

The position in other Australian States is generally as the honourable member has outlined.

The honourable member also mentioned section 27 of the Wills Act of this State, which relates to substitutional gifts, and said that it repealed section 117 of the Property Law Act in so far as that section included illegitimates. I am informed that section 27 of the Wills Act did not carry forward the reference to illegitimates because the rights of illegitimates were being reviewed by the Law Reform Committee, and there seemed little point, meanwhile, in re-enacting the complicated rules found in section 117 of the Property Law Act.

In conclusion, the honourable member's main objection to the Bill is the fear of false claims. To a large extent we are engaging in speculation. We do not know and cannot know whether or not false claims will in fact ever be made. Only time will tell. I suggest that the proper course is to keep a close eye on the working of the legislation and if there is evidence that false claims are in fact being made then this would be known to legal practitioners. Parliament at that stage can consider whether to place any limitation on an illegitimate's right to claim.

Question put and passed.

Bill read a second time.

PROPERTY LAW ACT AMENDMENT BILL

Second Reading

Order of the day read for the resumption of the debate from the 24th August.

Question put and passed.

Bill read a second time.

WILLS ACT AMENDMENT BILL

Second Reading

Order of the day read for the resumption of the debate from the 24th August.

Question put and passed.

Bill read a second time.

ADJOURNMENT OF THE HOUSE: SPECIAL

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the House) [4.52 p.m.] I move—

That the House at its rising adjourn until Tuesday, the 7th September.

Question put and passed.

House adjourned at 4.53 p.m.

Legislative Assembly

Thursday, the 26th August, 1971

The **SPEAKER** (Mr. Toms) took the Chair at 11.00 a.m., and read prayers.

FISHERIES ACT AMENDMENT BILL

Introduction and First Reading

Bill introduced, on motion by Mr. Davies (Minister for Fisheries and Fauna), and read a first time.

PARLIAMENTARY SUPERANNUATION ACT AMENDMENT BILL

Second Reading

MR. T. D. EVANS (Kalgoorlie—Treasurer) [11.04 a.m.]: I move—

That the Bill be now read a second time.

Last year the parent Statute was overhauled; indeed, it was given a new look. However it is now felt necessary to seek a further small amendment. I hasten to inform members that I regret I cannot promise a Santa Claus in the Bill before them.

The Bill is designed to amend section 28 (2) of the Parliamentary Superannuation Act, 1970, which currently requires the first investigation into the state and sufficiency of the fund to be made as at the 31st December, 1970.

I understand this date was selected to ensure an early appraisal of the legislation introduced last year and, more particularly, to see whether the increased contributions from the Government were sufficient to meet the fund's liabilities under the new Act.

Valuation of the fund as at the 31st December, 1970, has commenced in keeping with the requirement of the Statute, but the consulting actuary has encountered a number of actuarial complications and has requested that we revert to a 30th June valuation.

Under previous legislation, valuations were carried out in 1961 and 1966 as at the 30th June, and it is considered to be in the best interests of comparability to continue on this basis and triennially thereafter.

Acting on recommendations I have received, I can see no compelling reasons for not changing the date and am satisfied the 30th June, 1971, would be a more appropriate date for the first investigation.

It is obvious to members that a date subsequent to a general election would be more appropriate for the purpose of assessing the state of health of the fund. I therefore commend the Bill to the House.

Debate adjourned, on motion by Sir David Brand (Leader of the Opposition).

POSEIDON NICKEL AGREEMENT BILL

Second Reading

MR. GRAHAM (Balcatta—Minister for Industrial Development) [11.08 a.m.]: I move—

That the Bill be now read a second time.

The Bill now before members is to ratify an agreement between the State and Poseidon Limited relating to nickel mining, the concentrating of nickel ore, and possibly at some future time the smelting of nickel ore. The agreement was executed, on behalf of the State, by the Premier and, on behalf of the company, by two of its directors on the 27th July this year.

The project, as outlined by the company, involves the expenditure of more than \$55,000,000 in the development of the mine and the concentration plant including all associated works, support facilities, and infrastructure. It is designed to mine and treat 700,000 tons of nickel ore in its first stage with an expected increase to 1,200,000 tons in its second stage. Although the company has been investigating the possibility of commencing its activities with the 1,200,000 tons target, this will depend upon a number of factors but principally the availability of sufficient water for this to be undertaken. A possible third stage will be the establishment of a smelter if this is economically feasible.

At the outset I would like to explain that in one very important respect this agreement is different from previous State agreements for mineral development. It does not confer on the developing company any mining tenures or rights of exploration in any mineral field other than those already held by the company under the Mining Act. Neither does it introduce any departure from the scales of royalties and lease rents payable under the Mining Act.

The agreement itself becomes necessary in order to establish the guidelines for the co-operation which will be required between the company and the State to permit the establishment of the necessary road and rail transport facilities and the provision of water, electricity, townsite development, and associated community services. It also binds the company to a commitment to upgrade all ore produced at the mine at least to the stage of concentration and possibly to the stage of smelting at some later date.

Poseidon N.L.—later to become Poseidon Limited—was formed in 1952 to mine tungsten ore in the Northern Territory. Due to a steady drop in the value of tungsten over subsequent years it was not possible for a profitable operation to be commenced. In 1968 the company acquired a number of mineral claims in the Laverton district in Western Australia and com-

menced an intensive exploration programme. This programme resulted in the discovery of a substantial nickel ore body at Mt. Windarra, approximately 14 miles north-west of Laverton, in September, 1969.

Since then the company has been actively engaged in investigating the engineering, marketing, and financial requirements for the establishment of a feasible mining and treatment operation. It has retained the services of consultants—Messrs. Kinnaid, Hill, de Rohan and Young Pty. Ltd., assisted by town planners, T. S. Martin and Associates—to study the development of the mining operation and the associated townsite. To provide itself with the technical background to develop the mining project, the company took over Samin Limited, which was previously one of its substantial shareholders. It also acquired the well-established goldmining firm of Lake View and Star Limited in order to gain the benefit of that company's treatment facilities near Kalgoorlie.

The project is to be developed on the land defined in the agreement as the "mining areas." These areas are composed of an aggregate of 38 approved mineral claims and four mineral claim applications which are currently being processed. The total area of this land is approximately 10,334 acres situated north-west of Laverton.

At this stage, Mr. Speaker, I seek your approval to table a copy of the plan marked "A" referred to in the definition of the mining areas. In addition, to assist members in following my outline of the project, I would like to table this larger plan showing the deposits in their relationship to the surrounding area.

The plans were tabled.

The company plans to commence production late in 1972; that is, next year. Mining activity will be centred on a position close to Mt. Windarra, which is roughly 14 miles north-west of the existing town of Laverton and is on the northern end of the company's leases. Mining will be by mechanised methods. Initially, ore will be brought to the surface by diesel trucks up a decline. Later, underground primary crushing will be adopted with skip hoisting up a vertical shaft.

For the benefit of members, I will give a short description of the mining operation. Access to the ore body is to be through a declining shaft at an angle of one in nine to a planned depth of between 400 and 450 feet. This will involve a total length of approximately 3,600 feet for the decline. When stage two is reached the decline will be extended to the 750-foot depth level.

I am advised that the decline has now reached a length of 755 feet and is progressing at a rate of about 100 feet a week.

The decline opening is 16 feet high and 14 feet wide and is reinforced by the "Shotcrete" method. Surfaces are treated within a very short time after exposure to eliminate any crumbling due to contact with the atmosphere. When the ore body is reached, ore will be extracted by a cut and fill operation working upwards towards the 200-foot level. It is intended eventually to work four ore bodies. Two of these will be worked by the cut and fill method and the other two by a method at present used at Mt. Isa, which is known as "uphole benching." This is a method which is used when it is desired to generate an early cash flow. It involves dropping ore from above in 50-foot slices by upward drilling.

The company expects to have ore at grass before June next year.

After primary crushing, the ore will be transported by road to a rail siding at Malcolm, involving a distance of roughly 63 miles. From that point it will be railed to the existing Lake View and Star concentrating plant at Fimiston. Concentrates produced by that plant will have a nickel content of 10 to 12 per cent. As a first step, these concentrates will be railed to Esperance for shipment. It is hoped that arrangements will later be made for further treatment of the concentrates in Western Australia either by Poseidon Limited or by another company.

Stage two of the project provides for the establishment of a concentrating plant at Mt. Windarra for the treatment of all ore on the mining site. The quantity of ore mined will then increase to 1,200,000 tons resulting in the annual production of approximately 240,000 tons of concentrates. At that stage there will be no further transportation of ore to Kalgoorlie but the increase in output of concentrates will compensate to some extent for the loss of tonnage to the Railways Commission.

Having given this broad outline of the project, I will now explain some of the detailed provisions of the agreement.

The company is required by the agreement to submit detailed proposals for the approval of the State before the end of this year. The Minister responsible for the agreement will be empowered to extend the time for the lodgment of these proposals if required. The proposals will set out particulars of the company's plans for the mining and transport of its products and for the development of associated facilities and community services, including housing and townsite development. The company will also be required to furnish evidence of its marketing arrangements and the availability of finance for the development of the project.

At that stage the Government will be in a position to satisfy itself that the project is economically viable and that the development planned by the company is in the best interests of the State.

The company is currently conducting negotiations with major mining development companies with a view to participation in marketing and finance. I am being kept in constant touch with these negotiations by the company.

There is every indication that the company will be wasting no time in the submission of its proposals and the implementation of those proposals once they are approved. The company has already spent more than \$5,500,000 and the rate of spending is likely to accelerate once the agreement is ratified. Any delay beyond the target date for production will therefore be costly to the company.

As mentioned earlier, the agreement does not grant any special mining tenements or exploration rights to the company. Provision has been made for the company to apply for and obtain a single mineral lease or a series of mineral leases, as the case may require, covering the areas in respect of which it has existing mineral claims or applications. The lease will cover the mining of copper, nickel, cobalt, lead, zinc, platinum, silver, and palladium, plus any additional minerals which the Minister for Mines may approve from time to time.

It is proposed that the lease should be for a period of 21 years with an option of renewal for a similar period. The Minister is also given a discretion to grant a second renewal for a further period of 21 years subject to such conditions as the Minister may then determine.

Under the agreement the company is exempted from compliance with the labour conditions imposed under the Mining Act. I would like to explain that that has nothing to do with the requirement that a certain number of men shall be employed. This is a feature which is completely unrealistic in this day and age and it will be eliminated in the new Mining Bill which it is hoped to introduce later in this session. Sophisticated machinery is now being used and it would be more realistic to stipulate certain work must be undertaken or certain expenditure involved rather than specify a given number of persons to be employed.

Mr. Court: I am glad to hear you say that because we could never convince the former member for Boulder-Dundas that there is a new order abroad.

Mr. GRAHAM: Time marches on. Rentals, as mentioned previously, will be as provided in the Mining Act as it exists or by any amendment thereof or legislation passed in substitution for that Act.

Members will appreciate that the royalties laid down in the Mining Act are based on 2 per cent. of the value of the mineral.

The company is required to pay royalties on all minerals mined or produced from its mineral leases at the rates prescribed in the Mining Act from time to time. In other words, after an initial period the 2 per cent. requirement can be varied if that be the wish of Parliament as applying to minerals generally. To permit the company to plan its financial requirements in its early stages, it is provided that in the first three years it will not be liable to pay royalties on nickel at a rate higher than that existing at the date of execution of the agreement; in other words, 2 per cent. as is the position at the moment. In the first stage of production royalties are expected to yield \$600,000 annually to the State Treasury. This figure could exceed \$1,000,000 per annum when stage two is reached.

Among the capital works to which the company will contribute is a new sealed public road 20 feet wide connecting the mining plant site with the rail loading point at Malcolm by the shortest practicable route and extending to join the existing sealed road from Kalgoorlie to Leonora. The company will contribute 50 per cent. of the cost of this road, which will eventually provide the main access to the Warburton Range and Alice Springs. Heavy haulage trucks will be used for the transport of crude ore or concentrates, whichever is appropriate.

Mr. Gayfer: Will they be paying road maintenance tax?

Mr. GRAHAM: That depends upon the will of Parliament which will be revealed no doubt in the course of the next few weeks. The road will pass close to the proposed townsite and the company will be responsible for a connecting road to the townsite and all roads within the townsite during the establishment of the town. The company will also construct private roads within its mineral lease. The State will provide a road connection with the existing town of Laverton.

The company is also required to pay the capital cost of the upgrading of the existing railway line from Malcolm to Kalgoorlie, a distance of 147 miles. It will also pay for the short section to Fimiston, if required, plus the construction of any new section necessary to connect the Malcolm to Kalgoorlie line to a point of discharge at or near Kalgoorlie. The cost of upgrading the line from Malcolm is expected to be just over \$4,000,000. In the event of a decision being made to convert this line to standard gauge, the agreement permits the use of the company's contribution for this purpose. This would represent a very substantial part of the total cost of standardisation.

The company will provide all wagons necessary for the transport of ore or concentrates and provision is made for the company to make available and lease to the Railways Commission such locomotives and brakevans as may be required. In consideration of its financing the upgrading of the railway line and providing all necessary wagons, the company will have the benefit of a special scale of freight rates. These freight rates are set out in detail in the first schedule to the agreement. Members will see these rates at pages 33 and 34 of the Bill.

The Railways Commission has provided two separate freight tables, one for nickel ore between Malcolm and Fimiston and the other for concentrates. If the company decides to establish a treatment plant at Mt. Windarra before the expiry of the five-year period contemplated in stage one of its project, the tonnage of ore hauled by rail in that period is likely to fall short of the amount required to achieve an adequate spread of the commission's establishment and operating costs. To take account of this possibility alternative rates have been prescribed for concentrates. The higher of these rates will apply until a minimum of 3,500,000 tons has been hauled over the Malcolm to Kalgoorlie section.

Provision is made for variation in the scheduled rates to take account of any change in the conditions of haulage or the basic operating costs of the Railways Commission.

Concentrates will be railed from Fimiston to Esperance by the existing rail route, but when the proposed deviation through Widgiemooltha comes into service, the new line will be used. However, the company is committed to pay freight on the basis of the mileage by the existing route. Provision has also been made for the railing of concentrates to the proposed Western Mining Corporation smelter, south of Kalgoorlie, if the two companies eventually enter into an arrangement for smelting in this manner.

The agreement contemplates the shipment of concentrates from Esperance but makes provision for the use of any other port in Western Australia subject to the approval of the Minister. I venture to suggest that there would have to be most compelling reasons for any Minister to agree with a proposition that a port other than Esperance should be used. All ship-loading and other handling facilities at the port will be provided by the company or shared with other companies operating at the port. The State will not be involved in any expenditure on the provision of facilities. Normal wharfage and handling charges will be payable to the appropriate port authority.

The water requirements of the company will be critical to its operations. While it carries out its concentrating process at

the Lake View and Star plant at Fimiston, it will require the whole of Lake View and Star's present allocation of 350,000 gallons a day, and possibly more, from the goldfields water supply. To supply the mining operation at Mt. Windarra and the domestic requirements of the new town, a further 540,000 gallons of potable water a day will be needed. This water will have to be supplied from local underground sources and the Public Works Department is currently carrying out an exploration programme at the expense of the company to locate suitable supplies.

When concentration of ore commences at Mt. Windarra the total daily water requirement at the minesite and the new town will increase to 1,070,000 gallons of potable water and 700,000 gallons of non-potable water. Further underground supplies will have to be located to satisfy this requirement. The company is continuing to search for water in the mining areas and the Public Works Department is conducting searches outside those areas.

Mr. Gayfer: Are they confident?

Mr. GRAHAM: Yes, quite confident; but of course there is no certainty as yet.

Mr. McPharlin: Are there any results at all of the testing?

Mr. GRAHAM: Yes. It would be impossible to proceed unless there were indications. As mentioned earlier, the extent of the availability of water will be a governing factor in the timetabling of the company reaching its maximum output.

When adequate supplies are found, the State will authorise the drawing of water by the company through bores, pipelines, and other facilities supplied at the company's expense. However, the State will retain the right to take over and operate any scheme in the event that this becomes necessary in the interests of conservation or efficient management of water supplies. The company will be required at all times to economise in the use of water and to make use of saline water and recirculation methods wherever possible.

Water supplied to the company through schemes established at its cost will be paid for at a reasonable price, having regard to the actual cost of maintaining and operating the supply. Where water is supplied to domestic consumers in an open town, the normal rates payable under the Country Areas Water Supply Act will apply.

The company will be permitted to generate its own electricity but all installations will be designed and constructed in a manner which will comply with the requirements of the State Electricity Commission. Provision has been made for the company to distribute power in the town in the early stages of its operations. Later the distribution of power is expected to be taken over by the local authority, the

State Electricity Commission, or other appropriate body which will purchase power in bulk from the company at a reasonable price. The agreement makes provision for this to be done by agreement between the parties.

The company expects to export concentrates during the early years of its operations. This is necessary in order that the company may generate a cash flow to service its initial capital outlay. Nevertheless, the company recognises the Government's desire for the maximum possible upgrading of nickel within this State and has undertaken to devote its efforts towards this objective.

The company, under clause 17, must investigate the feasibility of smelting its concentrates and report its findings to the State by the end of the tenth year of its operations. The State may also undertake its own studies and provision is made for non-confidential information to be exchanged. Should the company be unwilling to establish a smelter, even though economic, the State may negotiate with a third party to provide a smelter, in which case the company must sell a portion of its concentrates to the third party. The company may also join forces with, or otherwise dispose of its concentrates to, existing or planned smelters within Western Australia. Here, of course, the operations at Kambalda immediately spring to mind.

Employment at the mine will generate a permanent population of about 1,200 people with a possible increase to 3,500 if a smelter is established in the area. The company has made lengthy investigations into the best means of accommodating this population and has retained the services of T. S. Martin and Associates as town planners. On the advice of these consultants the company now wishes to establish a new town seven miles southwest of the minesite on an almost direct line between the minesite and the rail siding at Malcolm. The principal reasons for this choice are the closer proximity of this site to the scene of operations, the convenient situation adjacent to the proposed new road, and the more suitable environment for the establishment of a town sufficiently attractive to enable the company to obtain and retain operating staff. The company is seeking to maintain a fairly high proportion of married personnel.

The State has agreed to the reservation of a suitable site which is shown on the plan I have submitted for tabling. Sufficient land will be allocated to provide for a town the plan of which is to be lodged by the company in conjunction with its proposals for the townsite. Leases of land to meet the reasonable requirements of the company will be granted, and in due course it will be possible for the company to obtain the fee simple to land on which

it has carried out sufficient development. It is proposed that the company shall have the right to develop the town in accordance with its proposals and the right to allocate sites during the first three years of its operations. At the end of that period arrangements will be made for the control of roads, water supplies, sewerage, electricity, and public amenities to be transferred to the appropriate public authorities. The town will then be declared a townsite under the provisions of section 10 of the Land Act.

The company is anxious, as is the Government, that the new town, apart from being attractive in itself, shall not become a company town but that there will be a proper mixture of people associated with activities of one sort or another, and not necessarily associated with the business of the company. But somewhat understandably, the great majority of those who will live in the township will be employed by the company.

In conformity with the town plan, land will be reserved for future development either by Poseldon Limited or by others. This will cater for expansion of activities, especially if a smelter is established in the vicinity. Adequate land will also be reserved for recreation and other public purposes. The townsite has been situated seven miles from the mine to allow an adequate buffer zone in the event of the establishment of a smelter. It is not desirable that people should live in close proximity to smelting operations.

The company will be required to provide all housing needed to accommodate its staff and any consequential population required to supply essential services to the town community. The company will also provide, at its own cost, buildings and equipment needed for educational, medical, hospital, and police services and for required public amenities, both indoor and outdoor. It will be in the interests of the company to build an attractive town if it wishes to encourage suitable staff to take up residence in this otherwise arid area.

Provision is also made in the agreement for the company to assume responsibility for housing and community services in any other town in which its operations generate a significant increase in population.

Members might well ask what will be the fate of the existing town of Laverton. Some concern has already been expressed by residents of that town that it may become a ghost town because of the natural tendency of business proprietors and others to follow the trend towards the new centre of population. Although the final outcome cannot be accurately predicted, it is confidently expected that Laverton will not die out. The existing facilities, such as the hospital and airport, will be retained, and the present function of the town, in

catering for the needs of exploration activities in the area, is expected to continue for some time.

The old town is not considered by the company to be suitable for expansion. Development of a new site was recommended by the consultants rather than an attempt to graft a completely new section onto the existing town, thereby creating a divided community.

In the course of negotiations with the company on matters relating to the new town, there have been several consultations at departmental level with the town planning consultants and with representatives of the Shire of Laverton. Although there has been some understandable reluctance on the part of shire representatives to accept the company's decision to establish a new town rather than develop the existing one, there is a general realisation that the company will be bearing the full cost of establishment of the town and must therefore be afforded the opportunity to choose the site which will best satisfy its requirements. Both the shire and the company are conscious of the need for co-operation in the development of the new community.

Mr. Gayfer: How far apart are they?

Mr. GRAHAM: I suggest to the honourable member that he read the notes for the best part of a fortnight before the Bill is further debated.

Mr. Gayfer: Well, one does not know, of course.

Mr. GRAHAM: In order to gain first-hand knowledge of any problems that might arise in the early stages of the project, my colleague, the Minister for Mines, and I plan to visit the district next weekend, starting off tomorrow morning. In the course of the visit we will inspect the mining activities, the site of the new town, and the existing town of Laverton. Consultations will be held with representatives of the company and the shire and an opportunity will be given to any other interested persons or groups to make known their views on any matter relating to the effect of the project on the lives of residents of the area.

In line with this Government's policy on protection of the environment, the agreement confirms the obligation of the company to comply with the requirements of all State agencies, instrumentalities or departments, and all local authorities, relating to the protection of the environment—that is to say, existing legislation and any that may be enacted in the future. In submitting its proposals for approval, the company is required to outline, where appropriate, all steps to be taken by it for the suppression of dust, the control of liquid and gaseous wastes, and all other measures for the protection of the environment.

The agreement contains the usual provisions required to ensure the smooth operation of a major project of this type, including protection of the company's industrial installations against resumption or a change in zoning of the land it occupies. Provision is made for the maximum use by the company of local labour and locally-produced materials and services. Other clauses define the rights of the parties in the event of delays or on the determination of the agreement. Provision is made for the settlement of disputes by arbitration.

One important new requirement has been inserted in the agreement by this Government at clause 37. The Deputy Leader of the Opposition will have some recollection of debates on this clause which is commonly referred to as the variation clause.

Mr. Court: I have read it. I was just wondering how you got it past your Premier because of his inherent objection to the first words.

Mr. GRAHAM: Perhaps we can debate that in Committee when the honourable member can expand a little on it. In the event of the parties agreeing to any substantial alteration to the rights or obligations of either of them, the Minister is required to cause the variation agreement to be laid on the table of each House of Parliament within 12 sitting days of its execution. Either House will have the opportunity to pass a resolution disallowing the variation. This is a provision to safeguard the prerogative of Parliament and all other measures for the protection of agreements of this nature.

Here and now I pay a tribute to the company for its co-operation and understanding of certain issues the Government was anxious to have incorporated in the legislation.

Mr. O'Neill: Who determines what variations will be tabled?

Mr. GRAHAM: The Minister. I cannot speak for my successors, but I give an assurance that I will honour to the letter both the terms and the spirit of the provision. If there were to be some minor adjustment it would be nonsensical to go through the process of bringing it to Parliament, particularly if there were some urgency attached to it. However, consideration could be given to that if the members of the Opposition are so sensitive about it.

Mr. O'Neill: We are intrigued as to how you get around your objections to the variation clause. We do not object.

The SPEAKER: I would suggest that only one member should be talking at a time.

Mr. GRAHAM: Thank you, Mr. Speaker.

Mr. Court: I want to know how you got around the Premier after the comments he made last night.

