is humiliation. I support the measure.

THE HON. H. K. WATSON (Metropolitan) [9.23 p.m.]: I thank the various members who have made a contribution to this debate. One point which seems to be worrying some members has worried both myself and Mr. Crommelin, as I know from my personal discussions with him. I refer to the possible effect upon the mother and father and brothers and sisters in a law-abiding family, of which one member goes wrong. That is a difficulty, but I feel the point was adequately answered by Mr. Clive Griffiths, who pointed out that if a child of 18 years of age commits an offence, his name is published and his parents suffer the disabilities to which various members have referred.

There is a further point and further argument in reply, and it is this: This particular aspect so concerned Mr. Crommelin that he interviewed a decent law-abiding family, one member of which, at the age of 16 years, had gone astray and had been sent to gaol. Mr. Crommelin inquired of that father as to what he thought of the proposed Bill and the fact that the name of a second offender would be published. This father was in favour of the measure and gave this reason, among others: Had the names of the young rascals been published at the time, he would have known the company his son was keeping and would have been able to give him a kick in the particular spot that Mr. Dolan mentioned, and might have been able to keep him out of trouble because he would have made it clear to the boy that he was not to associate with the class of persons with whom he was associating.

As Mr. Lavery very pertinently remarked, it is when two or three young people get together that these troubles begin and the lad, who would otherwise be a decent lad, may be inclined to go astray. Mr. Dolan wisely said that it is not desirable to experiment with young children. However, we are experimenting with children who are themselves experimenting in regard to a very questionable and deplorable way of life.

Mr. Baxter raised a point in connection with proposed new subsections (1a) and (3). These new subsections provide for the publishing of the name of any offender who, after attaining the age of 16 years, commits a second serious offence. Mr. Baxter wanted to know what would be the likely attitude of the Press in regard to publishing the names of all second offenders. I am afraid I must agree with Mr. Baxter that we are entirely in the hands of the Press. These cases will be published at the discretion of the Press and I would hope they are published with perhaps a little more frequency than the speeches made in this House.

On the whole, I think the Press deals quite impartially with court cases and does not make a selection. I think the general practice is to report, in some degree or another, all cases before the courts.

The provision has this advantage: When a lad of 16 years of age is before a magistrate for the first time, the magistrate can give him a jolly good talking to and conclude by saying, "Look here, my boy, remember this time your name will not be published in the paper, but if you come before me a second time on a serious offence, your name will be published. What will you think of that; and what will your mother and father think of it?" To some extent this provides a further deterrent in the prevention of crime by juveniles.

As all members have said, we have no guarantee of success, but I am comforted by the fact that one who is very knowledgeable and experienced in child welfare has expressed the opinion that the views I stated in my second reading speech are well founded, and that on the whole the Bill, with all its imperfections, ought to do some good.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by The Hon. H. K. Watson, and passed.

House adjourned at 9.32 p.m.

Legislative Assembly

Tuesday, the 7th November, 1967.

The **DEPUTY SPEAKER** (Mr. Crommelin) took the Chair at 4.30 p.m., and read prayers.

BILLS (4): INTRODUCTION AND FIRST READING

1. Stamp Act Amendment Bill.

   Bill introduced, on motion by Mr. Brand (Treasurer), and read a first time.

2. Education Act Amendment Bill (No. 2).
Bill introduced, on motion by Mr. Lewis (Minister for Education), and read a first time.

3. Brands Act Amendment Bill.

4. Dried Fruits Act Amendment Bill.
Bills introduced, on motions by Mr. Nalder (Minister for Agriculture), and read a first time.

QUESTIONS (16): ON NOTICE

ONION MARKETING BOARD

Winding-up

1. Mr. GRAHAM asked the Minister for Agriculture:

(1) On what date was the Onion Marketing Board abolished?

(2) What is the basis of payment of fees and expenses to each of the members of the committee winding up the affairs of the Onion Marketing Board?

(3) Has it any staff in its employ?

(4) If so, how many, and what is their rate of pay?

(5) What other expenses have been incurred by the committee?

(6) When is it anticipated the committee will have completed the process of winding up the affairs of the board?

(7) What is the reason for the delay in determining the specific purposes to which board residue funds will be applied?

Mr. NALDER replied:

(1) The 18th August, 1967.

(2) On the basis of the rates paid to members of the Onion Marketing Board; namely, a sitting fee of $10.50, and motor mileage at public service rates. The chairman does not receive a sitting fee.

(3) Yes.

(4) Four, the rates of pay per week being as follows:—

	$
Secretary	76.50
Clerical assistant	65.73
Depot caretaker	48.28
Typist	24.33

(5) Rent, insurance, advertising, legal, electoral expenses, postage, and cleaning.

(6) It is expected that before the end of this year assets will have been realised upon, liabilities met, and final accounts audited and the residue of moneys paid into the Treasury.

(7) A decision concerning the use of the residue funds will be made when the amount is known.

DRUGS

Subsidies to Purchase: Absorption in Profits

2. Mr. FLETCHER asked the Minister representing the Minister for Health:

(1) Is he aware of the *Daily News* of the 23rd August, 1967, comment regarding the concern of the New South Wales and Federal Governments—

(a) relating to huge profits accruing to overseas drug manufacturers;

(b) that subsidies to assist the public in purchase are being absorbed in profits?

(2) What measures are being taken to ensure that those in need of drugs in this State do not continue to contribute towards the mentioned "hundreds of millions of dollars" profits taken from the Australian taxpayer in general and the Western Australian taxpayer in particular?

Mr. ROSS HUTCHINSON replied:

(1) and (2) Yes, but the honourable member has obviously misinterpreted the article; the reference to "hundreds of millions of dollars" was to "subsidy under the Commonwealth Health Scheme" and not to profits.

TRAFFIC LIGHTS

Metropolitan Area: Installations

3. Mr. BRADY asked the Minister for Works:

(1) What number of traffic lights have been erected in the metropolitan area in the past five years?

(2) Where have these lights been erected?

(3) What shires in the metropolitan area are still requiring traffic lights?

(4) What number of traffic lights will be required?

(5) When will these be installed?

Mr. ROSS HUTCHINSON replied:

(1) Twenty-eight.

(2) Stirling Highway-Hampden Road-Broadway (rebuild)—3/11/65.
Stirling Highway-Queenslea Drive-Stirling Road (rebuild)—4/4/66.
Scarborough Beach Road-Loftus Street-London Street—12/6/63.
Thomas Street-Hay Street—21/8/63.

Walcott Street-Lord Street—5/11/64.
John Street-Stirling Highway—22/7/63.
Hay Street-Plain Street—19/12/63.
Scarborough Beach Road-Oxford Street—28/11/63.
Adelaide Terrace-Plain Street—3/3/65.
Scarborough Beach Road-Green Street-Main Street—10/1/67.
Queen Victoria Street-Adelaide Street-Edward Street-Parry Street—22/7/64.
Thomas Street-Kings Park Road—30/6/65.
Walcott Street-Fitzgerald Street—29/3/65.
Fitzgerald Street-Newcastle Street 30/7/65.
Walcott Street-William Street—5/12/66.
Walcott Street-Green Street-Charles Street—9/12/64.
Fitzgerald Street-Bulwer Street—30/6/65.
Charles Street-Angove Street-Scarborough Beach Road—15/9/65.
Queen Victoria Street-James Street—9/12/66.
Stirling Highway-Winthrop Avenue—30/10/65.
Mounts Bay Road-Hackett Drive—6/12/65.
Canning Highway-Sleat Road—5/8/65.
Riverside Drive-Barrack Street—5/10/65.
Grand Promenade-Walter Road—30/3/67.
Albany Highway-Mint Street—29/5/67.
William Street-Vincent Street—19/4/67.
Pt. Lewis Drive-Narrows Off Ramp—31/10/66.
Stirling Street-Newcastle Street—4/9/67.

(3) The installation of traffic lights is made on a priority basis. This priority is established, not on the basis of selected local authorities, but by the examination of the records at street intersections both in respect of the vehicles using such intersection and the type of traffic accident which would be susceptible to correction by this facility.

(4) It cannot be firmly stated how many traffic light installations are still required. As traffic increases in various parts of the city observations are made and records kept in order to ascertain whether additional installations are necessary.

(5) Answered by (4).

SCHOOLS

Telephones: Installation by Department

4. Mr. RUSHTON asked the Minister for Education:

With reference to question 3 on the notice paper for the 31st October, 1967, and his answer, will he elaborate his statement "where such an installation is feasible" as related to the department accepting responsibility for telephone installation, rental, and official calls for all primary schools?

Mr. LEWIS replied:

Each case must depend upon its merits. The department is prepared to undertake installation where costs are reasonable. These costs will depend upon such factors as availability of lines, distance from main cables, exclusive or party lines, and such special conditions as the P.M.G. might impose.

NATIVES

Liquor Rights: Determination

5. Mr. RHATIGAN asked the Minister for Native Welfare:

Who makes the decision as to the granting of drinking rights to natives and who defines the areas in which natives shall have the right to consume alcohol?

Mr. LEWIS replied:

If this question means community rights, the decision is made by the Government. If citizenship rights to the individual, (which include the right to purchase liquor) are meant, these are determined by a local Natives' (Citizenship Rights) Board.

BUNBURY POLICE STATION

Retention of Portion of Old Building

6. Mr. WILLIAMS asked the Minister for Police:

(1) What decision has been made regarding the suggested retention of all or portion of the existing Bunbury Police Station?

(2) What are the reasons for this decision?

(3) Should the decision be not to retain any of the building, would he—

(a) give permission to the Bunbury Historical Society to remove any portion(s) of the building which they feel could be of historical value;

(b) have two sets of appropriate photographs taken of the building and together with a history of the building, framed, one to be placed in the new building, and one to be presented to the Bunbury Historical Society?

Mr. CRAIG replied:

(1) Full consideration has been given to the suggestion that all or part of the old building be retained. The Principal Architect examined the building and reported that no part could be incorporated in the new buildings and maintain architectural harmony. Several other sites have been inspected but do not have the area or advantages of the existing site. The Commissioner of Police desires the existing site to be retained.

(2) As the design of the new station and related buildings will require the use of the whole of the site, it will be necessary to demolish the old buildings.

(3) (a) Yes, provided the necessary arrangements are made prior to demolition.

(b) Yes, but it might be preferable for the Historical Society to arrange for the photographs.

CHARTER AIRCRAFT

Restriction on Routes

7. Mr. NORTON asked the Minister for Transport:

(1) Is there any restriction on charter aircraft flying over routes normally used by commercial aircraft?

(2) If "Yes," what are the restrictions?

(3) Can a private aircraft be used for charter providing that the pilot has the requisite license? If not, why not?

Mr. O'CONNOR replied:

(1) Yes, by the Commonwealth but not by the State. Regulation 197 (2) of the Commonwealth Air Navigation Act prohibits any charter operator from operating over a regular airline route or a section thereof more than once in any 28 days without the express approval of the Regional Director of the Department of Civil Aviation.

(2) Answered by (1).

(3) No; unless the aircraft is registered by the Department of Civil Aviation in the charter category, in which event it can be no longer considered to be a private aircraft. In addition, a charter aircraft is required to be licensed by the State under the Road and Air Transport Commission Act. The Commissioner of Transport is authorised to attach conditions to a license relative to the operation of an aircraft.

An aircraft registered in the private category by the Department of Civil Aviation and used solely for private purposes and not for reward or in connection with a trade or business is not required to be licensed.

SOUTH KENSINGTON OCCUPATIONAL CENTRE

Domestic Science Facilities

8. Mr. DAVIES asked the Minister for Education:

(1) On what will the money allocated this financial year for the extention of domestic science teaching at South Kensington Occupational Centre be spent?

(2) What is the estimated expenditure involved?

Mr. LEWIS replied:

(1) Expenditure on the provision of a home science centre, modified to meet the special requirements of this training centre, will be partly from this financial year and the balance from the 1968-69 programme. This year's allocation of $5,000 will be spent on plans, earthworks, and foundations.

(2) The estimated total expenditure is $25,000.

CREAM

Butterfat Content

9. Mr. DAVIES asked the Minister for Agriculture:

(1) What is the required butterfat content of table cream sold in this State?

(2) When was this standard set?

(3) How does the figure compare with other States?

(4) What is the reason for the difference, if any?

(5) What is the standard recommended by the National Health and Medical Research Council?

(6) Is there any alteration proposed to the standard in this State?

(7) If so, what is the proposed change?

Mr. NALDER replied:

(1) 40 per cent.

(2) The 17th March, 1950.

(3) As table below.

(4) Not known. Each State determines its own standards.

(5) Included in table in reference to question (3).

(6) and (7) This matter is under consideration.

	Victoria	New South Wales	Queensland	South Australia	Western Australia	Tasmania	N.H. & M.R.C. (Recommendation)
Rich	....	....	....	....	....	....	48
Whipping cream	....	....	42	....	....	....	....
Cream	35	35	35	35	40	35	35
Reconstituted	35	....	....	....	....	....	....
Coffee cream	Between 18 and 25	....	....	....	....	....	....
Light cream	....	....	....	....	....	....	18
Dessert cream	....	18	18	....	....	....	....
Thickened	35	....	....	35	....	35	35
Cream mixture	....	35	....	35	....	....	35
Whipped, thickened and reduced	....	....	....	....	....	....	30
Prepared cream / Devonshire cream	35	....	....	....	....	....	48

BEEF ROADS

Supplemental State Funds

10. Mr. TONKIN asked the Premier:

(1) In connection with the recent announcement by the Federal Government that substantial funds are to be made available to certain States for the construction of beef roads, were there any prior discussions between his Government and the Commonwealth in connection with supplemental funds which the State was requested to make available from its own resources?

(2) If "Yes," did he agree to the request of the Commonwealth?

(3) On what basis will the State be required to provide supplemental funds?

(4) What is the difference as between Western Australia and Queensland in the basis of the provision of required supplemental funds?

Mr. BRAND replied:

(1) There have been several discussions between representatives of this State and the Commonwealth in connection with continuing the grant for the construction of beef roads. Originally a decision was reached that the State and the Commonwealth would contribute three-eighths and five-eighths respectively towards this work. However, the Commonwealth, in making the present grant of $9,500,000, has waived the condition that the State shall make a financial contribution.

(2) Answered by (1).

(3) Answered by (1).

(4) As far as can be ascertained, Western Australia and Queensland have been treated similarly in regard to supplemental funds.

POTATO MARKETING BOARD

Tenders for Cartage

11. Mr. TONKIN asked the Minister for Agriculture:

(1) Is it intended that the Potato Marketing Board will call tenders again this year as was the case last year for the carting of potatoes?

(2) If "Yes," on what date will tenders be invited?

(3) If "No," why will not tenders be called?

