The ocean area, which is the part of the license to prospect not selected by West Australian Petroleum Pty. Limited, and which reverts to the Crown, has, in compliance with the Act, been offered to the company. In recognition of the company's very valuable contribution to oil search in this State, the Government has not imposed any stringent conditions but has asked for a royalty of 10 per cent. of the gross value of the crude oil produced therefrom. This constitutes the company's second lease but it is not, what we may call, a lease "as a right" as in the No. 1 lease and, therefore, the promised five per cent. royalty rate previously mentioned does not apply.

In this connection, I would add also, that under the arrangement between the Commonwealth and the States, which is now in the process of negotiation, the royalty on the discovery of petroleum offshore will be shared by the Commonwealth and the States on a 50-50 basis. Although the lease to which I have referred will be granted to West Australian Petroleum Pty. Limited under the present Western Australian Act, the lease for the off-shore area will be withdrawn when the Commonwealth-State law becomes effective and a new lease will be issued under the conditions of the new Act. This point has been clarified with the company.

The Barrow Island venture is expected to become a highly successful operation and of a type the Government is anxious to foster. Anticipating increased activities in the future, the Minister for Mines hoped to introduce certain major reforms to our Petroleum Act during the current session, but because of certain circumstances, found himself in the position that it was not wise to go on with the amend-ments at this particular time. It is desirable that there should be a fairly close link between the two types of legislation to the greatest possible extent and, as a consequence, the proposed amending legislation will not eventuate this session but almost certainly will be before Parliament next year.

Some of the reforms to have been made statutorily will be effected by administrative action but, in the course of time, the Minister for Mines will advise the companies, including West Australian Petroleum, that they have to fulfill certain land relinquishment requirements which are not now in the Western Australian Petroleum Act. There is no limit to the area which a company may hold at the present time under a permit to explore. Neither is there any administrative requirement under the Act to restrict the duration of a permit and oblige the return of any of the land to the Crown. Consequently, that has not been done.

The Minister for Mines ascertained, when overseas, that one of the most important points about the search for oil

was the principle which has been enforced of requiring the relinquishment of certain percentage of land after it had been held for a certain time.

This State is fortunate in its abundance of minerals, yet up to the present, we have lacked economic natural resources to enable us to process these minerals within our own State, using our own natural fuel. I refer here to oil or gas or both. Gas has been found to be more important than oil in some parts of the world under certain circumstances.

Before resuming my seat, I desire to associate myself with the complimentary remarks passed by the Minister for Mines in another place, when praising the West Australian Petroleum for its efforts in searching for oil in this State. In the search for oil, millions of dollars are spent, frequently without reward. And I reiterate Mr. Griffith's comment that if any company deserves success for the work it has put into discovering oil in Western Australia, it is certainly West Australian Petroleum.

I apologise for delaying the House so long but this is probably one of the most important Bills that has ever been submitted to this Parliament, because if oil is discovered in commercial quantities at Barrow Island—as is indicated—this will mean a great improvement in the economy of our State.

Debate adjourned, on motion by Mr. Kelly.

### ADJOURNMENT OF THE HOUSE: SPECIAL

MR. BRAND (Greenough—Premier) [5.52 p.m.]: I move—

That the House at its rising adjourn until 11 a.m. tomorrow (Thursday).

House adjourned at 5.53 p.m.

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# Legislative Council

Thursday, the 24th November, 1966 CONTENTS

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The PRESIDENT (The Hon. L. C. Diver) took the Chair at 11 a.m., and read prayers.

# QUESTIONS (5): ON NOTICE COUNTRY ABATTOIRS

# Restriction on Throughput

The Hon, J. M. THOMSON asked the Minister for Local Government:

1.

In view of concern felt by country abattoirs to any possible curtailment of their business activities, can the Minister give an assurance that there will be no form of restriction on throughput, or quota system, which would affect country abattoirs?

# The Hon. L. A. LOGAN replied:

There is no intention to restrict throughput or introduce a quota system affecting country abattoirs.

# MUSCULAR DISTROPHY Treatment

- 2. The Hon. R. F. HUTCHISON asked the Minister for Health:
  - (1) Is it known how many people are suffering from muscular distrophy in Western Australia?
    - (2) What provision is made for the treatment of this disability?
    - (3) Is there a known cure?
    - (4) What provision is made for research in Western Australia?
    - (5) What funds are provided and by whom-
      - (a) Commonwealth;
      - (b) State; or
      - (c) Private sources?

### The Hon. G. C. MacKINNON replied:

- (1) There are 53 registered with the Crippled Children's Society.
- medical and (2) Normal hospital diagnosis facilities, plus early unit, at Princess Margaret Hospital and specialised care and education at Lucy Creeth Hospital and School.

Lucy Creeth Hospital has recently been brought under the Hospitals Act in order to support it with finance from the Hospital Fund

- (3) No specific cure is at present available.
- (4) Research is being carried out by the University Department of Pathology and Princess Margaret Hospital.
- (5) Grants have been made by the Australian University Commission and the National Health and Medical Research Council.

### **MIGRANTS**

Deportation for Criminal Offences 3. The Hon. G. E. D. BRAND asked the Minister for Justice:

Bearing in mind the large number of serious offences perpetrated by persons from overseas countries, newly resident in Australia, will the Minister recommend to the Federal Minister for Immigration that these criminals, having been charged, found guilty, and served required sentence, be immediately deported and nermanently banned from this country?

The Hon. A. F. GRIFFITH replied:

Particulars of criminal offences committed by persons who are liable for deportation are made

known to the Commonwealth Immigration Department and the question of deportation is a matter for consideration by that department. It would not be proper for me to recommend as suggested.

### CARTAGE OF WOOL

### Levy and Collections by Transport Department

- 4. The Hon. J. M. THOMSON asked the Minister for Mines:
  - (1) For the financial years 1963-64, 1964-65, and 1965-66—
    - (a) what has been the amount funded to the Department of Transport from collections of cartage charge per bale of wool;
    - (b) what proportion of these collections has been distributed; and
    - (c) to whom has such distribution been made?
  - (2) What are the collections from this source for the period the 1st July, 1966, to the 31st October, 1966?

# The Hon. A. F. GRIFFITH replied:

- (1) (a) particulars of permits relating to individual types of goods are not segregated.
  - (b) The surplus of revenue re-maining from license and permit fees after payment of administration costs and contributions to the superannuation fund is distributed each. year to statutory authorities concerned in the maintenance and improvement of roads as provided in section 60 of the State Transport Co-ordination Act.