Mr. GRAHAM: Perhaps we can have a discussion on this during the second reading of the Bill, but it would be preferable to have it in the Committee stage. In commending this Bill to the House, I would draw the attention of members to the considerable benefits, financial and otherwise, which will accrue to the State from this agreement. Employment will be provided at Kalgoorlie and Mt. Windarra for more than 300 people at a time when the down-turn in activity in the goldmining industry is giving rise to some anxiety on the eastern goldfields. The effect of the Poseidon project will be to keep the Lake View and Star Limited plant operating at Kalgoorlie, to create some employment opportunities at the Port of Esperance, and to establish a completely new operation at Mt. Windarra which is expected to absorb workers previously employed in goldmining activities elsewhere. The hope is, of course, that miners in no great numbers will be compelled to quit their activities on the goldfields to find employment elsewhere in the State so that those who remain will be available to provide labour for the Poseidon company.

Sir David Brand: Who will be responsible for the alterations to be made at the Port of Esperance?

Mr. GRAHAM: I have already indicated that. The company will be responsible, either solely or in conjunction with other companies that are using the port. The State will also make considerable gains in the form of capital works to be provided by the company, notably the upgrading of the railway line between Kalgoorlie and Malcolm and the construction of a new main highway, which will be of direct benefit to the whole of the area which it serves.

Additional revenue will be received by the State in the form of royalties which, as previously mentioned, will commence at the rate of about \$600,000 yearly, later growing to \$1,000,000 yearly. To this will be added rent of the mining leases approximating \$5,000 a year. In addition the charges collected for services provided in the form of rail freights, wharf charges, etc., will reach \$2,000,000 a year in the first stage of the company's operations, and later, probably \$3,000,000 a year.

Apart from the revenue collected by the State, this new industry will make a valuable contribution to the nation's export earnings and will naturally be providing a substantial benefit to the Commonwealth Treasury in the form of income and other taxes.

All in all, this promises to become an extremely valuable decentralised industry from which nothing but benefit can arise. The Government sincerely hopes and expects that this project will be the forerunner of a number of similar substantial developments in the area, each of

which will make its contribution to the advancement of the eastern goldfields area and the general development of the State.

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

Message: Appropriations

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

**GOVERNMENT RAILWAYS ACT
AMENDMENT BILL**

Second Reading

MR. BERTRAM (Mt. Hawthorn—Minister for Railways) [11.51 a.m.]: I move—

That the Bill be now read a second time.

There is only one provision in this Bill and that is to amend the maximum penalty of £20 or \$40 for a breach of the by-laws as provided in subsection (8) of section 24, to a new maximum of \$200.

The matter of increased penalties for breaches of the by-laws has received attention by the department, and it is considered that the maximum of \$40 is inadequate in certain cases. This maximum penalty has remained unchanged since 1961 during which time there has been considerable change in monetary values and a fine of \$40 today clearly does not have the same significance as it had 10 years ago.

It is not intended that all penalties provided under the by-laws will automatically be lifted to the proposed new maximum of \$200, but the new maximum will permit increased penalties being provided in cases where this is deemed necessary.

A requirement to provide a new by-law for greater protection at level crossings has also made it apparent that there is a need for more realistic penalties.

Concern has been increasing in respect of the possibility of a major accident occurring at a level crossing due to the combination of more extensive use of out-of-gauge, slow moving road transport, and the operation of faster and heavier trains.

In January, 1968, in England a 148-foot long road transport, carrying a transformer weighing 162 tons in all, moving at 2 m.p.h. over Hixon level crossing was struck by a train travelling at 75 m.p.h., causing loss of life and extensive damage, and it is considered essential that every possible action be taken to avoid a similar accident on this State's railway system.

Main Roads Department tests in this State have shown that particularly with the multitrack lines and vehicles slowly moving over crossings when commencing from rest prior to crossing, there is insuffi-

cient warning in many instances between the time of commencement of flashing of the lights and arrival of the train.

Police Department regulations provide that all road transport of loads in excess of 70 feet in length, 14 feet wide, or 16 feet high must operate under a special permit. At a meeting between the Main Roads Department, Police Department, and Railways Department to discuss the matter it was recommended that the movement of all vehicles of these specifications which are limited to speeds of 10 m.p.h. or less should, in addition to the Police Department permit, be subject to special authorisation by the Railways Department before they are permitted to travel over a railway level crossing.

It will be necessary for at least 48 hours' notice to be given to the railways before the out-of-gauge loading is scheduled to pass over the level crossing, and in view of the possible serious consequences of failure to obtain this authorisation it is proposed that the maximum penalty for non-compliance with this requirement should be \$200.

The Commissioner of Railways considers the proposed amendment to the Act is most desirable because if the unrestricted movement of such traffic over railway level crossings is allowed to continue, it may eventually lead to a major accident.

Debate adjourned, on motion by Mr. O'Connor.

**WESTERN AUSTRALIAN MARINE
ACT AMENDMENT BILL**

Second Reading

MR. JAMIESON (Belmont—Minister for Works) [11.58 a.m.]: I move—

That the Bill be now read a second time.

I would like to indicate that it has become apparent to officers of the Harbour and Light Department that there is an anomaly in the provisions of the Marine Act dealing with the carriage of radio telephony equipment on board fishing vessels.

The existing legislation provides for the carriage of radio telephony equipment and a qualified operator on board—

- (a) coast trade ships
- (b) limited coast trade vessels
- (c) vessels licensed or required to be licensed under the Pearling Act, the Whaling Act and the Fisheries Act

whenever they "go to sea."

The term "go to sea" is defined in the Act to include proceeding on a voyage beyond the limits of any harbour or river in the State. The effect of this provision is that vessels of these categories which operate solely within the limits of a proclaimed port or harbour are not required to carry radio telephony equipment or a qualified operator on board.

There are a number of proclaimed ports on the Western Australian coast which embrace within their limits vast areas of unprotected water which are considered to be just as hazardous, and dangerous, to these types of vessel as the open sea.

I quote as examples the Ports of Esperance and Port Hedland, where limits extend 10 miles to sea; Port Walcott, 40 miles of coastline and seven miles to sea; and Carnarvon, approximately 100 miles of coastline, and extending 20 miles seaward of Carnarvon and including all of the waters of Shark Bay.

To illustrate the anomaly, a situation now exists where a fishing vessel operating some miles to sea in waters adjacent to and outside port limits is required by the legislation to carry radio telephony equipment and an operator, whereas a similar vessel operating nearby, but solely within port limits and in waters which are equally hazardous and dangerous, is exempt from these provisions of the Act.

The Act already requires that vessels adapted for harbour and river service only, when navigated in unprotected waters within port limits, must carry radio telephony equipment.

This Bill provides machinery to prescribe by regulation that radio telephony equipment and qualified operators be carried on board the vessels to which the relevant section of the Act applies when these vessels are operating within the limits of ports where the carriage of the equipment is considered to be essential for reasons of safety.

The exemption provisions of the Act will still apply to any vessels which are brought within the scope of section 68 by the amending Bill. I commend the Bill to the House.

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

NATIVES (CITIZENSHIP RIGHTS) ACT REPEAL BILL

Second Reading

MR. BERTRAM (Mt. Hawthorn—Attorney-General) [12.02 p.m.]: I move—

That the Bill be now read a second time.

The only remaining function of the principal Act now proposed to be repealed by this Bill has been for several years past a means of granting liquor rights to socially advanced Aborigines living in those areas where restrictions against the sale of alcohol to the general Aboriginal population still prevailed.

On the lifting of these restrictions as from the 1st July last, the Natives (Citizenship Rights) Act virtually became redundant and should now properly be removed from the Statute Book.

On the repeal of the principal Act there will remain but one minor piece of Western Australian legislation discriminating against Aborigines. I refer to the Native Welfare Act which still requires that the approval of the Commissioner of Native Welfare be obtained before an Aboriginal can be taken outside the State.

This provision is little used now. It was originally enacted to ensure that unsophisticated Aborigines were not taken away from their home State without some adequate provision being made for their return. There are other ways of meeting the situation, however, and I am advised that it is the intention of the Minister for Community Welfare to seek Parliament's approval to its repeal when he brings down major welfare legislation, possibly later in the course of this session.

With the passage of this Bill, statutory discrimination—to all intents and purposes—will have become a thing of the past; although, unfortunately, because of their depressed social status our Aboriginal citizens will possibly still be subject to other forms of discrimination. I commend the Bill to the House.

Debate adjourned, on motion by Mr. Lewis.

PAY-ROLL TAX ASSESSMENT BILL

Second Reading

MR. T. D. EVANS (Kalgoorlie—Treasurer) [12.06 p.m.]: I move—

That the Bill be now read a second time.

This measure is being introduced as a result of an agreement reached at the last Premiers' Conference under which the States are to take over pay-roll tax from the Commonwealth.

As members know, Commonwealth-State financial relations have been the subject of almost constant discussion and examination by Commonwealth and State Governments since Federation.

In relatively recent times the quest for a "growth tax" for the States has been actively pursued, particularly since the imposition of stamp duty on receipts had to be abandoned.

The present Commonwealth Government undertook to examine the existing division of taxing powers between the Commonwealth and the States to ascertain whether there was some field with elements of growth which could be handed over to the States.

As a result of a wide-ranging study of the whole field of possibilities, the Commonwealth concluded that, because of constitutional restraints, only two taxes currently levied by the Commonwealth offered scope for transfer. These were personal income tax and pay-roll tax.

On the broad grounds of economic and social policy the Commonwealth decided that it would not be advisable to reopen the field of personal income tax to the States, but that it was willing to transfer pay-roll tax to them.

In offering pay-roll tax to the States, the Prime Minister pointed out that it is broadly based and grows almost directly in line with the economy and is relatively simple to administer.

While a number of the Premiers indicated that they would have preferred access to income tax, they all agreed to take over pay-roll tax, which will constitute a useful addition to revenue resources.

The transfer of pay-roll tax is subject to certain conditions and these are—

A reduction in the Commonwealth financial assistance grants equal to the amount the Commonwealth would have collected in the State had it continued to levy pay-roll tax.

The Commonwealth to meet the cost of exempting from the imposition of a State pay-roll tax, the non-business activities of local authorities.

The Commonwealth to meet the additional administrative costs incurred by the States in levying their own pay-roll taxes.

Commonwealth authorities which are currently subject to Commonwealth pay-roll tax, to continue to pay the tax to the States after the take-over.

The States to guarantee the statistician's continued confidential access to pay-roll tax returns for purposes of his statistical collections.

Apart from the foregoing the States will be free to adopt such rates, exemptions, and assessing provisions as they deem desirable.

I do not propose to go into details of the effects of the pay-roll tax transfer or other adjustments on the financial assistance grant to this State for 1971-72, as these will be given when the Budget for this year is explained.

So far as the proposed rate of pay-roll tax is concerned, I will have more to say about this and the estimated yield when the taxing measure which accompanies this Bill is introduced.

It has been agreed that all States will take over pay-roll tax on and from the 1st September, 1971. To do this each State needs to enact laws to impose and collect a pay-roll tax and the Commonwealth has to enact laws removing the imposition in States on and from that date, so that taxpayers will not be subject to double taxation. For its part the Commonwealth has announced, in the Federal Budget recently introduced, that it will continue to impose pay-roll tax in its own territories.

Since the Premiers' Conference, a number of conferences have been held between Commonwealth and State officials to settle administrative details between the Commonwealth and State taxation authorities and to prepare model uniform draft legislation for submission to the Parliaments of the Commonwealth and the States.

Uniformity is necessary so that there is as little disturbance as possible to the existing arrangements with taxpayers, and any inconvenience to them by changed administrative arrangements is kept to a minimum.

Currently the Commonwealth imposes a tax on all employers, including State Governments and local authorities, whose annual pay-roll of taxable wages exceeds \$20,800. The excess above \$20,800 is taxable.

It is levied on defined wages, which include salaries, wages, allowances, bonuses, overtime, and the like, and is generally paid shortly after the end of each month under a return system. The tax payable is self-assessed and returns from registered taxpayers are accompanied by payments.

The Bill now before members is based on the model uniform draft legislation, which conforms as closely as is practicable with the existing Commonwealth law. However, because the tax will be levied separately by the Commonwealth and each State, some fundamental changes from the existing Commonwealth law are necessary. These are—

The tax base under Commonwealth law is defined as wages paid or payable in Australia. This has been changed in the Bill before members by relating these payments to where the services for these wages are rendered.

This change ensures that the State will have the right to impose and collect the levy on defined wages earned by employees working in Western Australia.

This provision is also intended to overcome disputes as to which State is entitled to the tax in cases where pay-roll preparation and payment may be centralised.

The only exception to this rule, which is provided in the Bill, is in the cases of itinerant employees who render service in more than one State during a return period, such as interstate transport drivers. In these cases the tax is to be charged by the State in which the wages are paid.

This exception is to avoid the need for imposing on employers a requirement to make complicated pay-roll dissections. The possible revenue loss by this State in favour of another is likely to be marginal.

Provision is included in the Bill to allow for the division of the statutory deduction between States in certain cases.

It is proposed to retain the figure of \$20,800 as the annual deduction from taxable wages before the tax applies. Therefore, the tax field will not be extended to employers whose annual pay-roll does not reach this sum.

However, because the tax is to be separately levied by the Commonwealth and States, special provisions need to be included to cover cases where taxpayers carry on business in more than one State.

In these cases the annual deduction is to be divided between the States concerned on the basis of the proportion of wages subject to pay-roll tax in each State.

The Bill provides for the employer to advise the commissioner of the appropriate amount and further provides for the commissioner to vary the employer's nomination should circumstances change or there are other good reasons for doing so.

The Bill provides for a total exemption of local authorities as defined in the Local Government Act.

Exemptions proposed, apart from that for local authorities, conform with the existing Commonwealth law and have been updated. Generally they cover charitable, religious, benevolent, educational, and consular organisations.

It is not proposed to extend the scope of existing exemptions for obvious financial reasons.

In the case of local authorities, I mentioned earlier that the Commonwealth has agreed to meet the cost of exempting the non-business activities of these bodies.

The exemption provision in this Bill goes beyond the Commonwealth proposal, in that it provides for the total exemption from a State pay-roll tax of local authorities. This will exempt both the non-business activities and the business activities of these bodies. This is because it is desired to give a measure of assistance to them and, in any case, local authority business undertakings are, generally speaking, on a smaller scale in this State compared with others in Australia.

Sir David Brand: What is the total exemption?

Mr. T. D. EVANS: At this stage I am not able to advise the Leader of the Opposition, but I will obtain the information for him. To continue—

Provision is made to avoid double taxation. This Bill proposes that the State commences levying pay-roll tax

on and from the 1st September, as has been agreed with the Commonwealth and all other States. As the Bill provides that taxable wages paid or payable are subject to tax, situations may arise where all or part of the wages earned in August are paid in September. In this event, in the absence of special provisions, they would be returnable and taxable under the proposed State law.

As the existing Commonwealth law contains similar provisions, the wages payable in August would be taxable also under Commonwealth law.

To avoid this double taxing, the Bill provides that the tax is payable to the State only where it has not already been paid or is payable to the Commonwealth.

Sir David Brand: Do you think that is notice enough to the employers in this State? If the new tax is to apply from the 1st September there must be many problems to be overcome.

Mr. T. D. EVANS: The Bill is designed to ensure that the transition is as smooth as possible.

Sir David Brand: I would imagine so, but I wonder whether sufficient notice is being given.

Mr. T. D. EVANS: I think the Leader of the Opposition will find his questions answered in the comments I will make before concluding my speech.

The remainder of the Bill now before members conforms with the uniform proposals and follows as closely as is practicable, the existing Commonwealth law in dealing with such matters as the registration of taxpayers, the method of making returns, the collection and recovery of tax, objection and appeal procedures, penalties, and miscellaneous provisions. However, in this Bill changes have had to be made in the titles of officials and bodies, methods of objection and appeal, and similar matters, to conform with Western Australian titles, descriptions, and practices.

There are two features in this Bill on which I wish to make comment before I conclude my remarks, because one may not be evident and the other may appear to be very complex.

The first concerns the tax field covered by the proposed legislation. The proposed Act is to bind the Crown. This means that all Crown instrumentalities and departments will be subject to the tax. I understand that in all other States, with possibly one exception, it is proposed to levy a State pay-roll tax on all Crown instrumentalities and departments.

Careful consideration was given to a proposal to exempt departments financed from the Consolidated Revenue Fund, as it was realised that imposing tax on these

organisations would be of no benefit to the Budget. However, it became evident that this was not desirable because certain revenue-earning activities are included in the Consolidated Revenue Fund and others are not, which would lead to different treatment being applied.

In addition—and this is perhaps more important—there is the need to make provision, as agreed with the Commonwealth, for the Commonwealth Statistician to have access to the pay-roll tax information for purposes of the census and statistics and the States' Grants Acts.

The figures are of great importance in producing a whole series of wage and salary statistics, as well as being essential for the statistician to calculate the wage factor applied in determining the financial assistance grants to the States.

It therefore follows that, even if departments or instrumentalities were exempted, the same range and type of figures used for pay-roll tax would have to be produced by these bodies so that the statistician may be supplied with essential data.

For the foregoing reasons, the Bill provides for the continued payment of pay-roll tax by departments and instrumentalities of the Crown.

The other feature which requires special mention is the provision in the Bill which governs the date from which the proposals will operate. Because every Government in Australia will need to arrange for legislation to be passed by its Parliament and it is possible in some cases that this may be difficult to achieve in time for the laws to operate from the 1st September, provisions were included in the uniform model legislation which prevent any State Government from levying pay-roll tax until the Commonwealth legislation removing the tax in State territories became law on a proclaimed date. The provisions to be written into the Commonwealth Bill will allow proclamation to be made retrospectively to the 1st September.

Obviously, if the Governments operated independently and at different dates, a situation could well arise where taxpayers could find themselves faced for a period with two imposts; one by the Commonwealth and another by the State. I am sure the circumstances are those which all of us would agree must be avoided.

The model provisions for a common withdrawal and commencing date have been written into the Bill now before members. The proposal for a common commencing date means that, provided all Governments are able to have legislation passed towards the end of September, the tax can be brought into full operation as from the 1st of that month, because the first returns to States will not be due until the beginning of October. I trust that answers the query raised by the Leader of the Opposition.

In the event of there being some delay, provisions have been inserted in the Bill to allow commencement to be made at a later date. These are of necessity complex because they involve changing all references in the law to August and September, and making provision to prescribe appropriate months.

In case it is considered—and I must give emphasis to this part of my speech—that in view of these provisions there is no need to complete the passage of this legislation by late September, let me point out that delay beyond that time will result in a serious loss of revenue to the State and a corresponding delay in providing local authorities with badly needed assistance in the form of exemption, quite apart from the irritating confusion it will inflict on taxpayers and the difficult administrative problems which will then occur.

There is one other matter which, although it is not part of the Bill before members, may be of interest to them. Currently under the Commonwealth law, an export incentive is granted by providing a rebate of pay-roll tax to exporters who achieve a given level of exports. The Commonwealth has announced that it will continue to provide this incentive from its own resources and, therefore, the States will have no provisions relating to this concession in their laws.

Sir David Brand: The Treasurer has not told us what will be the total income to the State from the pay-roll tax.

Mr. T. D. EVANS: I have indicated this information will be furnished when the Budget is introduced.

Sir David Brand: I knew that, of course.

Mr. T. D. EVANS: In summary, as a result of an agreement between the Commonwealth and the States, it is proposed to legislate for a pay-roll tax which is important and essential to the revenues of Western Australia. With those remarks, I commend the Bill to the House.

Debate adjourned, on motion by Sir David Brand (Leader of the Opposition).

PAY-ROLL TAX BILL

Second Reading

MR. T. D. EVANS (Kalgoorlie—Treasurer) [12.28 p.m.]: I move—

That the Bill be now read a second time.

This is a complementary measure to the Bill I have just introduced; it is the companion taxing legislation to the Pay-roll Tax Assessment Bill. This Bill contains the proposed rate to be applied to taxable wages.

The Premiers have given consideration to the rate to be applied in the light of their current budgetary difficulties and I understand that every State intends to impose a rate of 3½ per cent. as from the

1st September. In our case this will yield additional revenue of \$6,300,000 in 1971-72 after allowing for exemption of local authorities. The estimated additional collections for 1971-72 are based on three-quarters of the full year estimate of \$8,400,000, as only nine months' tax will be received this year.

The Bill provides for the tax to be payable pursuant to the provisions contained in the Pay-roll Tax Assessment Bill. Therefore, its effective date of commencement will be the same as that proposed in the former Bill which I explained in detail. For obvious financial and other reasons it is essential that this legislation be passed before the end of September. Likewise, I commend the Bill to the House.

Debate adjourned, on motion by Sir David Brand (Leader of the Opposition).

ROAD MAINTENANCE (CONTRIBUTION) ACT REPEAL BILL

Second Reading

Debate resumed from the 12th August.

MR. O'CONNOR (Mt. Lawley) [12.29 p.m.]: In introducing a Bill to abolish the road maintenance tax, the Premier made the following statement:—

It will be seen that this is a very small Bill which does not contain very much verbiage, but I think it can truthfully be claimed that its effect will be out of all proportion to the time taken up in explaining what is to be done.

That would be about the only part of the Premier's speech with which I agree. While I agree with those remarks, the time I will spend on this particular measure will also be out of proportion to the size of the Bill itself.

It was very obvious that the Premier, when introducing the Bill, knew very little about it because some of the details he gave to the House were inaccurate. I do not say that was purposely so, but I wish to draw his attention to some of the points he made. I think he probably went into this Bill very hastily, in the same way as he made his promises during the election campaign. I think it might be said that this Bill was brought about through panic on the part of the Government in its efforts to attain the Government benches, but I think the effect of the Bill will be disastrous to many people in Western Australia.

This is a very far-reaching measure and its effects on the community will also be very far-reaching and drastic. They will be drastic to the farming community, other country people, and the small truckle—particularly the owner-driver. I think it hits at the small and average men, who are the people the Premier indicated would

be protected by the abolition of this tax. I am grateful for the details he gave of his proposals for replacing the tax because they are vital as far as this Bill is concerned.

In order that members may be fully informed, I think I should explain why we initially introduced the Road Maintenance (Contribution) Act and outline the research that was carried out by officers of the department into the introduction of similar legislation in the other States of Australia.

Road maintenance tax was originally introduced in Victoria in 1956 in order to catch up with interstate hauliers. As members know, in South Australia, New South Wales, Victoria, and Queensland the amount of border-hopping and the number of interstate trucks operating between the States have caused a great deal of concern. Because interstate hauliers pay very little towards road maintenance in the various States, it can be understood why some of the States were concerned and wanted to take some action in this regard.

The abolition of the tax in Western Australia means that the interstate haulier will no longer pay a license fee in this State. In other words, an interstate haulier can obtain an interstate license in New South Wales, Victoria, or South Australia for \$2 or \$3—I think \$3 is the maximum charge for an interstate license. He can then travel on our roads, causing damage to them, without having to pay anything towards their maintenance.

Prior to 1956 New South Wales had instituted a tax which was challenged and the Government of New South Wales was defeated. In 1956 Victoria introduced legislation which was challenged by the road hauliers through a man named Armstrong. The case has become known as *Armstrong versus the State of Victoria*, and it has previously been referred to in this House. This litigation subsequently went to the High Court and the Privy Council.

After considering the very comprehensive cases submitted to it by the road hauliers and the Government, the High Court ruled that vehicles in excess of four tons did damage to roads which was excessive or disproportionate to the amount that was paid by operators in fuel tax and other charges. The High Court assessed the amount of damage as being between 37d. and 41d. a ton mile. The court obviously reached its decision on the basis that the ordinary motorist and the owner of a smaller commercial vehicle of less than four tons paid their share of road and fuel taxes and other costs, and it was concerned that there should be no discrimination against them; in other words, they should not have to pay more than they were paying at that stage.

Another point in the High Court's ruling was that in charging an amount of between .37d. and .41d. a ton mile the various authorities could not discriminate between one road user and another; in other words, the authorities could not treat the interstate haulier unjustly. I think that point was made to ensure there was no breach of the Commonwealth Constitution.