Mr. NALDER replied:

(1) Yes.

(2) In the near future when the board occupies its new storage premises at South Fremantle.

(3) Answered by (2).

HONEY

Stabilisation of Prices, and Overseas Markets

12. Mr. DUNN asked the Minister for Agriculture:

(1) Is he aware of the low price per pound being received by the honey producers in Western Australia?

(2) If "Yes," is there any plan to subsidise or increase the return to the producers in order to ensure the continuance and stability of this industry?

(3) If a plan is envisaged or in operation, could he advise the general particulars?

(4) Has the potential of the Asian market been fully investigated?

(5) Is there any sales promotion being conducted to obtain the fullest advantage of overseas markets generally?

Mr. NALDER replied:

(1) Low prices are being paid to producers for honey of certain types which are at present practically unmarketable overseas. Reasonable prices are being paid to producers for types of honey which are marketable locally and in Asia.

(2) and (3) No, but efforts are certainly being made to increase the return to the producer, and to ensure the continuance and stability of this industry through market promotion and the provision of research and extension services aimed at increased production of good quality honey.

(4) The potential of that part of the Asian market which can afford to pay for honey is being fully investigated by local packers, but competition from countries, which can afford to sell at lower prices, is substantial.

(5) The Australian Honey Board is continually conducting sales promotion on overseas markets but our only hope of competing on the world market is by selling a product of better quality than our competitors.

NATIVE FLORA

Protection on Roadsides

13. Mr. GRAHAM asked the Minister for Lands:

(1) Has he, or his officers, given consideration to destruction of bush flowers and natural scrub in road making and maintenance—

(a) on the Carnarvon Road in the neighbourhood of Billabong stopover at about the 450-mile peg;

(b) on the coast road between Lake Clifton and Australind;

(c) on the coast road in the neighbourhood of the Jewel Caves at Augusta?

(2) In the light of a statement in the Press that 466 large notices prohibiting wildflower picking have now been erected along the State roads, would he agree that there are probably now more such notices than actual significant occurrences of wildflowers along highways and minor roads?

(3) Will he consider the appointment of botanical officers to his department to advise the Main Roads Department and Forests Department on the quick establishment of such climbing bush flowers as clematis, blue wisteria, and ceral vine to cover their depredations and, in general, to establish along our roads growths of bush flowers which will give some substantiation of our claim to be "a wildflower State"?

(4) Will he give thought to the establishment of bush flower planted roads as scenic ways along such back roads as the Bunbury coastal highway, the Naturaliste-Leeuwin coastal highway, Yallingup, and the Collie-Wellington Dam-Lowden road?

Mr. BOVELL replied:

(1) Every effort is made to minimise destruction of flora commensurate with the basic road needs to construct and maintain adequate and safe road pavements. The Carnarvon road in the neighbourhood of the Billabong stop-over and the coast road between Lake Clifton and Australind are roads of major importance, and therefore a high standard of pavement design and maintenance is necessary. Some disturbance of flora is inevitable.

The caves road near the Jewel Caves comes under the jurisdiction of the Shire of Augusta-Margaret River and is being reconstructed by that shire. The existing road is on poor alignment and re-construction on an improved ilignment is necessary. This work involves additional clearing, but generally such activity outside the pavement and the associated side drains is restriced to a minimum. Native timber is heavy and neither the Main Roads Department nor the shire would undertake excessive clearing of this heavy timber unless it were necessary for the provision of a safe roadway.

(2) No.

(3) and (4) Any practical suggestion for the improvement of our road verges will be considered. These matters will be referred to the Minister for Agriculture to obtain the views of the officers of his botanical branch.

RAILWAYS

Central City Area: Tenders for Lowering

14. Mr. TONKIN asked the Premier:

(1) Is it the intention of the Government to proceed with the lowering of the railway, central city area?

(2) How many firms have actually submitted tenders?

(3) What is the cost to date to the Government for feasibility studies, reports, and incidental expenses in connection with the project?

(4) If the proposal has not been abandoned, what is the present position regarding it?

Mr. BRAND replied:

(1) The Government is awaiting submission of proposals from accredited companies. If the Government accepts any proposals made, subject to any additional negotiation required, the lowering of the railway in the central city area will be proceeded with.

(2) None at present, but approximately eight firms are still negotiating.

(3) The only cost involved is the de Leuw Cather report of 1962. The cost was $Aust.42,312.22.

(4) The proposal has not been abandoned. The present position is that the closing date for submission of proposals is the 30th November, 1967. The Government has previously indicated that it will, by the 29th February, 1968, make a decision on any proposals submitted.

RING ROAD SYSTEM

Freeway Proposals: Re-examination

15. Mr. TONKIN asked the Premier:

(1) Does he intend to agree to the request which has been submitted to him for a serious re-examination of the inner ring freeway proposals?

(2) What is the estimated cost of fully implementing the existing proposals?

Mr. BRAND replied:

(1) I refer the Leader of the Opposition to a Press statement released by me on the 12th July, 1967, in which I stated that studies were being made by the Main Roads Department in respect of possible alternatives to the present plan and that it would probably take approximately six months before reasonably firm plans for the next stage of the central city's foreshore road system could be presented to the public. I also indicated I wanted to make it clear that the Government's decisions do not alter the basic concept that a ring road system is essential for the proper handling of traffic around central Perth.

(2) Accurate estimates cannot be made until detailed designs are decided upon.

ALBANY WOOLLEN MILLS

Government Financial Assistance

16. Mr. HALL asked the Treasurer:

What amount of financial assistance was made available to the Albany Woollen Mills by way of loans and guarantees between the 1st January, 1953, and the 31st December, 1959?

Mr. BRAND replied:

Nil.

QUESTION WITHOUT NOTICE

BEEF ROADS

Commonwealth Grant to Western Australia

Mr. TONKIN asked the Premier:

As it was announced in Canberra on Wednesday, the 9th March, that Western Australia would receive Commonwealth grants of nearly $2,000,000 per year out of a total of $50,000,000 under a seven-year beef roads scheme to operate from the 1st July, and it has now been announced that Western Australia is to receive only $9,500,000 of the $50,000,000 seven-year programme, will he inform the House—

(1) did the Commonwealth prior to the 1st July give him any indication that it was proposed to reduce Western Australia's allocation;

(2) did he have any opportunity at all of discussing with the Commonwealth the intention to reduce Western Australia's allocation;

(3) when did he protest to the Commonwealth against the reduction;

(4) what explanation did the Commonwealth make for what is virtually a breach of contract?

Mr. BRAND replied:

The Leader of the Opposition gave my department some opportunity to consider this question. However, before I read the written reply, I should say that

I have not had an opportunity of perusing the announcement to which he has referred, which was made in Canberra on the 9th March. The reply is as follows:—

(1) to (4) On the 23rd March last, the Prime Minister wrote to me on the question of Commonwealth participation in a further long-term beef roads programme. He indicated that the Commonwealth envisaged an overall programme of about $80,000,000 to be financed jointly by the Commonwealth and States concerned, on the basis of Commonwealth non-repayable grants of about $50,000,000, and State contributions of about $30,000,000. However, the proportion which this State might receive from such grant was left undetermined.

Having regard to the fact that this was the official advice from the Commonwealth Government, which did not nominate any allocation to the State of Western Australia, it cannot be said that the $9,500,000 beef roads grant represents a reduction to this State.

I might just explain further that because of the large amount involved in the very much bigger system in Queensland, that State protested about the condition which required it to find three-eighths in order to obtain the five-eighths which the Commonwealth was finding. Following discussions between the officers of the departments concerned, both Commonwealth and State, the Commonwealth gave further consideration to the matter and the result was the announcement which was made the other day—that we would get the money but there would be no conditions requesting us to match it. However, the Prime Minister did say in his letter to me that he hoped we would continue to spend the same amount of money in the north. The point in regard to Queensland was that that State could not find all the money necessary to get what we might term the matching money.

The Leader of the Opposition has sent me a copy of the article to which he referred. I will have a further look at the matter but I cannot comment on it off-the-cuff. I would imagine that in the report there has been some confusion between the total money to be spent under this programme by the Commonwealth and the State, and the more recent statement which refers only to the grants which were to be the Commonwealth's obligation.

RAILWAY (MIDLAND-WALKAWAY RAILWAY) DISCONTINUANCE BILL

Second Reading

MR. O'CONNOR (Mt. Lawley—Minister for Railways) [4.55 p.m.]: I move—

That the Bill be now read a second time.

The two small sections of the Midland-Walkaway railway described in this Bill were closed to traffic on the 13th February, 1966, when the new Avon Valley dual gauge railway came into operation.

With the coming into operation of the Avon Valley railway, the rail service to Geraldton over the Midland-Walkaway railway was rerouted from Midland over the Avon Valley railway to a point approximately 2¾ miles north of Midland. This rerouting made the section of line described in part (a) of the schedule redundant.

The other section of line referred to in part (b) of the schedule is the old Midland railway yard. This also became redundant following the takeover of the Midland Railway by the Government railways. It was more economical to use the Government railway marshalling yard at Midland.

The purpose of this Bill is to legally close these two sections of railway which are in the centre of the town of Midland and permit removal of materials and ultimate release of most of the land on which the lines are situated. In this instance the land does not revert to the Crown as it forms part of the Midland Railway Company's line purchased by the Western Australian Government Railways.

Such land as is not required for railway purposes may be sold at the discretion of the commissioner, and members can be assured that a careful study will be made to ensure that the land is utilised or disposed of to the best advantage.

In accordance with the provisions of the State Transport Co-ordination Act, 1966, the Director-General of Transport has reported on this proposed line closure and has agreed that the two sections of line are now surplus to the requirements of the W.A.G.R.

I have tabled a copy of this report, together with a copy of railway plan No. 59670, which shows the sections of line referred to in the Bill.

Debate adjourned, on motion by Mr. Brady.

STAMP ACT AMENDMENT BILL

Second Reading

MR. BRAND (Greenough—Treasurer) [4.59 p.m.]: I move—

That the Bill be now read a second time.

This is one of the measures which I announced when bringing down the Budget for this year. As I explained, this Bill has been prepared as a result of the review promised when legislation to change the rate and method of payment of stamp duty on receipts was introduced.

Generally, the new system has worked satisfactorily, and arrangements for payment of duty by periodic returns have been well received by the business community. However, during the first few months of operation a number of inequities became evident and provision is made in the Bill to correct them.

In addition to making provision for changes in sections of the Stamp Act governing the payment of duty on receipts, the amending Bill contains clauses varying exemptions from other types of duty and making a minor correction to a section dealing with transfers of marketable securities.

The specific items dealt with in the Bill concerning stamp duty on receipts are—

Rates of duty.

Additions to categories of persons paying duty on total receipts.

Exemptions for transactions in Government and short-term securities.

Extension of use of the return system.

Additions to exempt receipts.

Banking transactions.

Foreign companies.

I shall deal with each of these items in turn. The main proposal is to eliminate the 3c and 2c rates and place receipt duty on a uniform flat rate of 1c for every $10 of total receipts. This action will remove the criticism that stamp duty on receipts is discriminatory; it will meet requests for a reduction in the rates of duty; and, most importantly, it will remove anomalies which have occurred, particularly in respect of licensed persons.

Under the existing provisions, an agent or employee-licensee is subject to the 3c rate of duty on all of his personal receipts. However, in some cases, the person receiving the proceeds of sales effected in the business the licensee conducts on behalf of that person, is required to pay duty at only the 1c rate.

In addition to reducing the rate in these cases, provision is made in the Bill to ensure that all owners of licensed businesses pay stamp duty on all of their receipts. In some instances enterprises are carrying on one of the activities which now attracts the 2c or 3c rate of duty on receipts. Although the receipts from these activities represent only a very minor part of the total receipts of the businesses concerned, they have resulted in the owners of those businesses being obliged to pay the higher rate on all of their receipts, instead of the 1c rate for which they would have otherwise qualified.

Another anomaly to which attention has been drawn concerns milk vendors. Under existing legislation sole traders are at an advantage in comparison with registered businesses in that the sole trader enjoys an exemption of duty on receipts of less than $10. In order to remove this inequity, which arises entirely from an oversight when the 1966 amendments were framed, provision is included in the Bill to define milk vendors as persons who are required to pay duty on all receipts.

Complaints of discrimination have been made because, whereas other fuel suppliers are obliged to meet the cost of stamp duty imposed on receipts, the State Electricity Commission is not. Attention has also been drawn by those voicing the complaints to provisions under which both the Rural and Industries Bank and the State Government Insurance Office pay stamp duty on receipts.

I should also mention that in Victoria a tax of 3 per cent. is levied on electricity and gas sales. Members will appreciate that this charge is taken into account by the Commonwealth Grants Commission when assessing the special grant to this State. It is proposed to require the State Electricity Commission to pay stamp duty on its receipts in future and the Bill provides accordingly.

Receipts issued for proceeds received from sales of marketable securities are at present subject to duty. Attention has been drawn to the adverse effect of this charge on sales of securities issued by the Commonwealth and other Government authorities. Advice given by bankers and brokers indicates that the charge is limiting short-term investments in these securities.

It is in the State's interest to maintain a strong market in Government securities. Provision therefore has been made to exempt from duty receipts given for proceeds from sales of these securities.

Another type of investment which is subject to disproportionately high duty is short-term deposits. It is therefore proposed that receipts for any amount paid to or received from any person in respect

of a deposit or loan be exempted from duty where that deposit or loan is returned within 12 months or less. Since the new system for payment of stamp duty on receipts has been operating, a number of applications have been received requesting that persons other than those now specified in the Act be permitted to use the return system of payment if they so wish.

It was considered desirable to place some limit on the volume of returns to the Stamp Office. For this reason no provision was made in the Act to allow persons entitled to the exemption on receipts of less than $10 each to submit and pay duty by returns. However, experience has shown there is no real objection to allowing a person to use the return system where he is prepared to forgo the exemption on receipts of less than $10 each and the volume of his transactions justifies his use of this system. Accordingly provision has been made in the Bill for the commissioner to permit persons other than those now specified in the Act to make use of the return system.

Local government authorities have requested complete exemption of all their receipts from stamp duty. Under existing law, exemption of local authorities' receipts is confined to those given for rates, fees, licenses, or grants from the Crown. All other receipts are subject to duty and although these are few in number they do result in some administrative difficulty, particularly in cases where they are issued by junior staff. The total amount of revenue is small and it is proposed to accede to the request for exemption of all receipts issued by local government bodies.

In recent years the activities of co-operative credit societies have increased. These bodies are popularly known as credit unions. They are concerned mainly with assisting their members to regularly save sums of money and, when necessary, to provide them with low cost loans and financial advice. All earnings are returned to members in the form of interest on their savings. These societies are usually formed from persons working for the same employer, church groups, or similar organisations.