The percentage of revenue distributed for each of the last three years was—

Per cent.
1963-64 ... 3.5
1964-65 ... 20.5
1965-66 ... 2.8

(c) Annual reports of the Commission of Transport which have been laid on the Table of the House contain a complete list of the statutory authorities concerned and the amounts paid to each.

(2) See answer to question (1) (a).

### CRIMES

Repetition: Forfeiture of Remission

5. The Hon. G. E. D. BRAND asked the Minister for Justice:

Will the Minister investigate the suggestion that, where a criminal,

having served a term of imprisonment for a certain crime, commits a similar crime upon his release from prison, such person forfeits all rights of any remission of sentence in the future?

# The Hon. A. F. GRIFFITH replied:

It is assumed that the honourable member's question refers to a special remission by exercise of the Royal Prerogative of Mercy and not to good conduct remissions credited to prisoners under Prisons Regulation No. 152.

No prisoner has a right to a remission of sentence by exercise of the Royal Prerogative of Mercy. Each application is considered on its merits and a prisoner's record of previous convictions is given due consideration along with other circumstances of the particular case. There is no need to alter the existing procedure.

# RESERVES BILL

Second Reading

THE HON. L. A. LOGAN (Upper West-Minister for Local Government) [11.13 a.m.]: I move—

That the Bill be now read a second

It is both practical and customary to hold over the submission of the Reserves Bill each year until towards the close of the session in order that it might cover the bulk of the current amendments to our "A"-class reserves which have been made since the previous Reserves Bill had passed.

The Minister for Lands, when introducing this measure in another place, explained its many provisions at rather greater length than is usual and this coverage is available to members in proof volume 16 of the current issues of Hansard. In the explanation which I will give to the House, the same ground will be covered but somewhat more briefly, yet adequately I trust, for the information of members and bearing in mind our endeavours to deal with the business in the Chamber with all reasonable expedition after it has been passed by another place.

The first matter dealt with in the Bill is an amendment to Class "A" reserve No. 24258 near Albany in order to satisfy a requirement of the Shire of Albany for two sites, one for the disposal of rubbish and the other for a gravel pit. This is a "National Park and Recreation" reserve of approximately 9,018 acres, of which 103 acres is proposed to be set apart for these separate purposes.

The next provision affects Reserve No. 27068 of 218 acres 3 roods 21 perches set aside for "Recreation and Park Lands," of which 1 acre 19.4 perches is desired by the Public Works Department for a sewerage main. This reserve is in the Albany district as is also the next.

The Public Works Department (Country Water Supplies) proposes to construct a 5,000,000 gallon capacity service tank and appurtenances near Mt. Clarence. This involves an excision of the tank site and 50 link pipeline from Class "A" Reserve No. 2682 ("Public Park") with which the local authority concurs. An area of some eight acres only is required for this project out of the 253-acre reserve.

Next we come up to Alexandria Bridge to the "Camping and Public Utility" Reserve No. 23480, wherein portion has been in use as part of a sawmill site for many years with 30-year old buildings erected. The premises are currently occupied by a mill employee and the Forests Department wishes the position regularised. This entails excision of 1 acre 28.7 perches to protect the buildings concerned.

Moving over to Busselton, we find situated at the corner of Marine Terrace and Queen Street, Class "A" Reserve No. 20310, which it is desired to cancel. It was set apart for the purpose of "Recreation," vested in the shire and portion developed as a tennis club site. The shire desires to erect a squash centre on another portion of the land and has surrendered the vesting order to enable the proposals for reservey and creation of various reserves to be completed

The tennis courts impinge on "Railway Purposes" Reserve No. 3364 and the department agrees to ceding a section in the interests of local sport. Each of four reserves which will emanate from the resurvey will be classified as of Class "A".

Also, at Busselton, Reserve 22624 "Camping and Recreation" comprising 47 acres 8 perches, is affected by a proposal to site therein, on a 20-acre portion, "Aged People's Homes." The board of Busselton cottages is in the process of being incorporated as an association and this project comes under its auspices.

Further, up at Bunbury, there is a "Travellers' Stopping Place and Caravan Park" of 535 acres 3 roods 5 perches, comprising Class "A" Reserve No. 23000 located about 7 miles southward on the Bussell Highway.

The Public Works Department has completed a diversion drain for the Five Mile Brook surveyed in widths varying between four chains and five chains and a separate reserve created for "Drainage" is desirable.

The Shire of Capel also wishes to establish an equestrian park to cater for horsemen and pony clubs and an excision of 181 acres in the aggregate for these purposes is sought.

Class "A" Reserve No. 11381 is situated on the corner of Grant and Marmion Streets, Cottesloe, and set apart for educational endowment.

The trustees of the public education endowment see no prospect of being able to lease the reserve upon conditions which

would give an adequate return, and have accordingly sought approval to subdivide into residential sites with a view to sale.

Proceeds will be used for additional scholarships and other forms of assistance to under privileged children.

The next provision refers to the revestment of Trades Hall site at Fremantle. Fremantle Town Lots 1511 and 1512 were set apart in 1903 as Reserve 8589, and granted in fee simple to the Fremantle and Districts Trades Hall Industrial Association of Workers in trust to secure the use of the land for the purpose for which it was reserved in certificate of title volume 277, folio 135.

The association is now disbanded by virtue of the reorganisation of the Australian Labor Party, 1963. The administration of the affairs of the association has passed to the Australian Labor Party, which is desirous of disposing of this property. And it is desired authority be granted for disposal of the land to be revested in Perth Trades Hall Incorporated.

Reserve No. 14794 at Gosnells comprises 1 rood and is held in fee simple by the Gosnells Hall Association (Inc.) in trust as a hall site.

The association is inactive, no hall exists and its trustees have requested revestment in the Crown. As the W.A. Fire Brigades Board wishes to obtain a site for future needs, this site will be set apart as a "Fire Station Site."

Clause 12 is next and refers to "Esplanade and Recreation" Reserve No. 20194 at Geraldton, abutting an area of vacant Crown land envisaged ultimately for light industrial use, allied with harbour works.

The proposal here is to alter the northern boundary of the Class "A" reserve to rationalise the shape of the vacant Crown land for future subdivision. A compensating provision affecting the Crown land will ensure the size of the reserve being retained.

Parliamentary approval is sought for reclassification of "Park Lands and Recreation" Class "A" Reserve No. 9093 at Kalamunda for "Public Open Space" purposes.

The Metropolitan Region Planning Authority fully supports the application for portion of the reserve to be made available by way of part exchange for approximately 83 acres of Swan Location 4141 with a cash adjustment of \$35,000 to be paid to the private subdividers by the authority to equalise the exchange. The clause provides for the reclassification to Class "C" to enable the Governor to amend the reserve accordingly.