The road transport operators were not prepared to accept that ruling of the High Court and they challenged it in the Privy Council. However, the challenge was defeated and the law was upheld. Subsequently, similar legislation was introduced in the other States. New South Wales was the next State to introduce a road maintenance charge; then Queensland followed. South Australia followed in about 1963—I am not quite certain of that date. Western Australia was the last State to introduce this charge; that took place in 1965.

We did not introduce this tax without giving it a tremendous amount of consideration. We were not keen to impose a tax upon another group of people in this State. I think when Governments realise that a tax must be imposed for one reason or another, they have a good look around to find out the best way to levy the tax so that it will have the least effect upon those in the community whom it should not affect.

It must be borne in mind that when this tax was introduced Western Australia was a claimant State. The Commonwealth allocated moneys to Western Australia on the basis that we matched the standard States. We had to maintain a standard of charges that was comparable with New South Wales and Victoria. In addition, at that time a new system for road grants was introduced into Australia. We had to obtain matching moneys in order to take full advantage of the allocation of Commonwealth funds. Many of the other States hoped we would not obtain that money because they considered Western Australia received more than its fair share of the road funds and they wanted to have the system altered so that the other States could get a bigger share of those funds.

In view of the fact that this is a large State with a very small population, it was imperative that we should retain those funds. That was one of the reasons for the introduction of the road maintenance charge. At that time this State had something like 7.8 per cent. of the population of Australia and was receiving 17.6 per cent. of the road funds, so we were not doing badly. We had in the vicinity of 110,000 miles of roads and a population of about 1,000,000, which meant we had about nine head of population to every mile of road. The Government at the time realised that a tremendous effort was necessary in order to achieve what it wanted in this regard. In the latter part

of its term of office, the previous Government allocated to roads in this State something like \$250 for each family of four; that is, for every man, wife, and two children in this State \$250 was spent on roads.

The Commonwealth brought to our notice that we were the only mainland State not applying this charge, and bearing in mind that the other States were interested in having the system altered, in the interests of Western Australia we felt we had a better chance of retaining the funds we had by implementing the road maintenance charge. By doing this it could not be said by the Commonwealth or the other States that we did not have a charge which the other mainland States were applying. This is one of the reasons we chose to take action which we would have preferred not to take.

When it was realised that Western Australia would benefit by applying a road maintenance tax, we looked for the best system operating in Australia. Officers from the department were sent to the various States to inspect their systems. The systems in South Australia, Victoria, New South Wales, and Queensland were investigated and the officers came back with all the available information. Certain recommendations were made and it was decided to apply this charge to vehicles over eight tons. By applying the charge to vehicles over eight tons, it was felt that most of the farmers operating in a small way would be relieved of a fairly heavy burden. We also felt we could obtain the required increase from the matching money which would be obtained.

South Australia was the only other State which applied the tax to vehicles over eight tons; the other States applied it to vehicles in excess of four tons. In this way we were hoping to help the owners of small vehicles and the farming community. The owner of a vehicle in excess of eight tons was given a 50 per cent. reduction in license fees. Therefore, if a truck driver had a license fee of \$500 and his vehicle was in excess of eight tons he only had to pay \$250.

Sir David Brand: The 50 per cent. concession did not apply in South Australia.

Mr. O'CONNOR: The only concessions which applied were for eight-ton vehicles. We had to adhere strictly to certain rules in the application of this charge. All the other States had been challenged and I think Western Australia is the only State which has not been challenged in the High Court in connection with the road maintenance tax. We had to apply the rules to vehicles of more than eight tons on the basis of not more than .41c per ton mile. Originally we charged one-third of a penny but now it is 5/18c per ton mile. We were not permitted to discriminate between road users. From our point of view the interstate charge did not matter but it is important as far as the abolition of this

tax is concerned. I feel it is important because the interstate haulier charge has contributed about \$1,000,000 to the Treasury in the last four years. When it is realised that matching money is made available, this is a very important point.

With the abolition of the interstate haulier charge there will be a greater burden than there has ever been in our State on the people using commercial vehicles. I am quite sure every sane person will agree that heavy trucks do a great deal of damage to the roads, and this is in accordance with the courts' findings. One only has to observe the roads near a brickworks or a timber mill where heavy trucks are continually using the roads to see the damage. Frequently the roads are broken up and in some cases they are almost irreparable. It is even necessary to replace the roads in some circumstances. The maintenance to keep the roads up to a reasonable standard is very costly. If heavy vehicles are doing the damage, surely they should be the ones to pay for it. Why should the owner of a Holden utility or panel van have to pay for the damage which the High Court has assessed has been done by heavy vehicles? I feel very sorry for these people in view of the suggested legislation because they will be unfairly and unjustly treated.

I agree with one point the Premier made and that is about the forms which had to be filled out in connection with our road maintenance charge. These forms were fairly cumbersome but there was no better alternative available.

Sitting suspended from 12.45 to 2.15 p.m.

Mr. O'CONNOR: Prior to the luncheon suspension I was telling members, through you, Mr. Speaker, of the reasons for the introduction into Australia and Western Australia of the road maintenance charge. I referred to the fact that the Grants Commission had brought the matter to our notice and we took action in an effort to obtain matching moneys which are so vitally required for work on the roads in this State, and in an endeavour to retain our road fund system.

To my knowledge the present Government has always claimed that this particular tax is inequitable. The Government said it would try to get rid of it because it reflected on certain sections of the community. However, the tax we have at present is one which rests upon those who do the damage to the roads. This fact has been confirmed by the High Court of Australia and by the Privy Council. Therefore, surely it is equitable, especially when we realise it is a charge placed on those who actually damage the roads.

Mr. Norton: It is passed on in the long run.

Mr. O'CONNOR: This proposition will also be passed on in the long run. It will very adversely affect the people of Car-

narvon, and the honourable member should get down on his knees and pray that it does not go through, because if it does he will be sorry.

Mr. Graham: Carnarvon will be affected no more than the metropolitan area.

Mr. O'CONNOR: Carnarvon will be affected more, as will other country towns, generally. If the Government has a good look at the matter it will realise that is the position.

Mr. Graham interjected.

Mr. O'CONNOR: The Deputy Premier can get up and speak later. He usually has a lot to say about things. I have already pointed out that the tax imposed by the previous Government placed the charge upon those who damaged the roads and this was confirmed by the High Court and the Privy Council. But now it is being overruled by the Premier and his Government.

Mr. Graham: And the people.

Mr. O'CONNOR: Certainly not. The people gave the Government no mandate to introduce a further tax to replace the road maintenance tax, and if the Deputy Premier is half as honest as I think he is, he will admit this.

Mr. Graham: Which half?

Mr. O'CONNOR: The proposed new tax will apply to all commercial vehicles and it will be imposed unjustly upon many people in this State. I believe that many of the owners of the 58,000 additional vehicles in this State which will be affected by this proposed tax will be penalised unjustly in view of what the Premier has told us.

Along with many people in this State I am rather perturbed about the strange statements made by the Premier from time to time. I do not make statements such as that without furnishing some proof. If we look at *The West Australian* of the 13th February we find that the following statement was made by the present Premier:—

I am confident that, without any increases in taxes, I shall comfortably meet all the promises that I have made.

One of his promises was to abolish road maintenance tax. Was that a truthful statement?

Mr. Hartrey: Your Government had not told him how broke it was.

Mr. O'CONNOR: Yes, it did, and the honourable member knows it. I think the member for Boulder-Dundas came here as an honest man and he should know that to be so. A reference to the Press of last December will indicate that the then Premier (Sir David Brand) indicated the financial position of the State. Members had the opportunity to read that in the Press.

Sir David Brand: In any case road maintenance funds were kept separate.

Mr. O'CONNOR: How farcical is the statement of the Premier that he was confident that, without any increases in taxes, he could comfortably meet all his promises.

Since the elections what have we had? We have had increases in hospital charges, and increases in water charges. I know you will not allow me to speak on water charges, Mr. Speaker, although they could be related to the question before the Chair because many of these road operators would be engaged on the cartage of water.

The SPEAKER: As long as you connect your remarks to the subject of the Bill.

Mr. O'CONNOR: But to get away from that and back to the increase in the license fees on commercial vehicles, I ask: what can we expect next? Perhaps the next increase in charges that the Premier has in mind is to impose a tax on those people who park their vehicles in the City of Perth car park, or something of that nature.

Mr. Hartrey: That is only a guess.

Mr. O'CONNOR: Was it a good guess? I ask you, Mr. Speaker, should a man who makes statements such as these lead the State? I believed the Premier when he said unequivocally that he would abolish the road maintenance tax. He made no mention of imposing a further tax to take its place. Therefore, on these facts alone, he should return to the people. Let us see whether he is prepared to do that, because I know what would happen. He has backed down on a statement he made; that is, the unequivocal abolition of the road maintenance tax. He is taking steps to abolish that tax but on the basis of imposing another tax which will be a greater imposition on country people than the road maintenance tax.

Dealing with the comments made by the Premier when he introduced the Bill, I quote the following:—

One scheme which seems to have the support of some sections of the community is to persuade the Commonwealth Government to levy a special tax on motor fuel and then distribute that tax to the various States.

I do not know whether the Premier thinks that this was his scheme, but all States have approached the Commonwealth Government in regard to this matter. Members of the Liberal Party and the Country Party worked on me on many occasions to put this particular matter before the Commonwealth, and I did so.

Mr. T. D. Evans: Were they not happy with the road maintenance tax?

Mr. O'CONNOR: They approached me in regard to a fuel tax.

Sir David Brand: And that included the pay-roll tax that you put up by 1 per cent.

Mr. O'CONNOR: As I was saying, before I was so rudely interrupted—

The SPEAKER: You do not have to stop.

Mr. O'CONNOR: —the Premier seems to think it is his scheme. I say it was not his scheme, but one that was looked at by all parties and it was taken to the Commonwealth Government to see whether a levy could be placed on fuel. The Commonwealth Government was not happy about it, because it contravened the Commonwealth Constitution and, therefore, although it was discussed by the Ministers, there was no chance of its being applied. The Premier knew this when he introduced this particular measure.

Whilst introducing the Bill the Deputy Leader of the Opposition interjected by saying—

When you said during the elections that you were going to get rid of the road maintenance tax, did you say, at the same time, that you would not impose an alternative tax?

In reply to that interjection the Premier said—

I believe I said that and I meant it.

That is, that he would not impose an alternative tax. He then went on to say—

I believe I said at the time that there would not be a tax substituted for this tax, and I do not consider increasing the license fees already in existence—

After a further interjection by the Deputy Leader of the Opposition the Premier said—

... but this is not a substitution for the road maintenance tax.

What absolute rubbish! How a man can get up and say that in this House when he is introducing a tax that is a substitute, I do not know, particularly when he is the Premier of this State. It is quite obvious that the Premier knew little about the measure when he introduced it or else he knew he could not avoid committing himself despite the promises he made during election time. Perhaps it would be to the benefit of the State if he did avoid imposing this tax.

However, when he makes a statement such as that, and goes on to say subsequently that he meant it, and then finally states that this tax is not a substitution for the road maintenance tax, one wonders what will happen next. I asked the Premier a question in the House as follows:—

Has he indicated that he intended to implement a charge to replace road maintenance charge prior to 12th August, 1971; if so, will he advise details?

His answer is a beauty! He said—

I clearly recall having done so but am unable to give details as requested. If he gave the details he must have done so in the bathroom of his home because I cannot find any record of them. Further, if he had made such a statement it would

have resulted in large headlines in the Press and brought forth many comments, and also he would have found himself sitting on this side of the House today and not where he is at the moment. I do not think he made this statement and that he gave a truthful answer.

Following on that, during the week I looked up some comments that had been recorded in Vol. 1 of the 1968-69 *Parliamentary Debates*, when a motion was moved by the member for Pilbara whilst the present Government was in Opposition. The motion was in the form of an amendment to the Address-in-Reply and it read as follows:—

However, it is with regret that we feel constrained to inform Your Excellency that the actions of several of Your Excellency's Ministers in deliberately misleading Parliament by giving untruthful answers to certain questions properly submitted in accordance with the Standing Orders are calculated to bring Parliament into contempt.

Shortly I shall link this with the comments made by the Premier. The Premier went on to say—

There are cases on record where Ministers have been obliged to resign because of giving untruthful answers in the Parliament.

He made these comments when speaking to the amendment to the motion for the adoption of the Address-in-Reply that had been moved by the member for Pilbara in 1968. Further on he said this—

The argument in the Parliament was solely and completely on the point as to whether or not the Minister had given an untruthful answer; and when it was demonstrated that his answer was untruthful he had no option but to resign.

Further on in his speech, he had this to say—

... but there is no right open to a Minister to tell an untruth in order to evade the point of a question. Such conduct is not to be tolerated.

The untruthful answer that we were given is one that should not be tolerated in this House, and as the Premier feels so strongly about a Minister having to resign for giving untruthful answers, I ask him to resign; and I think he should do so on the basis of his own words as reported in *Hansard*.

In connection with this amendment the Deputy Premier said—

The Ministers knew—of course they knew—that the information they were giving was false.

My leader pointed out that when a Minister does that in the mother of Parliaments and it is proved—as we

have proved the case this evening—the Minister immediately tenders his resignation as one of Her Majesty's advisers. Then, if he has personal principles, he also resigns from the Parliament. It was also pointed out by my leader that, irrespective of what is demonstrated and proved, and however great the sin of omission or commission on the part of this Government, it could not care less. All that matters is the numbers on the floor of the House when a vote is taken. Bit by bit the Government is reducing the standards and the codes that one would expect of Parliament and from Ministers in the Parliaments of democratic countries.

I feel the answer given to us is untruthful, and if the Premier and the Deputy Premier feel as strongly, as they indicated in *Hansard*, they should resign; and accordingly I ask them to do so. It is very easy for some people to set standards, but they are not prepared to live up to them. The following is to be found in the *Daily News* of the 22nd July:—

Parliament told tax will be shared.

The State Government will not tax any particular group to compensate for lost road maintenance tax revenue.

The Premier, Mr. Tonkin, made this undertaking in the Legislative Assembly yesterday in reply to a question from the former Minister for Transport, Mr. Ray O'Connor.

The question I asked is as follows:—

Following abolition of road maintenance tax, will he give an undertaking not to tax private motorists to compensate for damage done by heavy haulage vehicles to Western Australian roads?

The reply was—

It is not proposed to tax anybody specifically for the purpose of compensating for damage done by heavy haulage vehicles to Western Australian roads.

A specific group is being taxed. According to the Premier's speech a particular group of commercial vehicles is being taxed for this specific purpose. The tax is being imposed to replace the funds required for road maintenance in the State.

During the elections and prior to the election period the Premier made some statements which are very difficult for him to explain. One is in an article which appeared in *The Owner Driver*. The owner-drivers represent a very sorry group at the moment. That group supported the present Premier and his party, but a number of them contacted me during the last week or two to express concern over the action now being taken. They have told me they are very sorry they do not have

an opportunity to reverse the decision for which they were partly responsible at the last election. The following is the heading:—

Thank you! Mr. Tonkin

I do not know what the heading would be now.

Sir David Brand: It would possibly burn up the paper.

Mr. O'CONNOR: It could do that, too. The following letter from Mr. Tonkin appears on page 13 of that publication:—

Parliament House

Mr. R. E. Bezant,
Messrs. R. E. Bezant & Sons,
60 Camden Street,
MORLEY. 6062

Dear Mr. Bezant,

In response to your request, I wish to state that during the election campaign I stated unequivocally that the Road Maintenance Tax would be removed.

Early attention will be given to this after the Government has been sworn in.

That letter contained very little comment regarding a replacement tax, and I do not believe any statement was made concerning this; because, despite the fact that I have searched for this information, I have been unable to find it.

People have been completely misled on this matter and it is a pity the Leader of the State should mislead people to such an extent. When introducing the Bill the Premier said—

Although it is difficult to obtain firm figures regarding the percentage of tax actually collected, the indications are that the evasion of the tax could be as high as 30 per cent.

He could easily have said that it could be as high as 100 per cent., but this figure would have been just as inaccurate as was the figure of 30 per cent. that he used. That percentage was plucked out of the wilderness and is not by any means accurate. I do not know whether the Premier obtained his information from the board, but I would doubt very much that he did and I ask him to give us the source of his information. Whatever the source, it was a very bad guess, because 50 per cent. of the collections in this State are made under a special arrangement between the large firms and the Transport Department. The department has access to the books of these firms and therefore it is unlikely any evasion would occur in that particular field. If the department is not satisfied that the organisations are operating properly it can alter the arrangement.

As I have said, the department has access to the books so we can take it for granted there would be very little, if any,

evasion in that 50 per cent. group. The Premier says that 60 per cent. of the balance of the operators in this State are acting dishonestly. I do not believe this is so because if it were it would indicate a gross inefficiency on the part of the members of the Transport Department; and I do not believe those members are inefficient. I have had the privilege of working with them and I know how dedicated they are. They represent a fine group of people; in fact, as good a team as could be found in any department in this State. Therefore for the Premier to indicate that such a number is evading taxation is, in my opinion, giving completely false information.

I am quite certain the department would not substantiate the figures mentioned by the Premier. It is just farcical for him to suggest that approximately 60 per cent. of the balance—and that must be the figure—are not paying this tax.

I am amazed at some of the statements the Premier made but the following he may have made in all good faith:—

... In 1969-70 New South Wales prosecuted 11,461 persons for evasion of road tax. In the same period Victoria prosecuted 5,592 persons.

The Premier made the statement in an effort to indicate this tax should be abolished. I interjected and asked the Premier—

Is that the number of persons convicted, or the number of convictions? There might be 10 convictions against the one person.

To which the Premier replied—

Those numbers are of persons prosecuted.

I took the opportunity to ring New South Wales and I was informed that the statement the Premier made was completely untrue. The number of prosecutions was 11,461, but in some cases the same person could have been prosecuted as many as 100 times. Therefore the more accurate information would be that 1,000 or 1,500 persons were prosecuted and not 11,461 as indicated by the Premier. I know the Premier may not have known this, but I have checked the facts with New South Wales and Victoria and the figures given by the Premier for those two States are completely wrong. The figures he gave us represented the number of prosecutions, and not the number of persons.

Mr. T. D. Evans: Your own comments indicate that the tax is inherently bad. It must be if the one person can be prosecuted as many as 100 times.

Mr. O'CONNOR: Some people will break the law and maybe this is not a good tax, but no better alternative exists—certainly this applies to the one at present under

discussion. The Treasurer will find this out. When he is responsible for the imposition of taxes he will find that none of them is acceptable in any way.

I know that the road maintenance tax presented some difficulties, but it was still a far better tax than the one which is to take its place. As I have said, the number of prosecutions was by no means the number indicated by the Premier, who went on to say—

It is of interest to point out that in the last 12 months the Police Department has detected only 385 persons who have attempted to evade the payment of motor vehicle registration fees. This compares with the 1,343 prosecutions launched by the Road and Air Transport Commission in 1970-71.

Here again, I did not believe this would be the number of persons convicted. I asked a question as follows:—

- (1) How many persons were involved in the 1,343 prosecutions launched by the Road and Air Transport Commission in the last 12 months?
- (2) Who is handling Court work for the department in connection with road maintenance charges?

When answering the question relating to prosecutions, the Minister replied that 234 persons were involved. Therefore, fewer people were convicted under this than were convicted in connection with Police Department motor vehicle registrations. I emphasise that fewer persons were involved, and not more as one would believe from reading the information given in connection with that particular point.

The Premier went on to give an indication of the number of people who have been gaoled over non-payment of this tax. Let me say it is a pity that anyone has to be gaoled through default in connection with this or any other law, so far as payments are concerned. I do agree that in certain cases it leaves a number of families without the breadwinner. He is in gaol and the Government has to look after the family, which is not properly cared for. I asked a question in connection with this and the answer I received was as follows:—

Nineteen operators resident in Western Australia were committed to prison on road maintenance charges, but, with the exception of two, were released before serving sentence imposed.

I think—although I am not sure of this the two people were also released before their term expired. One, who was released from prison after representations by the member for Kalbarrie, is a fellow with an extremely bad record. He has

defied the law in this and other States of Australia. He said that he would not abide by the law; he would not be taxed; and we could jump in the lake.

In fairness to decent people in the State who pay tax and do the right thing, what were we to do? This man had an opportunity to work and to pay his tax. He said that he would not pay it and he made his attitude quite clear. Yet, the present Government let him out of gaol before his term of conviction had expired and not long after it assumed office. As I have said, I think this was done after representations were made by the local member.

Another point which concerns me is the number of people who are likely to become unemployed following the abolition of this charge. As I have pointed out earlier today, we have good and competent workers in the Transport Department. It appears that about 46 of these will not be required by the department.

Since the present Government took office there has been an upsurge in unemployment in this State. I believe it will continue to increase and within 12 months we will be in dire straits so far as unemployment is concerned. I also asked a question regarding the number of employees who will not be required by the Transport Department following the abolition of the road maintenance charge. The Minister for Transport replied—

Of a total of 58 employees engaged in administering the Road Maintenance (Contribution) Act, ten have resigned to take other employment.

I interpolate here to say that they have resigned because of the insecurity of their jobs with the department. These people have given good service and thought they had a good future. All of a sudden their jobs have been withdrawn from under their feet. The answer continues—

With the exception of some half-dozen who may be absorbed in other work at the Transport Commission the remainder will become surplus upon abolition of the Act.

If we lose this tax and thereby lose money for use on the roads, we could lose further employees engaged on road work. The information given to me by the Minister at my request indicates that we would lose about 64 employees for every \$1,000,000 of road funds which are not available for use on our roads. Therefore, if we lose this tax and the matching moneys a further 384 will lose their jobs in this State, plus the 48 in the Transport Department, giving an unemployment figure of 432. I am not saying this will happen, but it could happen if this tax is abolished and nothing is put in its place.

Employees of the Transport Department have indicated to me that prior to the election they had an undertaking from the Premier that their jobs were not in

jeopardy and they would be looked after. However, according to the answers given to the questions I have asked there is no guarantee that they will be looked after. These people, many of whom have families, have great reason to be concerned.

The position with regard to interstate hauliers is something which concerns me a little. I agree, as the Premier pointed out, it is not the most important aspect, but interstate hauliers in this State last year contributed \$212,644 to the maintenance of roads in this State. Therefore, in a five-year period we received from them in excess of \$1,000,000. This is not a small amount; it is an amount that is quite helpful, especially since these people do not contribute in any other way towards the maintenance of roads in this State. Certain matching moneys would go with the amount of \$1,000,000 collected from them. Therefore from the State's point of view it is extremely important to try to obtain money from these people.

After all, they should contribute. They come across the roads on the Nullabor Plain and cause damage. Under the new set-up they will not pay one cent. The people of Western Australia will have to contribute over the next five years the sum of \$1,000,000 or more that should be paid by interstate hauliers. This is not fair on the taxpayer in this State; it is not fair on the road user; and it is not fair on the person who pays his fuel tax, etc.

The Premier went on to say—

... the Government feels that the only satisfactory way of producing replacement road funds—

The Premier did not say it was a substitute, but used the word "replacement." If members look at the *Oxford Dictionary* they will see that, "replacement" means the same as "substitute." Perhaps the Premier should look at this. I looked at the dictionary to ensure that I was not off the track and this is actually what the dictionary says. The Premier said he was not going to introduce a substitute tax.

Mr. Rushton: He gets mixed up with pupils and school children, too.

Mr. Hartrey: "Replacement" does not mean the same as "substitute."

Mr. O'CONNOR: Perhaps I should ask those concerned to rewrite the dictionary. I believe dictionaries are usually fairly accurate. If "replacement" does not mean the same as "substitute" perhaps the member for Boulder-Dundas should substitute for the Premier and come to the front benches, because we could do with a replacement there. The Premier said—

... the Government feels that the only satisfactory way of producing replacement road funds is to impose an increase in motor vehicle registration fees of all trucks and vehicles used for commercial purposes.