Representations have been made for exemption from stamp duty for receipts given by credit unions and receipts given by members to those unions. There is justification for granting this request for exemption as receipts given to or by friendly and building societies are exempt and no duty is imposed on receipts for deposits made to or withdrawals made from savings bank accounts.

Provision is included in the Bill to provide the exemptions sought by local authorities and credit unions. Before the 1966 amendment to the Stamp Act was made, section 101 provided that where a payment was made by the deposit of money in a bank by any person to the credit of some other person, receipt duty had to be paid at the time of making the deposit. This provision was repealed by the 1966 amendment because it tended to complicate the return system and could result in people paying duty twice on the one amount.

It was understood at the time the provision was repealed that the persons receiving the credit would not be able to escape from paying receipt duty under the amended law. However, it now transpires they do. Obviously it was never intended that firms and persons should be able to avoid paying stamp duty on receipts by simply arranging for money due from other persons to be deposited in their bank accounts. The Bill contains clauses to rectify this position and to ensure that stamped receipts are issued in these cases.

The intention of the present legislation was to make amounts received by banks from interest earnings and other charges subject to receipt duty and, whilst this is being paid in some cases it is not in others, as the Act is not positive in this matter. In order to place beyond dispute the question of payment of duty on receipts issued by banks for charges, it is proposed to insert a section specifically dealing with this matter and to repeal and re-enact the provisions concerning exemptions of certain banking transactions.

These provisions are designed not only to ensure the payment of receipt duty as originally intended, but to preserve the exemption for deposit and withdrawal transactions by an individual on his own banking account.

The definition of a company now given in the second schedule of the Stamp Act is not sufficient to embrace a foreign company. This inadequacy could result in foreign companies avoiding duty which would be completely unjustified. To rectify this situation it is proposed to add the appropriate definition to the second schedule of the Act.

The proposed amendments which I have explained all concern the provisions relating to stamp duty on receipts and if agreed to will result in a net annual reduction in revenue collections of $430,000 based on the current level of activities.

Turning now to other sections of the Stamp Act which it is proposed to amend, members will recall that during the last session of Parliament uniform legislation for the transfer of marketable securities was enacted. This legislation required amendments to the Stamp Act and one of the amending provisions purported to exempt the sale or purchase of marketable securities of the State Electricity Commission of Western Australia, or other prescribed authorities, from conveyance

stamp duty. The amendment passed stated the exemption as—

> a sale or purchase of marketable securities by the State Electricity Commission of Western Australia . . .

instead of—

> a sale or purchase of marketable securities of the State Electricity Commission of Western Australia . . .

The Bill contains a clause to correct this error in wording.

The exemption from conveyance stamp duty of transfers of securities issued by the State Electricity Commission and other prescribed authorities, as I have just mentioned, is restricted under the existing law to transactions conducted through brokers. If a sale of these securities is negotiated in any other way, say, by way of private treaty between two individuals, duty is payable.

Because it is desired to encourage investment in authorities such as the State Electricity Commission and as exemption is already given to transactions effected through brokers, it is proposed to extend the exemption to transfers made other than through brokers. The Bill provides accordingly.

As the Act now stands no stamp duty is paid on the transfer of scrip or shares of an incorporated mining company carrying on the business of mining in Western Australia. This exemption may have been justified many years ago, but there is no reason why it should continue to apply today when there is such a large demand for these shares. It is therefore proposed to abolish the exemption so that on and from the 1st December next mining shares will attract duty at the same rates as other industrial share transfers.

The only other provision contained in the Bill concerns a proposed new exemption for securities given for loans, the proceeds of which are to be used for charitable or similar public purposes. Its inclusion arises from representations made on behalf of a parents and citizens' association. In the past no exemption has been provided for this type of security document, mainly I believe because only a limited number of borrowings are undertaken by charitable and similar organisations. However, the amount of duty involved is of a minor nature and it is desired to encourage these bodies in the community projects they undertake. Therefore provision has been made in the Bill for the Treasurer to grant exemptions.

This concludes my survey of the provisions contained in the Bill now before the House. It is submitted in conformity with the undertaking given to review the operation of the new receipt duty provisions and its main purpose is to remove inequities and difficulties encountered in the initial period of operation.

Debate adjourned, on motion by Mr. Tonkin (Leader of the Opposition).

RAILWAY (COLLIE-GRIFFIN MINE RAILWAY) DISCONTINUANCE BILL

Second Reading

Debate resumed from the 24th October.

MR. MAY (Collie) [5.14 p.m.]: I have had a look at the contents of this Bill, and I might say at the outset it is a painful reminder to me of the gradual decline and downgrading of the town of Collie. I say this because of what has happened in that town since 1960.

It is true that the coal mines previously operated by the Griffin Company, which this particular spur line served, have been closed for about 12 years, mainly due to faults in the seams. A further contributing cause, however, is certain action which has been taken which resulted in a continuing decreased output of coal.

There is faint hope that this group of mines will ever operate again; that is, taking into consideration the present outlook of the coal industry. These mines were established at the end of 12 miles of railway line. As these mines will not be worked again, and have not been worked for the last 12 years, I suppose the obvious action that can be expected is for a portion of the line serving the old mines of the Griffin Company to be pulled up, and for the materials to be used somewhere else.

The next place to be affected by the discontinuance of this railway line is the grain distillery. Many efforts have been made to establish new industries there in the hope that they would help to compensate for the closing of the Griffin Company's mines and for the great decline in the consumption of coal. The siding serving the grain distillery has not been used for the past 15 years. Looking back over those years, it does seem that the attempts which were made to induce companies to establish industries there have failed and, as a consequence, it has now been decided to close that siding also.

One bright spot in relation to this spur line is that the Worsley Timber Company operates a mill in close proximity to the line, and a siding has been established. This siding is being used daily for the transport of the products of the mill. As a result, the powers that be have decided that this siding serving the timber mill is to be retained.

I understand that the rails and the other materials used in this railway line are to be taken up and used elsewhere, and that the total value of these materials is something over $10,000. I have no complaint about this action proposed by the Govern-

ment. In the circumstances I cannot do anything else but reluctantly support the Bill.

I would like to refer to the two authorities that have dealt with this matter. The Minister told us that the Department of Industrial Development had closely examined the possible use of this line for any future establishment of industry at Collie, and had agreed that formal closure should proceed. Further, the Minister said that the Director-General of Transport had examined the position from the aspect of possible developments in Collie which might give rise to a need for the railway at some time in the future, and that he was satisfied there was little probability of the line, which is less than two miles in length, being required to play a part in the transport task in the Collie area and had accordingly recommended that it be closed. In the circumstances I can take no other course than to support the Bill very reluctantly.

MR. O'CONNOR (Mt. Lawley—Minister for Railways) [5.20 p.m.]: I thank the member for Collie for his comments in connection with this measure. I realise that at no time can the closure or the discontinuance of a railway line be accepted favourably by all members, particularly those representing the electorates concerned. I can well understand the concern which has been expressed by the member for Collie, and I appreciate his comments; that he considers the assets comprising the line to be discontinued can be used advantageously elsewhere. This is the purpose for which the measure has been introduced —to enable the department to obtain the full benefit of the assets it has in that area.

The local authority in the area and the Department of Industrial Development endeavoured to do whatever they could to attract industry to the grain distillery which was established there. At one stage, not so very long ago, there was a possibility of some industry being established there, but the prospects have faded and it does not appear likely that it will be established in the near future. For that reason there is no further need for the retention of the line.

The honourable member said that the Worsley Timber Company was operating a timbermill which is served by a section of the line. We are happy that that part of the line will remain in operation. The value of the equipment used on the line is in the vicinity of $10,000, and this sum will be used to the advantage of the rest of the system.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Mr. O'Connor (Minister for Railways), and transmitted to the Council.

WOOL

Stabilisation of Prices: Motion

MR. KELLY (Merredin-Yilgarn) [5.25 p.m.]: I move—

> In view of the continued deterioration in the market price obtained for wool under the existing wool disposal system, this House is of the opinion that early action at State Government level should be instituted with a view to placing before the Commonwealth Government a firm proposition to stabilise wool prices based on parallel conditions employed in reaching wheat stabilisation.

This motion has been introduced because I am fully convinced that the wool situation is becoming progressively worse with the production of each succeeding year. I think it can be said that the years when wool has been hard to quit greatly outnumber the years when it can be claimed that a strong demand has existed at reasonable prices. Experience in recent years has indicated that when wool is sold to a reasonable demand the average price has consistently shown a downward trend. During the same years the known cost of production has spiralled with monotonous regularity. If we look through the records we will find that to be so, and I intend to quote from these records as I proceed.

Because the wool production momentum —that is, the period when it increased— had its origin when ruling prices were at their highest peak; and because of the release of millions of acres of grazing land, and the release of many acres of first-class rural land, the interest which has been sustained over that period has brought about an inflated overproduction rate. I say overproduction, because of the very difficult position we have to face from time to time, and more particularly in the last two or three years, in disposing of wool at anything like a reasonable price.

From all sections connected in various ways with wool production, we have for years listened to differing opinions and to the naming of contributing factors responsible for the fluctuations and for the decline in the monetary returns to growers. Some sections claim there has been too much production; and that was the point I started on. Another claim that we hear frequently is that unwanted types of wool are entering the market; but what is wanted this year apparently becomes unwanted the next year. Often we find there is strong wool on the market, or there are too many fines on the market, and thus sales are affected. At one sale I attended recently there was too much

second-shear wool. I take it that is wool derived from two shearings during the year.

It can be said that over the years a large quantity of low quality wool has been produced and has been placed on the market, not only in Western Australia but in the other States. This has been brought about by various factors—perhaps as a result of drought, perhaps because the season carried on without a break, or perhaps as a result of other factors. We do find low quality wool being put on the market. We are also troubled with what is known as oddments. These, too, have an effect on the actual prices that the market discloses and on the prices paid by buyers. I understand that during the last season a large amount of crossbred wools produced a weak market.

Buyers have been very hesitant about buying their various requirements, and differing reasons exist for their reluctance. Presentation very often affects the sale of wool. If it appears unattractive to the buyers, they are reluctant to buy it and, therefore, this would have an effect on the overall market price.

Mr. Hall: The method of combing has changed considerably.

Mr. KELLY: Yes; I understand that is so. Many people have the definite idea that synthetics are responsible for the reduction in the demand for wool. Although synthetics have been on the market for a number of years, certain authorities repeatedly make statements through the Press to the effect that we have not a great deal to fear from synthetics. My personal belief is that synthetics have played a very important part in the position in which we find ourselves today. Undoubtedly the threat which synthetics have held over the wool industry has had a marked effect on buyers. They are timid in their purchases because of the circumstances which surround the production of synthetics generally.

Another school of thought is that the auction system is out of balance and operates particularly against the producers. Those people who are of this opinion are prepared to scrap the auction system. Others, on the other hand, are firm in their defence of the auction system. If we view the position calmly, as I intend to do a little later, we will find that over the period of years under this auction system the position has been reached where second thoughts should be given to the system to ascertain whether it is all that those who are benefiting from it claim it to be.

At various times the reserve price plan has been favoured. I think this has its good points, but apparently it was not thought to be of sufficient value to encourage the woolgrowers to develop the plan and give it a reasonable trial.

In 1951 the New Zealand Wool Commission adopted a plan known as the floor price plan. An initial capital of $40,000,000 was made available, but the amount fluctuated considerably from year to year. I think the reason the method survived for as long as it did was tied up very largely with the amount of wool which was bought in. In some years the commission was lucky enough to achieve the price and even a little more than it had bargained for.

In 1965-66 the reserve fund reached $74,500,000. Then, because the commission had to buy in a tremendous amount of wool at that time, it had to realise on all stocks held in various other quarters, particularly in England. By the end of the 1965-66 season it was again very solidly kicking against the wind because of the huge amount of money which had to be found. The determined floor price in 1965-66 was 30c, but the price realised was 35c, which, of course, was a marked improvement. However, the Commission was then left without much money to carry on. The increase over the estimated amount was 17 per cent. and therefore it is rather to be wondered at that late stage it was possible for the scheme to go under as quickly as it did; but apparently that is what happened.

By the end of the three-monthly period to June, the New Zealand scheme was forced to buy in 90 per cent. of the wool produced in that quarter. Normally the scheme covered roughly one-third of the marketed wool; but on that occasion, because it was necessary for 90 per cent. of the wool to be bought, its facilities were swamped. As a result the commission commenced the next season with a $9,000,000 reserve, which was a ridiculously low amount. Although production had been reduced to 185,000,000 lb.—a reduction of 53,000,000 lb. on the previous year—the commission was still floundering very badly with only a $9,000,000 reserve.

Had the New Zealand Government not come to its assistance and guaranteed its financial commitments, it would have been in a very difficult position. Therefore, in commenting on the reserve price plan, I think the result can only be described as not very encouraging.

Mr. Nalder: It might have been a different proposition had all the wool-producing countries operated under the same scheme.

Mr. KELLY: That could have had some effect; I will not argue with the Minister on that point. However, the fact remains that the rest of the wool-producing world was not operating under that scheme; and although it appeared in the first few years that New Zealand had, to put it in the vernacular, cracked the jackpot, within 15 years the scheme went on the rocks.

Whatever we accept as being the main contributing factor affecting the profita-

bility of wool production, we in Western Australia must face the realisation that the amount received by the wool producers is being reduced regularly. Sale by sale the price is being reduced. The stage has now been reached where, unless a person operates in a reasonably big way, he gets nowhere. Often 1,000 sheep are necessary to enable a farmer just to make ends meet when taken into consideration with the balance of his farming activities—his wheat and other cereal growing. However, those with higher numbers of sheep —1,500 to 3,000—have a chance of survival because they would have a bigger amount of top grade wool. But there are more farmers today operating on a marginal income from wool alone.

We have reached the position where a section of the wool producers is breaking even; but quite a big section, for various reasons is struggling. Perhaps the farmers concerned have not been in the industry very long and have not been able to build up their flocks, or perhaps they lack finance and have not been able to purchase quality sheep. Quite a number of farmers in all rural areas are being starved for finance and therefore they are unable to produce the best, although their properties are quite capable of doing so. If an indifferent type of season is experienced, the situation is even more pronounced and the farmers wonder where they must turn next. For this reason we, as Australians, are getting into a very weak position.

This industry has been in existence for sufficiently long now to enable it to be in a fairly reasonable position; but it is not. To prove this, I took out some figures in connection with various periods during the past. I have been in, and very closely associated with, the wool industry since 1915. I have had experience in all facets of the industry from the time the clip is being grown until it is marketed. I have also had experience in financing properties. Therefore, I do not speak without some little knowledge of what has taken place.