The Metropolitan Water Supply, Sewerage and Drainage Board has been operating a sewerage ejector station for some years at the corner of Challenger Avenue and Griffin Crescent, Manning.

The site was surveyed in 1951, and since occupied by the board, but not excluded from Class "A" Reserve No. 24329 vested in the City of South Perth for "Recreation." The provision in clause 14 tidies this matter up.

Recreation Reserve No. 1790 at Mt. Barker is the subject of clause 15 and the Plantagenet Shire Council desires to lease an area of half an acre of it to the Mt. Barker and District Agricultural Society for a term of five years, for the erection of a sheep show pavilion. To enable this to be done, parliamentary sanction is sought for amendment of title to "Recreation and Agricultural Showground."

Parklands Reserve No. 13045 at Nornalup is affected by a proposal of the Shire of Denmark to lease portion as a caravan park and this entails excising a small area, because the existing status of the reserve precludes such action.

The next proposal is the excision of portion of Class "A" Reserve No. 12086 at Northampton. Trustees of the public education endowment wish to transfer Northampton Lot 2, which is part of the reserve, to the shire for an amount of \$800 for the provision of bowling greens and a clubhouse. An area of 1 acre 1 rood and 22 perches is involved.

Reserve No. 4813 at Pt. Walter has contained within it a site for an "Immigrants' Home" under authority of Act No. 35 of 1958 but limited to the 27th March next.

The State Government is currently negotiating with the Commonwealth Government for financial assistance for the construction of a more suitable migrant reception centre at Brentwood, and it is desired that the period of occupancy at Pt. Walter be extended in order that accommodation facilities continue to be available to the increasing flow of migrants for a further limited period, pending completion of the new centre.

Parliamentary sanction is accordingly being sought for an extension of the occupancy period for a further term of five years, commencing on the 28th March, 1967.

Recreation Reserve No. 16606 at Scaddan has, since 1925, been controlled by a board, the sole surviving member of which has resigned. This necessitates suitable action for future control being taken, preferably the vesting of the reserve in an appropriate corporate authority.

Reserve No. 16607, also at Scaddan, was in 1923, set apart for an "Agricultural Hallsite" and a hall was erected. A 999-year lease was granted to the trustees for the Scaddan Settlers' Association and as all trustees are now dead, control by a more appropriate body is desired, preferably by the Settlers' Association Incorporated under the Associations Incorporation Act, so ensuring perpetual succession.

The next provision is for an excision from Class "A" Reserve No. 16976 at Scarborough known as Deanmore Square for Recreation and Public Utility." The Metropolitan Water Board has excavated a compensating basin at the southern end of the reserve to prevent flooding and this will entail excision of a small area of 2 roods 20.7 perches.

The next provision is for an excision from Class "A" Reserve No. 8427 at Yallingup, comprising approximately 1,683 acres adjacent to Caves House "For the Protection and Preservation of Caves and Flora and For Health and Pleasure Resort." Portion of the reserve was excised under the Caves House Disposal Act last year for the purpose of leasing to the purchaser and this resulted in isolating a small area of 7 perches. The tidying up proposed will be to the advantage of Reserve No. 27062 set apart for "Recreation."

Another Yallingup proposal is for cancellation of Class "A" Reserve No. 17695. This "Caves House Site" reserve originally comprised 15 acres, of which 10 acres were excised to facilitate disposal. The remaining five acres will be added to Reserve No. 8427.

It is proposed, also that Class "A" Reserve No. 12073 at Wagerup be cancelled. This is a "Public Education Endowment" reserve and the trustees agreed to make certain portions available in the interests of road widening and truncations and for the protection of an irrigation channel.

Upon survey of these requirements, the trustees requested authority be given for them to sell, free of trust, the balance. The proceeds of sale would be invested in approved securities under the provisions of the Public Education Endowment Act.

National Park Reserve No. 27575 comprising about 2,900 acres is vested in the National Parks Board. Parliamentary approval is sought to excising 115 acres 2 roods 2 perches for use by the Shire of Wanneroo as a limestone rubble pit. The proposal is endorsed by the National Parks Board and the Metropolitan Region Planning Authority and recommended to Parliament under the terms of this Bill.

Camping and Recreation Reserve No. 14222 at Denison is vested in the Shire of Irwin with power to lease. Portion has been developed as a caravan park and the shire is desirous of leasing, yet the existing status of the reserve precludes this. Approval is accordingly sought to change the title to "Recreation Camping and Caravan Park."

Finally, there is the proposal to issue a Crown grant to the Commissioners of the Rural and Industries Bank of a small strip of land measuring approximately 19.5 links on the Hay Street frontage and approximately 85.6 links in depth. The contained area is 2.5 perches and designated Perth Lot 837.

The bank holds title to the Hay Street frontage on which the old State Savings Bank building is erected and the acquisition of this additional small strip on the eastern side would eliminate an unsightly narrow tunnel on which there are several small makeshift buildings between the Titles Office and the land held by the Rural and Industries Bank.

This clause seeks Parliamentary approval to the reservation of the area concerned and the authority to grant Perth Lot 837 to the Commissioners of the Rural and Industries Bank in a similar manner to the area previously granted by section 10 of the Reserves Act, 1957, and which adjoins the land the subject of this clause.

Debate adjourned, on motion by The Hon. W. F. Willesee (Leader of the Opposition).

# TOTALISATOR AGENCY BOARD BETTING TAX ACT AMENDMENT BILL

Second Reading

Debate resumed from the 17th November.

THE HON. J. DOLAN (South-East Metropolitan) [11.24 a.m.]: I offer support to the Bill, but I do not want the Minister to feel that I am therefore completely happy with the measure as it is. I believe it could have gone much further, which is a most amazing thing to say, I suppose, in view of the fact that taxing measures have taken a bit of a hammering in recent times. However, I will give my reasons shortly.

The Hon. A. F. Griffith: That is an understatement.

The Hon. J. DOLAN: It probably is. I could have used other words, too. This is quite a simple amendment so far as words are concerned. We are merely substituting for the words "five pounds per centum" the words "five and a half per centum." I would like to refer to a drafting difficulty which I have noticed in many Bills. In all legislation associated with the operations of the Totalisator Agency Board, this is the only occasion on which there has actually been money mentioned in the Bill. Now, under this Bill, we are deleting the reference to pounds.

At first I thought the deletion was because of decimal currency, but yesterday, when speaking about the Grants Commission, the Minister referred to so many pounds per centum. As I have said, the reference to the money is being deleted under this amendment. When money is involved it carries exactly the same meaning and significance as five pounds per centum. I do not think there is any difference.