As I have said, I cannot see how the Premier distinguishes between "substitute" and "replacement" on this occasion. He went on to say that one of the reasons for opposition to the road maintenance tax is that it appears to impose a special tax on one section of the community. It does that; it imposes a tax on people who do damage to the roads and requires them to pay for it. Is this inequitable? I feel it is not. Under the new system the people who will be paying for this will be those with small units, such as utilities and panel vans. People in country areas who own trucks but who do not really travel many miles will be hit to leg. I think this is a great pity. The Premier continued—

... that is, owners of the heavier type truck, particularly the owner-driver.

Wait until the owner-drivers tell him what they think of what he now intends to do. The Premier also said—

Another point against this tax is that it falls heavily on those situated in isolated areas remote from railways, many of whom are engaged in pastoral and farming activities.

Let us see what the alternative will do, because this is a tax that will hit the people whom the Premier suggested will be relieved far more than if the present tax were to continue to operate. Who will suffer under the proposed legislation? I say that people who can least afford it are the ones who will suffer; the farmers, people in remote areas, small truckies, and owners of commercial units. On top of that, roads in Western Australia will also suffer. Already there has been a reduction in the amount of collections by the Transport Department in this field. What is the reason? It is because the Government is not enforcing warrants in connection with the collection of these moneys. Therefore, anyone who wants to be dishonest is getting away with it while the honest person is being hit to leg. If we carry on in this way, I believe no-one should pay road maintenance tax now; people should not wait until the new legislation becomes effective. Why should an honest person have to pay and the dishonest person be able to get away with it? I believe the Premier or one of his Ministers advised the Crown Law Department not to proceed with these warrants.

What sort of incentive is this for the honest person to go ahead and pay his tax when he knows the Government will not proceed against people who do not pay? I believe this is one of the main reasons for the reduction in money from this tax—the collections are not being enforced.

Government vehicles will not pay under the new system so a very large sum of money will be lost which the ordinary taxpayer will have to make up for in one way or another.

Mr. T. D. Evans: Do Government vehicles pay road maintenance tax?

Mr. O'CONNOR: Of course they do. I thought the Treasurer would have known that; they have always paid it.

Sir David Brand: This involves a large sum of money so the Treasurer should know it.

Mr. O'CONNOR: There is no exception in this State except for the carriage of livestock. I am not referring to the 50 per cent. reduction in license fees. As I have pointed out, this reduction applies to vehicles over eight tons. I think the member for Bunbury asked a question in this House last week about how much was paid for Government vehicles in the Bunbury-Collie area and the figure was—

Mr. Rushton: It was \$56,500.

Mr. O'CONNOR: Yes, \$56,500 was paid in that area for Government vehicles. Members will see that is a substantial sum which will no longer be contributed by the Government and the ordinary taxpayer will have to make up the difference.

Mr. T. D. Evans: It was a case of robbing Peter to pay Paul.

Mr. O'CONNOR: It is robbing the taxpayer, I know that, and the taxpayer will be concerned about it. The Treasurer talks about robbing Peter to pay Paul, but will not we be robbing the taxpayers of this State to benefit the road hauliers of the Eastern States? Why should the interstate haulier get out of paying this tax? Why should he not contribute to the costs involved in repairing the roads he damages? For \$1 he can register his interstate business in Adelaide and travel on our roads willy-nilly, contributing nothing at all. The Western Australian taxpayers will pay the lot.

Under the previous Government's system, the interstate hauliers contributed something in excess of \$1,000,000 over a five-year period; and, of course, there was the matching money. We have no assurance that the funds collected under this new system to be introduced by the Premier will go to the maintenance of our roads. He has left very many questions unanswered. I can understand this to a degree because as yet he has only introduced the new Bill, but I want to ask a number of questions to clarify the position from our point of view. I hope the Premier will be able to answer these.

The first question is: where will the funds go? Will they be used for the same type of work that is being carried out at the present time? Who will be the collecting authority? We do not know this. Will the moneys be collected by the local authorities or the police on the police takeover of traffic? The Deputy Premier laughs, but will he tell us?

Mr. Graham: The same people who are doing the collecting now.

Mr. O'CONNOR: The local authorities? I am very pleased to hear this because I thought on the police takeover of traffic the police might do this. If the Deputy Premier gives us that assurance, I will be happy to accept it.

Mr. Graham: The licensing authority will collect the money.

Mr. O'CONNOR: That may not be the local authority?

Mr. Graham: That is a funny thing to say because under your Government, if you remember, there was the Wanneroo Shire Council licensing authority, then there was the Police Department, and then there was the Wanneroo Shire Council again. You ought to know that if you are capable of knowing anything.

Mr. Rushton: You started this kerfuffle.

Mr. Graham: That is what he is asking me.

Mr. O'CONNOR: Mr. Speaker, surely I am entitled to ask questions on this matter?

The SPEAKER: You can ask questions.

Mr. O'CONNOR: We want to know the answers because this affects all the people in this State. These people have been misled in many ways and we do not want them misled further. We want to make sure they are given as much advice as possible. They want to know whether they are to be further affected at a time when they cannot afford it. Many of these shires and farmers are in dire straits at the moment—the shires are battling to struggle on with their roadworks.

I say the country people are going to be adversely affected by this new charge and for this reason: I believe overall there will be a freight rate increase. I think this must come about; the people in the country must prepare themselves for a general freight rate increase.

Mr. Speaker, I ask you—I know you will not answer but I will ask just the same—will vehicles over eight tons reduce their rates under this new system? I say they will not.

Mr. Graham: Now you have answered your own question. You never gave the Speaker a chance to answer it.

Mr. O'CONNOR: I ask the Deputy Premier through you, Mr. Speaker, will the owners of vehicles over eight tons reduce their freight rates following the abolition of road maintenance tax and the introduction of a new tax?

The SPEAKER: The answers can all come later possibly.

Sir David Brand: I will bet they don't come.

Mr. O'CONNOR: I will be waiting patiently for those answers.

Sir David Brand: Waiting with bated breath.

Mr. O'CONNOR: I say there will be no reduction in freight rates for vehicles in excess of eight tons. If there is any it will be in connection with less than 10 per cent. of the vehicles; in other words, I doubt whether there will be any reduction at all, but if there is it will be very small.

Let us look at the case of smaller vehicles of less than eight tons. At the moment they are not liable for road maintenance tax but they are going to have an additional charge placed on them.

Sir David Brand: Substantial.

Mr. O'CONNOR: It is a substantial increase. In other words, the owners of vehicles of eight tons and under will be expected to increase their freight rate to pick up the money they will have to pay in tax. This is to be expected.

In many cases the truck driver is battling. At the present time he collects the tax first and pays at a later stage. The same with the farmer if he is out working his truck. He collects the money for his work and pays the tax a month or two later. However, with this new system he will be required to pay in advance, as we see it. If he has a large truck he will have to pay \$1,850 for a license. How many battling truck drivers can produce that sum of money quickly?

Mr. Jamieson: How many battling truck drivers can afford a truck of that size?

Mr. O'CONNOR: If the Minister goes to see them he will find out.

Sir David Brand: These are people paying road maintenance tax.

Mr. O'CONNOR: Does the Minister think they should get out of the business?

Mr. Graham: That is the problem of undercapitalisation, as you know.

Mr. O'CONNOR: I have to admit that undercapitalisation is a problem, but these truck drivers have been able to continue because they collect the road tax before they have to pay it to the department. Under the new system they will have to pay it in their license fees. Previously they paid \$100 or \$200 a month and now they will be asked for \$1,850 straight off. This will be a big slug to them and it will put many of them out of business.

This system could cause the truck drivers to operate illegally to avoid this tax. In the past a number of dishonest truck drivers have changed plates on the way through. If the truck driver operates with false plates, what happens in the case of an accident? There is no third party insurance and therefore no cover for anyone

who is injured. This is going to be a real problem and I can foresee a substantial increase in this type of practice following the introduction of this new legislation.

As I pointed out, during the week a number of drivers have been in touch with me and they have expressed their deep concern over the proposed method of taxation. One man who contacted me said that he had a truck with a 25-ton aggregate—that is overall tare plus his carrying capacity. At present he is paying \$179 a year but under the new system he will pay \$1,250. He is liable to pay substantially more for his license. He used to pay between \$40 and \$45 a month for road maintenance tax and he told me that in a year he paid \$504.

So, under the new system, after he has paid his license fee he will be \$567 worse off than is the case at present after he has paid his license fee plus his road maintenance tax. This is one of the poor truckies the Premier is trying to assist. Not only will that man be approximately \$567 worse off, but he has to find the money in advance.

This also applies to farmers and other country people. Take, for instance, a farmer who has two trucks. In this connection I asked a question of the Minister representing the Minister for Police. I asked him what vehicle license concessions apply to farmers' vehicles. The Minister replied—

Concessions specifically applying to farmers' vehicles are—

- (i) Vehicle (other than a tractor) not used on the road otherwise than in passing from one portion of the farm or holding to another portion of the farm or holding—free license.
- (ii) Tractor (other than a prime mover)—\$4.00.
- (iii) One vehicle (other than a motor car or tractor) not less than 30 cwt. tare—one-half fee.

So it was indicated that the farmer would receive exactly the same reductions in the future as he has received in the past; that is, one-half. The Premier might like to tell me by way of interjection whether that amount of 50 per cent. is correct, or whether the amount of subsidy in this regard is greater. Obviously, from the Premier's silence he does not know; but he might check up and find out later on. Most farmers have a utility and one or two other trucks. They will have the option of selecting one of their vehicles to which, I assume—bearing in mind the lack of information from the Premier—the reduction of 50 per cent. will apply.

Therefore the farmers must pay the full license fee on the balance of their vehicles. That is a fairly severe slug to the farmers.

Let us consider the license fees paid by Western Australian farmers for their vehicles as compared with those paid by farmers in other States. We see that our farmers will be fairly well hit to leg in this field, and the person who will be slugged the hardest is the one whose vehicle travels a fairly low annual mileage. I took the opportunity to obtain the license fees applicable in the various other States. The figures I am about to quote refer to a Holden utility. They are as follows:—

	License Fee \$
New South Wales	25.65
Victoria	54.00
South Australia	52.00
Western Australia	29.00

In that example we are below the average, but we will find things are different as we proceed up the scale. Let us look now at the license fees in relation to a four-ton truck—

	License Fee \$
New South Wales	73.00
Victoria	201.00
South Australia	155.40
Western Australia	142.00

For an eight-ton truck the figures are as follows:—

	License Fee \$
New South Wales	152.00
Victoria	203.00
South Australia	262.60
Western Australia	306.00

I now refer members to the license fees applicable to a 12-ton truck—and, as I pointed out earlier, as we come to the heavier vehicles so the amount of the license fee in this State increases substantially.

	License Fee \$
New South Wales	232.00
Victoria	264.00
South Australia	418.00
Western Australia	466.00

Mr. Jamieson: The other States all require truck operators to pay road maintenance tax over and above those fees.

Mr. O'CONNOR: Just wait until I finish. A little more information will give the Minister a little more detail.

Mr. Jamieson: It will not help any.

Mr. O'CONNOR: It might not help the Minister but it will be of help to the rest of the House. I shall quote now the license fees applicable to a 16-ton truck—

	License Fee \$
New South Wales	312.00
Victoria	339.00
South Australia	551.20
Western Australia	622.00

For a 20-ton truck the figures are—

	License Fee \$
New South Wales	392.00
Victoria	413.00
South Australia	551.20
Western Australia	786.00

I believe the figures I have quoted will be of interest to many members. I also took out some figures in connection with the percentage increases in the license fees of various trucks in this State. The present license fee for a Holden utility is \$29, and under the new scheme it will be \$35, plus insurance of \$34, making a total of \$69.

Mr. Jamieson: That figure depends on certain things does it not?

Mr. O'CONNOR: If the owner qualifies for a concession he gets a reduction on that amount. However, I am speaking about an average unit. I do not quite understand the point of the Minister. I refer to a Holden utility which is used as a commercial vehicle, and in this case the proposed increase is 21 per cent. In the case of a truck with a tare weight of 72 cwt.—and such a truck usually has an aggregate of 177 cwt.—the present license fee is \$132, and the proposed license fee is \$216, an increase of 63 per cent. For a truck with a tare of 91 cwt. which aggregates 250 cwt. the present license fee is \$174. The proposed new licence fee is \$345, which is an increase of 99 per cent.

In the case of a truck with a tare weight of 142 cwt. which aggregates 350 cwt. the present license fee is \$138 and the new license fee is \$588—an increase of 426 per cent. That is a substantial increase in the case of a vehicle which does not cover many miles, although it is not so bad in the case of a vehicle which does travel many miles. Then we come to the case of a truck which tares 160 cwt. and aggregates 440 cwt. The present license fee for that vehicle is \$153 and the proposed license fee is \$782, or an increase of 511 per cent. Lastly I refer to a 320 cwt. truck which aggregates 880 cwt. The present license fee is \$313 and the proposed new license fee is \$1,845, which is an increase of 590 per cent. Those license fee increases are most substantial when one realises that they have no regard for the amount of work performed on the road by the vehicle.

Overall, I believe there is no doubt that the present taxing system is more equitable as far as the average person is concerned. When we look at the substantial and vicious proposed increases, we wonder just where we are going. I have taken out some examples to indicate what is the actual position.

Take for instance the case of a truck with a carrying capacity of eight tons and with a four-and-a-half-tons tare. The owner of such a vehicle at present is required to pay 2.11c, not per ton mile, but per mile. At present the owner is required to pay a license fee of \$82 and under the new system he will be required to pay \$340. So he will be worse off by \$258. If that vehicle was used for farming and covered only 3,000 miles a year under the present system the owner would be required to pay \$67 in road maintenance charges. However, under the new system he will be approximately \$200 worse off. At this point I might mention that many farmers' vehicles do not cover more than 3,000 miles in a year.

Mr. Jamieson: That would be the second vehicle. You should clarify that.

Mr. O'CONNOR: Yes, I am referring to the case of a farmer's second vehicle, but in another case it could be a person's first vehicle and he would be faced with this sort of substantial increase. I also drew up some figures relating to a seven-and-a-half-ton truck with a carrying capacity of 17 tons. That is an aggregate weight of 24½ tons. At present the owner of that vehicle would be required to pay 4c a mile and his license fee is \$143. Under the new system he will be required to pay a license fee of \$941 and he will be worse off by \$798. Again, I am referring to the second vehicle of a farmer or the first vehicle of another person. Under the present system that person would be required to pay \$120 road maintenance tax if the truck covered 3,000 miles. Therefore, under the new system if that vehicle travelled 3,000 miles in a year the owner would be \$678 worse off than he is under the present system. If the vehicle travelled 15,000 miles a year the owner would pay a further \$600 under the present system, but he would pay an overall total of \$198 more under the proposed new system.

Mr. Gayfer: The truck of the average farmer does up to 5,000 miles a year.

Mr. O'CONNOR: The average farmer would be in tremendous trouble under this system.

Mr. Jamieson: No he would not, because there is not a large number of farmers with a second licensed truck.

Mr. Gayfer: The average farmer does about 5,000 miles a year with his truck.

Mr. Jamieson: They would license their trucks which have the biggest tare weight.

Mr. O'CONNOR: I think farmers would be very foolish if they did not do this where they had two trucks. The average farmer does the mileage mentioned by the member for Avon. I have checked with the Farmers' Union and I have been supplied with a figure of between 5,000 and 6,000 miles a year; therefore the average farmer will finish up by being much worse off under the new scheme than he was under the old.

I give a third example of a truck with an aggregate weight of 40½ tons, or 28 tons carrying capacity and 12½ tons tare weight. This vehicle would pay 6.58c a mile under the road maintenance charges. At present it bears a license of \$313 per year, but under the new system the license will be \$1,845. On this basis the owner would be \$1,532 worse off under the new system. If this person did only 3,000 miles a year with the truck, and he was not eligible for the 50 per cent. reduction, he would be \$1,340 worse off.

This legislation which has been introduced by the Premier is aimed at getting at the average and the small man, but it is of tremendous benefit to the big man. To return to the example of the vehicle of 40½ tons aggregate weight, if it does 15,000 miles a year at the rate of 6.58c a mile the owner would have to pay \$998 additional in charges, but he would still be paying \$544 more. If the truck did 30,000 miles a year the owner would be \$444 better off than he is under the present system; and if the truck did 45,000 miles a year—this is getting into the class of the big haulage trucks used by the iron ore companies—the owner would be \$1,432 better off. If the truck did 60,000 miles the owner would be \$2,420 better off; and if it did 75,000 miles he would be \$3,408 better off.

Mr. McPharlin: The mileage is the critical factor.

Mr. O'CONNOR: I admit that. The person who uses his truck and the roads most will get the most benefit out of this, but the person who has a truck which is not used frequently will be hit to leg. From the figures I have quoted it is obvious that the big iron ore companies and the road transport companies are chuckling at the thought of the passage of the Bill; no wonder they are! The Premier has said that they support the measure; and I can readily understand that. If I were one of them I would give my wholehearted support to it also; but if I were a Mr. Average I would kick like steam, because I will get it in the neck.

This is the most inequitable type of legislation that I have heard of, because it does not take road usage into account. I suggest that if a person owns a truck which does 1,000 miles a year he had better put it on the scrap heap, but if it does 100,000 miles a year then he will be much better off.

A farmer might have a 20-ton truck, and if he did 5,000 miles a year with that truck he would pay the same in license fee

as a truck of similar capacity belonging to one of the iron ore companies, which does 100,000 miles a year—and there are a number of trucks in this State which do 75,000 miles a year, and many others which do 50,000 miles a year.

There is no equity whatsoever in this measure. I say it is a shocking piece of legislation, and I feel it is the most iniquitous Bill that has come before the House. Under it the owners of trucks are not being made to pay as they use the roads; the measure will encourage people to use our roads at no cost to themselves. In particular it will encourage interstate hauliers and similar people to use our roads at no cost to themselves. It is the local truck owner who will have to pay for the damage caused to our roads—the farmer, the person living in the country, and Mr. Average.

I refer to a report which appeared in *The West Australian* of the 3rd May, which indicated the reaction of the country shires. This appeared under the heading, "Many country shires want road charge retained." I should think they would, because under the previous Government they knew where they stood, but today they do not know where they stand. From the indications given by the Deputy Premier it appears that the present Government does not know where it stands. The report states—

Nearly half W.A.'s country shires are opposed to the Government's proposal to abolish the road maintenance charge.

Most of the owners of small trucks are also opposed to the proposal, because they know how it will affect them. The abolition of this charge could adversely affect the money that is allocated to the country shires. *The West Australian* gave a good write-up of this matter by asking: With the abolition of the road maintenance charge who will pay the repair bills?

Mr. Graham: The editorial commended the new proposals.

Mr. O'CONNOR: I do not agree, because the statement is inaccurate. It mentioned that 30 per cent. of those concerned are evading the road maintenance tax, but that is not correct.

Mr. Graham: You cannot say it is incorrect.

Mr. O'CONNOR: I am saying it; I did say it; and I will continue saying it. The reason it is incorrect is that 50 per cent. of the charges imposed under the road maintenance tax are paid under an arrangement between the companies and the department; and the department has access to the books of those companies. What the statement implies is that 60 per cent. of the balance are evading the tax. This would indicate gross inefficiency on the part of the Transport Department and its inspectors. I know the members of the department, and I can say they are

not grossly inefficient. The figure given by the Premier is incorrect, and I would ask him to verify it.

To sum up, I say this legislation smacks of panic, and was proposed by the now Premier and his party in an endeavour to get into Government. Maybe it is the result that the present Government wanted. This legislation also lacks thought, and I believe it is extremely ill conceived.

No mention has been made of the exemption of the transport of livestock; therefore I presume there will be no such exemption in the future. That appears to be the position, because the Premier has not made any mention of this aspect. If there are not to be any such exemptions then a further impost will be placed on country people, because at the present time they are granted exemptions on livestock.

Mr. T. D. Evans: There are no exemptions granted to gold or nickel miners.

Mr. O'CONNOR: No, but members opposite have the numbers and if they wished to grant such exemptions they could do so.

Mr. T. D. Evans: Give everyone an exemption!

Mr. O'CONNOR: We might as well, because under this legislation it is Mr. Average who is being hit. I am quite sure the people of Kalgoorlie will wait with interest to see whether this Government will grant them the exemptions suggested by the Treasurer. If he is prepared to put forward proposals we will look into them.

Mr. Gayfer: Will 93 per cent. of the revenue from this source go to the country areas?

Mr. O'CONNOR: In the past approximately that proportion of the charges went to those areas, but we have been given no indication of what will happen in the future. At one time I took out certain figures in relation to the road maintenance tax and other road charges. It was about three years ago. These figures showed that about 60 per cent. of the amount of road funds was collected from the metropolitan area, and 90 per cent. of the total funds went back to the country. The north-west, with 2 per cent. of the population, received 28 per cent. of the road funds. Under our system the country got its share, and so did the north-west.

I would like to know whether overload permits will be granted. We have not been told. It will be interesting to find this out, because if the truck owners do not have to pay for the damage which they cause to our roads, then we might just as well grant them permits to cart whatever they want.

I understand that the rate of 50 per cent. reduction on farm vehicles mentioned in this debate is not correct, but this could be a slip. I would like the Premier to verify whether or not this is correct, or whether the rate should be 66 per cent.

I would also like to know what the Premier is prepared to do to assist employees who will be displaced from the Transport Department and from the Main Roads Department. These people are concerned about their jobs. I understand that 468 people could be displaced.

Is the Premier prepared to help the displaced truckies, because a number of them will be out of work? They will not have the necessary funds to license their vehicles. If they are given time in which to pay their license fees, as was the case with the road maintenance charges, that will certainly be of some help. The present situation will not do anything to help the employment position in this State.

Will the funds received from the increase in license fees go towards the maintenance of the roads, or will that money just go to the Main Roads Department? Will the Premier explain to us the position regarding local authorities? We know the Government has indicated that it will introduce a Bill to enable the police to take over traffic control throughout the State. Does this mean that the police will also take over the collection of license fees, or will that collection be left to the local authorities?

A matter which has concerned me greatly—and I am quite sure it has concerned many people living in the country as well as those in the metropolitan area—is the likelihood of an increase in freights. There must be an increase; that is obvious. I do not know whether or not the Premier is prepared to give any guarantee on this question. I do not think he can give such a guarantee, but I ask him to comment.

I believe the proposed legislation will be proclaimed on the 1st January, 1972.

Sir David Brand: Now that the Premier has an amendment on the notice paper!

Mr. O'Neil: I believe that someone insisted on the amendment.

Mr. O'CONNOR: The increase in license fees will cripple many road hauliers in this State. The increase in freight charges to the country people, and the city people, will be quite substantial in some cases.

Another cause for concern to members on this side of the House is the position of the Government when the road grants come up for review. The allocation of road funds was one of the reasons we stuck to the system of road maintenance charges, because the other States apply that charge also. What will be the position when the Government goes to the Commonwealth for a new allocation of road funds for the next five-year period?

The other States will apply some pressure for increases and use the excuse that this State does not apply the road tax. It is a pity the Bill has come forward because we in this State urgently require

additional funds. The proposed legislation will spell disaster for some hauliers and the Premier should take that into consideration before proceeding with the Bill. It will mean an unfair impost on 58,000 commercial vehicle owners in this State.

An additional 58,000 commercial vehicle owners will be affected by the proposed legislation. That is unfair because those owners will be paying a tax which they should not have to pay. The farmers and the small hauliers will pay for the damage caused by the interstate hauliers, and by the big companies. That is not fair.

Another point which has not been raised is that regarding trailers. There is no indication that the increased charges—increased license fees—will apply to vehicles and trailers. Surely the fee must apply equally to trailers. In the north-west firms such as Bell Bros. operate units which haul two or three trailers. Will those trailers be excluded from the license fees? There is no indication in the Bill. If the trailers are not to be included that will be a further impost on the commercial vehicle owners.

As I said earlier, the Premier has misled the electors in this State. I do not say that lightly; I believe it. Prior to the election the Premier stated that the road maintenance tax would be abolished, but he did not say that another tax would be substituted.

Mr. Williams: Not substituted; destitute!

Mr. O'CONNOR: I could think of a better word to suit the situation, but I will not use it in front of the Deputy Speaker.