The figures I have are very interesting and are taken from the average wool prices in Western Australia recorded in the *Year Book*. A little adjustment may be necessary because I have tried to correlate the figures with several other sets of figures and consequently there could be some disparity. I have dealt with six 10-year periods from 1904 to 1964. The average price between 1904 and 1914 was 7¾d. At that particular time every commodity used in wool production was obtainable at a very low figure. I remember that the cost of shearing at that time was 42s. per 100, whereas now it is over $20. At that time station hands, from jackaroos to fully accomplished hands, earned somewhere between 15s. and $2, or $1 and $4. The cost of fencing at that time would have been £22 10s. a mile whereas now it is about £120 or £130 a mile.

Therefore, when we consider the cost of commodities at that time, we must realise that although 7¾d. appears frightfully low, it was not really. Two reasons exist for this, the first being that most of the wool in those years was produced in the Murchison, the Gascoyne, and higher up in the north-west. The amount of wool grown in the southern half of the State was rather insignificant compared with the huge amount produced in the north. Therefore if a farmer had 15,000 to 25,000 sheep, 7¾d. was not a bad price.

This is particularly evident when one takes into consideration the fact that the locks and the very low quality wool were usually placed in wheel ruts and not sent away from the station. As a result, freight charges were negligible or nil. In any case, at that time the cost of cartage for 150 miles was £6 per ton. Today it is in the vicinity of $68 per ton.

From 1914 to 1924 wool was worth, on average, 1s. 0¾d. in Western Australia; in 1924 to 1934, 1s. 3d.; 1934 to 1944, 1s. 2¾d.; 1944 to 1954, 4s. 5½d.— which was when the good times started to come—and in 1954 to 1964, 66c. I have two different figures in connection with the 12-monthly price for 1965. One of these figures says that 54.69c was the average price obtained in the State. In 1966 the average price was 43c. At the time we were receiving an average of 43c in Western Australia, the New Zealand average was 35c.

It is interesting to note that Western Australia produces approximately 11 per cent. of Australia's total production, with the result that we have quite an influence on the Australian market. Another interesting factor is that in the 46 years from 1901 to 1947 the average price reached 20c per pound only twice. Nevertheless, the industry in those years was in a far better condition than it is today when we are receiving a much higher price.

The obvious reason lies in the cost of production; and it is on this that I base a lot of my argument in connection with what I am saying tonight. The cost of production is only a fictitious one, because no survey is sufficiently reliable to give a true cost of production. The individual farmer may have a fairly close idea of what wool is costing him to produce. However, his power to dissect wool costs from those of oats, lambs, or anything else, and arrive at a cost of production for wool is practically nil. There is a need for an Australian appraisement of the whole of the wool industry in the same way as the appraisement which took place in connection with wheat.

Mr. Burt: The costs of an average pastoral property would be easier to calculate.

Mr. KELLY: Yes, it would be very much easier, because the average pastoral property owner does not go in for mixed grains and other means of boosting his income. Where a property is concerned purely with sheep, the calculation is not so difficult. In addition, often the calculation is made easier by the larger numbers of sheep as well as the fact that the number of commodities which are dealt with by a station are much fewer than those a farmer has to contend with. The farmer has all sorts of machinery and, even if he has only 100 acres of oats or other grains, he has to have sufficient equipment to do the work, or else he loses money on the grain side.

Therefore, it is important that the true cost of production should be arrived at. That is the only thing which is worth while.

Mr. Gayfer: At present two bags of wheat equal one sheep per acre.

Mr. KELLY: That point could be argued too. Various seasons, and the rest of it, are all considerations as to whether wool production is a payable proposition. The table I have taken out also discloses that until 1944 the average price for wool was low, but it jumped sharply in the next 10-year period. In that period we had the greatest inflationary spiral in connection with machinery and wire. Everything that had to be purchased in connection with the industry jumped three and four-fold in a matter of months. Therefore, the whole cost of production spiralled at that time much faster than at any other period in the history of woolgrowing in Western Australia.

In 1960 I moved a motion in this House and, among other things, I commented that wool was falling steadily the whole of the time. I mentioned that there might be a 2½ per cent. recession in one month, and perhaps the next month we would break even. The papers told us that we were holding our own, but we were only holding onto the 2½ per cent. reduction. The figures could have shown that at the next sale we dropped another 2½ per cent., and then 5 per cent., with the result that in a period of six or seven months it could have been as great as 10 per cent. Headlines show that the position has recovered, but it has not recovered to the extent of moving further forward, with the result that we get the wrong impression; that is, that wool is receiving the attention it deserves.

One of the most significant periods when the falls occurred was between August, 1966, and August, 1967. I have some figures which I want recorded, because I consider they are very significant. They give a clear indication of the position without the necessity for a great deal of discussion. They show just where the industry is heading from the point of view of wool production and wool returns. I will give the average Western Australian price. The figures are as follows:—

	cents
August, 1966	51.84
September, 1966	51.36
October, 1966	47.96
November, 1966	46.71
December, 1966	44.40
January, 1967	43.68
February, 1967	46.82

The figure for February shows a short rise, but this is followed by the figures for the subsequent months, which are—

	cents
March, 1967	43.22
April, 1967	41.10
May, 1967	42.28
June, 1967	42.47
July, 1967	41.65
August, 1967	39.44

The figures show that there has been a gradual shading back during the whole of that period. There have been articles in the Press which indicate that a lot of people realise this fact. I consider a lot more notice should have been taken of the industry. To put it in very blunt terms, the people are being fleeced. The industry itself is being fleeced, not only the sheep. This is because of the circumstances that apply.

Mr. Gayfer: Last week the papers told us it was in sellers' favour.

Mr. KELLY: A little earlier I mentioned the motion I moved in 1960. The Government accepted the motion after making a few amendments, but since then I have not heard what happened to it. I do not know whether the Minister ever received a reply to the approach that was made to the Commonwealth at that time. However, we on this side of the House have not heard anything more about it. I hope the Minister, when he replies, will let us know just what transpired following the motion that was passed in the Chamber. Some parts of that motion are closely aligned with what I am saying tonight. To a degree the features of that motion eventually will be linked to this one. Naturally, there will be some additions and further comment because of the interim period.

Dwindling wool returns and high costs are not the only factors which are disturbing wool producers, although there is no doubt that the future market uncertainty intensifies their anxiety. Many disturbing Press statements have been contributed by various people. The information has been given to the Press which has published it in good faith. Nevertheless, a lot of the articles that have been written

and the references contained in them are very disturbing to the producer who already is experiencing quite a problem in financing his particular holding.

I have many Press statements here, and I wish to make a few references to them because they have a bearing on what I have just said. I shall only go back to September of this year. I have thick files of the statements that have been made over a period of 18 or 19 years, and I could give references to any interested member without any difficulty. The first article I wish to refer to appeared on the 28th September, 1967, in *The West Australian* under the heading, "Economist Warns Wool Men." It reads as follows:—

> Sydney, Wednesday: Many woolgrowers might eventually have to be assisted to alternative ways of earning a livelihood—

This is exactly what I have been trying to say for a long time. It is because we have no distinct plan for the future of wool. Many people on the borderline will be faced with that position. The article goes on to say—

> —the economist of the Australian Woolgrowers and Graziers' Council, Mr. G. Chislett, said today.
>
> Growers should not be encouraged to believe that they could demand a price for wool which would enable them to cover increasing costs and earn a satisfactory profit.

What are we in the industry for? Surely to goodness that is not going to be the Australian outlook. This is the great Australia whose economic origin is supposed to have come from the sheep's back. Surely we will not allow circumstances to overwhelm the grower and swamp him in every shape and form. We must consider the many people who have struggled and put their whole lifetime into the industry. In addition, they have put the whole of their money into it. Surely we will not abandon them on the rocks because the price of wool has become so adverse, not only in recent times but over a period of a decade or more. Mr. Chislett goes on to say—

> "Basic changes in the structure of the woolgrowing industry and methods of production will inevitably be required to cope with the situation," he said.
>
> He emphasised that wool had at last entered a competitive market situation.

I have never known it to be anything else but a competitive market situation. I do not think there has ever been any time when buyers have rushed around Western Australia wanting to pay more than the wool is worth. It has always been a competitive industry. The article continues—

> Producers should be advised and assisted to make the necessary adjustment rather than being led to look for an external solution to their problems.
>
> The longer they delayed their adaptation to the situation the less able they would become to finance their future activities.
>
> Mr. Chislett was speaking at a wool seminar.

That is not the only occasion when comments of this nature have been made. There have been many others. I have a reference here which probably not many members will have read, unless they are closely associated with the industry. I think it has a lot of meat. It was published in *The West Australian* of the 12th October, 1967, under the heading, "Marketing the Wool Clip." It reads as follows:—

> F. E. Hitchins, Cranbrook: The recently-published views of the British Wool Federation on wool marketing which condemn any proposed change in the present open-auction system need cause no astonishment.

Of course, coming from that quarter, it would not. Mr. Hitchins goes on to say—

> They were even more plainly given at the London post-Joint Organisation conference back in 1950. ". . . it was essential that they have access to an abundance of cheap raw material."

This is what the world wants. It is not a matter of the cost of production. As long as cheap raw material can be taken in great quantities by various woolbuyers all over the hemisphere, we have to produce it. If we keep producing the way we are going there is no future. This is because we are losing 1 per cent. or 2 per cent. all along the line, and sometimes more. The position we have reached is acute. There is no doubt about that.

Mr. Hitchins goes on to say—

> The wool trade is a tough business and the variety of sectional interests engaged in production, marketing, processing and merchandising are not a fraternal community with one common purpose in which all self-interest is forgotten.
>
> Yet that mistaken belief has persisted and has governed the policies followed for several years. A high price has been paid for the resultant failure.
>
> There is no valid reason why we should defer to the wishes of the overseas trade as to the best method of selling wool—much less submit to its dictates. That decision is the right and responsibility of the vendor country.
>
> Wool is bought solely because it is needed by someone who expects to make a profit from the transaction. We produce it for the same reason.
>
> The producers' share is already meagre enough. It is for them alone

to decide how best to resist the trade pressure for still lower prices.

Trade pressure, of course, is being applied all the time, and it does not have to come from America or England; it is applied from other countries as well. I have here another newspaper cutting taken from *The West Australian*, dated the 25th October, 1967, which reads—

> Wool: Call for Big Changes
>
> Melbourne, Tues.: The Basic Industries Group today called for the complete reorganisation of the Australian wool industry.

Apparently it knows something of this subject, too. Continuing—

> It urged the reconstitution of the Australian Wool Industry Conference and the Wool Board, and changes in the International Wool Secretariat—including the transfer of its headquarters from London to Canberra.
>
> The group also advocated the implementation of a wool reserve price scheme and a wool industry royal commission to investigate cost inflation in the Australian economy.

I doubt whether I agree with the last portion of that statement, made apparently by the Basic Industries Group; but the first part contains quite a bit of meat. The sooner the Australian producer gets more closely to grips with the Wool Board and the authorities handling wool on his behalf the sooner he will free himself from the strangulation he has been suffering from for some time. I also have here another newspaper cutting which was taken from the leading article of *The West Australian* of Tuesday, the 31st October, 1967, and apparently it was based on a statement made by Mr. W. J. A. Crosse, chairman of Westralian Farmers Co-operative Limited. It reads as follows:—

> Farms Are Still Key to Australia's Wealth
>
> Mr W. J. A. Crosse, chairman of Westralian Farmers Co-operative Ltd., has re-emphasised the serious economic challenge with which the declining profitability of agricultural products confronts Australia.
>
> Even if the spectacular inroads of drought are ignored, the shrinking margin between falling overseas prices and rising costs at home represents a serious threat not only to individual farmers but to the nation as a whole. Despite increased production, the export contribution of wool, for instance, has fallen considerably in the past decade.
>
> Australia is lucky that in day-to-day terms the effects of this trend on our international solvency are being offset by increasing mineral exports and the foreign investment that minerals are attracting. Though diversification is essential it is masking the seriousness of the deterioration in the farm economy.

The article goes on to deal with more general terms, but further down appears the following:—

> With few exceptions, farmers' earnings stay in Australia, and their purchasing power is the barometer of the nation's prosperity.

That has been the opinion held in Australia for many years, and I do not think, at this stage in our history there would be any doubt as to its accuracy. The leading article contains the following in the last paragraph:—

> Would it be in the national interest, for instance, to subsidise wool exports as well as making obviously needed changes in the auction system? Should the present agricultural subsidies be consolidated in an overall subsidy policy for all farm products sold abroad? And at what point must local costs be held; what balance must be struck between benefits of high tariffs to manufacturing and their detriment to farming? Australia has reached the stage where these questions should be clarified.

The next newspaper reference appeared in *The West Australian* dated the 28th October, 1967, and reads as follows:—

> Japan Supports Wool Auctions
>
> Tokyo, Friday.—Japanese wool spinners and importers have told the Australian Wool Board that they are opposed to any changes in the present wool auction system in Australia, the Japan Wool Spinners' Association said today.

It is recognised that Japan has been buying a lot of wool from Australia, including Western Australia, for some years, but I do not think Japan should be dictating to the Wool Board. Whose wool is it, anyway? I have always understood it to be the producers' wool and they, not Japan or the Wool Board, should have a say as to how it should be sold. If the producers of Australia had a say in the election of the members of the Wool Board there would be many new faces, because some of the actions taken by the board are beyond understanding.

Mr. Nalder: New faces or red faces?

Mr. KELLY: The faces of the present members of the board should be red, but I do not think they are, because they are completely immune to any criticism. However, if the growers had an opportunity to change the personnel of the board there would not be any of the present members left on it.

The remainder of that newspaper article continues in the same strain except to point out that Japan has always been a big customer for Australia's wool, and that

Japan thinks there should be no alteration in the present system whatsoever. However, notwithstanding the fact that we have given this system every chance to succeed, at the end of 60 years we are getting further behind than we were when wool was the major product of Australia.

I do not like quoting any statements made by the Basic Industries Group, but apparently there are some people among them who can express quite a good opinion.

Mr. Nalder: Why worry about them?

Mr. KELLY: The group is not worrying me so much as it is other members. The point is that evidently the group has been successful in getting some people to realise the true position relating to wool, and apparently there are some among its members who are close enough to the industry itself to be able to assess what is taking place. As a result of the deliberations made among themselves they have come out into the open and printed a statement relating to what they had previously been working on within their own organisation.

This article was published in *The Countryman* dated the 2nd November, 1967—

B.I.G. Urges Drastic Changes

I do not think they are drastic, even though they are regarded as being drastic. I think some drastic action is needed if we are to get the industry into the right gear, but at present it is in extra low gear and it will remain in that gear unless we do something drastic and make a start to set the wheels in motion. I will have something to say later about the most recent decision that has been made by the various bodies, because I think it warrants some reference being made to it.