The Hon. A. F. Griffith: The 1960 amending Bill expressed it as five pounds per centum.

The Hon. J. DOLAN: Yes, and under this Bill the reference to pounds is being deleted and it is being made "five and a half per centum." In my opinion there is no need to substitute anything for the word "pounds." It could have been left out altogether because it makes it a little tidier.

The Hon. A. F. Griffith: Would it not be correct to say you cannot express it as five pounds per centum now?

The Hon. J. DOLAN: The reference to pounds has been deleted.

The Hon. A. F. Griffith: There are no pounds. The currency is now dollars.

The Hon. J. DOLAN: I do not want to be drawn into an argument on this point, but if that is the reason why the word "pounds" was deleted, dollars could have been used and we could have substituted "five and a half dollars per centum." However, I thought I would mention it to draw attention to the drafting difficulties. Uniformity should have been reached before and the word "pounds" should have been inserted everywhere or omitted everywhere.

The Hon. A. F. Griffith: This is largely due to the style of the draftsman concerned.

The Hon. J. DOLAN: I realise that, but I thought I would mention it to get my vocal chords going.

The Hon. A. F. Griffith: A loosening-up process.

The Hon. J. DOLAN: Yes. With regard to the ½ per cent., I remember that when, during my former profession, teaching percentages, a ½ per cent. was regarded as nothing; but when we apply a ½ per cent. under this Bill it will involve \$180,000 in a full year, which is a considerable sum. During his second reading speech, the Minister stated that the net investments are believed to have reached a base amount and will not change much. It is expected that the investments will be between \$36,000,000 and \$36,500,000 a year. For 1965-66 the amount was \$153,000-odd above the \$36,000,000. Therefore a 1 per cent. of that in a full year would net \$180,000 so that the Government expects to receive in the next half year \$90,000.

There is one aspect of this net investment with the T.A.B. to which I wish to refer because I feel that here is a field in which the Government might interest itself with a view to imposing a tax which will operate on all sections of the community. So far taxes have been imposed which do involve all people, and the Minister has stated that although this ½ per cent. will take so much extra money away from the total net investment, it will not interfere with the dividend being paid to racing and trotting clubs; in other words, any taxes applied will not affect them. For the life of me I cannot see why they

should not contribute their extra little bit the same as every other person in the community does.

Of the \$36,000,000 received, Eastern States racing was responsible for no less than nearly \$18,000,000. Approximately 49.67 per cent. of the investments with the T.A.B. is on Eastern States racing.

I have referred to this before and, in this particular case, the racing clubs in Western Australia do nothing towards getting that money invested. In those circumstances, I feel the Government is quite justified in saying, "You do nothing towards this at all." In getting this money in, the Government has set up T.A.B. shops that provide the facilities for betting on Eastern States racing. Therefore, I feel the Government is quite justified in having a good look at this invested money in order to see if the time is not opportune to look for money for taxation purposes.

The Hon. F. J. S. Wise: Quite right.

The Hon. J. DOLAN: A different set-up applies as between the operations of the T.A.B. in Victoria and in Western Australia. I notice that in Victoria the T.A.B. uses its operations for two purposes. It imposes a 4 per cent. turnover tax which, for the year ended the 31st July, 1965, brought in \$4,465,994. In addition, it imposes a tax of  $3\frac{1}{2}$  per cent. on turnover and this money is used for funds for hospitals and charities. During the same year, this tax realised over \$4,000,000. In respect, I feel Western Australia would be justified in following the Victorian example. After all, Victoria had the example of the T.A.B. in Western Australia initially, and it followed our example when establishing its legislation. How-ever, Victoria thought it wise to stipulate that approximately 3½ per cent. of tax on turnover should provide funds for hospitals and charities.

As Victoria accepted our legislation, I consider we could have a good look at the provisions made by Victoria in order to see if we could not provide money from this source for hospitals and charities instead of going elsewhere for it. The system as it is applied in Victoria makes the total tax on turnover 7.5 per cent by comparison with 5.5 per cent in Western Australia. I think the Government should have a good look at this aspect because, although the opinion has been expressed that the amount will be stabilised at between \$36,000,000 and \$36,500,000, I consider it is an underestimate. Probably, it will only be a matter of a year or two before this figure is up to \$40,000,000 and, as I have said, in these circumstances this situation should very well be looked at.

There has been reference in the paper to the fact that Parliament passed legislation last year and made no provision for the collection of a tax from T.A.B. agencies. The legislation which was passed last year imposed a tax of 3c on all bets.

The Hon. H. K. Watson: Even Homer sometimes nods.

The Hon. J. DOLAN: I have in mind a member in another House. How this ever got past him I would not know; it has had me worried ever since that that could happen.

On the last occasion when we discussed the T.A.B.—and, to my knowledge, that was during the last session—a 3c tax was imposed on all bets. We on this side of the House were very upset about it, because we thought the tax was being raised on the smaller type of bet and it was being removed from those who bet in a sum which, in modern currency, is the equivalent of over \$2. These people pay only a 3c tax which, of course, is the overall. This tax previously had been 6d.—or 5c.

If the previous tax had been retained, as we suggested, and if there had been a graduated tax on higher amounts, as we also suggested, this would have been a more equitable situation. We, on this side of the House, suggested that the graduated tax as a basis for figuring—or anything like that—could have been 1c for each \$2 over a certain amount. Just based on the 1964-65 figures, tax would have been levied on approximately 18,500,000 bets. Of course, this number of bets would be much greater today.

The figure of 18,500,000 which I have quoted was in the proportion of seven bets of £1 or under to one bet over £1. If the Government had followed our suggestion that it should retain the tax of 3c for bets of £1 or under and increase the amount of tax to 5c only on those bets which are over £1, on the 2,341,000 bets of over £1 the Government would have found this rate of 5c would have made a difference of over \$80,000. I feel the imposition of a tax of 5c for bets of £1 and over can be justified if there is justification for a tax of 3c on bets of £1 and under. Certainly the Government would have been justified in retaining the original tax of 5c for bets of £1 and over.

The Hon. L. A. Logan: How many bets were over £1?

The Hon. J. DOLAN: The proportion was 7 to 1. In 1964-65 the original 3d. tax was levied on 16,107,280 bets and this returned \$402,682. The 6d. tax was levied on 2,301,040 bets and this returned \$115,000. Hence the total tax collected, in round figures, was \$517,000.