Mr. Jamieson: He is never shocked.

Mr. O'CONNOR: The situation, however, is shocking. I ask the Premier, out of respect for the country people of this State—and out of respect for the farmers who at present are having a difficult time—to reconsider this ill-conceived piece of legislation and leave the position as it is. The Bill will affect many people who cannot afford to be hit at the present moment.

The Premier should defer the legislation at least until we have had an opportunity to peruse other legislation which is proposed. I do not know how far the Premier has gone with the new proposals, but he should hold up the measure which is now before us.

The reason for the reduction in the amount of collections, as indicated by the Premier, is that he will receive \$4,000,000 from the new license fees. I have some doubt that the amount will be \$4,000,000, but the Premier has the Treasury behind him. I believe the reduction in the collections is because the Government is not proceeding with the warrants for the non-payment of road maintenance tax. That means that the reputable people are really being hit to leg.

The legislation is unfair; it is inequitable; and it is an impost on the small and average man. The proposed legislation will increase costs in many cases, especially to the farmers, and I ask the Premier to abandon it. I should say, "abandon the bomb" because I think it will blow up. It is a terrible piece of legislation and it hits those who can least afford it.

I hope you, Mr. Deputy Speaker, and the Speaker will act in an impartial manner—as we expect—in connection with this Bill. I hope you will show your wisdom and will not just vote on one particular side of the House. I hope you will give much thought to the matter and vote in accordance with your conscience.

I strongly oppose this legislation and I hope it is defeated. I ask all members in this House to support me. I hope the back-benchers on the Government side of the House will support me, because many of their electorates will be drastically affected. I sincerely oppose the legislation.

MR. McPHARLIN (Mt. Marshall) [3.28 p.m.]: In speaking to this Bill perhaps it could be said that I would be one who would welcome the proposal to repeal the present Road Maintenance (Contribution) Act, and abolish the tax imposed under that Act. Over the years I have had some difference of opinion with the former Minister for Transport on this matter. We have had various discussions on the tax, and as a party we took some action on the method by which the tax was applied. The matter was discussed in considerable detail, and after lengthy discussion it was agreed that the tax was applied when the Government had a need to raise funds to attract valuable matching money offered by the Commonwealth Government at the time under the previous Commonwealth Aid Roads Agreement.

The Government found itself in a difficult situation, and had it not raised the money in some way it would not have attracted the money available from the Commonwealth. For that reason, some form of tax had to be levied to assist road maintenance in this State.

We have heard from the previous speaker—the former Minister for Transport—the history of the tax. He covered the situation in detail and gave a comprehensive survey of the position as it existed. He set out the manner in which the tax came into being, and how it originated in Victoria and spread to the other States. He also gave the reason for the Government applying the tax at the time. I think he covered the field very well and comprehensively. I do not intend to go over all the ground he covered.

After the Huges Vale case in New South Wales, an engineer in the country roads board authority in Victoria devised a

scheme whereby that authority could impose a tax on the users of heavy haulage vehicles. This was the so-called road/mile tax.

I have had occasion to study the case of *Armstrong versus the State of Victoria*. Figures that were supplied in evidence to the court proved that because of their heavy loads and the mileage they covered heavy trucks in fact did more damage to roads than lighter vehicles. I suppose it would be difficult to disprove that. The principle has been accepted that the vehicles that do the damage should contribute to the maintenance of the roads.

However, it is not the truck operators or the owners of the trucks who pay the tax. It is passed on to the consumers, wherever they may be. It is passed on even in metropolitan areas where goods are delivered by trucks. It is passed on in Perth. All consumers in some way or another contribute to the payment of road tax.

Mr. Norton: Also producers.

Mr. McPHARLIN: Yes. As a result of some inquiries I made in September last year, some broad figures were given to me which reveal that 60 per cent. of the tax is obtained from outside the urban area—30 per cent. from the northern areas and 30 per cent. from the agricultural areas. The figures also included the mileages covered by trucks engaged in the various industries. These, again, are generalisations, and they show that operators in the rural industry cover the lowest mileage. The average miles per truck are as follows:—

	Miles
Rural industry	6,850
Manufacturing industry	13,670
Building industry	12,640
Retail trade	10,730
Hire carriers	20,160

A committee of the Country Party made an examination of this matter, and following receipt of our requests and submissions the Premier of the day was good enough to appoint a committee to make a thorough examination of our submissions. The report of that committee has no doubt been examined by most members of the House. The summing up and findings of the Country Party committee are included at the back of the report. I will read part of this report because I think it ought to be in *Hansard*. Appendix B on page 45 reads—

In conclusion it is considered that the proposal would be regarded by the High Court—

The proposal referred to was the submission made by the Country Party committee that all road users should contribute to the payment of the tax. We thought that was a more equitable and fair way of raising the finance and that it would be easy of administration. It would come back to a

fuel tax. We felt that after it had been in operation for a brief period it would be accepted by most people.

Mr. Jamieson: Don't you think we would all have liked that if we could have got away with it?

Mr. McPHARLIN: I will make some further comments later on.

Mr. Graham: With an inspector behind a bush and men being imprisoned. There are 101 of them lined up now.

Sir David Brand: There is nothing to say men will not be put in prison after this, either.

Mr. Brady: A man was put in prison this morning—Eastern States' fines.

Mr. McPHARLIN: Appendix B to the report of the committee appointed by the then Premier reads—

In conclusion it is considered that the proposal would be regarded by the High Court as little more than an adjunct to a revenue statute and an excise in conflict with Section 90 of the Constitution. On the facts it would be difficult to argue that the fee for the licence was merely incidental to the system of motor spirit licensing. The tax in this case is not on the licence but on motor spirit since it is the sale of the motor spirit by the licensee that in essence creates the relevant liability. Unlike the position in liquor licensing where there are numerous licensees and transfers of licence are common, in the proposed motor spirit licensing, there would be only a few licensees who, subject to renewal, would hold the licences indefinitely, and pay fees calculated on the sale of motor spirit actually made by such licensees.

In the event of the High Court taking a different view of the position under Section 90, the problem still remains of the need to restrict the operation of the scheme to avoid conflict with Section 92—a problem which is capable of solution only at the expense of revenue.

It is not recommended that the proposal be implemented.

I think perhaps the Premier of the day might have been more sympathetic towards our submissions if he had not become involved in a matter of receipts duty tax with Hamersley Iron. I think that made the Premier more cautious about accepting something which might be challenged and ruled against in the High Court.

One particular proposal in the Bill attempts to distribute this tax over a greater field. I think that principle is fair enough; but one of my complaints and the main reason I do not support the alternative is that it does not go far enough—it does

not even go half way—and for that reason it will not be equitable nor will it do the job the Government expects it to do.

In respect of this point I will refer to *Hansard* of 1966. The member for Gascoyne was speaking, on the 3rd August, 1966, at page 100, on the Address-in-Reply debate. On that occasion he made reference to the tax that applied at that time and considered it would be much fairer if the tax were applied to all road users; if it were applied to all motorcars and any other vehicle that might be using the road.

Mr. O'Connor: The member for Pilbara supported that.

Mr. McPHARLIN: That is so, and I will come to that matter in a moment. At page 101 of *Hansard*, 1966, the member for Gascoyne had this to say—

I have a suggestion which is very similar to the one I put forward last year. I have gone to considerable trouble to work this out. I do not say I am enamoured with it, because it is another tax on the people, but it is nevertheless a tax which will affect every person who owns a motor vehicle, a caravan, a trailer, or a motor cycle.

This is a tax on every vehicle license.

Further on in the *Hansard* of the same year at page 140 the member for Pilbara complained about the present system of taxing and said that some of the drivers were people of little or no schooling and that it would not be easy for them to keep accurate records to enable the owner of the fleet to compile his return to the Government. The member for Pilbara then went on to say on page 141 of *Hansard* of 1966—

I realise, of course, that even if the scheme of increased registrations were adopted there would be an increase in haulage costs. But that increase would be spread over all the people in Western Australia who use our roads, whether they ride motor scooters, drive Mini Minors, or cattle trains. Surely that is a more equitable system of raising matching money than placing the burden on one section of vehicle owners, particularly when it is a section upon which, in the main, the State relies for its livelihood.

Mr. Jamieson: Who said that?

Mr. McPHARLIN: The member for Pilbara.

Mr. Jamieson: He should have been in Cabinet.

Mr. McPHARLIN: So there we have two members who are at present sitting on the Government side, advocating at that time for the tax to be spread to all road users and, at the time, they were speaking on an amendment to the Address-in-Reply. So we have this one principle

which has not been taken into account by the two members I have mentioned. They felt that the tax had not gone as far as they would have liked at that time.

In view of that I endorse the principle that the tax should be spread over all road users. That has been my belief for a long time. The present tax, in my view, does not go far enough. I know that in some quarters there will be opposition to it but no doubt this could be worked out by the people who would be called upon to carry out the exercise. Again I must say that I support this principle of spreading the tax over all road users.

I have here an extract from the *Australian Transport Journal* of the Institute of Transport in Australia in which it has criticised the present ton/mile tax and suggested the following alternative:—

The only practical solution is on vehicle registration. Commencing with a 7 h.p. (R.A.C. rating) car at, say, \$3.00 per annum contribution to road maintenance with slight increases in payment for cars with more powerful engines, then tapering off at \$10.00 per car with a 60 h.p. rating or higher.

It then goes on to suggest what would be the formula for commercial vehicles worked on a *pro rata* basis. This is very similar to that which has been suggested by the Government at the present time.

Sitting suspended from 3.45 to 4.03 p.m.

Mr. McPHARLIN: Before the afternoon tea suspension I was referring to the lack of application of the new proposals in that license fees will not be spread over all road users. Last year I took out some figures in relation to the number of vehicles that are subject to this tax as against the number of vehicles that use the roads, and I would like to quote them to the House. At that time the revenue obtained from the license fees was \$3,300,000. The expenditure on road maintenance from the Commonwealth Aid Roads Fund, was \$859,860, and the cost of road maintenance to the State was \$253,927, making a total of \$1,113,787. If that amount is added to the revenue that was attracted by the road maintenance tax, it makes a total of \$4,413,787.

So 75 per cent. of the money spent on road maintenance is obtained from the revenue gained from the present road maintenance tax. I then asked a question as to the number of vehicles that were actually subject to the payment of the tax. The exact figure was not made available to me, but the advice was that the figure was between 2,000 and 3,000 vehicles. I took the higher figure of 3,000 as being the number of trucks that would qualify for the payment of the tax and I found that the figure of 3,000 represented 78 per cent. of the total number of vehicles using roads in Western Australia. Therefore this

meant that 78 per cent. of the vehicles using the roads in our State were paying 75 per cent. of the road maintenance tax.

In principle, I think this is wrong, so I again say that the method as proposed in the Bill is not one that I would support as being an equitable method. During the inquiries I made into this matter in other States, I took the opportunity whilst I was visiting New South Wales to ascertain the number of prosecutions that had been taken out in that State. In his second reading speech I think the Premier quoted a figure and the member for Mt. Lawley also mentioned a certain figure. I obtained my information from a recent report, but it is true that in New South Wales in 1966-67 a total of 7,340 convictions was obtained against hauliers compared with 7,309 in the previous year.

The failure to complete a recorded number of journeys was instanced by the fact that 2,671 successful prosecutions were made during the year. Those who were prosecuted for non-payment of charges numbered 4,591; 19 were prosecuted for direct liability, and 59 for other breaches of the Act. These figures illustrate an argument that I put forward previously, and I think the former Government did recognise that the tax was not popular, that its administration was cumbersome, and that various aspects of it were not all that could be desired. From the figures I obtained from the New South Wales Auditor-General's reports for 1966-67, it was ascertained that the prosecutions averaged 619 a month. Of course, as the member for Mt. Lawley pointed out, one man could have been the subject of 100 or more prosecutions and convictions.

Nevertheless, those figures illustrate the point that a similar application of the tax must create bad feeling and dissension in every State where such application is made.

In regard to the proposals in the schedule to the Bill, I think a great deal more research needs to be done, because I do not think actual calculations have been made or detailed figures supplied to us as to how this tax will be applied in certain areas. Therefore, I took the trouble to obtain some figures in relation to trucks of various tonnages with a view to ascertaining how this schedule would apply to them. Taking, first of all, a four axle semitrailer with a 20-ton aggregate weight, I found that this vehicle was subject, in one year, to the payment of \$1,630 in road maintenance tax. Under the proposals contained in the Bill the operator of this vehicle would pay \$683, and so under the new legislation he would be better off. One would hope that, in view of the reduction in license fees that would be paid by the operator of that vehicle—and others in the same category—he would reduce his transport charges on whatever goods he carried, but I do not think we would have much chance of that happening.

Mr. Jamieson: Did the road hauliers reduce the charges for cattle haulage when the previous Government exempted them from the payment of road maintenance tax?

Mr. McPHARLIN: Following that exemption several hauliers said that they had not reduced their charges, but because of the concession that had been made they did not increase them. We accept that statement at its face value. However, not so very long ago the drivers of these vehicles were granted an increase in their wages and therefore the road hauliers would have been entitled to increase their charges by passing the wage increase on, but they did not. In some areas where road hauliers enter into contracts with individual farmers they reduce their charges in accordance with the length of the haul. They charge a rate accordingly and so give a service in that way.

The operator I have just cited—that is the one who was operating a truck of 20-ton aggregate weight—would be better off under the rates proposed in the schedule to the Bill by something like \$1,000. In all these instances mileage is a most critical factor, especially in regard to the larger vehicles. This was the point that was made by the member for Mt. Lawley. The particular semitrailer that I have instanced covers something like 30,000 miles a year, and by covering that distance the operator would be much better off under the new license fees set out in the schedule. However, by travelling a distance of between 6,000 and 10,000 miles, the operator of the same vehicle would not be better off. Therefore, as I have said, mileage is a very critical factor when making these calculations. My remarks apply to all the larger vehicles that come within this category.

I now turn to a farmer's truck that does not qualify for the payment of road maintenance tax. I think this is fair enough, because when the tax became operative a farmer when purchasing a new vehicle had to look at the economics of the proposition. He had to consider what was the best sized truck that would give him sufficient carrying capacity and yet not involve him in payment of road maintenance tax. Therefore many farmers purchased vehicles which did not quite qualify for the payment of road maintenance tax, but I would point out that they would not be the only persons who planned the purchase of vehicles in this way.

The truck I now cite as an example is one of 13 tons aggregate weight. Many farmers in the wheat-growing areas purchased such a truck because it did not become liable for the payment of road maintenance tax and yet had a good carrying capacity. Under the schedule to the Bill the owner of such a truck will pay \$364, but the present license on that truck

is only \$174. Under the present system which grants a concession of 50 per cent., the farmer would pay \$87.

Mr. Jamieson: He will now pay only about \$120.

Mr. McPHARLIN: He would pay a difference of \$34 under the new scheme. As the Minister for Works has said, the license fee payable would be \$120, and so he would be out of pocket on the first truck by an amount of \$34.

If he has a second truck of a similar size and he pays the full license fee on it he would pay \$364, plus \$34, making a total of \$398. The present license for such a truck is \$174, the difference in this case being \$224, and that is the amount the farmer would be out of pocket.

Mr. Jamieson: Has anyone a computer?

Mr. McPHARLIN: If he had paid a 12-month license on the second truck the difference between the present license and the new one would be \$190. If that is added to the \$34 extra on his first truck it gives a total of \$224 which is the amount he would be out of pocket.

Supposing he does not license the second truck for the full year, but obtains only a quarterly license to tide him over the wheat-carting period, he would pay \$48 for the quarter license plus the \$34 for the first license, so he would still be out of pocket by \$82.

Mr. Jamieson: He would not be paying \$174 on the first truck; that is the point.

Mr. McPHARLIN: He would be paying \$121 for the first truck. That is coming back to the concession license. We were led to believe when the Premier gave his second reading speech that the present concession would continue, but I understand from inquiries—and perhaps the Premier will either confirm or deny this—that the new concession is to be 66½ per cent. and not 50 per cent. Therefore an additional concession is being made.

Mr. Jamieson: It is made to keep the license of those vehicles as near as possible to what it was before, so it would have to be a greater percentage.

Mr. McPHARLIN: The farmer with the trucks I mentioned will still be out of pocket by \$82 even if he obtains a quarterly license for his second truck.

We have not as yet been given any details regarding whether or not concessions are to be granted for the transport of livestock. At present no tax is levied on this. Has it been considered in the new proposals? It is one point on which we require more information.

Another matter referred to by the member for Mt. Lawley was the overload permits. This is a good source of revenue according to the answer to the following

question I asked the previous Minister for Transport on the 15th October, 1970:—

What were the total amounts received by the Road and Air Transport Commission for the issue of road transport permits for the years ended the 30th June, 1968, 1969 and 1970?

The then Minister replied—

Year ended the 30th June, 1968—
\$309,672.

Year ended the 30th June, 1969—
\$403,934.

Year ended the 30th June, 1970—
\$481,746.

I do not know the amount for this year because I have not made inquiries. This is all added cost particularly for those in the areas represented by the members for Gascoyne and Pilbara.

The member for Mt. Lawley indicated that this will react unfavourably on the small operator and this is just how it will apply. More research is required, and if a new system is to be introduced it should cover all road users and make the tax more equitable. We know that over the years suggestions and requests have been made to the Federal Government that it give some consideration to allowing the tax to be raised through the Customs and Excise Department levy on petrol. This would be a far more equitable way of spreading the tax and it could easily be worked out by deducting a certain amount from each State as the fund is levied through the Customs and Excise Department.

This suggestion has been discussed at numerous meetings, including the meeting of the Australian Transport Advisory Council on the 12th March, 1969. When he was Minister for Transport, the member for Mt. Lawley forwarded me a letter enclosing some information he had received from the South Australian Minister for Transport as a result of discussions at the Australian Transport Advisory Council meeting. Although the suggestion has been considered over the years, it has not, as yet, been adopted, but I am sure that this is a recommendation which most of us would like implemented. Provided it could be satisfactorily arranged, how simple it would be.

In conclusion I want to refer to a report in *The West Australian* on the 30th June this year. The present Leader of the Opposition asked the Government to explain how it would find road funds to replace money lost as a result of the abolition of the road maintenance tax. Speaking of Sir David Brand, the article reads—

He said he was amazed that the Government had not said how it proposed to raise \$4.4 million to take the place of the tax.

It was a fair request, and the information should be given. On two occasions I attended a meeting with the present Pre-

mier at Wyalkatchem. On both occasions the subject of road maintenance tax was discussed and the present Premier gave the assurance that if his party became the Government it would abolish the tax. Every time he said this, of course, he was applauded. I do not recall his having at that time indicated what system would be introduced to replace this tax.

Mr. T. D. Evans: Was he asked?

Mr. Rushton: He said he would not put one on.

Mr. O'Connor: I asked him several times in the House.

Mr. McPHARLIN: I do not recall any questions being asked as to an alternative, but the Premier did not supply the information without any questions to prompt him to do so. However, I do hope he will give an explanation when he replies to this debate.

Another article to which I wish to refer appeared in *The West Australian* of the 28th October last year. In this article the present tax is referred to by the chairman of the road maintenance tax committee of the Farmers' Union as political trickery. If the present tax can be written about in that manner, surely the same charge can be levelled at the present Premier. He is indulging in political trickery—

Mr. Gayfer: Subterfuge.

Mr. McPHARLIN: —because at no time did he offer any alternative proposal.

Mr. Bickerton: I take it you are voting against this measure.

Mr. McPHARLIN: If such a charge can be levelled at the—

Mr. Bickerton: Are you voting against the repeal of this tax?

Mr. McPHARLIN:—present tax, that same charge can be levelled fairly and squarely—

Mr. Bickerton: Are you voting against the abolition of the tax?

Mr. McPHARLIN: —at the proposed alternative.

Mr. Bickerton: Are you voting against the abolition of the tax?

THE SPEAKER: Order!

Mr. McPHARLIN: I am sorry the member for Pilbara was not here when I quoted his speech in *Hansard*.

Mr. T. D. Evans: I hope you did not quote him out of context.

Mr. Bickerton: He will be repeating what he said in *Hansard* as soon as you are polite enough to sit down and we have had questions.

Mr. McPHARLIN: I am not supporting the proposals submitted because they do not go far enough.

Mr. Bickerton: You want the road maintenance tax? 2.

Mr. McPHARLIN: I want the tax spread over all road users. This Bill does not even go half way.

Mr. Bickerton: You do not want to repeal the road maintenance tax?

Mr. McPHARLIN: I said I am not supporting the present alternative proposal.

Mr. T. D. Evans: You want both worlds.

Mr. Bickerton: You are a funny man.

Mr. McPHARLIN: If the Government can submit an alternative which is more satisfactory—

Mr. T. D. Evans: Why didn't you submit one when you were in office?

Mr. McPHARLIN: We did.

Mr. T. D. Evans: When?

Mr. Jamieson: It was not practicable.

Mr. T. D. Evans: It did not come here.

Mr. McPHARLIN: Members have read the report of the committee which examined this matter and the recommendations in that report are what I would like adopted.

Mr. Bickerton: That wasn't legal.

Mr. McPHARLIN: No doubt the member for Pilbara will be up on his feet shortly to elaborate on his ideas.

Mr. Bickerton: No doubt he will remember you, too.

Mr. McPHARLIN: With that, I again say I do not propose to support the alternative system submitted to us by the Premier.

Debate adjourned until a later stage of the sitting, on motion by Mr. T. D. Evans (Treasurer).

(Continued on page 1103.)

QUESTIONS (39): ON NOTICE

1. REPORT ON SHARE HAWKING

Printing

Mr. COURT, to the Attorney General: When is it expected the report on share hawking will be printed (as authorised by the Legislative Assembly on 19th August, 1971), and when it is printed what is the proposed distribution of the report?

Mr. BERTRAM replied:

The order has been placed with the Government Printer.

Copies will be available for any member who requires a copy and other persons can purchase their requirements from the Crown Law Department.

TEACHERS

Promotions: Preference

Mr. RUSHTON, to the Minister for Education:

- (1) What action is to be taken to give members of the teachers' union preference in promotion and employment over their non-union colleagues?
- (2) Does this mean a teacher who leaves the department and who may or may not retain his union membership and who rejoins the teachers' union on being re-employed by the Education Department—
 - (a) will receive preference in promotion over the non-unionist who has remained with the department over the years; or
 - (b) will receive preference in promotion over the non-unionist who has remained with the department but because of conscientious belief has not joined the teachers' union?

Mr. J. T. TONKIN replied:

- (1) The Education regulations are being amended to give preference to unionists when appointments are being made to promotional positions.
- (2) (a) Yes.
(b) Yes.

3. TRANSPORT WORKERS' UNION

Caretaker-Secretary: Entry into Alcoa Mine

Mr. RUSHTON, to the Minister for Labour:

- (1) Is it a fact that the caretaker-secretary of the Western Australian branch of the Transport Workers Union entered the site of the Alcoa Alumina mine near Jarrahdale as reported upon in *The West Australian* of 20th August, 1971?
- (2) Is he aware of the reported offer of the company to bring the said T.W.U. member to the mine on his being named?
- (3) Is he aware of any way of restraining the caretaker-secretary from extraordinary behaviour contrary to good employer/employee relations and industrial peace such as his reported intention to parachute on to the mining site?

Mr. MAY (for Mr. Taylor) replied:

- (1) and (2) My only knowledge of the incident referred to is that contained in the issue of *The West*

Australian to which the Member referred. There is no other information as to its accuracy or otherwise.

- (3) It is not possible to give a competent answer unless and until the proposition suggested can be verified as factual; however, the following may assist the Member—

The right of entry to employers premises is invariably afforded to accredited union officials through the appropriate award. There is no over-riding clause restraining such an official under the Western Australian Industrial Arbitration Act.

4. *This question was postponed.*

5. EDUCATION

Audio-Visual Aids: Report

Mr. COURT, to the Minister for Education:

- (1) Has the Superintendent of Audio-Visual Aids returned from his Education Department Fellowship study tour authorised in 1970, on which he was engaged in a world wide examination of the latest developments in all aspects of educational television, visual aids, etc.?
- (2) Will his report be made public?