We are certainly being kept in the dark as to what has happened. If it had not been for *The Australian* we would have little knowledge of what happened at the conference held in Federal circles last weekend. The following article appeared in *The Countryman*:—

> Since 1958 world wool promotion expenditure through the International Wool Secretariat from grower, government and trade sources is estimated at no less than 203 million, yet no increase in prices has resulted.

That is an extortionate amount when one considers the period the Wool Board and the other wool organisations—not the people who own the commodity—have been handling the wool. Is it not asking too much when one considers that in that period it has cost $203,000,000 from the profits that have been made? But what profits? From what profits has that amount of money been taken? Despite this they go sailing along in their calm, satisfied way with the thought that everything is all right. They apparently think that everything is in order because of the quantity of wool that is passing through their hands, and because no squeals are being made. In this article it is stated that a booklet has been published and I would like to obtain a copy of it. I have not seen one yet.

Among the moves urged by the group is the reconstitution of the Australian Wool Industry Conference to provide for democratic election of its members by all woolgrowers. Is not that right? In this Chamber have we not, time and again, endeavoured to get greater representation for the woolgrower in various ways? I could take members' minds back to 1920. Since then those representing the rural industry, generally, in this State have at all times endeavoured to get as many growers as possible appointed members of the various boards so that they may have an opportunity to have some say as to what shall happen in regard to the industry in any particular instance.

It is only right that the Australian Wool Board should have an independent man at its head, but he should know something about wool. Without dwelling on the subject of personalities, I think the man in charge of the board at present has not in any way achieved a great deal in public affairs. He did not make much of a go of Humpty Doo, and he was not very successful as an adviser to the Chase group on the Esperance development scheme. Despite this he has been installed in this high position—a very important position—and yet the producers are told they should battle to have some members appointed to this board to give them adequate representation.

Mr. Nalder: You are having a shot at him, are you?

Mr. KELLY: No; but if the Minister cares to look at the report of my speech in the *Parliamentary Debates* of 1960 he will note that I had much more to say. Another statement made by the Basic Industries Group is that there should be a reorganisation of the International Wool Secretariat with provision for its world headquarters to be moved from London to Canberra. Why should the headquarters of the secretariat be in London? All its activities are in Australia, so why should the headquarters be in London? It would be much better if the position were reversed. If the secretariat wanted to find out something that was happening in London it could quite easily go there.

All the production and the results from the production take place in Australia, not London. Surely it is only reasonable that the headquarters of this organisation should be in Canberra; and I take this opportunity to repeat that there should be a strong representation of producers on that secretariat.

Mr. Gayfer: Are you talking of the International Wool Secretariat?

Mr. KELLY: Yes, and the Australian Wool Industry Conference.

Mr. Gayfer: Of course, South Africa, New Zealand, and Argentina, as well as Australia, are all members of that secretariat.

Mr. KELLY: That does not help us much.

Mr. Gayfer: But that is why its headquarters are probably in another country. Australia would be only one of the partners of that organisation.

Mr. KELLY: There may be something in what the member for Avon says, but on the surface that does not seem to be the position; and they are viewing the position from a very different angle altogether. After all, we are the main producing country of those that remain within the secretariat.

The SPEAKER: I will leave the Chair until the ringing of the bells. The reason I make this announcement is that at 7 p.m. there will be a meeting of members of both Houses in this Chamber to discuss the future of Harvest Terrace.

Sitting suspended from 6.15 to 8.7 p.m.

Mr. KELLY: I was dealing with what I consider to be some of the disturbing aspects of the wool outlook on a more or less world basis. To support some of the contentions that I made I read extracts from various Press reports. There are, however, other disturbing aspects in addition to those which I have enumerated. One is that world wool stocks in mid-October, 1967, appeared to be stationary at a surplus 300,000,000 lb. Prior to that it was normal to have around 100,000,000 lb., and as high as 110,000,000 lb. of surplus wool. I think the surplus in October, 1967, could have a very bad effect on future markets when it is realised we have three times the amount of wool on hand that, on the average, we have had for some time past. This could bring about a further dampening of the market if the surplus wool, as well as the wool received currently from month to month, is to be utilised.

We are told there is a sluggish demand for wool overseas. Of course this brings about a greater quantity of wool which remains unsold. Because of that there could be a further recession in the price of wool —the price we are at present receiving and the price we have received in the past few months. We are also told there is cautious buying by European mills, because they are endeavouring to avoid the high interest rate on overdraft. It is quite logical that they should be careful not to have more surplus wool on hand than their mills can handle.

Another reason that has been given for the continued recession in the market price of wool is the effect of the inroads of synthetics. One of the newspaper articles I read led me to think there was quite a lot of turmoil in the synthetics camp. It is currently claimed by thousands of retailers the world over that 18 to 20 new synthetic materials have been, and are being, released on the market, or will be released within the next three months. Some of these materials have already been released. Wherever they have appeared they have received a strengthening demand.

I understand that some of the features which the new materials contain will bring about a tremendous support for their purchase the world over, because it is claimed the newer types of material have all the attributes of wool, plus the advantages of synthetics. The outlook is very disturbing, if that is one of the main factors to cause a further recession in wool prices, which are already far too low at the present time.

We should not look at this matter from an apathetic point of view. We should give it much more study than we have given it in the past. If sufficient people are given the knowledge that their position is worsening, not only from the point of view of recession in prices but also from the point of view of the effect that such recession will have on the rural industry, then it becomes very urgent for each of us to fully and honestly appraise the position. We should appraise the position from our own point of view, from that of the various districts we represent, and from a national angle. It is from the national angle that we can gain some advantage, relief, or assistance. This is purely a national matter.

Who gets the advantage of the great export wool cheque which the Commonwealth receives? Is it the individual wool producer; or is it in the large sense the Australian people? I think it is the Australian people who receive the advantage through the channel of exchange; and I firmly hold the belief that the Commonwealth should take a very active hand in assessing the situation, and in arriving at a satisfactory conclusion which will bring about the change which must come if the wool industry is to survive in the way we think it should.

I do not know of any subject that has received more public attention through the Press and in various other ways during the last half century than the wool industry. We never seem to be free of discussions in connection with wool, and it is rather sad that we have to realise at this point of time that the whole of the Australian woolgrowing section is being treated very unfairly. In all probability many of these people will go to the wall before much longer.

I advocate that the cost of production should be the prime concern of the Commonwealth Government at this stage because over a period of years we have had investigations by bureaus, surveys by professors and lecturers in agricultural econo-

mics, Royal Commissions, Select Committees, an economic inquiry by the Australian Woolgrowers and Graziers' Association, and growers' referendums. All these investigations have been partial inquiries. We all know the result of the last referendum, at least as far as Western Australia is concerned. The growers were quite clear on their thoughts.

Mr. Gayfer: It was won in four States.

Mr. KELLY: Yes. Particularly in this State was the result a very good one. The result in the other States was not the same because of the pressure brought to bear—pressure by those who are satisfactorily conducting their agency businesses with a lot of margin to spare; much more than the producers have had at any stage.

I understand the Australian Wool Industry Conference made an exhaustive examination of the wisdom of adopting a reserve price scheme. There again, of course, the idea was quashed before it could be put into effect. In 1964 the Faculty of Agricultural Economics at the University of New England advocated a floor price scheme, but got very little distance with the suggestion. At one stage the Australian Wool Board recommended the implementation of a reserve price scheme, and again the recommendation was knocked back.

Schemes have been advanced by associations, farmers' organisations, individuals, and several other groups, but still we do not seem to be getting anywhere. I have asked the Minister to make some comments in connection with the last motion carried by this House, and to give us some idea of the result, as far as the Commonwealth is concerned. So far we have not heard one single word in connection with the matter.

I do not think we can afford to turn a blind eye to the very firm knowledge we have as to what has happened in the past four or five years, and particularly in the last 12 months. If we are prepared to allow this opportunity to pass without placing a very firm decision before the Commonwealth Parliament, then we are lacking in our duty and are not acting in the best interests not only of the State but of the Commonwealth. Until we can be assured that a very thorough examination will be made of the cost of production of wool, we are just not going to get anywhere. We can assess the situation individually to some extent, but we do not know the national outlook and we will not know it until a very thorough survey is undertaken by the Commonwealth on the same basis as was undertaken on two occasions in connection with the wheat industry. The results as far as the wheat industry is concerned are very satisfactory, from an Australian viewpoint.

As a matter of fact, although the Government was under a certain financial obligation in connection with the guaranteed price of wheat handled by C.B.H. in this country, it has never been called upon to foot any considerable amount at any stage. The scheme has been carried out by a farmers' organisation, and carried out very well. I think I made myself clear on that point when discussing the matter not long ago.

Mr. Gayfer: That's not what last week's *Bulletin* said.

Mr. KELLY: If it got into the *Bulletin*, it would not be a very good recommendation, as far as I am concerned; but the fact is that is the position and we all know it, and we would be very happy if a similar position could be established in regard to the wool industry.

I know we will get plenty of knockers who will want to oppose any thoughts of dispensing with the present auction system. Many people who are in the wool industry are going to be averse to changing the present system, because it represents to them a tremendous asset. They are not going to be knocked over too easily.

However, we must have some perseverence in the matter. We must make ourselves clearly understood. We must make it plain that we are not going to brook being turned away at every stage. Recently a senator representing the Minister for Primary Industry said that the Federal Government will not put forward any further scheme until there is a demand from the majority of growers. I am sure there would be no difficulty in obtaining that demand from the majority of growers. There would not be 5 per cent. of growers at present who would not like to see better conditions prevailing in this industry. It is up to people like ourselves to find a solution which could bring about a change.

Goodness knows we have tried the present system since the turn of the century and have got nowhere with it. In fact we are going down further and further. We do not require a mathematician to tell us where we will end, unless something is done. The first thing we should do is get away from the Commonwealth idea of passing the buck. We should not be passing the buck back onto the growers' shoulders, because we know full well a big section of those handling the wool—the agents and commission people—do not want any alteration in the present system. The London and Japanese buyers, and various others, are very happy with the present set-up because a surplus of wool is always available at their own price.

It is time we asserted ourselves and told the Commonwealth Government that we as a Parliament, representing the people of Western Australia, who are all in some way or other affected by the wool industry, demand that something be done. The only way anything can be done is by first of all ascertaining a true price of production, not

a figure plucked from the air which we hope will be somewhere near the mark. We must gain a true picture of what the industry is paying at present towards the upkeep of the Commonwealth; and that is the situation under the present system.

A meeting of the Australian Wool Buyers' Marketing Committee was recently held in Melbourne regarding the future outlook of wool. We in Western Australia are lacking in information concerning this matter because we have had very little information as to what was decided at the conference. The only information obtainable is from the Australian Press, not the Western Australian Press. The meagre amount of detail we have received up to date does not give a great deal of opportunity for very much comment. On the 2nd November *The Australian* contained the information that no decision on wool is likely until mid-1968. When we read the article concerned, we find that the committee is unlikely to hold a further meeting until the middle of next year, and even then it may decide not to vote on the present proposal.

In other words we are back where we started, and still will be in 12 months' time. Surely we are not going to sit tight and wait for approximately another 18 months before we know what will happen to this motion. Is it just a mark-time motion without any teeth? Are these proposals, which are pretty nefarious anyway, the ones we must adopt for the next 18 months, and then be told that nothing will be done? I think we must do something for ourselves. We will undoubtedly lose further ground unless we take time by the forelock and do something now. What I am suggesting by my motion will, I think, overcome the position.

Mr. Nalder: You are not suggesting something be done on a State basis, are you?

Mr. KELLY: No, definitely not. The Minister has read my motion, I presume.

Mr. Nalder: Yes, but I thought you said we must do something for ourselves.

Mr. KELLY: By that I meant we must be concerted in our outlook. Let us inform the Commonwealth that we are determined that some finality should be reached. As I intimated earlier we must indicate to the Commonwealth that we believe we must have an Australian price of production. We must know where we are heading. The only way we can do this is to have a similar scheme to the wheat stabilisation scheme in the earlier stages.

In connection with the wheat industry, the Commonwealth Government made two surveys of the whole of Australia and arrived at a starting point somewhere in the vicinity of 14s. 7d. or 14s. 8d. The same thing could be done with wool. Any such proposal should come from this State. We should tell the Commonwealth Government very clearly how we feel about the position regarding the wool industry, what the future outlook is, and the remedy we suggest.

Substantially the same motion as is before members tonight was passed by this House in 1960. Was that just a pious resolution? Are we to hear no more about it? I have asked the Minister to tell us what has happened in regard to that resolution. This particular motion goes a little further, but there is nothing derogatory or objectionable about it. There is nothing in it to cause a great deal of worry or trouble in presenting it to the Commonwealth Government. Those in the industry will be much happier if a clear case is presented to the Commonwealth in order that the Commonwealth might know exactly where we stand and what we anticipate. We should throw the matter into the lap of the Commonwealth because, after all, wool is a national rather than a State matter. We must get the Commonwealth Government to admit that it is its responsibility, because the Commonwealth has all to gain and nothing to lose.

I feel that a scheme for the wool industry could be financed the same as the wheat purchase is financed at present. As I have already said we have been supplied with very little information as to the outcome of the conference held recently in Canberra. A number of things were said in the Press report, but they were airy-fairy and did not mean very much. I have been through them very closely and have marked them as being not clear.

One matter does emerge, however, as being very clear and that is that the annual administrative cost of these proposals will be about $400,000, and the cost of additional staff will be $600,000, a year. Therefore another clear $1,000,000 is being sent down the drain by this body, and this is with the support of the Commonwealth Government. Do we support that? I would think that very few in this Chamber would be prepared to sanction the expenditure of another $1,000,000 each year the committee is in operation.

It is shocking that the woolgrowers of Australia should have to foot an expense of this kind. There is very little that can be said in favour of the decisions, because none of them will be put to the test for the best part of 18 months. Another meeting will be held in three months' time and a committee will be formed which will give some pronouncement in the following December. As a result, no matter what is contained in this decision, nothing is likely to happen in an Australian sense for the whole of that period. It is hardly worth commenting upon the decisions that have already been reached. In short, the position that has been reached is that

any further decisions will be deferred for practically 18 months.

Surely to goodness I have said enough to make it clear to the Government that we should urge very strongly that the Commonwealth Government should act without delay to institute a genuine, unbiased, and thorough survey of all facets of wool production with a view to implementing a satisfactory method of wool disposal which will have for its main objective the stability of prices to wool producers.

Debate adjourned, on motion by Mr. Nalder (Minister for Agriculture).

BILLS (2): RETURNED

1. Ord River Dam Catchment Area (Straying Cattle) Bill.
2. Plant Diseases Act Amendment Bill.

Bills returned from the Council without amendment.