Because of this situation, I feel there was some justification for the retention of the tax of 5c. I suggest the Government should look carefully at the advantages of making it a graduated tax; because if people can afford to put \$100 on a slow horse, then they can afford to pay a little extra by comparison with the fellow who bets 50c each way, or something of that nature. I consider that is a principle of taxation which is well worth looking at.

The Hon. A. F. Griffith: My trouble is that I never know which horse is going to be slow.

The Hon. J. DOLAN: I know. Even if the jockey started with a hurricane lantern the night before, some horses still could not win. However, people still think they can beat the bookmakers and it is their constant attitude in thinking this which makes this particular tax so interesting. It should be quite obvious to everyone that in connection with betting with the Totalisator Agency Board if the Government takes 15 per cent. and someone else takes another 5 per cent., it will only be a matter of time before all of the money is gone. There is only one group of people who do not notice this, and that consists of the punters.

The Hon. A. F. Griffith: I wonder what thought the punter ever gives to this?

The Hon. J. DOLAN: I do not know. I could tell any punter that the odds against him ever winning are so infinitesimal, he could give it away. Everyone who goes to the races should bet in amounts of not more than 2c. He would then have a little interest in what is going on and he would finish up much better off. Of course, Governments would miss the money which comes from taxation.

The Hon. F. J. S. Wise: It is only necessary to place 50c through the totalisator five times in order to lose it all.

The Hon. J. DOLAN: Yes, that is right because of the 15 per cent. tote tax. I quite seriously suggest to the Minister, and to the Government, that here is an avenue for taxation which is justified, and an avenue where the Government could really find some of the money it needs.

When it comes to taxation, I have rather mixed views. I can fully appreciate the Minister's point of view, which is of course the Government's point of view, that the Government levies taxes in order to obtain the money necessary to run the country, and so on. Of course, members on the other side of the House oppose those taxes because they may be iniquitous and an added load on the people's backs. I can appreciate these mixed feelings because of the two points of view.

I was associated with a certain sport and in that sport there were players who, in my opinion—and in the opinion of club members—were strong, quite virile, and an ornament to the game. The opinion we held was these fellows put that manliness that was so much needed into the game. Of course, the opposition held entirely different views. The people we regarded in that light were, in their eyes, vicious, dangerous, dirty, and a blot on the game. They thought the sooner these fellows got out of the game the better.

Of course, we can apply that line of thinking to taxation. One group—the Government—wants a tax in order to obtain money and the other group—the Opposition—examines and criticises the Government's proposals. However that is not the theme I intend to pursue now.

The Hon. A. F. Griffith: What you are saying is that, whilst you are in Opposition, taxing measures are vicious; but if you come over here, they will be all right.

The Hon. F. J. S. Wise: We never play a double game.

The Hon. J. DOLAN: Here is a measure-

The Hon. F. J. S. Wise: My colleague is on very unsound ground.

The PRESIDENT: Order!

The Hon. J. DOLAN: Because this tax is being raised from 5 per cent. to 5½ per cent., I feel that we on this side of the House are quite justified in saying, "Here is a field where the Government has not used its power to obtain extra money." It does not matter on what grounds this matter is argued—whether on the grounds of wanting money or on moral grounds. I consider that if the Government is going to tax certain people, this taxation should be made equitable.

I support the measure because I consider that any taxing on this group—or authority—is justified. However, as I said when I opened my remarks on this measure, I feel the Government could have gone further and could have imposed taxation on different aspects of betting which would have returned money and, at the same time, would have made it a much more equitable tax, and a more worth-while Bill than some of the measures which have come before the House.

THE HON. F. J. S. WISE (North) [11.42 a.m.]: In a long parliamentary life, I have always found the time to correct the wrong impression is at the time the wrong impression is given.

The Hon. A. F. Griffith: I think there are some qualifications to that statement!

The Hon. F. J. S. WISE: The Minister can make his own rules or qualifications but I stand by the one set of rules.

What my colleague (The Hon. J. Dolan) was endeavouring to convey is how sharply opinions may differ. However, I suggest there is a very vast difference between the sporting field and the serious circumstances of this Chamber where matters of State and the State Treasury are discussed. There is no simile at all in what Mr. Dolan said when he made reference to the football field and stated that it could be regarded as a dirty or vicious place; because, as far as I am concerned, this Chamber is not either of those things. The handling of public affairs, and the handling and examination of such serious matters as the financial stability and well-being of the State are affected by this measure and, consequently, this is not a light matter.

Two points of view were suggested, but I say this is not necessarily the case. I

know Mr. Dolan used the example to illustrate that two points of view apply, but under no circumstances could I agree with what the Minister implied by way of interjection; because I have opposed in the past and will continue in the future to oppose vicious-and I use that word deliberately-pieces of legislation which involve taxation. I will not tolerate the suggestion that my attitude is adopted because I am on one side of the House or on the other. Therefore I want to correct that point. Although I enjoyed listening to Mr. Dolan's illustration, I would not like it to be wrongly engraved in the minds of people who did not quite understand what Mr. Dolan was speaking about when he made the simile.

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [11.43 a.m.]: I merely want to say briefly that I thank Mr. Dolan for his remarks. In the relatively short period of time the honourable member has been in the Chamber, I have found him able to express himself very clearly. I have formed the opinion that there is no doubt as to what he means, and I have not had any reason this morning to retract my ideas about the honourable member. I will certainly convey the remarks and the suggestions he made to the Treasurer for his consideration.

Question put and passed.

Bill read a second time.

### In Committee, etc.

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

### Third Reading

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [11.47 a.m.]: I move—

That the Bill be now read a third time.

THE HON. J. DOLAN (South-East Metropolitan) [11.48 a.m.]: I thank Mr. Wise for his correction of my views. I appreciate the fact that when it comes to State finance I am a novice—indeed I am in the Sunday league class—whereas he is in the top interstate class. Giving the simile I did, explains why sometimes we might hold different points of view. The suggestions I made do not alter one scrap the truth of what Mr. Wise said.

Question put and passed.

Bill read a third time and passed.

# KEWDALE LANDS DEVELOPMENT

Second Reading

Debate resumed from the 23rd November

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the Opposition) [11.49 a.m.]: This Bill has a very large concept in its planning, and in such development and planning it has a very close relationship with the local authorities associated with the land involved. The great problem of local authorities at all times is to endeavour to maintain sufficient income to cope with the responsibilities of outgoings in connection with developmental progress being made within the particular municipality or shire.