Mr. J. T. TONKIN replied:

- (1) Yes.
(2) No.

6. PINJARRA HOSPITAL

Extensions

Mr. RUNCIMAN, to the Minister for Health:

- (1) What progress has been made in the planning of extensions to the Pinjarra hospital?
- (2) What is the nature of the extensions?
- (3) What is the anticipated cost of these extensions?
- (4) To what extent is Alcoa of Australia contributing to the cost of extensions?

Mr. DAVIES replied:

- (1) Documentation in advanced stage.
- (2) Extensions comprise—
(a) 40 bed general ward wing;
(b) operating suite;
(c) eight bed maternity ward extension;
(d) administration suite.
- (3) Approximately \$820,000.
- (4) \$300,000.

7.

HOUSING

Pinjarra and Mandurah: Applications

Mr. RUNCIMAN, to the Minister for Housing:

- (1) How many applications are there for State rental homes in—
(a) Pinjarra;
(b) Mandurah?
- (2) How many of the applications relate to pensioner accommodation?
- (3) What is the current planning for both of these towns?

Mr. MAY (for Mr. Taylor) replied:

- (1) (a) Pinjarra—13 (no applications outstanding from pensioners).
(b) Mandurah—33 (including pensioner applications).

- (2) Mandurah pensioner applications—

Pensioner couples	12
Single unit pensioners	3
	<hr/> 15

- (3) (a) The commission has 17 fully developed residential sites in the McLarty Road/Cornish Way subdivision and is currently developing 47 sites in the Dixon Street area.

This development will satisfy the commission's 1971-72 Pinjarra building programme of 15 units and also make developed sites available for project developers, home builders and individuals.

The commission holds a parcel of 131 acres to the north of the townsite which will be developed as demand requires.

- (b) At Mandurah a subdivision to provide 44 residential sites in the Boundary Road area is under progressive development. Out of this subdivision, the commission has made an area of approximately one acre available to the Mandurah retirement village for the accommodation of elderly persons.

The development will satisfy the commission's building programme of 10 units for Mandurah.

8.

NATURAL GAS

Availability in Pinjarra

Mr. RUNCIMAN, to the Minister for Electricity:

- (1) As natural gas is shortly to be made available to Carcoola (North Pinjarra), why has the township of Pinjarra been excluded?

- (2) Would he give consideration to the provision of natural gas to the town of Pinjarra?

Mr. JAMIESON replied:

- (1) and (2) The commission would be prepared to supply natural gas to Pinjarra if sufficient applications for gas were received to make the extension an economical proposition, and if capital funds are available.

9. FREE SCHOOL BOOKS

Alternative Teaching Aids

Mr. COURT, to the Minister for Education:

- (1) As, internationally, there are suggestions that text books are giving way to teaching materials, such as source books, reference books, films, slides, tapes, etc., would not it have been better to spend the cost of the free text book scheme on these more up-to-date teaching materials if, in fact, there is a change of emphasis taking place?
- (2) Is it correct that the Education Department had already decided on a programme of partial phasing out of text books when he made his election promise of the provision of free text books?

Mr. J. T. TONKIN replied:

- (1) It is agreed that there is a change of emphasis from a single text book to the use of a more varied approach and the Education Department has been in the forefront of such changes.

The term "text book" includes a variety of instructional materials not necessarily in the generally accepted form of a single text book.

- (2) Answered by (1).

10. TRAFFIC

Parking on Median Strips

Mr. FLETCHER, to the Minister representing the Minister for Police:

- (1) From what date has or will it become a parking offence for an owner to park a vehicle on a median strip of a carriage way?
- (2) Have there been any penalties imposed to date?
- (3) Will policing of this regulation be the responsibility of metropolitan parking inspectors or the police?
- (4) Does the regulation apply 24 hours a day seven days a week, or at what other hours?

- (5) Will the ban apply, e.g., to the median strip in Marmion Street, East Fremantle adjacent to the football oval, and trotting ground on Saturday afternoons and evenings?

- (6) If so, will the ban have equal application in similar circumstances in other localities?

Mr. MAY replied:

- (1) 22nd July, 1971.
- (2) Yes.
- (3) Police Department.
- (4) The regulation applies at all times.
- (5) Yes.
- (6) Yes.

11. *This question was postponed.*

12. WATER SUPPLIES

York-Greenhills and Corrigin-Bullaring Areas: Extension

Mr. GAYFER, to the Premier:

Because of the seriousness of the water position (both in storage and underground) for the third year in succession and these areas' dependency on stock raising, would he approach the Prime Minister for an immediate decision on Commonwealth financial aid to implement the plans put forward for the water extension and farm reticulation in the York-Greenhills, Corrigin-Bullaring areas?

Mr. J. T. TONKIN replied:

Yes.

13. RAILWAYS

Derailments: Trans.-line

Mr. HARTREY, to the Minister for Railways:

- (1) On how many occasions in the past eight weeks has a trans-Australian—
- (a) passenger train; and/or
- (b) goods train,
- been derailed between Hughes and Kalgoorlie when travelling west?
- (2) (a) Where, by reference to the nearest mile post; and
- (b) when, by reference to date and time,
- have such derailments occurred?
- (3) What were the respective causes of each such derailment?
- (4) On how many occasions in the past eight weeks has the trans-Australian passenger train failed to reach Kalgoorlie on time?

- (5) What was, in the said period—
 (a) the shortest margin of unpunctuality;
 (b) the longest margin of unpunctuality?

Mr. BERTRAM replied:

- (1) to (3) As this section of railway is operated by Commonwealth Railways, official information in this direction is not available.
 (4) Forty-eight trains failed to arrive Kalgoorlie on time during the period 30th June to 24th August, 1971.
 (5) (a) 5 minutes.
 (b) 1,805 minutes.

14. This question was postponed.

15. MINERALS

Royalties

Mr. JONES, to the Minister for Mines:

- (1) What amount of royalties were collected for the years 1967-68, 1968-69, 1969-70 and 1970-71 on—
 (a) ilmenite;
 (b) rutile;
 (c) zircon;
 (d) leucoxene;
 (e) monazite?
 (2) What are the royalty rates per ton on the minerals mentioned?
 (3) What were the total tonnages of beach sands mined for the years 1967-68 to 1970-71?
 (4) Is the royalty payable on beach sands when mined or only on removal from the area in which it is mined?

Mr. MAY replied:

- (1) Royalties collected are as follows—

	1967/68	1968/69	1969/70	1970/71
	\$	\$	\$	\$
(a) Ilmenite	37,107.28	61,636.99	41,163.90	36,914.52
(b) Rutile	60.00	126.81	114.25	122.44
(c) Zircon	2,853.75	3,392.38	2,289.12	3,015.95
(d) Leucoxene	49.34	158.15	764.90	693.10
(e) Monazite	1,271.88	927.97	1,302.49	1,468.76

- (2) Royalty rates a ton on—

	Cents
Ilmenite	10
Rutile	15
Zircon	10
Leucoxene	10
Monazite— $\frac{1}{2}\%$ of the realised F.O.R. value (or F.O.B. value if exported).	

- (3) Total tonnages of beach sands mined for—

	Tons
1967-68	441,387.05
1968-69	625,496.95
1969-70	623,697.92
1970-71	717,994.59

- (4) Royalty is collected on beach sands when shipped or sold locally.

16.

COLLIE COAL

Production 1965 to 1970

Mr. JONES, to the Minister for Mines:

What was the tonnage of Collie coal produced for years 1965 to 1970, inclusive?

Mr. MAY replied:

Year	Tons Produced
1965	993,737
1966	1,061,096
1967	1,062,153
1968	1,087,376
1969	1,090,536
1970	1,197,728

17.

VEHICLE LICENSES AND TRAFFIC ACCIDENTS

1968 to 1971

Mr. I. W. MANNING, to the Minister representing the Minister for Police:

- (1) What number of motor vehicles were licensed in the metropolitan area for the years 1968-69, 1969-70 and 1970-71?
 (2) What was the total sum of money collected as license fees for each of the last three years?
 (3) What amount was distributed to each metropolitan local authority during each of the last three years?
 (4) What number of traffic accidents were reported in—
 (a) metropolitan area;
 (b) country areas, during each of the past three years?
 (5) What was the number of fatal accidents in—
 (a) metropolitan area;
 (b) country areas, for the same period?
 (6) What was the cost incurred by the police metropolitan traffic control for each of the past three years?

Mr. MAY replied:

- (1) The number of vehicles licensed in the metropolitan area for the year 1968-69 was 287,217.

The figures for 1969-70 and 1970-71 are not readily available. However, the number at the 31st December, 1969, was 298,776 and at the 31st December, 1970, was 326,493.

- (2) The total sum of money collected as license fees in the metropolitan area and country districts under the control of the Police Department was—

	\$
1968-69	6,588,132
1969-70	7,424,184
1970-71	7,984,662

- (3) Distribution to metropolitan local authorities during the last three years is as shown on the schedule hereunder and include moneys from State (vehicle license fees) and Commonwealth funds.

DISTRIBUTION OF FEES TO METROPOLITAN LOCAL AUTHORITIES

CITY OF—	1968/1969	1969/1970	1970/1971
Perth	664,573	720,561	767,701
Fremantle	194,766	215,596	229,700
Melville	302,238	324,102	349,566
Nedlands	158,768	172,132	183,393
South Perth	208,094	225,710	240,476
Subiaco	120,116	130,276	138,798

TOWN OF—	1968/1969	1969/1970	1970/1971
Claremont	63,631	69,025	73,540
Cottesloe	60,715	65,838	70,144
East Fremantle	52,578	57,037	60,769
Mosman Park	30,390	42,707	45,501
Midland	76,805	83,351	...

SHIRE OF—	1968/1969	1969/1970	1970/1971
Armadale-Kelmscott	244,704	265,729	283,111
Basendena	71,807	77,026	83,024
Boyswater	186,497	202,608	215,362
Belmont	177,040	192,298	204,879
Canning	194,447	211,221	225,039
Cockburn	145,382	158,029	168,367
Gosnells	160,208	173,933	185,311
Kwinana	102,706	111,454	118,745
Mundaring	86,449	136,112	145,017
Peppermint Grove	11,324	12,269	13,073
Perth	757,401	822,891	876,725
Rockingham	117,598	127,661	136,012
Swan	86,676	176,908	277,284
Kings Park Board	26,109	...	...

(4) (a) Metropolitan Area—	\$
1968	32,403
1969	25,583
1970	19,970
(b) Country Areas—	\$
1968	4,487
1969	3,656
1970	3,069

- (5) Number of fatalities caused by traffic accidents—

(a) Metropolitan Area—	
1968	156
1969	155
1970	167
(b) Country Areas—	
1968	182
1969	168
1970	195

- (6) Cost incurred by the Police metropolitan traffic control was—

	\$
1968-69	1,491,154
1969-70	1,634,971
1970-71	1,880,200

18. TRANSPORT

Annual Report and P.R.T.S. Report

Mr. COURT, to the Minister representing the Minister for Transport:

- (1) Has he completed his study of the Annual Report of the Director General of Transport for the year ended 30th June, 1971, and the various recommendations implicit in the report itself or made independently thereof although mentioned in the report?
- (2) If not, when does he expect to finalise his study?
- (3) If he has completed his study—
 - (a) which of the recommendations are to be acted upon;
 - (b) which are not to be acted upon and for what reasons;
 - (c) what statutory changes are involved?
- (4) (a) What action is in progress and proposed for the P.R.T.S. report;
- (b) if a decision has not been made, when will one be made?

Mr. MAY replied:

A postponement of the answers to these questions is necessary. Not only the Minister for Transport but also the Minister for Railways, the Minister for Works, who controls the Main Roads Department, and a special P.R.T.S. Cabinet Sub-Committee are currently engaged in studies of the Report of the Director-General of Transport for the year ended 30th June, 1971.

The answers will be provided as soon as practicable.

19. LAND

Bunbury Municipal Council: Exchange of Sites

Mr. JONES, to the Minister for Lands:

- (1) Does an agreement exist between the Bunbury Municipal Council and the Government that in return for the present Bunbury Technical School site (situated within reserve 670) the old technical school site, bounded by Arthur and Stirling Streets, and the infant school site, bounded by Stirling and James Streets, would be vested in the Bunbury Municipal Council?

(2) If this arrangement does exist, what valuation was placed on the portion of land from reserve 670 for the present education complex?

(3) What valuation was placed on the old technical school and Infant Health areas owned by the Government?

Mr. H. D. EVANS replied:

(1) to (3) No agreement exists. Some discussions have been held, but negotiations are still proceeding.

20.

RAILWAYS

Transport of Minerals: Capel-Bunbury

Mr. REID, to the Minister for Railways:

(1) Would the W.A.G.R. consider transporting ilmenite and other minerals by rail from Capel to Bunbury?

(2) Would this be feasible provided special rolling stock were available?

(3) How many W.A.G.R. road trucks are at present engaged on this work?

(4) Do the W.A.G.R.—

(a) pay license fees;

(b) road maintenance tax; and if so, how much?

(5) How many accidents have occurred over the last two years involving these mineral trucks and trailers?

(6) How many complaints have been received over the same period from the residents of the Bunbury and Capel districts?

Mr. BERTRAM replied:

(1) Yes, but with the fragmented movements of relatively small tonnages the costs of wagons and associated terminal equipment make the movement more costly than the current arrangements. Examination of the future of rail movement of ilmenite is still proceeding.

(2) Answered by (1).

(3) Five trucks and trailers; one semi-trailer.

(4) (a) No.

(b) Yes.

(c) \$25,282 (for year ended 30th June, 1971).

(5) One accident on 21st November, 1969, on Australind Road, two miles from Bunbury.

(6) Nil.

21.

MINING

Capel Shire District: Deposits

Mr. REID, to the Minister for Mines:

(1) How many tons of ilmenite and other minerals were mined from the Capel Shire district—

(a) in the last year;

(b) the previous year?

(2) How many tons were transported to Bunbury by road?

(3) What is the potential tonnage and expected life of these mineral deposits?

Mr. MAY replied:

(1) (a) and (b)—

	1969	1970
	Tons	Tons
Ilmenite	662,745	538,398
Rutile	1,643	2,251
Leucoxene	4,844	10,232
Monazite ...	2,550	4,437
Zircon	26,256	60,956
Xenotime	10	55

(2) Not recorded by this Department.

(3) Reserves have been estimated only for the Bunbury-Busselton area and not segregated into shires.

This area is estimated to contain a total inferred, indicated and measured reserves of 22½ million tons of ilmenite, of which 4½ million tons are measured or proven. On present projected rate of production, this will provide a life of 25 to 30 years. During this period, more deposits may be located and the cut-off grade may be lowered, both of which would lengthen the life of the industry.

22.

BUSSELL HIGHWAY

Capel-Bunbury Section: Expenditure

Mr. REID, to the Minister for Works:

(1) What has been the expenditure in road works and repairs on the Bussell Highway between Capel and Bunbury over the last five years?

(2) What plans are contemplated to improve the bad sections of this highway?

(3) What is the estimated cost of these road works?

Mr. JAMIESON replied:

(1) \$80,019 made up of \$49,279 on construction works and an estimated sum of \$30,740 on maintenance.

(2) Works planned to be carried out by the Main Roads Department in 1971-72 are: Reconstruction of

isolated failed short sections between Bunbury and Capel, estimated to cost \$12,000, and reconstruction of a 4.2 mile length south of Bunbury and a channelisation treatment at the junction of Bussell Highway and the Bunbury Ring Road, and re-decking of two bridges—estimated overall to cost \$176,250.

(3) Answered by (2).

23. TOWN PLANNING

Subdivisions: Compensation for Costs

Mr. REID, to the Minister for Town Planning:

- (1) Is a subdivider whose land faces undeveloped State Housing Commission land required to finance the cost of the water main that will eventually service the State Housing Commission blocks?
- (2) Will the subdivider be compensated by the State Housing Commission when the land is developed?
- (3) Is he aware that in small country towns this cost alone amounts to more than \$130 per block?
- (4) What is the average time taken by the department to process the subdividers' applications?

Mr. J. T. TONKIN (for Mr. Graham) replied:

- (1) and (2) Any subdivider whose land is not already capable of being serviced by water is normally required to finance the cost of a water main irrespective of who owns the undeveloped land opposite his property. In the absence of any special arrangements made between the landowners concerned and the water supply authorities, no compensation is payable by a subsequent user of the service to the original subdivider.
- (3) This is possible, but the cost a block of providing water depends on a number of variable factors including the location of the land, the number of blocks to be serviced and the type of terrain.
- (4) Though the department makes every effort to deal with applications within two months, a precise answer cannot be given without an analysis being made of a large number of subdivision applications. Subject to this, the usual period varies between six and eight weeks. In some cases, applications are dealt with in a much shorter time; others may involve protracted negotiations with other parties which lengthen the period considerably.

24 to 26. *These questions were postponed.*

27. EDUCATION

New School at Mundijong

Mr. RUNCIMAN, to the Minister for Education:

- (1) Has a site been selected for a new school for Mundijong?
- (2) If "Yes" where is it located?
- (3) When is it expected that the school will be built?

Mr. J. T. TONKIN replied:

- (1) Yes.
- (2) The site is bounded by Livesey, Butcher, Richardson and Anstey Streets.
- (3) The school is listed on the 1971-72 building programme.

28. ORD RIVER SCHEME

Irrigable Land: Agricultural Development

Mr. RIDGE, to the Minister for Agriculture:

- (1) Will he broadly outline the type of agricultural development he expects will be undertaken on the irrigable land which will become available when the main Ord dam is completed?
- (2) Over what period will land preparation be undertaken?

Mr. H. D. EVANS replied:

- (1) Row crop production of crops such as cotton, sorghum, peanuts and possibly some oilseeds. Experiments are being carried out on pasture development for fattening of cattle.
- (2) There are serious agro-economic problems still to be solved on the Ord. The impact of the Commonwealth Government decision to terminate the cotton bounty is still being examined. A committee is currently reviewing the progress and problems of the first stage.

A decision on the rate of development in Stage two is dependent on the outcome of the current investigations.

29. SECONDARY EDUCATION

Broome

Mr. RIDGE, to the Minister for Education:

In consideration of the large number of post-primary students who are attending the Broome State School, will he advise what plans his department has for extending the educational facilities in the town to secondary school level?

Mr. J. T. TONKIN replied:

Broome primary school is to be upgraded to a Junior High School from the beginning of 1972.

It is planned to provide a science room, a home economics centre and a manual arts centre at the school as soon as funds become available.

30. MIDLAND JUNCTION ABATTOIR

Extension of Facilities

Mr. McIVER, to the Minister for Agriculture:

- (1) When will the extensions being undertaken at the Midland abattoir be operative?
- (2) Will sufficient number of health inspectors to permit operation be available?
- (3) By how many would the daily kill be increased as a result of these extensions?

Mr. H. D. EVANS replied:

- (1) First week in September.
- (2) Yes.
- (3) The kill on the new chains will rise progressively to an expected maximum of 4,000 to 4,500 a day.

31. ROAD TRANSPORT

Restricted and Permit-Free Areas

Mr. BLAIKIE, to the Minister representing the Minister for Transport:

- (1) In respect of road transport, is there any permit-free area in Western Australia?
- (2) If so, where?
- (3) What areas operate under restricted permit, and what commodities are involved?
- (4) Do any interstate hauliers operate in any restricted transport area; if so, on what basis and what commodities are involved?

Mr. MAY replied:

- (1) There are nearly sixty exemptions from the licensing of commercial goods vehicles under the Transport Commission Act. Some of these apply to specified types of loading; some relate to specified areas; others exempt primary producers carrying their own goods.
- (2) Areas of exemption applicable unconditionally to all vehicles are as follows:—
 - (a) Within a radius of 20 miles from the G.P.O. Perth.

(b) Within a radius of 20 miles from the Fremantle Post Office.

(c) Within a radius of 20 miles from the vehicle owner's place of business—or 25 miles if the place of business is situated more than 40 miles from the G.P.O.

(d) Within an area embracing the Shires of Broome, Halls Creek, Marble Bar, Nullagine, Tableland, West Kimberley and Wyndham-East Kimberley and that part of the Shire of Meekatharra north of the twenty-sixth parallel of south latitude.

(e) Within the Shire of Wiluna and between the Shire and Meekatharra.

(f) Within the area situated between east-west lines through Malcolm and Cue respectively and east of a north-south line through Sandstone.

(g) Within the area south of an east-west line located 40 miles north of Esperance and east of the No. 1 rabbit proof fence.

(h) Within a radius of 35 miles from the Kalgoorlie railway station.

(3) Where a permit in any way restricts the operation of the vehicle to which it relates the nature of the restriction is set out in the permit itself. This is dependent upon the circumstances related to each case.

(4) Under the Traffic Act hauliers whose vehicles are registered as an inter-state vehicle are not authorised to carry on intra-state transport and are not eligible for transport permits under the Transport Commission Act. They are, however, free to transport goods of any description from one State to another without a permit.

32.

TIMBER

Royalty Rights

Mr. BLAIKIE, to the Minister for Forests:

Does the Government intend to allow property owners at present without timber rights full royalty concessions?

Mr. T. D. EVANS replied:

The Government has considered this matter and a decision can soon be expected.

33. STATE SHIPPING SERVICE

Vessels and Cargoes

Mr. BLAIKIE, to the Minister representing the Minister for Transport:

- (1) What ships are operated by the State Shipping Service, by name and individual tonnage capacity?
- (2) Are any ships operated under charter by the State Shipping Service?
- (3) What were the major items transported by the State Shipping Service during the years 1966 to 1970?

(4) Which ports, apart from Fremantle, contributed significant tonnages during this period, the type of cargo and the amount transported?

(5) How many ships operated by the State Shipping Service have been—

- (a) idle;
 - (b) part operative;
 - (c) fully operative,
- during the past six months?

Mr. MAY replied:

(1)

			Gross Registered Tonnage	Type		Cube General	Bale Capacity Refrig- ated	D.W. Tons
						cu. ft.	ated cu. ft.	
M. V. "Kangaroo"	....	....	4,129	Passenger/Cargo	....	125,499	22,190	2,233
M.V. "Koolama"	....	....	4,171	Passenger/Cargo	....	139,260	14,950	2,365
*M.V. "Koojarra"	....	....	2,958	Passenger/Cargo	....	85,593	17,920	2,320
*M.V. "Kabbarli"	....	....	2,983	Cargo (12 passengers)	....	91,620	11,240	2,355
M.V. "Dongara"	....	....	3,411	Cargo	.... .... ....	194,380	7,050	4,180
*S.S. "Dulverton"	....	....	2,845	Cargo	.... .... ....	105,338	Nil	2,681
*S.S. "Delamere"	....	....	2,835	Cargo	.... .... ....	132,101	7,880	2,496

*These vessels are to be sold shortly and will be replaced by:

M.V. "Wambiri" Unit Load type cargo ship

M.V. "Beroona" Unit Load type cargo ship

- (2) No. S.S. *Yarrunga* was on charter from Australian National Line from October 1970, until July 1971.

- (3) Northwards:

Timber
Steel
Cement
Fertiliser
Beer
Aerated waters
Collapsed cartons
Flour produce
Refrigerated foodstuffs

Groceries
Hardware
Bricks
Drilling muds
Oil drilling equipment

Southwards:

Cotton
Asbestos
Meat and by-products
Wool
Manganese

- (4) Northward: Bunbury—

5,635 T Railway Sleepers (1968)
9,336 T Railway Sleepers (1970)

Southward:				1966	1967	1968	1969	1970
Wyndham	....	Cotton (tons)	....	2,073	4,139	1,198	1,922	2,755
Wyndham Derby Broome	}	Meat (tons)	....	2,808	1,897	1,373	365	408
Port Hedland		Manganese (tons)	....	601	1,042	1,670	2,805	1,403
Point Samson		Asbestos (tons)	....	7,840	317	....	....	....
Various N.W. Ports		Wool (tons)	....	2,673	2,594	2,501	2,010	340

- (5) (a) "Koojarra"—laid up awaiting sale. (Re-commissioning 6th September, 1971 for one voyage).
 (b) Nil.
 (c) Seven. (Includes S.S. "Yarrunga" on charter until July, 1971.)