BILLS (2): RECEIPT AND FIRST READING

1. Poisons Act Amendment Bill (No. 2).

   Bill received from the Council; and, on motion by Mr. Craig (Chief Secretary), read a first time.

2. Police Act Amendment Bill (No. 2).

   Bill received from the Council; and, on motion by Mr. Craig (Minister for Police), read a first time.

EDUCATION ACT AMENDMENT BILL (No. 2)

Second Reading

MR. LEWIS (Moore—Minister for Education) [8.35 p.m.]: I move—

That the Bill be now read a second time.

This Bill has been brought down to give effect to the undertaking given by the Premier when introducing the Estimates that a tuition fee subsidy of $10 a year would be paid to independent schools in respect of primary pupils.

The Bill repeals the existing section which was enacted in 1965 to provide for tuition fee subsidies—then expressed in pounds—for secondary students, and reenacts the section to include the payment to the schools in respect of primary pupils.

The Act, as amended, will enable payment of tuition fee subsidies to be made to all independent schools; that is, in respect of primary pupils, $10 each per annum; secondary students in years one to three, $30 each per annum; and secondary students in years four to five, $36 each per annum.

During the 1965 debate when the Act was amended to provide subsidies for secondary students, I recall that the member for Mt. Hawthorn remarked that independent schools first received State aid in 1955. At the time I had some reservations about the accuracy of this statement but, not having any concrete facts with which to refute it, I held my peace. However, I have since had time to do a little homework. I had to delve very far back into the history of the State to obtain my information.

The first school in Western Australia was opened in 1830 and was sponsored by the administration. This school enjoyed intermittent success, the prime difficulty being to find a satisfactory teacher. Nevertheless, at this very early stage of the colony's existence the thinking appeared to be in the terms of a national school.

It was not until the period between 1846 and 1850 that a semblance of order was given to education. It was during this period that a true national education was founded with parents contributing according to their means. Members should note that parents contributed directly to the schools for the education of their children.

In 1847 the "General Board of Education," as it was known, was created to revive the flagging state of the national schools. By this time convents had come into being and were enjoying some success. The system introduced by the administration in 1847 was designed to create a single state system. However, the Catholics refused to co-operate and insisted on retaining their own system. It was during this period that I found the first evidence of pressures being brought to bear on the administration for assistance to the private schools; and, I would add, the arguments for and against this assistance have not altered one jot during the century and a quarter which has since elapsed.

The administration strongly resisted the pressure for aid, but in 1849 orders came from England to the effect that public grants were to be made to the Catholic schools in accordance with population numbers. The first payment was made in 1850 and amounted to £20, or one-twelfth of the education vote. These grants were paid until 1856 and ended when another unsuccessful attempt was made to establish a unified school system.

Despite considerable pressures, no further assistance was given to the private schools until Governor Weld was appointed in 1870. It was he who sponsored the first local statute dealing exclusively with education; that is, the Elementary Education Act, which was passed in 1871.

This Act provided for State aid for sectarian schools. Government schools were to receive £2 15s. per annum per pupil; and private or assisted schools, as they were called, were to receive £1 7s. 6d. per year per pupil.

The provisions of this Act remained in force until 1895 when the Government of the day—under the Premiership of Sir John Forrest—passed the Assisted Schools Abolition Act, which ended all aid to

assisted schools. The Catholic schools were paid £15,000 as compensation.

With the forbearance of members of the House, I would like to turn to the 1895 *Hansard*, volume 8, which contains the preliminary debates on the Assisted Schools Abolition Bill. Of course, I am not going to read extensively from the very lengthy debate which took place over many hours. However, I would like to quote what the then Premier (The late Lord Forrest) said at the time. This is as follows:—

> My task on the present occasion is not a difficult one, for, so far as the main principles of the Bill are concerned, they have already been unanimously carried by both houses of Parliament. I say, Sir, that the main principles of the Bill received, not only the assent, but the complete and unanimous approval, not only of this House, but of the other branch of the Legislature as well. The resolutions upon which this Bill is founded have already been adopted by Parliament, and have received the warmest assent from the country. Now, Sir, let us see what were the resolutions which were passed by Parliament, and received so unanimously by the country. The first resolution was, "That it is expedient that the Assisted Schools should no longer continue to form part of the public educational system of the colony".

Mr. Jamieson: That was not Lord Forrest's personal opinion.

Mr. LEWIS: I continue to quote—

> That resolution has been carried out by the drafting of Clause 2 of the Bill now before the House, which says:—"From and after the coming into operation of this Act no Elementary School, not belonging to the Government, other than a school in connection with an Orphanage or other institution certified under 'The Industrial Schools Act, 1874' shall receive any grant-in-aid from public funds."

Still later he said—

> We come to the second portion of the resolution, and it reads. "That the contribution from public funds towards the maintenance of Assisted Schools shall cease on the 31st December, 1895.

Later on he said—

> The next resolution, which, like all other proposals connected with this question, received the unanimous approval of both Houses of the Legislature was, "That a Joint Committee of both Houses of Parliament, be appointed to consider the terms and conditions on which it will be equitable to amend the law to the above effect, having regard to the vested interests which have been legally created." That resolution has been carried into Clause 3 of the Bill which provides that in lieu of the grants in aid, there shall be set apart and appropriated out of the Consolidated Revenue Fund, the sum of £20,000.

I will not continue to quote from the very extensive debate; but on that particular point may I say that despite the entreaties of the then Premier (the late Lord Forrest) that the Bill should be carried unanimously, it was only carried on a division of 16 votes to 15. The amount was £20,000. This caused the Premier to ask for a recommittal of the Bill, because he wanted it to be carried by at least a majority of seven or eight. The recommitted Bill was amended to provide that £15,000 would be the amount ultimately paid. There are one or two other points that arise out of the debate which I think members will find of great interest. This was the position in 1895—

> There were 3,552 children attending the State Schools and 1,815 attending the Assisted Schools.

That is a total of 5,367, of whom 33.82 per cent. were attending assisted schools.

That is a far higher percentage than today. I think members will find this item of information particularly interesting—

> The cost of educating the children attending the State Schools was £11,356, and that for those attending the Assisted Schools, £2,093.

On those figures the cost per child per year for those attending State schools was £3 3s. 11d. and the cost per child per year for those attending assisted schools was £1 3s. 1d. I have read those extracts from the debates of 1895, because I felt the items would prove to be of interest to members. The Premier went on to say he was very disturbed at the high cost of education and the high cost of building, and he then said—

> During the last two years there has been spent, to my own knowledge, at least £20,000. In the Loan Act of 1893 we provided the sum of £15,000 for school buildings, and that has all been expended. This year we are voting another £23,000 for schools.

Among other things it is interesting to note we have leapt a good deal forward since those days.

Mr. Sewell: It's a pity he could not hear us now.

Mr. Jamieson: When was that Act repealed?

Mr. LEWIS: 1895.

Mr. Jamieson: No, that was when it was put through. When was it repealed?

Mr. LEWIS: I do not think it was ever repealed.

Mr. Jamieson: Yes, it was; two years ago.

Mr. LEWIS: Yes; I stand corrected. I will now proceed to refer to the present Bill. For almost half a century no fur-

ther State aid was given to private schools until during the late thirties the State undertook to train sisters for convent work. In 1941 free travel was made available to independent school pupils using the department's school buses.

However, it was not until 1955 that Parliament recognised assistance to independent schools by amending the Education Act of 1928 to permit payment of subsidies on one or two teaching aids. This, of course, was the assistance referred to by the member for Mt. Hawthorn, and it was certainly the first legislation to provide for any assistance to schools outside the State system since aid was legally abolished in 1895.

The present Government came into power in 1959 and since that date has increased considerably the assistance provided to independent schools. It is estimated that from January next year independent schools will receive State assistance equivalent to $34 per pupil per year. This assistance is given in recognition of the valuable service being provided by the schools and to assist them in meeting their increasing costs.

However, I would remind the House that independent schools are there of their own free will and may withdraw from the field at any time. The Government, on the other hand, is bound to provide suitable education, and therefore the State system must receive first priority when Government funds are being allocated. Nevertheless, it is the Government's policy to provide aid where practicable, and everything possible is being done, commensurate with the funds available, to assist further those schools at which about 25 per cent. of the State's school children are being educated.

Debate adjourned, on motion by Mr. Davies.

Message: Appropriations

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

PETROLEUM ACT AMENDMENT BILL

Receipt and First Reading

Bill received from the Council; and, on motion by Mr. Bovell (Minister for Lands), read a first time.

MOTOR VEHICLE (THIRD PARTY INSURANCE) ACT AMENDMENT BILL

Second Reading

Debate resumed from the 1st November.

MR. JAMIESON (Beeloo) [8.51 p.m.]: This Act is one which has been subjected to numerous amendments since it first appeared on the Statute book; and, indeed last session we had a considerable number of amendments before us. Most of those are to be altered by the amendments appearing in this Bill, and I would suggest that possibly it would have been better, in order to ascertain whether there were any more amendments that might be necessary had the Act, as amended, been put into operation and the tribunal allowed to function before this Bill was brought forward.

It would appear to me that Mr. Athol Gibson, who has been appointed as chairman of the tribunal, immediately set out to tear the legislation to shreds and to seek all the amendments he would require to the Act before he became involved in putting it into practice. Whether this is advisable, I do not know. Parliament, in its wisdom, made a decision to establish the tribunal and this should have been done to allow it to function. However, this was not done; but, so far as I can ascertain, there is no real reason evident from these amendments to prevent the tribunal from operating. Indeed, this tribunal has been constituted for some time and its members have been eating their heads off without achieving the results that Parliament was anxious to achieve when the legislation was first introduced.

The objective of Parliament was for the tribunal to take over the hearing of all motor vehicle third party insurance cases. To date, those cases are still being heard by the Supreme Court, and will continue to be heard by that court, apparently, for some time yet.

No doubt when these amendments become law the tribunal will decide it is about time it commenced to function. I think it should be given a fillip, because the tribunal would probably have been carrying out its duties now had not Mr. Gibson possessed extensive experience in dealing with third party insurance problems, as he had, for many years, been a solicitor working on the problems of the Motor Vehicle Insurance Trust. To that extent he probably had some advance knowledge of the machinery that would be required by the tribunal. Nevertheless, I doubt whether this would be of great advantage.

He had to set himself up as judge on matters of law associated with third party insurance and now, as a person who is obviously involved in seeking to amend the legislation before it has been put into operation, this would indicate he has his own ideas about the legislation, many of which could be preconceived, and possibly would be of no assistance in the smooth administration of the Act. I say this despite the fact that I understand Mr. Gibson is very competent when dealing with third party insurance.

To be considering so many amendments so soon indicates the matter did not receive the degree of attention it needed in the first place. Some of the amendments relating to procedure are rather obvious, and it is surprising to me that these were not discovered when the ori-

ginal legislation was introduced, instead of having to make almost a complete set of amendments to the provisions contained in the Bill passed last session.

Some of the amendments in this measure seem to be quite reasonable, particularly those allowing a doctor to give evidence by affidavit before the tribunal. Again this seems to be an obvious requirement, particularly in view of the fact that many of the doctors are associated with accidents only to a minor degree because they have attended the injured person more in the role of one who is rendering advanced first aid before the patient is hospitalised and placed under doctors who would be more competent to give evidence before the tribunal. Nevertheless, all evidence, from the initial indication of injuries sustained in an accident, would be required.

It appears to me that the work of this tribunal could be delayed at times when it is sitting with only a quorum of members present. Those members could find themselves at variance on matters of fact, but not on matters of law. I have already indicated it is the prerogative of the chairman to make a decision on law. But on matters of fact it would appear a great deal of time could be lost and much unnecessary expense incurred in having a case reheard because the third member of the tribunal was not present at the initial hearing. It might be advisable to make provision for a deputy to act when any member of the tribunal is unable to attend. If that were not done, possibly we could find that due to sickness or some other contingency urgent matters to be heard by the tribunal could be delayed because of disagreement between the two available members, and the case in question may not be finalised for some considerable time.

I understand the Bill provides for a replacement of any member who may be sick, but I consider a deputy should be appointed in a permanent capacity so that he may be available and called upon to expedite judgments which are required to be given by this tribunal from time to time. As I have already stated, it would probably save the Motor Vehicle Insurance Trust and other parties involved in any dispute a great deal of inconvenience and expense.

The Bill also provides that the chairman shall have the right to determine certain matters in chambers. This provision, of course, brings the procedure of the tribunal into line with the procedure followed by the Supreme Court, and obviously it is something that should have been incorporated in the Bill originally. For some reason or other it was overlooked. The measure also clarifies the jurisdiction of the tribunal over individuals and allows it to control the investment of money awarded as damages to infants, or to people of unsound mind. This is another sound provision, and again is one which possibly should have been included in the legislation introduced last year.

It has been found, and legal experts have agreed, that as the Act now stands it is very doubtful whether this right reposes in the tribunal, as there is a clear indication in other Statutes that this is the prerogative of the Supreme Court. As a consequence it is necessary to make it abundantly clear that the intention of the Legislature is to allow the tribunal to deal with all matters associated with third party insurance—whether they concern a minor, an adult, or an unfortunate person of unsound mind brought about by an accident.

It is interesting to note that the tribunal is to be given the power to make rules, such as rules of conduct. Where these rules do not apply, or where rules are not written, then the rules of the Supreme Court will prevail. In my view this is a sensible approach. Because of the special nature of the work of the tribunal it is necessary to make special rules to govern its activities.

The Bill makes provision to take medical evidence out of the privileged category. In the past there were many occasions when medical practitioners were inclined to consider their evidence, particularly documentary evidence, to be privileged. As the various courts dealt with the case those documents would be available to the parties appearing before them. It is now proposed that medical evidence may be submitted by affidavit. It has been a fairly common practice to exchange documentary evidence so that the parties can base their submissions on the full facts. This particular provision in the Bill will enable the tribunal to get off the ground much quicker than it could otherwise.

The Bill contains a provision which sets out the parties who are authorised to administer oaths on the making of affidavits. This provision puts the position beyond doubt, and affidavits may be sworn or affirmed in this State before a member of the tribunal, a commissioner for taking affidavits for use in the Supreme Court, a justice of the peace, or the registrar; and outside the State before a person authorised under the law of that place to administer oaths.

There is nothing controversial in the measure before us, except that it was probably unnecessary to tear to pieces the provisions in the Bill which was passed last year before they had been put into operation. Next year, after the tribunal has started to function, it will no doubt find some problems, and further amendments will be necessary. It is normally desirable to implement the decision of Parliament to establish a tribunal that has been proposed and put it into operation, and then, if it is found to have any failings, Parliament can deal with them.

If that course had been followed in this case we could deal with the matters now before us, and others which will manifest themselves after the tribunal has been in operation at a future session. With these comments I support the Bill.