In this case very much of the land affected is in the Shire of Belmont. There are, in all, three shires affected in varying degrees; the other two being the Shire of Kalamunda and the Shire of Canning. But some 800 acres of this land will be within the area of the Shire of Belmont. So, very naturally, that shire is somewhat concerned with this legislation inasmuch as it is likely to affect its revenue; it was concerned at the effect which this development in Kewdale would have upon the existing ratable values of areas surrounding the particular district referred to in the Bill.

Because of that, the shire saw fit to write a letter over the signature of its shire clerk. The letter, dated the 16th November, reads as follows:—

I have been directed to inform you of the serious concern of Council at the very serious loss of rate revenue that will occur as a result of the acquisition of the land which is now zoned for industrial use and bounded by the existing Marshalling Yards, the Beechboro-Gosnells C.A. Road and the proposed May Street Important Regional Road. Land acquired by the Development Authority as a Corporate Agency of the Crown in right of the State, will become non-rateable until it is released for industrial use.

My Council consider that provision should be made for the land which is not actually required for Marshalling Yard and allied uses to continue to be rateable; the Authority capitalise the rates paid together with other expenditure involved in developing the land for industrial use, and to recover such costs with any interest or charges paid on the funds involved, from the proceeds received from the ultimate sale of the land.

It is also considered that a representative of this Council should be a member of the Development Authority so that its opinions on the development of the area can be readily available. In view of the large 'stake' my Council has in the future of this area and the fact that it will be required to administer the industrial complex that will no doubt result, it is considered undesirable that Local Government has been denied representation on the Authority as proposed by the Government.

This letter has been submitted in another place, but, in its wisdom, the

Government did not see fit to accept the proposal. However, assurances were given by the Minister in charge of the Bill that there would be a very close liaison concerning this development with the Belmont Shire Council in particular, and also with the other shires concerned; that they will be notified of developments, and they will be written to very soon in the matter of projected decisions.

In the circumstances I feel such an assurance is as much as we can expect in view of the fact that we are now dealing with the Bill in this House. I have placed the views of the shire on record by having the letter incorporated in *Hansard*, and I added quickly the reply given by the Minister with regard to the position.

I am sure that the Minister handling the Bill in this place will confirm the assurance that was given by the Government. Other than that, I feel the whole of the future of this project lies in the hands of the co-ordinators, technicians, and other qualified people who go to make such projects a success.

The plans submitted by the Minister, and the reasons he gave when introducing his Bill for the amended planning in the light of development over the past five years, seem to me to be what one might expect in a developing State; what one might expect when formulating a developmental plan which could possibly conflict with something that was felt needed no alteration when it was originally conceived.

We must be prepared to live with these things, provided always that we can look after the situation that surrounds such development, and see that in the process of organising developmental projects for industrial purposes that we do not take away the right of the individual; that is to say, we must ensure that the individual does not suffer.

There is no indication to me, at any rate, in this Bill—beyond the problem associated with the shire concerning rating, and beyond the ever-present need to ensure that valuations do not decrease sharply to the detriment of the people concerned who have, in good faith, purchased land with a view to ultimate access to the railway—that the people concerned will be detrimentally affected to any great extent.

I feel the project in its original form will be of great value to the State and in the ultimate—with the proviso that we watch all the properties that are affected—the project will also prove advantageous to the area in which it is situated.

THE HON. R. F. HUTCHISON (North-East Metropolitan) [11.57 a.m.]: As this area is in the constituency which I also represent, I would like to say that the community in the Belmont Shire Council district has suffered quite distinctly. I know development cannot be stopped, but this particular shire has been hit very badly in the past. It was hit quite severely when the airport divided its land, and the people around Bushmead had their land devalued, and their easy access to town taken away. It seems to me that they were not treated quite as sympathetically as they might have been. No real help was given them. We had to fight to have post boxes and telephones installed and, generally speaking, considerable difficulty was experienced.

When land is resumed, the authorities concerned should see that the local governing body in the area is treated sympathetically. The Belmont Shire Council has had to face more problems than any other shire council I know of. It is a good shire council; it develops its areas well. It does, however, suffer considerable hardship from the low-lying land which is often subject to flooding.

I hope that in future every consideration will be given to this shire council when developmental projects are mooted because, after all, the shire council also must meet the demands made upon it and cater for the community within its boundary. There has been a certain harshness of attitude towards the Belmont Shire Council which, I hope, will be corrected in future. I trust that in land resumption every consideration will be given by the authorities to this shire council in regard to its problems and the provision of amenities which are so necessary for the people in the district.

THE HON. L. A. LOGAN (Upper West—Minister for Town Planning) [12 noon]: I thank Mr. Willesee and Mrs. Hutchison for their support of this Bill. Frankly I cannot understand the attitude of the Belmont Shire Council as it will undoubtedly be the winner.

The Hon. W. F. Willesee: The shire says that in its letter.

The Hon. L. A. LOGAN: The area that now belongs to the Government was resumed in 1957-58 and it is going back to industry. The area comprises 800 acres which is classified as "industrial." Some of it was not used as a marshalling yard, and the area that used to belong to the State Housing Commission will become ratable. In this area the shire will benefit from a redevelopment scheme at cost to the Government and the owners of the property and not the council. An industrial complex with roads, water supplies. and drainage will be completed without cost to the shire; and this will bring the land back into rating, which is not the case at present.

The Hon. R. F. Hutchison: It will not make up for the disabilities that have been suffered.

The Hon. L. A. LOGAN: All the shires say they are suffering disabilities. The shires of Cockburn, Kwinana, and Rockingham will say the same thing. Because of the projects there, those shires have been hit harder than others. The shires of Canning and Gosnells will also complain.

The Hon. W. F. Willesee: It does not seem as though you are doing too well in this portfolio.

The Hon. L. A. LOGAN: We must bear in mind that from the Government's point of view it does not want to hold this land any longer than is necessary. The development will be costly and the Government wants to get the money repaid as soon as possible so that industry can be established in the area. The position has been reached where the Government does not want to keep the land, nor does it want to prevent the Belmont Shire from receiving rates.

The area now being taken over for the new marshalling yard is not a very good class of land. This will be appreciated by members who have seen the area. There is little development on it and the number of roads involved would be very small.

I can assure Mr. Willesee that the Shire of Belmont will be brought into all the negotiations, as promised by the Minister for Industrial Development, now that we are able to go ahead with the plan. I give that assurance.

Question put and passed. Bill read a second time.

### In Committee

The Chairman of Committees (The Hon. N. E. Baxter) in the Chair; The Hon. L. A. Logan (Minister for Town Planning) in charge of the Bill.

Clauses 1 to 13 put and passed. Schedule—

The Hon. C. R. ABBEY: I notice on the plan that across the part marked in yellow at one end there is an arterial road that serves Kalamunda. It seems to me that provision should be made for a great deal of improvement of the arterial road.