34. TRAFFIC

Albany Highway, Gosnells: Goods Deliveries

Mr. BATEMAN, to the Minister representing the Minister for Police:

In view of the fact that many vehicle drivers are still being prosecuted by the police when receiving or delivering parcels, etc. to shops in Albany Highway through the Gosnells shopping area, will he make a public statement as to exactly what is required by the vehicle drivers or van drivers when delivering goods to the above area, and will he also advise the hours for unloading and picking up of goods?

Mr. MAY replied:

Yes, a public statement will be made advising drivers what exactly is required.

35. NURSING HOMES

Number and Operators

Mr. JONES, to the Minister for Health:

- (1) What number of nursing homes are—
 (a) registered in Western Australia;
 (b) owned and operated by church and non-private organisations;
 (c) operated privately?
 (2) What are the names of organisations and private operators as per (b) and (c) in (1)?

Mr. DAVIES replied:

- (1) (a) 87 registered nursing homes in Western Australia.
 (b) 23 church and non-private organisations.
 (c) 64 operated privately.
 (2) Religious and non-private organisations:

Braemar Presbyterian Home for the Aged.

Braille Society for the Blind.

Carinya Village Lodge.

Charles Jenkins Hospital.

Claudia Hicks Lodge.

Eleanor Villas Lodge Nursing Home.

Glendalough Convalescent Home.
 Hardy Lodge.
 Hilltop Lodge.
 Hopetown Eventide Home.
 James Brown House.
 Maurice Zeffert Memorial Home.
 Mount St. Camillus Hospital.
 Mount St. Emillies Hospital.
 Nadezda Hospital.
 Nazareth House.
 Ningana Continuing Care Facility.
 R.S.L. War Veterans Home.
 St. Joseph's Nursing Home.
 St. Vincent's Hospital, Bunbury.
 St. Vincent's Hospital, Guildford.
 Subiaco Methodist Memorial Hospital.
 Wearne House.

Private Hospitals	Operators
Agnaroy Hospital	Fritz, J. Petjen
Amevo Hospital	Voschelt & Jekel
Anne Marie Nursing Home	E. B. & F. Harvey
Annesley	Mrs. P. M. Douglas
Annesley (Annes)	Mrs. P. M. Douglas
Brentwood Private Hospital	Diana Deacon
Cabrini Private Hospital	R. V. Windsor & B. F. Zuchetti
Calnon Hospital	Mrs. M. J. Lee
Carinya Nursing Home	L. S. & K. Basire & Co.
Carlisle Hospital	A. C. Mohr
Carmel Nursing Home	J. Feighan
Colville Nursing Home	M. K. Ryan
Cordell Hospital	R. & D. James Pty. Ltd.
Craigie House	Christa G. Garland
Cromane Hospital	Syndicate
Deloraine Nursing Home	Mary M. A. Ford
Deva Private Hospital	Margaret L. Foley
Eden Hospital	A. Herbert
Eleanor Marie Hospital	D. L. Grievess & B. & M. Guinan
Embleton Hospital	A. M. & A. Anastas
Fairhill Hospital	Sister M. P. Nelson
Faversham Nursing Home	J. A. & M. Lenezan
Ferndale Convalescent Home	H. R. & M. E. Hopkins
Freeman Nursing Home	N. Broad
Grosvenor Hospital	Sussex Development Pty. Ltd.
Guildford Hospital	D. A. Vaneek
Hadassah Private Hospital	P. B. Feeney
Hammersley Hospital	R. M. & C. M. Cook
Headingley Hospital	F. L. B. & B. J. Cole
Hillview Nursing Home	C. N. & B. R. McSharrer
Jalon Convalescent Hospital	Kevin Sullivan
Killara Hospital	J. D. Castledine
Leawood Nursing Home	S. Zuidema
Leighton Nursing Home	E. C. Fitzgerald (A. M. Saggert)
Martindale Hospital	Merela Biggs
Mon Repos Hospital	Matron C. Cook
Montrose Hospital	R. A. & E. N. Burke
Mosman Park Nursing Home	J. & S. Holdings Pty. Ltd.
Mount Lawley Hospital	R. Windsor & B. Zuchetti
Mount Yokine Private Hospital	A. Chae
Nonarennia Hospital	E. V. Sims
Parkside Lodge	J. M. Miller
Perry House	Anglican Homes for Aged
Rockingham Private Hospital	F. K. Mizen
Ross Memorial Hospital	C. H. & J. M. Walker
Salvation Army Village Hospital	Major Gordon H. Fischer
San Marcella Private Hospital	Margaret Hayman
Santralla Private Nursing Home	R. P. Porter
St. Catherine's Nursing Home	M. A. Johnson & L. P. Christian
St. Florence Hospital	F. L. Watkins
St. Luke's Hospital	C. M. MacPherson Pty. Ltd.
St. Paul's Hospital Pty. Ltd.	N. Hope
St. Rita's Hospital	Mary M. A. Ford
Seaton Lodge	Joyce M. Tremearne
Skye Hospital	R. B. & R. B. Peplow
Southern Cross Hospital	Fritz J. Ketjen

Private Hospitals	Operators
Stranraer Hospital	Dorothy M. Leek
Tuohy Memorial Hospital	R. D. Miles & Co.
Two Pines Hospital	J. & S. Van Straalen & J. & S. Holdings Pty. Ltd.
Undercliffe Convalescent Country House	J. Bell
Victoria Convalescent Hospital	F. E. B. & B. J. Coles
Wasa-Wasa Hospital	L. A. Noble P.P. Wasa-Wasa Pty. Ltd.
Woodstock Nursing Home	B. Stuart
Yeovil Nursing Home	R. L. Elvey

36. MIGRANTS

Intake 1970-71

Sir DAVID BRAND, to the Minister for Immigration:

- (1) How many migrants arrived in Western Australia under all schemes in the year ended the 30th June, 1971?
- (2) How did this number compare with the previous year?
- (3) How is it anticipated that the total number of migrants to arrive for the forthcoming year will compare with the past years?
- (4) What number of migrants arrived last financial year from—
 - (a) United Kingdom;
 - (b) Europe and other countries?

Mr. H. D. EVANS replied:

- (1) Assisted passage migrant arrivals in Western Australia, 1970-71 totalled 16,257.
- (2) Assisted passage migrant arrivals in Western Australia, 1969-70 totalled 17,022.
- (3) It is thought that there will be an approximate overall 20% reduction in the 1971-72 intake compared with 1970-71.
- (4) Assisted passage migrant arrivals Western Australia, 1970-71—

United Kingdom	13,132
Other sources	3,125
Total	16,257

37. WATER SUPPLIES

Adequacy

Sir DAVID BRAND, to the Minister for Water Supplies:

Does the water board and the Public Works Department anticipate having sufficient reserves of water in dams for which they are responsible to meet the water demands of the metropolitan area and country areas over the next 12 months?

Mr. JAMIESON replied:

Metropolitan Area:

Yes, provided storage position does not worsen and consumers are reasonable in the use of water.

Country Areas:

The irrigation dams in the south-west are holding supplies which will ensure a satisfactory 1971-72 season.

Mundaring Weir, although holding considerably less water than is normal for the end of August, will adequately supply the gold-fields and northern comprehensive areas.

The southern comprehensive areas are assured of good supply conditions.

Unless end of season rains improve the storage position, some country areas towns which depend on local storage schemes will have restricted supply conditions.

38. HOSPITALS

Priority of Establishment

Mr. RUSHTON, to the Minister for Health:

Referring to question 6 on 25th August, will he detail the hospitals or additions to hospitals having a higher priority than the Rockingham-Kwinana Regional Hospital?

Mr. DAVIES replied:

The Rockingham Hospital will cost in the region of \$2,000,000.

Projects involving major sums which will involve spending in 1971-72 having a higher priority than Rockingham, are:—

- (1) Perth Medical Centre—southern block, public health laboratories.
- (2) Royal Perth Hospital—emergency centre.
- (3) Fremantle Hospital—additions.
- (4) Carnarvon Hospital—additions.
- (5) Pinjarra Hospital—additions.

39. EDUCATION

Country Tours: M.T.T. Buses

Mr. RUSHTON, to the Minister for Education:

- (1) If there has not been any change of policy for M.T.T. bus tours organised by schools, why was a

tour to Pemberton organised for Kingsley primary school children for the August holidays not accepted on the same basis as last year?

- (2) Why were tour organisers directed to use the train and local school bus at Pemberton?
- (3) Is he aware this directed change would have cost the children considerably more and is beyond their capacity to pay?
- (4) Is he aware this changed direction has caused the cancellation of the tour?
- (5) Will he have this case investigated to ensure this situation does not occur again?

Mr. J. T. TONKIN replied:

- (1) The tour last year was contrary to general policy.
- (2) The W.A.G.R. could not make a bus available for one week.
- (3) This would probably have been the case.
- (4) Yes.
- (5) The direction that M.T.T. buses should not be used for country tours is in accordance with general policy.

QUESTIONS (4): WITHOUT NOTICE

1. QUESTIONS

Closing Time

Sir DAVID BRAND, to the Speaker:

I would like to ask a question without notice, Mr. Speaker. In view of the adjournment of this House for one week, can you give me an indication as to what time the questions are required?

The SPEAKER replied:

The time for questions next week will expire at 2.15 p.m. on Thursday.

2. EDUCATION

Audio-visual Aids: Report

Mr. COURT, to the Minister for Education:

Arising out of question 5 and the answer supplied, I can appreciate that there might be reasons why the report of the Superintendent of Audio-visual Aids is regarded as an internal document and therefore not made public. However, I would like the Minister to indicate whether any statement will be made to the public or to the profession generally about the tenor of the observations made by

the superintendent and any other matters which could be of interest to the public so far as his study is concerned?

Mr. J. T. TONKIN replied:

It has not been the custom to make public reports of an internal nature, and this is such a report. However, I shall have the position examined with a view to the possibility of giving some indication of the contents.

3. LAND

Availability of Blocks for Fishermen

Mr. BATEMAN, to the Minister for Lands:

- (1) Are there any blocks of land along the coast north of Perth available for sale to *bona fide* fishermen who are at present compelled to exist as squatters?
- (2) If so, in what locality?
- (3) In addition, will he undertake to advertise any blocks which become available for purchase in the future in the fishermen's journal, *Fins*?

Mr. H. D. EVANS replied:

- (1) Yes.
- (2) Lots are at present available at Cervantes, Coolimba, Denison, Greenhead, and Kalbarri. An auction of lots at Jurien will be held on the 2nd October.
- (3) Notices of release of lots, and of forthcoming auctions, are published in the *Government Gazette*, and major auctions are advertised in *The West Australian* and appropriate country newspapers. The information is therefore available to the editor of *Fins*.

4. BUNBURY AND FORRESTFIELD RAILWAY WORKSHOPS

Details

Mr. WILLIAMS, to the Minister for Railways:

Referring to my questions 14, 24, 25, and 26 on today's notice paper, in view of the adjournment of the House next week would the Minister be able to give me advance copies of the replies? The Minister has kindly consented to meet a deputation next Wednesday and I hope to use some of the information.

Mr. BERTRAM replied:

I am confident these answers will be available and provided to the honourable member before the deputation.

BILLS (2): RETURNED

1. Anatomy Act Amendment Bill.
 2. Snowy Mountains Engineering Corporation Enabling Bill.
- Bills returned from the Council without amendment.

ROAD MAINTENANCE (CONTRIBUTION) ACT REPEAL BILL

Second Reading

Debate resumed from an earlier stage of the sitting.

MR. BICKERTON (Pilbara) [4.53 p.m.]: I have a few brief remarks to make on this measure.

Mr. Jamieson: Do you have any poetry?

Mr. BICKERTON: No, I do not have any poetry today.

I am very happy to see the demise of this Act. I always felt it was an infamous measure, definitely ill-conceived, and prematurely enacted, and I am happy to do anything to assist in a decent and proper burial of it. I congratulate the Premier on this measure to repeal the Act.

At the time this tax was introduced the previous Government had adequate opportunity to find matching money other than by introducing this type of measure. However, it preferred to go along with the Eastern States and the road maintenance contribution fund was introduced. At the time I pointed out—and I repeat now—there was no comparison between the operation of this tax in the Eastern States and its operation in Western Australia, apart from the actual drafting of the Act.

Western Australia is a large State, most of which is not served by a railway system. The roads in the Eastern States were being punished by vehicles registered in other States and naturally those States wanted to do something about it. Thousands of heavy transport vehicles were surging across the borders of Victoria and it was receiving no compensation for damage to the roads as the vehicles were mostly registered in other States. So the solution arrived at enabled it to extract compensation from the operators for the damage done to the roads.

Victoria is adequately served by the Victorian Railways Department and therefore there was no burden placed upon the people of the State. If firms did not wish to use road transport, there was the alternative of the railways. This applied, of course, not only in Victoria but to New South Wales, and also to a large degree to South Australia.

However, the then Minister for Transport in this State had the brainwave that this was a way to obtain matching moneys; and that was the only purpose of the tax.

Mr. O'Connor: That is not in agreement with your leader.

Mr. BICKERTON: I do not worry about that. I am not always in agreement with everybody, although I try to be. Before I finish I might not be in agreement with the ex-Minister for Transport; but do not let us get upset about it.

Mr. O'Connor: Even you can be wrong.

Mr. BICKERTON: As explained by the Minister at the time, the whole point was to obtain matching moneys. I believed then, and I still believe now, that there were better methods of obtaining matching moneys and I pointed out circumstances to support my argument. When the road maintenance tax was imposed all we did was to increase the cost of living to our own people because they had no alternative method of getting their goods from point A to point B. Railways were not available in most areas of the State, so the tax was a burden upon the consumers. At the time the Minister went to great lengths to point out that we were penalising the fellow who did most of the damage to the roads and, of course, that was a lot of nonsense. I told the ex-Minister that, and, no doubt, now that experience has increased his knowledge, he probably realises I was right.

Mr. O'Connor: No fear.

Mr. BICKERTON: In the long run the person who pays is the consumer because truck drivers are not much good if they go broke. Contractors are of no use to any of us if they cannot operate, and they can operate only if they make a profit. So the well-run transport business must pass on its charges. All the Minister did at that particular time was to increase consumer values in a certain section of the State.

The ex-Minister did not consider in any shape or form the fact that matching moneys should be spread over a much wider area. The Country Party fell for this, although I do not know why.

Mr. Gayfer: When you repeal this tax, you will watch the costs of carting drop to the bottom, I presume?

Mr. BICKERTON: Do not get upset; I will do a "Bill Hegney" and come around to that. At the time the Country Party felt it was being let off the hook by certain exemptions in the taxing measure which applied to trucks under a certain tonnage. But many members of that party now appreciate, no doubt, that the then Minister for Transport hoodwinked them and they realise what they were up for because the consumer index had to be passed on to them.

Mr. O'Connor: That is nothing compared with the trick you have pulled. You have hoodwinked yourself.

Mr. BICKERTON: No. The Opposition, endeavouring to agree with the then Minister for Transport, put forward an alternative proposition to increase all registrations. But the Minister preferred to concentrate on heavy haulage. Heavy haulage is something upon which everyone relies, particularly the northern section of the State, and so naturally the tax was a greater burden on those people who had no alternative method of carrying their goods.

I agree with the repeal of this Act. I do not think the Government has gone far enough; personally I believe—as I believed then—that the charge should be spread over all those who use the roads, whether the vehicle be a motor scooter, a Mini Minor, or a larger sedan.

Mr. O'Connor: Will you support that?

Mr. BICKERTON: Wait a minute. I have not changed my views on that aspect. If the honourable member's interjection is going to be, "If we move an amendment to that effect, will you support it?" my answer will be that I will consider that after he moves it. I cannot be fairer than that.

Mr. J. T. Tonkin: There is no danger of your being called upon to do that.

Mr. BICKERTON: I would like to point out also that if one is a firm believer that children should receive, say, a free bottle of milk every day at school and someone suggests that the children be given half a bottle of milk a day, one does not vote against that proposition. This could be the case in this instance. I think all these matching moneys should be spread over all road users. I said before, and I repeat it again, that I think it is a great mistake for the sake of catching a few interstate hauliers—

Mr. O'Connor: You said a moment ago that it was for the sake of matching moneys.

Mr. BICKERTON: I am referring now to a few interstate hauliers—and only a few were caught, as the honourable member realises—who had to pay the tax to the Treasury. I said previously that it is unfair to tax the entire road transport system within our State—which is not served by railways—as a method of raising the money required by the Minister at the time. I still believe that was an unjust method. I am sure the Country Party has now come around to my way of thinking. That is not unusual, because very often when I think of a principle someone introduces it a week or so later.

Mr. Gayfer: Why don't you move an amendment to save us the trouble?

Mr. BICKERTON: The repeal of this Act does away with an extra department, and this is something I pointed out at the time. License fees are collected automatic-

ally through an existing set-up. The Minister completely rejected that argument at the time and we could not get the message over to him that once a new method of taxation was introduced we would need an increased labour force to collect it. I have no doubt that if this tax were to continue we would need more inspectors because it must be policed. Sooner or later there would be an annual get-together of these people—a seminar or something of that nature—and the costs never stop. On top of that more paper work is created.

Surely many truck operators—and I am not being derogatory—are not exactly Rhodes scholars and to them the filling out of a form is quite a day's work. Some people employ drivers who are, for instance, part Aboriginal, and those drivers have to keep records. It is a big job for them, and it is not necessary. Why the then Minister allowed himself to think that was the best way to obtain the money he required, I could not understand then and, unfortunately, I still do not understand even after listening to his explanation this afternoon.

Mr. O'Connor: Why is it done this way in other States?

Mr. BICKERTON: I am pointing out that it is entirely different in other States. The volume of traffic is different, and in other States there are alternative methods of transport which we do not have here. That is one of the most important points—a person who wishes to send goods from Wittenoom to Roebourne has no alternative. He cannot avoid this tax by sending his goods on the railway.

Mr. O'Connor: Don't you think Queensland is comparable?

Mr. BICKERTON: Not really.

Sir David Brand: They have a big area in Queensland.

Mr. BICKERTON: I agree with the Leader of the Opposition, but I think the principal reason for the initial introduction of the tax in Queensland was to cover traffic that was passing across its borders. In this State we have nothing like the traffic crossing our border travelling from east to west as we would have travelling from south to north and north to south, and no comparison could be made with traffic of vehicles in the Eastern States between one State and the other. So I should think that the Minister who applied this tax at that particular time should, in the light of experience, be quite happy to get rid of it.

Let us get down to a system of obtaining our taxes which is more equitable and is applied overall on vehicles that transport goods over the roads. At this stage the Premier has come forward with a formula with which I am quite prepared to agree,

because we can wait until we see how the system works. After all, the Bill can be amended at any time in the future. I do not mind admitting that perhaps I prefer to see a system in operation which covers all transport, but the fact that this measure will avoid any necessity for operators to fill in forms and will save the costs of operating an administrative department is something in its favour. Further, the tax under this measure will be one which the people will know has to be paid before they receive the account for it.

Mr. O'Connor: They have to pay for it beforehand.

Mr. BICKERTON: That applies to us all. All of us have to pay our taxes before we obtain a refund.

Mr. Reid: Farmers don't.

Mr. BICKERTON: Let the honourable member show me what effect this will have on farmers as compared with the road maintenance tax.

Mr. Nalder: It would have an effect in some areas, as you must know.

Mr. BICKERTON: A short while ago I think the Deputy Leader of the Country Party was speaking of a difference of \$82 in license fees, but I am sure that any person who enters into a business venture, such as running a farm, must know what the registration fee on his vehicle will be, what the rent on his house will be, and so on. Therefore, surely he would be better off if he knows what the registration fee on his vehicle will be? However, under the system of paying the road maintenance tax he did not know.

Mr. Reid: All farmers do not own great big trucks.

Mr. BICKERTON: Neither do the operators of a tin mine or those people residing at Marble Bar.

Mr. H. D. Evans: There are concessions on the first vehicle and most farmers own only one truck.

Mr. BICKERTON: I agree. Surely to goodness the members of the Opposition do not think that farmers, at all times, contribute their little piece towards mending a road?

Mr. Reid: You are asking him to pay a fair share?

Mr. BICKERTON: If the honourable member took into consideration all the administration costs that have to be met to impose the road maintenance tax, and all the work performed by hauliers in filling in forms and returns, I think he would find that they will be well out in front under the proposed system.

Mr. McPharlin: The administration costs do not come out of this tax.

Mr. BICKERTON: I did not say they did.

Mr. McPharlin: I thought you implied it.

Mr. BICKERTON: I think the repeal of the road maintenance tax is long overdue because it is an unfair and sectional tax. It may have suited one or two small operators, and, initially, the legislation was passed, as the Minister at that time thought, to fine a few people who were coming from the Eastern States and damaging our roads. It was considered that the revenue so obtained would pay for the costs of repairing such damage.

Mr. O'Connor: If \$1,000,000 is regarded as a tax that was obtained from a few people, that is what it was.

Mr. BICKERTON: But the Minister did not achieve the objective he sought.

Mr. Jamieson: What did it cost you to collect the tax?

Mr. O'Connor: We did not appoint any additional inspectors.

Mr. Jamieson: You tried to recoup your costs by putting people in gaol.

Mr. BICKERTON: Under the Bill we will return to a system whereby all sections of the community will be covered. It is true the measure does not go as far as I would like to see it go, but I do not intend to change my mind at this point because I think it should cover all road transport vehicles.

Mr. McPharlin: I agree with you on that.

Mr. BICKERTON: At least the Bill will go part of the way towards achieving that objective and we will do away with this great administrative body that was becoming greater and greater every year. Also, as I have said, we will relieve the transport operator of the need to complete the necessary forms, and furthermore, we will probably relieve the State of a little expenditure in that we will not have to maintain people in cells because they have not paid their tax.

Mr. T. D. Evans: The cost is nearly \$6 a day.

Mr. BICKERTON: I can assure the House that that is cheaper than the Walkabout Hotel at Mt. Newman. If it is possible to have a system under which a person has to pay a license fee before he is able to transport goods on the roads, I think it is better than a system under which such an operator pays a charge after he carries the goods and, if he does not meet his commitment, he finishes up in gaol. I will go all the way with a system that seeks to cut down administration costs and keeps people out of gaol. I support the measure.

MR. WILLIAMS (Bunbury) [5.12 p.m.] : I oppose the Bill. The member for Pilbara has just told us that the Road Maintenance (Contribution) Act was introduced to overcome the problem of road hauliers from the Eastern States using our roads for the transport of goods and causing a great deal of damage. I admit this was one reason for the introduction of the legislation, but there were others because, in the first place, when the cases in New South Wales and Victoria were heard in the High Court a formula was laid down relating to the size of the vehicles that were to be used on the roads and which, in proportion to other vehicles using the roads, were causing the most damage. This is one factor I think the member for Pilbara forgot and I think it was the basis for the legislation we are now seeking to repeal. There was one difference between our legislation and that in the Eastern States. In this State we were prepared to exempt vehicles up to eight tons from the payment of road maintenance tax whereas in the Eastern States the payment of the tax applied to vehicles over four tons, but the other States did grant additional benefits in other areas.

What the member for Pilbara has put forward is that everyone should pay an additional registration fee on his vehicle. I do not see why I, as the owner of a private vehicle, should have to contribute towards the maintenance of our roads if I am not, proportionately, causing the same amount of damage as a heavy haulage vehicle.

Mr. T. D. Evans: The Deputy Leader of the Country Party will not agree with you on that.

Mr. WILLIAMS: The High Court decision was based on that fact.

Mr. Bickerton: You are paying for the use of the roads that are maintained throughout the State.

Mr. WILLIAMS: I am already doing that, but let the man with the heavy haulage vehicle make a just contribution towards the damage he causes to our roads.

Mr. Bickerton: He does not have to pay it; it is the consumer of goods who is paying it.