MR. DURACK (Perth) [9.5 p.m.]: Although during the debate on the Bill last year I expressed some considerable reservations as to the wisdom of creating this tribunal, nevertheless I support the measure before us because it will undoubtedly enable the tribunal to work more effectively than it would as it is at present constituted.

I am inclined to agree with the member for Beeloo that the tribunal could have got under way on the Act. assented to last session, but I do not think it would have lasted very long without the amendments in the Bill before us. For instance, without the provision which seeks to give the chairman the power to deal with interlocutory applications, or the one which seeks to give the registrar power to deal with the taxing of costs and other minor matters, a serious inconvenience to the smooth working of the tribunal would have been caused. As it would have meant a period of only a few months, it was quite feasible for the tribunal to adopt the Supreme Court rules for the time being, and to proceed with its work. Nevertheless Mr. Gibson thought otherwise, and he certainly has undertaken a fairly difficult task in drawing up the new rules for the tribunal.

It is not altogether fair to say that Mr. Gibson has pulled the Act apart and has imposed some preconceived ideas of his own. Actually we have been very fortunate to have obtained the services of a man of Mr. Gibson's calibre and experience to act as chairman of the tribunal. In point of fact all the proposals that are contained in the Bill before us are readily accepted by members of the legal profession who are expert in this field. In fact, Mr. Gibson's rules have been considered by an expert committee of the Law Society. I have spoken to some members of this committee and they all agree that the machinery amendments in the Bill are obviously necessary and certainly desirable. Therefore it would not be correct to lay any blame on Mr. Gibson, or to suggest that he is trying to push a particular barrow of his own in this regard. The amendments are obviously desirable.

There are one of two matters in regard to the creation and the working of this tribunal on which I would like to say a few words. Firstly, the provision which seeks to give the tribunal the power to compromise the claims of infants, and to provide for the investment of damages awarded to infants, is probably necessary in view of the legal doubts that have been raised about the powers of the tribunal in this regard. I think it was the intention of this Parliament that the tribunal should have this power, although the exercise of it does raise some difficulties of a rather technical legal kind. I do not think the House would want me to go into them to any extent.

I find the reasons advanced by the Minister in his second reading speech for including this power rather interesting. He said the purpose of the amendment was to make it clear that the tribunal would have exclusive jurisdiction in claims for damages in respect of death or bodily injury arising out of the use of motor vehicles. The fact is, as I endeavoured to point out last year, apparently without success, this tribunal cannot have—and we as a Parliament cannot give it—exclusive jurisdiction to deal with matters respecting death or bodily injury arising out of the use of motor vehicles.

As I explained in my second reading speech on the Bill introduced last year, the Australian Constitution itself prevents that, because it governs the right to sue drivers of Commonwealth cars, and thereby to make the Commonwealth a defendant in claims. The Australian Constitution also gives the right to residents of different States to sue in the High Court of Australia. Therefore if anybody in this State is injured by a car which is driven by a resident of another State, that person cannot, without his consent, be sued before this tribunal; and those proceedings could be commenced in the High Court of Australia. Indeed, in the last few months since we passed the original Bill the Federal Parliament has decided to set up a new Federal court, and part of the jurisdiction of that court will be to deal with claims between residents of different States.

It is true that the proportion of claims in this State involving a Commonwealth car or involving a resident of another State may not be high at the moment, but as the habit of people to drive interstate grows, then the proportion of this type of motor vehicle claim will undoubtedly rise. Therefore the particular anomaly which I pointed out, amongst others, that would be created by the setting up of a tribunal will become more apparent as time goes on.

Mr. Fletcher: What about the Air Force and the Navy personnel?

Mr. DURACK: They would be regarded as part of the Commonwealth. I heard only a few weeks ago, when I was attending a legal convention in Adelaide, a justice of the Supreme Court of the United States of America speak on the question of the Federal courts of that country. He told the convention that 30 per cent. of motor vehicle claims in the U.S.A. involved residents of different States. Although we in Western Australia would not have as high a number, nevertheless it is an indication of the extent to which this "diversity" jurisdiction does arise.

The House should not be misled into believing that anything we did in the Bill which we passed last year, or anything we are adding in the Bill before us, will give the tribunal any exclusive jurisdiction in claims for injuries arising out of the use of motor vehicles. In addition, the Act itself makes an exception to the jurisdiction of the tribunal where a claim is made against the driver of a motor vehicle and some other party. Such claim will almost certainly be litigated in the Supreme Court.

So there are very great exceptions to the powers of this tribunal; and very great anomalies, as far as our administration of justice is concerned, have been created by its establishment. Other than that, the various powers which are given to the chairman of the tribunal under this Bill are really only a repetition of the powers which the judges of the Supreme Court generally have and which are necessary for the smooth and efficient administration of the courts.

I have one or two further general matters I would like to mention in relation to the tribunal. As I have said, I believe the Government and Parliament have been fortunate in obtaining the services of Mr. Gibson as chairman of the tribunal; but I believe it is most important that this tribunal should have the absolute confidence of both the public and the legal profession, and that confidence can be obtained only if the tribunal is able to fully maintain the high standard of independence and integrity which our judiciary has had in the eyes of the community for many years—indeed, for hundreds of years.

I have not the slightest doubt that Mr. Gibson himself is ideally suited to maintain this high standard; but I believe it is quite wrong for the tribunal to be administered by the Minister for Local Government who is also responsible for the administration of the Motor Vehicle Insurance Trust. As we know, that trust is the real defendant in the vast majority of cases which come before the tribunal.

Mr. Davies: Was he not previously the counsel for the trust?

Mr. DURACK: Yes, but I do not think that would have the slightest influence on him as chairman of the tribunal. From the point of view of administration of justice, it seems completely wrong in principle that the tribunal should be administered by the same Government department that administers the Motor Vehicle Insurance Trust. It is perhaps only natural that the Minister who is responsible for the setting up of the tribunal should have been responsible for getting it going. I have no criticism of the fact that the Minister for Local Government has continued to supervise the establishment of the tribunal, but I believe that now it has been established and will be operating, the proper department and ministerial responsibility should be that of the Minister for Justice.

After all, the Minister for Justice is the man responsible, on behalf of the Government, for maintaining in the eyes of the community the independence and integrity of our judicial system. He seems to be the obvious man to administer this most important new feature of this system.

MR. EVANS (Kalgoorlie) [9.19 p.m.]: I wish briefly to indicate my support of this measure. The legislation which was before this Chamber in 1966, and which had a very turbulent and torrid passage, is responsible for this set of machinery amendments at present before us. The member for Perth rightly mentioned, as did the member for Beeloo, the delay which has occurred in setting afloat the tribunal which was created by last year's legislation.

I think—and I feel I am justified in so thinking—that the delay has proved a perfect example of the adage that one should hasten slowly; and, if I have any criticism to level, the criticism is about the haste with which the Government introduced this legislation in 1966. Members will recall that this legislation met, as I mentioned, with a very turbulent reception in the legislature, by the Law Society, and in some respects by the Royal Automobile Club of this State. Despite the misgivings expressed in some quarters, and opposition in others, the Government was adamant that the legislation should pass, as it did, in the form in which it was introduced; and so 12 months have elapsed and the tribunal has not yet begun to operate. As the member for Perth again rightly said, even if the tribunal had operated before now, it would have done so under some great difficulty without the passing of these machinery amendments to enable it to function effectively.

I agree with the member for Perth when he said we should not be under the impression that anything we did in 1966, or anything we could do, would clothe this particular tribunal, the creature of last year's legislation, with exclusive jurisdiction in regard to Motor Vehicle Insurance Trust claims. The member for Perth has rightly and clearly expressed the reason for his statement.

Some misgiving has been expressed in regard to the amendment to section 16 which enables a matter to be resolved, when a question of law arises, by the decision of the chairman. This is in a case where the chairman and one member of the tribunal are sitting and a difference occurs between the chairman, who is a qualified legal practitioner, and the layman nominee member.

In that situation, the decision of the chairman is to be final and binding. In other words, the opinion of the chairman is the opinion of the tribunal. However, when there is a difference of opinion on a question of fact, the amendment before us provides that the hearing shall be adjourned to a sitting of all three members. The query arises as to whether the fresh sitting of all three members is to take the form of a rehearing. If it is intended that the sitting of the three members should take the form of a rehearing, we can imagine the delays which are likely to occur.

However, on the other hand, having heard the evidence and being able to assess the credibility of the witnesses, the two-member tribunal—the chairman and one nominee member—is then to reserve the matter for the attention of the three-member tribunal sitting in chambers. In those circumstances the third member would have the opportunity only to scan the written evidence and would not have the opportunity to test out, by his own impressions, the credibility of the witnesses.

Criticism can be levelled at that system because the third member would lack the advantages of the other two in that he would not be able to assess fully the evidence and credibility of the witnesses. The question arises in my mind, at least, as to whether we are choosing the lesser of two evils in providing this method. After all, we must always remember that it is an axiom of law that not only must justice be done, but it must manifestly appear to be done. When the third member of the tribunal has not been in attendance at the hearing, and therefore has not heard the evidence first-hand and has not seen the witnesses giving such evidence, it would seem that justice has not manifestly appeared to be done when this third member is the one who really makes the decision.

I do not intend to speak on the other matters except to mention that I believe some doubt was expressed in another place as to the wisdom of providing that the chairman of the tribunal should be entitled to make rules which would provide the mode in which evidence of certain facts may be given. It was felt that this provision might conflict with the rules of the Evidence Act. However, I do not feel that this doubt is justified because these rules will not be written into the Act, and the provisions of the Evidence Act will prevail because any regulations will be regulations subservient to that Act.

I would conclude by wishing Mr. Gibson and his two nominee colleagues well in their endeavours. I honestly trust and sincerely hope they will be able to carry out all the intentions, aims, and objectives that the proponents of this legislation promised in 1966 when the parent legislation was before the Chamber.

MR. NALDER (Katanning—Minister for Agriculture) [9.27 p.m.]: I appreciate the comments of the members who have spoken during this debate. As we know, the Bill is designed to tidy up the Act and to make it effective. The legislation was submitted on the advice of the chairman of the tribunal, and I must say it is most heartening to hear the good wishes which have been expressed to the chairman and his two colleagues for success in their positions.

I read with interest the comments made in another place and these suggested to me that the chairman is a man with wide experience. He has been sincere in all his efforts in the past and this indicates to me that he will be a very capable person to lead this tribunal.

I do not know both the other gentlemen, but I know one of them, and he is also very sincere. He has been very practical and efficient in his business and I am quite sure he will make a valuable contribution.

Mr. Jamieson: Is he the chairman of the tennis club and the parents and citizens' association.

Mr. NALDER: If the information given with reference to the other member is correct, then I feel the three members of the tribunal will be dedicated to the position and will assist in carrying out the desires of Parliament.

The criticism regarding the suggestion that it would have been preferable to allow this legislation to slide for another year is not quite valid. Great progress has been made and all members will agree that the situation which has developed has been the same as with all other types of legislation which have set up new bodies. In this case it is a tribunal which is being established and if this tribunal finds it necessary for amendments to the Act to be passed so that it can operate really efficiently, then I think it is desireable that those amendments be made.

I believe that great headway has been made. There is no doubt when the amendments are passed the tribunal will go into action. It is quite possible that, as a result of a year's activity and experience, it might be necessary for it to come forward with further amendments.

I am not in a position to be able to add any comment to what the member for Perth has said. This might be quite true. I do not intend to argue, but I will pass the information on to the Minister in charge of the legislation. No doubt he will seek the advice of the chairman of the tribunal. I have no intention of fooling members of the House or of bringing forward false information. I have only acted on the advice of those who have given me information. Therefore I promise the House that I will make this information available to the Minister

concerned and he will see whether or not it is necessary to correct or amend the legislation.

I am not competent at this stage to comment on the suggestion made by the member for Beeloo with reference to the appointment of deputies. It would be necessary to have provision in the legislation to allow this to be brought about. However, I will draw the Minister's attention to his comment and, doubtless, consideration will be given to it.

There is no necessity for me to make any further comment. I appreciate the support which members have given and also the good wishes expressed for the success of the tribunal.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Mr. Nalder (Minister for Agriculture), and passed.

STATUTE LAW REVISION BILL

Receipt and First Reading

Bill received from the Council; and, on motion by Mr. Brand (Premier), read a first time.

STATE FORESTS

Revocation of Dedication: Motion

Debate resumed, from the 31st October, on the following motion by Mr. Bovell (Minister for Lands):—

> That the proposal for the partial revocation of State Forests Nos. 22, 38, 64 and 65 laid on the Table of the Legislative Assembly by command of His Excellency the Governor on 24th October, 1967, be carried out.

MR. GRAHAM (Balcatta — Deputy Leader of the Opposition) [9.37 p.m.]: In the first instance, I wish to pay a tribute to the Minister for Lands and to the administration of his department for having paid heed to some comments which I made last year when a similar motion was before the House.

Mr. Jamieson: And after you seconded that motion tonight!

Mr. GRAHAM: That, of course, is an entirely different subject and was something which did not happen when the House, as such, was sitting. I wished to say those few words, because one has a feeling of frustration and almost uselessness in a Parliament when sitting on the Opposition benches. A member often feels he has ideas and thoughts which he could promote in the interests of the State. These are invariably ignored by the all-powerful Government, which has the numbers. Therefore, I repeat that there is some sense of satisfaction, however small and insignificant it might be, if a suggestion is made and one finds that some effect is given to it. The occasion is so rare that I thought I should acknowledge it in lengthy terms.

This year would probably show the least number of revocations of State forests sought by a Minister for Forests for as long as I have been a member of the Parliament. I have no fault to find with any of the propositions. On previous occasions I have said that the senior officers of the Forests Department are conscious of their responsibilities and, accordingly, very carefully vet any proposition where the loss of State forests is involved. It is the responsibility of the Opposition to see if it is possible to detect an occasion when, perhaps, the Conservator of Forests metaphorically has had his arm twisted by the Minister. I hasten to mention, however, that I do not see any signs of that in the proposition which is now before us.

Mr. Bovell: I am sure the Deputy Leader of the Opposition will agree with me when I say that is not an easy task.

Mr. GRAHAM: I would agree wholeheartedly in respect of the present incumbent. However, it is not unknown that Ministers make their wishes, or the wishes of the Government, forcibly known to departmental officers who, in some cases at least, are most anxious to oblige those who hold ministerial office.

I wish to make only a few comments. The first is in relation to the proposition affecting the Yanchep Park area. I realise there are some physical and financial problems at this stage, but action should be taken as soon as possible to enable the forestry settlement to move completely out of the Yanchep Park area and become ensconsed in its own territory—for which this motion provides—on the western border of that reserve. The only people who should be resident in a park such as Yanchep are the caretaker, the employees of the National Parks and Gardens Board, and those who, because of the nature of the services they render and the businesses they conduct, find it necessary to have their dwellings situated in the park.