The Hon. L. A. LOGAN: I cannot make a definite statement, but I do know that with the reorganisation the position in regard to roads will be better than it was previously.

Schedule put and passed.

Title put and passed.

### Report

Bill reported, without amendment, and the report adopted.

### Third Reading

Bill read a third time, on motion by The Hon. L. A. Logan (Minister for Town Planning), and passed.

# MAIN ROADS ACT AMENDMENT BILL (No. 2)

#### Second Reading

Debate resumed from the 23rd November

THE HON. F. J. S. WISE (North) [12.9 p.m.]: This is a very interesting Bill which was introduced, as members know, late yesterday afternoon. It will be recalled that while the Minister was speaking I interjected prior to his sitting down, and sought permission to ask a question because, in vulgar parlance, I smelt a rat. A Bill of this kind would not be plucked out of the air and brought before Parliament. It has some background; but we were not told of the background. A Bill like this is not accidental; it involves an entirely new principle in dealing with both land Statutes and our main road provisions, and, indeed, it involves the Strata Titles Act.

It was not a question of becoming suspicious, but I immediately felt that all the story had not been told. I will comment on the general merits of the Bill shortly. At this point I would say this: Had I the responsibility of introducing a Bill of this kind I would have told the whole story. I think the Government is wrong in not telling the whole story. This Bill has a background, and it is not sufficient to say as the Minister said—

I instance its application in the construction of the Chiswick-Langely Special Road M4.

Does anyone know where that is?

The Hon. F. R. H. Lavery: In England. The Hon. F. J. S. WISE: Yes. The Minister went on to say—

During the course of construction of this project, a large bridge was flung over the Beecham Research Laboratories.

Those may have been the laboratories where Beecham's pills are made, but they are not. The Bill insufficiently described its purpose, and background; and even this morning, when I read the Minister's notes some time before the House met, I wondered what the reference to Chiswick-Langely Special Road M4 was all about. I voice that as a complaint. Through the courtesy of Dr. Hislop this morning, I know where Chiswick is—it is  $6\frac{1}{2}$  miles from St. Paul's Cathedral on the main north road.

That name has no place in an introductory speech of this kind unless we know what the project is. If the Bill is passed, is it intended to proceed with the building of a viaduct or a bridge? The background of this Bill is based in the fact that a number of years ago—I think it would be in the time when Mr. J. T. Tonkin was Minister for Works—when the Mitchell Freeway was being planned, preparations had to be made for a crossing of the freeway

somewhere near St. George's Place and a further crossing of Mount Street and Malcolm Street; and it was necessary to arrange for the properties injuriously affected.

The reason for this Bill is, in short terms, that it affects the Emu and Swan breweries. I suggest that this House should have been told that. Why is it necessary to cloud an issue of this kind? I think it is something that should have been pointed out. Surely we have no objection to the need to overcome that sort of difficulty. Why should we have? I wish to state as clearly as I can that my opposition in the circumstances is not against a means of overcoming the difficulty. I support the need to overcome the difficulty. My opposition is in the presentation of a Bill of this kind without being told what it is all about.

Those details will come out, surely. So what is the advantage in not telling all the story? It is unavoidable that with a massive proposition such as the Mitchell Freeway there will be much work which will affect landholders. Some of the problems can be anticipated, as has been the case, and the Minister for Town Planning must have spent many sleepless nights trying to overcome them.

The Hon. L. A. Logan: There are still a few sleepless nights for him yet.

The Hon. F. J. S. WISE: That is unavoidable, and in spite of all the planning which is done, difficulties which were not anticipated have to be overcome from time to time. This Bill proposes to overcome the immediate and the anticipated. The immediate, I have made reference to, and it is on a basis of need.

The Hon. H. R. Robinson: This problem could occur elsewhere.

The Hon. F. J. S. WISE: Certainly it could. As I said, it was not anticipated when the freeway was planned. I would presume that as a result of the protracted negotiations with the Swan Brewery, that company would be fully aware of what the Government has to do. That company would be in accord with what the Government is doing in this matter. It is logical to expect and assume that. I can see nothing wrong or improper in that at all.

But let us look a little further. If this Bill were to provide the means of overcoming an initial difficulty of getting traffic off the Mitchell Freeway into the area below Parliament House, and in front of the Barracks, one could not in any way find fault with it. But this Bill does not do that. This Bill is anticipating all the likely needs of the Main Roads Department, the Town Planning Department, and the Titles Office; and will overcome all the difficulties associated wherever a bridge, a viaduct a tunnel, or a culvert, may be involved in the construction of freeways.

How urgent it is to determine that, I do not know but I think a Bill for an agree-

ment, after negotiation between the Swan Brewery and the Government, to do what this Bill does not tell us it will do—but which it will do—would have passed this House in a matter of minutes. But this measure poses many far-flung problems. In his speech, the Minister said the only land which it was necessary for the authority to resume, in the case of the English project, was the land on which the bridge supports rested. I want members to note that clearly. I have only had the opportunity to peruse the notes of the Minister's speech for an hour or so. Other members in the Chamber suffer a great disadvantage by not having a copy of the notes at all.

If you will allow me, Mr. President, to disgress on that point, I think the practice of the Leader of the Opposition in this Chamber having a copy of the Minister's speech notes is a good one. However, unless it is extended as a matter of courtesy to all members—particularly at the end of a session—there will be the situation that many members will not know what the Minister has said at all until they read next week's Hansard; or we could worry Hansard to give us 80 pulls of every speech made.

I think that is important. Are there many members in this Chamber at the moment feeling even as confident as I feel to be able to discuss this Bill this morning?

The Hon. R. F. Hutchison: No. none.

The Hon. F. J. S. WISE: I draw attention to that point. We complain about members being silent and about members not engaging in debates, and I suggest we complain unfairly. Members who have an interest in matters raised through Bills, very often have no chance of debating the matter, even if they know how to handle a Bill, because of the paucity of information available to them. I am sorry to digress to that length, Mr. President, but I feel very keenly about the situation of members other than those who have a copy of a speech.

The Hon. H. K. Watson: That raises the old problem of an explanatory memorandum being attached to Bills,

The Hon. F. J. S. WISE: I had something to do with the introduction of that explanatory memorandum, and I think it is right to have it. However, a copy of the speech itself would give members an opportunity keenly and intelligently to take part in the debate, which opportunity they do not get now.