Mr. WILLIAMS: The consumer does not have to pay the license fee. This is an inequitable tax, even more so than the road maintenance tax. I congratulate the member for Mt. Lawley for the research he must have done in gaining such a wide knowledge of the subject. He also attacked the Premier in regard to the various proposals that are set out in this measure.

I would like to remind the Premier, as he has already been reminded by other members of this House, including myself, of his

election promises. For example, in *The West Australian* of the 13th February, 1971, prior to the last general election, he said—

There will be no increase in State taxes or charges next financial year.

And in the same article he stated—

I am confident that without any increase in taxes I shall comfortably meet all the promises I have made.

One of the promises he made was that if his party was elected to office it would repeal the road maintenance tax.

In *The West Australian* of the 7th April, which was after the election, there appeared a report dealing with the financial position of the State, under the heading, "Tonkin shelves election pledges." The following appears—

He was not contemplating any increased taxes or charges at the moment.

Whether his qualification of "at the moment" meant then or this session of Parliament I do not know, but we had a fair idea when the present session commenced.

In *The West Australian* of the 21st April there appeared a report headed, "Road tax to be repealed." It states—

The State Government's promised legislation to abolish road maintenance tax will be one of the early measures to go before the new Parliament this year.

That is the stage which we have reached at this point of time.

Mr. T. D. Evans: That is a promise honoured.

Mr. WILLIAMS: Yes. In *The West Australian* of the 28th April the following appeared under the heading of, "Motorists in W.A. may plug tax gap":—

Suggestions

The Government's deliberations would include previous suggestions for an increased charge on commercial vehicle licences. However, he did not favour this proposal.

I wonder whether the Premier still does not favour this proposal. If he does not, then the majority of his Cabinet do, because they have not found—as the previous Minister for Transport and the previous Government could not find—any alternative method. It seems they are on the hook, and they have to find something to replace the loss in revenue.

In the same report in *The West Australian* of the 28th April the following also appears:—

The present road maintenance tax system was an inequitable one.

That was a statement made by the present Premier. As I pointed out earlier, in my opinion the proposal which he has now put before us is even more inequitable than the legislation which he proposes to repeal.

In *The West Australian* of the 29th April the following appeared under the heading of "Idea of Road Tax on Motorists Criticised":—

The Government made an election promise to eliminate the road maintenance tax.

It is now up to the Government to find a way to offset the loss of revenue so that the standard of roads may be maintained without slugging the little man, Mr. Ewan said.

Mr. Ewan is the President of the Royal Automobile Club of Western Australia. At the present moment the little man is being slugged. The following also appeared in the last-mentioned newspaper report:—

The Premier, Mr. Tonkin, said on Tuesday that the Government was considering ways of recouping some of the money that would be lost through the abolition of road maintenance tax, but the move was only exploratory at this stage.

So, the Premier progressed from the exploratory stage on the 29th April to the stage where the Bill and the alternative proposals are before us.

In *The West Australian* of the 7th May appeared an article under the heading of "Without road maintenance tax who'll pay repair bills?" The article mentioned an unfair burden. The following appeared in that article:—

To the extent that this sectional tax has been an unfair burden on part of the community, it has been argued that it falls most heavily and unfairly on those in isolated areas without a railway.

Following a claim that farmers in the Lakes district had to pay between \$500 and \$1,200 a year in road maintenance charges, the Transport Commission studied its operation in this area. (The Premier, Mr. Tonkin, said later that it had been calculated that the impost in the district was equal to \$1,000 a year on every resident.)

I refer to *The West Australian* of the 17th March which contained a report of a statement by the Premier, made within a month after his party was elected to office. It is headed "Price Control for Hauliers" and the following appeared:—

Price control will be used to ensure that road hauliers pass on to people consigning freight the savings resulting from the abolition of road maintenance tax.

The Premier, Mr. Tonkin, said yesterday that the price-fixing legislation would be introduced in State Parliament as soon as possible.

In the second reading debate I did not hear the Premier mention anything about price control, but I hope in his reply he will tell us exactly how, with the abolition of the road maintenance tax, he intends to pass on this saving. I would like to know how the saving will be passed on to the consumers, if he intends to do something about this matter. He has stated that he will, and he should do something about it.

Earlier in the session I asked some questions of the Minister for Transport regarding road maintenance tax paid by Government commercial vehicles, and in particular by the W.A. Government Railways vehicles which use the section of road between Capel and Bunbury. I asked what amount of road maintenance tax was paid by these vehicles in the years 1968-69 to 1970-71 inclusive. The reply was—

1968-69—\$56,059.52

1969-70—\$51,431.37

1970-71—\$56,625.75

That information might enlighten the Treasurer, because I heard him interject earlier in the debate when he indicated he was not too sure.

Mr. T. D. Evans: The Treasurer was sure, but he wanted to know whether it would be a case of robbing Peter to pay Paul.

Mr. WILLIAMS: I also asked whether the Government paid for the licensing of its vehicles, and the answer was "No." Another question I asked was—

Under the proposed new scale of licences for commercial vehicles, which is to be implemented next year, what license fees will Government vehicles pay, in particular W.A.G.R. vehicles?

The answer was "Nil."

Mr. O'Connor: Won't this make the competition between the Government and private operators unfair?

Mr. WILLIAMS: My next question was—

If these vehicles are to be exempt, what are the reasons for exemption?

The answer was—

The Crown is exempted from payment of license fees.

That is all very well. I would like the Premier to visit my electorate and see what happens to the small trader who runs a panel van, a three-wheel delivery vehicle, a utility, or a small truck, and who has to drive over the section of road between Capel and Bunbury. This is the road over which Government vehicles of 40 to 50 tons have been travelling, but they will not contribute even a cent towards the cost of upkeep of the roads of this State. I would like to know why.

This afternoon the member for Blackwood asked some questions in relation to mineral sands, and we have been told that the sands will be in existence for 25 to 30 years at the present rate of extraction. In the answer it was revealed that five trucks and trailers, and one semitrailer belonging to the W.A. Government Railways were using this section of the road.

People in my area take great exception to this and it is an anomaly which should be corrected in the proposed schedule of vehicle license fees. Government vehicles should pay something towards the upkeep of these roads because under this proposal it is the little man who must pay it all. When we were on that side we heard so much about the little man.

Mr. T. D. Evans: Did Government vehicles pay during your regime?

Mr. WILLIAMS: According to the answers received the Government vehicles will pay no license fees whatever.

Mr. T. D. Evans: And not during the time you were in Government, either.

Mr. WILLIAMS: We did not jack up the license fees and the Government vehicles did pay road maintenance tax. The present Government is repealing that tax and implementing this proposal. In order to gain funds it is increasing the license fees, but Government vehicles should pay for their share of damage to the roads and not make the small businessman and the average person who wants to take a small load in his utility pay it all. The Government might say that because it is only a few extra dollars it will not hurt him. The Government did not say that last year or the years before during the time I have been in the House and was on the Government side. It is all right for members opposite to say we should look after the little man, but now they have come into office they are kicking him in the teeth.

Mr. Rushton: Crucifying him!

Mr. O'Connor: They have his wisdom teeth on this one!

Mr. WILLIAMS: If this Bill passes, Government vehicles will not be responsible for paying road maintenance tax or license fees and this brings me to the point raised by the member for Mt. Lawley by way of interjection. He said that this will mean Government operators will have unfair advantage over their counterparts in private enterprise.

I do not blame the railways for trying to obtain work, but to the best of my knowledge when the railways tendered in the past they were asked to tender as if they were paying the same costs as the private contractor. As we know, fuel for Government vehicles is obtained at a reduced cost and also the spare parts and tyres because sales tax does not have to be paid. Therefore the department was instructed that

when it tendered for work it was to include these costs and thus tender competitively with the private enterprise operators. As a result the Government Railways Department has some of the business and private enterprise has some. However, when these new license fees come into effect the private contractor will pay a greater and disproportionate share in comparison with the Government vehicles which are operating and competing against him. I do not like it.

Mr. Gayfer: On Government vehicles the country shires' portion would be 96 per cent. of nothing which will equal nothing?

Mr. WILLIAMS: Sure! If the Premier would like to talk to the Bunbury Town Council on this matter he will find it feels much the same way. This tax is very inequitable and some modification must be made if the legislation sees the light of day. The proposal concerning Government vehicles should be altered and they should make some contribution towards the upkeep of the roads. With those words I oppose the Bill.

MR. W. A. MANNING (Narrogin) [5.29 p.m.]: This Bill is intended to wipe out the present road maintenance tax, but in the speech with which the Premier introduced the measure, in addition to covering its contents he presented an appendage which gave us the details of what he intended shall replace the tax. No clause in the Bill provides for this replacement. The Speaker allowed the Premier to refer to the matter, but I just wonder why the Premier did not give notice of his intention to introduce another Bill to cover what it is intended shall replace the road maintenance tax. I do not know why this was not done. He has given all the facts and therefore I cannot understand why he did not provide us with another Bill.

I do not propose to cover the reasons for the imposition of the tax because this was done in a masterly fashion by the member for Mt. Lawley who was the previous Minister for Transport. He gave the reasons for the road maintenance tax and some of the difficulties which it presented. One outstanding feature of that tax, however, was that although it was not approved in many quarters it did apportion the tax in proportion to the road miles covered by the heavy vehicles, and so in that respect it was fair.

Many other aspects of it were totally unfair and there was no doubt that a loud outcry was raised against it. It was because it was not a popular tax—and what tax is—that opposition to it was expressed very frequently. One of the arguments against it was the amount of book work involved and the logs which had to be kept. The then Leader of the Opposition, now the Premier, chose the subject as a good election gimmick. However, the way

he has dealt with it—that is, the cancellation of the tax and the imposition of a substitute tax—seems to me to be just blatant deception, because at the time of the election he did not make any mention at all about a substitute tax. We have only to compare what he said during his second reading speech with what he said prior to the election to realise this.

In *The West Australian* of the 13th February is an article headed, "Cost of election promises." At the top of Mr. Tonkin's list is—

Abolition of road maintenance tax
... \$3,500,000.

That was to be a saving to the electors. However, he made no mention about a substitute tax. In fact the opposite is the case because in the same article he is reported as follows:—

There would be no increase in State taxes or charges next financial year.

Increases have already been made in charges and now the Government is attempting to impose a substitute tax for the road maintenance tax. This makes a complete lie of the statement which appeared in the paper. In the same paper another article appeared headed, "Road tax claim disputed." The article reads—

The Leader of the Opposition, Mr. Tonkin, yesterday disputed the Premier's charge that the abolition of road maintenance tax would seriously curtail road spending in W.A.

Mr. Tonkin said that road expenditure would not have to be cut . . .

He made this statement in connection with the abolition of the road maintenance tax which would diminish the Government's revenue by about \$4,000,000. How can the Government give up \$4,000,000 and not cut expenditure on roads? The then Leader of the Opposition told us how. He said that first of all the State would not be liable for \$1,300,000 a year to be spent on the Eyre Highway; it would not have to build new headquarters for the Main Roads Department; and a Labor Government would call tenders instead of allocating contracts to people without competition. According to the paper these three items would save \$4,000,000. The then Leader of the Opposition was going to finance the sacrifice of this tax under those three headings. But, how do we get money by not spending it? I do not know. Such a method does not bring in an income; it merely saves expenditure. Those are the three headings under which expenditure was to be saved, but there was no mention of any other tax. In fact, he deliberately told the electors that there would be no other tax because he did not need it.

Mr. O'Connor: On that basis he should resign and go back to them.

Mr. W. A. MANNING: I have here an advertisement inserted by the Labor Party in the *Narrogin Observer*. It says, "Vote Labor."

Mr. T. D. Evans: That is the first time I have heard you advocate that.

Mr. W. A. MANNING: I did not say I was advocating it. The advertisement is in such large print that I am sure the Speaker can see it from where he sits. The advertisement reads, "Vote Labor for abolition of road tax."

Mr. T. D. Evans: Hear, hear!

Mr. Williams: Is there a question mark after that?

Mr. W. A. MANNING: No. I would like to know what the present Premier thinks is the meaning of the word, "abolition." The dictionary definition confirms my idea of its meaning which is, "to put an end to; to annul; to demolish or destroy."

If the road maintenance tax is to be abolished, then it must be destroyed and got rid of completely. However, there is no mention of a substitute tax. At no time, did the Premier say anything about a substitute tax. In fact, he told the electors he did not need a substitute and on those pretences he came to power. It is time he had second thoughts.

I think the Premier would like to get off the hook. His lavish promises have brought him to the situation where he has introduced a Bill to get rid of the road maintenance tax. However, he intends to introduce another Bill to substitute something else for that Act. The Premier is justified in abolishing the tax because that was an election promise; we expected it. However, we did not expect another tax to be introduced.

I say categorically that a substitute tax is entirely unacceptable to me and I would not think of supporting any such move. Such a tax would be most unpalatable to the electors.

Mr. Jamieson: The member for Narrogin would hit the pensioners and their cars. That is the sort of thing he would do.

The SPEAKER: Order!

Mr. W. A. MANNING: The Minister for Works has a very small mind and cannot understand another point of view.

Mr. Jamieson: Yes he can; he understands this position very clearly.

Mr. Nalder: How can the pensioners be brought into the act?

Mr. W. A. MANNING: Pensioners do not enter this argument, except indirectly.

Mr. Jamieson: They would enter into the argument if their licenses were increased.

Mr. W. A. MANNING: If the Minister for Works was able to keep costs down he would do some good for the pensioners.

Mr. T. D. Evans: The member for Narrogin should have a word with the Federal Treasurer about keeping prices down.

Mr. W. A. MANNING: Our local Treasurer will do me! I do not intend to expand on the details of the proposal because it is not in the proper form of a Bill. I have doubts as to whether the Bill is in order. However, it is before the House but I see no merit in it whatever. I will certainly oppose any substitute legislation.

MR. BLAIKIE (Vasse) [5.38 p.m.]: I rise to oppose the Bill which is now before the House. It is a most inequitable piece of legislation as far as the little people of Western Australia are concerned. I would like to quote the Premier's remarks which appear on page 716 of *Hansard*. They are, in part, as follows:—

I do not think anybody would argue that we should attempt to abolish the road maintenance tax and not make an attempt to obtain funds in some other direction.

I am now coming to the good part—and the Premier did not say that. To continue—

The method we propose to employ is, in the opinion of the Government, the fairest and most equitable of any offering.

That is tremendous! If the Government believes in touching the hearts of the people it should do better than it has done.

Mr. O'Connor: The Government is touching the people!

Mr. BLAIKIE: I agree, and the people in the country are quite touchy about this issue. I rise tonight to put a case on behalf of the electors of Vasse. I request that further consideration be given to the measure before it is hoisted through this House.

As most members are probably aware, and I certainly hope the Government is aware, the larger portion of my electorate is in a heavy rainfall belt. We have relatively small farms, but even though the farms are small in area we have the advantage of being in close proximity to the metropolitan market. In the case of cattle and other livestock, we also have another advantage because we are in fairly close proximity to the south-west abattoirs at Bunbury, Harvey, Waroona, and Perth.

The point I wish to make is that an anomalous situation will arise should the Government proceed with the proposed

increase in license fees. Because of the close proximity of the markets to my electorate, and because of the short haul involved, the bulk of the vehicles used are not subject to road maintenance tax. I have it on good authority that approximately 96 per cent. of the commercial vehicles in the Augusta-Margaret River Shire come within the new category. The larger type of transport vehicle is not being used in this area to the same degree as it is used in other parts of the State.

Of course, we also have a rail service which terminates at Busselton. From Busselton onwards road transport is the medium. I understand some 22 vehicles in the Augusta-Margaret River Shire area are liable for the road maintenance tax. However, if those vehicles were engaged in carting livestock they would not then be liable for the tax. If that situation is fair and equitable, then what will the position be in the future? The increased license fees can only add to the increased costs. Of course, this is an unjust impost which will hit the little people, and they are the people I represent.

I have an example which I wish to place before the House which concerns my own home town. We have two transport operators, and between them they operate five eight-ton trucks. Their increased license fees will amount to some \$700. Those operators have advised me that the increases will have to be passed on and, of course, we know who will have to pay.

I think it was the member for Pilbara who said that it would be the consumer who would have to pay. In the instance I have mentioned it will be the farmers. If the present measure is passed I presume the farmers will be told to become more efficient, and to tighten their belts another notch. I ask: How far can they tighten their belts?

This increase in fees is strange, coming from the Government. The Government seems to believe that the change will be part of the answer to the problems confronting the little people. The present measure will have a detrimental effect on agriculture in the Vasse electorate. Of course, I could speak on agriculture all night, but what about the country businessmen? As the member for Bunbury has said, the businessman in the country will pay increased license fees on his laden three-wheeled vehicle, and on his commercial vehicle. Those businessmen will be subject to increased fees—fees which they have not had to pay in the past.

I hope the Government will not be foolish enough to rush this measure because people have quite long memories. If necessary, their memories can last up to two and a half years. I hope the Government will take stock of what is occurring, and reconsider the measure.

Mr. Speaker, through you I ask one question: Are shire councils going to be charged under this new arrangement? The attitude on the Government benches is rather blatant, because I hear no reply.

Mr. O'Connor: They will know when they get the bill.

Mr. BLAIKIE: This is the type of thing which is putting the country in a turmoll. People simply do not know. Nobody has said that shire councils are included in the new proposal but the Government has most certainly not said that they are not included. At least, this is my understanding. I cannot hear any members opposite shouting out to the contrary.

Mr. Graham: You have been out of the Chamber too much. That is the trouble. It has been discussed half a dozen times.

Mr. BLAIKIE: I have been in the Chamber. Perhaps the Minister will be interested in some of my remarks if he cares to wait a little longer. I have spoken of the country storekeeper. Clearing contractors and others are involved. I refer particularly to people engaged in agriculture in my district. I will quote some figures which have been passed forward to me today from a reputable contractor in the area. Under the previous system of road maintenance tax his charges in license and road maintenance tax were \$4,052. Under the new proposals he will have to pay \$7,509.

Mr. Hartrey: He is not very little.

Mr. BLAIKIE: He is a little man by contracting standards. This will touch the little man who certainly will have to pay. Perhaps the member for Boulder-Dundas who is concerned with nickel miners may not appreciate this problem. However, in my electorate, with its high rainfall pattern, we have a problem which I am trying to bring to the Government's attention.

As I have said, that contractor will be faced with an increase of some \$3,457 over a 12-month period. What is the reason? It is because he has heavy vehicles undertaking haulage over very short distances.

I do not propose to argue whether or not the old system was inequitable. One of the points which has certainly been brought to my attention is that, under the old system, an operator paid in accordance with road usage; under the new system he will pay a blanket license fee whether he uses the road for 100 or 100,000 miles. It will be the small operator—the little man—who will feel the full brunt of this.

Mr. Williams: Will he be able to raise the overdraft to pay the license fee?

Mr. BLAIKIE: They have not gone this far yet. When they listened to the policy speech of the present Government, they began to hope that it may be sympathetic.

Mr. T. D. Evans: The little man has been accorded very strange attention by the Opposition in recent times.

Mr. Court: He is always our concern. He has jobs because of us.

Mr. BLAIKIE: As a little man myself, I am a supporter of the little man. I have an item to discuss which may be of particular interest to the Minister for Forests.

Mr. Williams: The Treasurer is a little man.

Mr. May: Get your dictionary out again for the definition.

Mr. BLAIKIE: As I have just said, one item I shall mention may be of particular interest to the Minister for Forests, in view of the portfolio he holds. Before I do this I would like to say that I have no doubt the member for Warren, the member for Blackwood, the member for Wellington, and the member for Murray—unfortunately I cannot see the member for Collier in the House this evening—will share the concern I feel for the timber industry. There are some 350 persons employed in this industry in my electorate and, as I said in my maiden speech, it plays a most vital role in the electorate. For the benefit of the Minister for Industrial Development and Decentralisation, its most significant role is in the form of decentralisation.

It was the policy of the previous Government—and certainly the aim of the former member for Vasse—to maintain the timber industry in a viable state because of its importance to the economy and to decentralisation. At this point of time there are tremendous pressures on the industry. These pressures relate to wage and cost increases and it was announced as recently as the 1st August that the timber industry will be required to pay an increased royalty fee. On top of this, the industry will now be faced with increased transport costs. The license fee will certainly not be of any advantage to operators within the timber industry; it will be a most positive disadvantage.

The President of the Associated Sawmillers and Timber Merchants of W.A. sent a submission to the previous Government. I understand this submission would still be on the files. It stated—

The position of the Timber Industry within the overall economy of the State must be reviewed.

Such a review must be undertaken before any further increases in Government charges generally are imposed.

I believe the most significant factor of the submission is the following:—

Because of its unique character, and the fact that it provides employment for many thousands of workers, both in the rural and metropolitan areas, its particular disability of being labour-intensive must be recognised.

I hope the Minister for Forests is fully aware of this.

Mr. T. D. Evans: He is very conscious of it indeed.

Mr. BLAICKIE: Today I received a letter from one of the leading cartage contractors of timber in my electorate. He says—

Checking on the new rates to come in for licensing at the end of the year I find it absolutely ridiculous. For example:

Road Tax for 10 vehicles for 1 year cost me approximately: \$4404.03

If the new licensing comes in to cover the road tax it would for the same vehicles: cost \$6510.00

Mr. Hartrey: Is this the same little man?

Mr. BLAICKIE: This is another. We certainly have quite a number of these people. As I have said, that letter is from an operator in the timber industry who is most concerned.

Through another source a circular letter was passed to me from the Associated Sawmillers and Timber Merchants of W.A. I took care today to check with the association to see whether or not a letter attached to it was in essence correct. The association was rather surprised I had this letter, but I was advised the contents are correct. The attached letter was sent by the Minister for Forests to the Associated Sawmillers and Timber Merchants of W.A. It is dated the 21st July, 1971. I shall quote an excerpt from this letter which I am quite prepared to show the Minister if he wishes. The passage I shall quote is, I believe, most significant in connection with the point now at issue. It says—

It is therefore proposed to recommend to State Cabinet that the timber royalty be increased by 20 cents per load for sawlogs as from the 1st August, 1971. With the general rise in costs and prices an increase of 40 cents could normally be justified . . .

The crux of my entire argument is contained in what the Minister said. He said—

. . . but in view of the parlous state of the industry I am satisfied the suggested increase should be limited to 20 cents.

I could go on. The timber and agricultural industries are vitally concerned. I was requested to ask of the Premier, any

responsible Minister, or any Minister, whether he would meet a deputation from these concerned people in my electorate in order to discuss their worry about the proposals before the House. I saw the Premier before the luncheon adjournment; he advised me that he was unable to meet a deputation and a letter would be forthcoming.

Mr. T. D. Evans: Would the member for Vasse tell me where he got the copy of my letter?

Mr. BLAICKIE: I will let the Minister see it.

Mr. T. D. Evans: I know what is in it. I wrote it.

Mr. BLAICKIE: Does the Minister agree that the industry is in a parlous state?

Mr. T. D. Evans: I have already said that.

Mr. BLAICKIE: How does the Minister justify an increased license fee that will put it further behind?

Mr. T. D. Evans: What about the State Forests Department itself?

Mr. BLAICKIE: I am not interested in that.

Mr. T. D. Evans: You are not interested in the State department?

Mr. BLAICKIE: I am very interested in the Forests Department.

Mr. T. D. Evans: You said you were not interested.

Mr. BLAICKIE: The Premier was requested to meet a deputation but, unfortunately, we have not been able to arrange it.

Finally, I request that the Government subject these license anomalies to critical investigation before this Bill is rushed through the House. I request that the Government make an urgent investigation to ensure that, if possible, the anomalies I have mentioned are corrected. I oppose the Bill because it will create anomalies and its repercussions will be completely detrimental to the people in the Vasse electorate.

Debate adjourned, on motion by Mr. Harman.

ADJOURNMENT OF THE HOUSE: SPECIAL

MR. J. T. TONKIN (Melville—Premier)
[5.55 p.m.]: I move—

That the House at its rising adjourn until Tuesday, the 7th September, at 4.30 p.m.

Question put and passed.

House adjourned at 5.57 p.m.