My only other comment is in relation to the town of Manjimup, where it is proposed that some 10 acres of State forest shall be excised to allow extensions to be made to the cemetery. The member for Warren considers the area suitable for the purpose, but regrets the necessity for the extension. However, life being of limited duration, it is necessary to make some provision for those who pass away to rest in peace, and apparently this is the most suitable area available. I conclude by reiterating that I have no objection to any of the propositions contained in the motion.

MR. BOVELL (Vasse — Minister for Forests) [9.42 p.m.]: The generous remarks of the Deputy Leader of the Opposition are appreciated, especially in view of the fact that he was a former officer of the Forests Department, and subsequently was Minister for Forests for six years. I feel it is the desire of all Ministers to convey to Parliament the maximum amount of information it is possible to convey when moving this motion. As was stated, the Deputy Leader of the Opposition asked for additional information when a similar motion was submitted to Parliament last session, and with the help of the Conservator of Forests and his officers, Parliament has been provided with the additional information sought. I again thank the Deputy Leader of the Opposition for his support of the motion.

Question put and passed.

Resolution transmitted to the Council and its concurrence desired therein, on motion by Mr. Bovell (Minister for Forests).

COUNTRY TOWNS SEWERAGE ACT AMENDMENT BILL

Second Reading

Debate resumed from the 2nd November.

MR. SEWELL (Geraldton) [9.44 p.m.]: The measure before the House seeks to amend the Act which controls country sewerage, and although only small it is extremely important. It seems to me there are three basic reasons, as the Minister has said, for the amendments contained in the Bill. The first is the desire of the Government to muster or harness all the loan resources available to the State as a whole. A careful examination of the present position of the loan resources available to this State has been made by officers of the Treasury and the Public Works Department, and on their recommendations the Government considers that unless the loan resources available to local authorities are utilised there will be little likelihood of major expansion in the provision of sewerage services in country towns in the next few years.

The second reason for the amendments is to encourage local authorities to accept a still larger degree of responsibility to improve living conditions in the towns within their boundaries and under their control. The third reason is that sewerage undertakings lend themselves to operation by local authorities, and they are generally put under the supervision of local authorities, because their operations are confined to fairly small areas.

There can be no doubt in the minds of members that the three points put forward by the Minister are very important, and we would all agree that the provision of sewerage works in small country towns is very important, not only to the health of the people residing in those towns, but also to their living conditions. Further, the provision of sewerage undertakings assists in creating a demand for other amenities.

There is no doubt that many small country towns in Western Australia are badly in need of this amenity and the Government is prepared to provide approximately 75 per cent. of the interest and sinking fund charges on a scheme when the maximum rate of interest is charged. Further, the Public Works Department will provide general supervision both in the construction of a sewerage scheme and in its operation, but the local authority is expected to engage consulting engineers to design and construct the scheme, and to appoint suitably qualified persons to perform the duties associated with the normal running and maintenance activities. As I said before, this work will be supervised by engineers from the Public Works Department to ensure it is performed satisfactorily.

As stated, local authorities are in the best position to carry out the ordinary maintenance and control of sewerage schemes in country towns. To my mind the Bill is very important. It will assist the Government to control its loan funds and it will allow local authorities to extend their loan-raising activities to a maximum of $300,000 annually. Therefore, in view of the fact that the Bill will improve the living conditions and amenities generally in country towns, it has my wholehearted support.

MR. ROSS HUTCHINSON (Cottesloe — Minister for Water Supplies) [9.47 p.m.]: Briefly, I thank the member for Geraldton for his support of the Bill on behalf of the Opposition. I had expected that other members would have addressed themselves to the measure. I consider this to be an important piece of legislation because it will hasten the construction of sewerage schemes in country towns to a point which was not possible up to now.

In our rapidly-expanding State the Government has tremendous demands on the available loan funds and, for want of a better expression, a form of priorities is followed to satisfy the clamant demands from all sections of the community. There is no doubt that the problems of development and progress are acute, and people and Governments feel them keenly. Also, there is no doubt in my mind that such problems are infinitely preferable to those associated with a static economy.

Mr. Sewell: We are certainly badly in need of sewerage in country towns. We are looking forward to getting it.

Mr. ROSS HUTCHINSON: Very true. Unfortunately we have not been able to press forward quickly enough to meet the demands for these modern services. Kalgoorlie is the classic case of a country town or city looking after its own sewer-

age works, and being in control of the whole operation. I understand that during the depression years the Commonwealth Government provided assistance on a pound-for-pound basis to the Kalgoorlie Town Council so that it could construct its own sewerage scheme. In 1958 the scheme was considerably enlarged by the council at its own cost. During all these years the scheme has been operated entirely by the Kalgoorlie Council and it has performed a good job of work.

So it is that I foresee the officers of other country towns being able to discuss the necessary machinery details with the officers of the Public Works Department and, after having engaged their consultants, being able to go about the work of constructing these schemes. Once again I heartily commend the Bill to the House.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Mr. Ross Hutchinson (Minister for Water Supplies), and transmitted to the Council.

CHILD WELFARE ACT AMENDMENT BILL (No. 2)

Returned

Bill returned from the Council without amendment.

CREMATION ACT AMENDMENT BILL

Second Reading

Debate resumed from the 2nd November.

MR. EVANS (Kalgoorlie) [9.54 p.m.]: In indicating my support for this Bill I promise members I will not be entering into any form of lively debate. The essence of the parent legislation is that when a body is cremated at a licensed crematorium the ashes must, in accordance with section 7 of the Act, be deposited in the grounds of the crematorium, unless the administrator of the estate has obtained the permission of the commissioner to remove such ashes.

The parent legislation was introduced into Western Australia in 1929, and was based on mid-Victorian legislation in the United Kingdom. As we all know in this era of English history things like cremation were looked upon with some trepidation by a large percentage of the community and, accordingly, legislation dealing with the subject was couched in very cautious terms indeed.

There is, however, another reason for such caution, because cremation was a concept which the community had to accept on a scale which the proponents of this method of disposing of dead bodies hoped would, in time, achieve a great deal of popularity.

Accordingly legislation was extremely cautious in permitting ashes to be removed from the site at which the deceased body had been dealt with in the crematorium. We can all understand that the methods of disposing of bodies in those early days would not have been nearly as efficient as those adopted today.

So, for these combinations of reasons, we find the English legislation, which was adopted in form by Western Australia, provided that such ashes could not be removed from the grounds of the crematorium without the express approval of the health authorities—in our case, the public health authorities.

Times have changed, however, and I feel that today many more people accept cremation as an alternative to burial, and the practice of allowing those interested in retaining the ashes of a loved one to dispose of them by some other means has become more readily accepted. The amendment before us provides that henceforth the authority controlling a licensed crematorium will be permitted to allow the administrator of a deceased estate to retain such ashes without the approval of the public health authority. This has a great deal to commend it, and I support the legislation.

MR. ROSS HUTCHINSON (Cottesloe—Minister for Works) [9.58 p.m.]: I thank the member for Kalgoorlie for his support of the measure.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Mr. Ross Hutchinson (Minister for Works), and passed.

FAUNA PROTECTION ACT AMENDMENT BILL

In Committee

Resumed from the 2nd November. The Deputy Chairman of Committees (Mr. Crommelin) in the Chair; Mr. Ross Hutchinson (Minister for Works) in charge of the Bill.

The DEPUTY CHAIRMAN: Progress was reported after clause 13 had been agreed to.

Clauses 14 to 26 put and passed.

Title put and passed.

Bill reported with amendments.

Recommittal

Bill recommitted, on motion by Mr. Ross Hutchinson (Minister for Works), for the further consideration of clause 5.

In Committee

The Deputy Chairman of Committees (Mr. Crommelin) in the Chair; Mr. Ross Hutchinson (Minister for Works) in charge of the Bill.

Clause 5: Section 7 amended—

Mr. ROSS HUTCHINSON: During the earlier part of the Committee debate I promised the member for South Perth that I would move for the recommittal of the Bill for the purpose of enabling him to move an amendment to clause 5.

Mr. GRAYDEN: I thank the Minister for recommitting this Bill. I move an amendment—

> Page 3—Insert after paragraph (c) the following new paragraph to stand as paragraph (d):—
>
> ; and
>
> (d) by adding after subsection (4) a subsection as follows—
>
> (5) As soon as may be after the thirtieth day of June in each year the Director shall cause to be prepared a report containing—
>
> (a) statements relating to the proceedings and work of the Authority during the financial year then last preceding; and
>
> (b) any comments which the Director thinks desirable to make relating to the administration or operation of this Act.
>
> Such annual reports shall be laid before both Houses of Parliament not later than the thirty-first day of October in each year.

The amendment is self-explanatory. Fauna conservation is of tremendous importance to this State and if the proposed wildlife authority is required to submit annual reports to Parliament it will ensure that Parliament and the public are kept informed on this important work. In the past there has not been much debate on fauna conservation, mainly because the department responsible for the work was not required to submit such reports.

Whilst at times members of Parliament might experience difficulty in obtaining information by asking questions in the House and by having discussions with Ministers, the average member of the public would find the task of obtaining such information infinitely more difficult. It is vital that the public should be informed on the work that the proposed authority does, and what it intends to do in the future. By informing the public in this way, public awareness of the need for fauna conservation will be awakened. Without the co-operation of the public we cannot hope to achieve the maximum in respect of conservation.

In addition, the submission of annual reports will enable us to have a record of the work of the department in this regard.

It will afford members of Parliament and the public an opportunity to see what is envisaged in the future. Invariably statements of that kind are contained in a report. In addition, I believe a report is an incentive to the officers of the department. It is something which will cause them to strive to a greater extent than in the past because they will feel their efforts are being appreciated more than they were.

Mr. ROSS HUTCHINSON: I have spoken to the Minister for Fisheries and Fauna and he has told me he believes there is value in this amendment. However, he has asked me to point out, particularly to the member for South Perth, that members should not expect an elaborate report for the first two or three years, because the Minister is endeavouring to engage his staff in as much field work as possible.

He certainly intends to follow the course of the legislation and have a report prepared each year. Therefore, on behalf of the Minister, I have great pleasure in accepting the amendment.

Amendment put and passed.

Clause, as amended, put and passed.

The DEPUTY CHAIRMAN (Mr. Crommelin): I would point out to the Committee that the word "and" in line 29 will be deleted at the table.

Further Report

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

GOVERNMENT RAILWAYS ACT AMENDMENT BILL

Second Reading

MR. O'CONNOR (Mt. Lawley—Minister for Railways) [10.15 p.m.]: I move—

> That the Bill be now read a second time.

There are two minor amendments to the Government Railways Act contained in this Bill. The first amendment is to section 64 which in its present form precludes the sale of spirituous and fermented liquors in railway restaurant cars.

In the recent amendment to the Licensing Act it has been provided that the Commissioner of Railways may from time to time grant to an officer employed by him or employed by the Commonwealth Railway Commissioner, a license for the sale of liquor in and from a railway dining car or buffet car. As explained during the passage of the Licensing Act Amendment Act the necessity for this

action is in anticipation of the running of through services from Perth to Sydney with the inauguration of standard gauge passenger trains in 1969.

The position in the other States over which this train will operate is that liquor is served with meals in dining or buffet cars but in Western Australia this is not permitted. The amendment to the Licensing Act was to remedy this situation and thus enable passengers to receive the same service on the throughout journey.

I should also mention that whilst the principal object in effecting this amendment is to provide for the through interstate passenger service, it will have similar application on intrastate services between Perth and Kalgoorlie and other country railway passenger services on which a dining or buffet car is provided. It is intended that the extent to which liquor service will be implemented will be at the discretion of the commissioner. I believe this amendment, when passed, will bring our railway set-up as far as this matter is concerned, into line with other railway systems throughout the world. It will modernise our operations as far as liquor sales are concerned.

I believe that most of us who have travelled interstate have taken advantage of the liquor services on the Commonwealth line; and it is quite pleasing when travelling such distances for a person to have an opportunity to enjoy a drink with meals or at other times at the discretion of the commissioner. I believe this will be an advantage, not only to the railway system here, but to the passengers who wish to take advantage of this service.

Mr. Guthrie: Would liquor be served to passengers in compartments, or merely in the buffet car?

Mr. O'CONNOR: It will be served from the buffet car, but at other points at the discretion of the commissioner.

The second amendment in this Bill is to provide a new section 93A to enable classified railway officers to witness statutory declarations made in connection with the loss or destruction of a passenger ticket, luggage check, cloak room ticket, railway pass or other document issued to a person by or on behalf of the commissioner. The commissioner has for some time been concerned with the legal aspect in regard to declarations made in these circumstances.

To facilitate railway working, classified railway officers are required to obtain statutory declarations in connection with lost luggage checks, cloak room tickets, and passenger tickets. The practice has been for such officers to witness declarations of this nature, and, whilst the arrangement has been applied successfully for many years, they are not legally entitled to do so under the Declarations and Attestations Act. It would be appreciated that it would be difficult for these declarations to be enforced at law should it be necessary to take this action.

Although the system has functioned satisfactorily and avoided delay and inconvenience to passengers, lost tickets, and in particular those covering interstate journeys, represent considerable value and therefore it is desirable that correct legal procedure be followed. If the onus were placed on the passenger who loses his or her ticket to contact a justice of the peace or other authorised person for the purpose of witnessing the declaration, this could result in delay and undue hardship. Declarations are required at all hours of the day and night when passengers are waiting to travel, and the locating of an authorised witness would not be an easy task.

I believe that here again, by implementing this particular service, we will be giving an advantage to those travelling by the railways, and this is highly desirable and should, in many circumstances, make things more pleasant for railway users. I commend the Bill to the house.

Debate adjourned, on motion by Mr. Davies.

ADJOURNMENT OF THE HOUSE

MR. BRAND (Greenough—Premier) [10.21 p.m.]: I move—

That the House do now adjourn.

In moving this motion, I would like to remind members that we will be sitting after tea on Thursday night.

Question put and passed.

House adjourned at 10.22 p.m.

Legislative Council

Wednesday, the 8th November, 1967

The PRESIDENT (The Hon. L. C. Diver) took the Chair at 4.30 p.m., and read prayers.

QUESTIONS (4): ON NOTICE

1. *This question was postponed until Tuesday, the 14th November.*

PETROLEUM

Offshore Production: Royalties

2. The Hon. F. J. S. WISE asked the Minister for Mines:

   (1) Has the Minister information of the royalties collected by the Government of the United States from the petroleum products recovered from offshore operations at Santa Barbara on the West Coast, and in the Gulf of Mexico?