Referring to the Minister's notes, he mentioned that the only land to be resumed under the English Act, was the land on which the support of the structure or bridge or viaduct will rest. The Minister, in his speech, used the following words:—

The Bill, will enable the Commissioner of Main Roads to acquire an interest in the aerial rights of the air space above any land. That connotes that the Strata Titles Act will be brought into the proposal.

The Minister went on to say-

Only the land, for instance, on which the road supports will rest will need to be resumed and the air space above the land or ground space under the land acquired with a consequent substantial decrease in the amount of compensation payable.

Is that the right approach—to construct a freeway, a highway, an arterial road or a bridge, and through legislation avoid having to pay compensation? What about injurious affection? Would it be fair, for example, if it were practicable for a freeway or a bridge to be built over this very Chamber, that the only land resumed and for which compensation would be paid would be the sections of 10 or 20 square yards used for the bridge supports? That does not strike me as a fair proposition.

As the Public Works Act stands at the moment, some protection is given to the owner of a property which is compulsorily acquired. Such an owner can have his case heard, and appeal against the decision. But if we are compulsorily to acquire—and there is no doubt that this Bill will be limitless in operation—only small portions of land where the supports of a bridge are to stand, we should consider the initial intention of the owner of the land.

The owner of land does not necessarily know today what he will do with his land, or whether he will expand or use it for another purpose. It may not be suitable for him to have a bridge structure over his head. On the other hand it might also be suitable to him, but I suggest the compulsory aspects of this Bill are unfair.

People will occupy under bridge space, because it is suitable for a lot of purposes. Why, a big factory is situated in one of the pylons of the Sydney Harbour Bridge. The same thing could happen here; an industry could be situated in the space between the bridge pylons. It need not necessarily have high ceiling levels.

The Crown has already resumed the land it requires through the city, but the implications of this Bill will go far beyond the city. We are to grant authority to the Government compulsorily to acquire land; but only small areas, on which the bridge supports rest, will be compensated for. I am not satisfied with that. I am not too happy about the interference angle to start with. We have resolved the problem in the city, and a simple Bill to overcome the Swan Brewery difficulty would have solved that problem.

However, the rest of this Bill should not be dealt with because its provisions are terribly far-reaching. It may not be necessary to apply them until after next session. Would that be right, Mr. Minister?

The Hon. L. A. Logan: We need it to operate straightaway.

The Hon. F. J. S. WISE: I realise that. Why not introduce a special Bill to cover the negotiations between the Swan Brewery and the Government? I recommend members to read the Bill. The Minister's speech makes it very clear.

The Hon. R. F. Hutchison: As you said, we do not get notes so we do not know what is going on.

The Hon. F. J. S. WISE: The Minister, in his speech, used the following words:—

Only the land, for instance, on which the road supports will rest will need to be resumed and the air space above the land or ground space under the land acquired with a consequent substantial decrease in the amount of compensation payable.

That is mentioned three times in the speech; but surely that is not the objective! Suppose a big concern—and for illustration only I will name Bunnings, but it could be anybody—has a property still unaffected by what is known as the planning for the Mitchell Freeway. Twelve months from now that firm could be affected. In the meantime, it could plan to build a structure on its land in the future. It could be entirely unsuitable to place that structure under the pylons of a bridge, or under the bridge itself.

This endeavour to get land cheaply, and to avoid payment for disturbance, in my view involves very serious problems. I like to co-operate, and it is known that from another seat in this Chamber I co-operated to the limit with the Government to assist the passage of Bills; and with the legislative programme. Ministers have expressed themselves as being appreciative of my past attitude. But it is difficult to co-operate in a case of this kind. I repeat, for the benefit of the Leader of the House. that if this Bill could possibly be with-drawn for the purpose of introducing a measure to give the Government the right to negotiate with the Swan Brewery to get over the first hurdle, and to overcome the difficulty, and postpone these wide implications involving all outer area lands for another session, I would be anxious to support the approach.

Debate adjourned until a later stage of the sitting, on motion by The Hon. L. A. Logan (Minister for Town Planning).

(Continued on page 2747)

# LAND TAX ACT AMENDMENT BILL Second Reading

Debate resumed from the 23rd November.

THE HON. H. K. WATSON (Metropolitan) [12.31 p.m.]: In dealing with this Bill, appropos of a passage of arms earlier in the morning, I think it is as well to remind myself, and members generally, that in this House we deal with Bills rather than with the Government; and my approach has always been whether a

Bill does or does not commend itself to me, and that is determined by the contents of the Bill itself and not by the particular political faith of the Government of the day which is introducing the measure.

Looking at this Bill on that principle, it does seem to me that the measure proposes to add not only some further burdens of land tax on to a specified class of persons, but it also creates a series of anomalies. At the present time an owner of unimproved land is liable for land tax on it at the ordinary rates; and then he is liable for a further surcharge of \( \frac{1}{2} \) c in the dollar in addition to municipal and water rates. But this Bill proposes that, in addition to those imposts, he shall also be liable, if he is holding unimproved land for a period of two years, for a supersurcharge of a further \( \frac{1}{2} \) c in the dollar.

I think Mr. Strickland raised a couple of pertinent questions when he inquired whether it was logical to impose this tax on an owner who had received an order from, say, the region planning authority that he was not entitled to improve his land. It seems rather extraordinary to have one arm of the Government telling a person he is not allowed to improve his land, and another arm of the Government saying to that self-same person, "We are going to charge you an extra 1/2 in the dollar because your land is unimproved," ostensibly for the purpose of forcing him to improve it.

The argument seems to face north by south to me; because on the one hand the person to whom I have just referred is prohibited from improving his land and, on the other hand, we are told that one of the objects of the Bill is to make him improve it, and charge him if he does not improve it.

The Hon. A. F. Griffith: I do not think he is actually prohibited to the point of standstill.

The Hon. R. Thompson: Absolutely.

The Hon. H. K. WATSON: Yes, I think so; particularly with some of the deferred urban areas, and so on.

The Hon. F. R. H. Lavery: My word.

The Hon. H. K. WATSON: Then, too, there was the case mentioned by Mr. Clive Griffiths of a person, and particularly a young single person with marriage in prospect, who owns no land other than the quarter-acre block on which he will build his home. I should say the average young man buys his block of land several years before he actually builds on it. I know I bought my block six years before I built my house on it, and I would say that would be a typical illustration of the young man getting married and buying a block of land. Even if he pays cash for it he may not build on it for five or six

years; and if he does not pay cash, it probably takes him five or six years to pay for the block.

It seems to me the provisions of this Bill would be an unfair burden on the small landowner owning only one block of land for no other purpose than to build a house on it. It has been suggested that a committee will, in the near future, be appointed to consider the whole question of taxing land, and I think there is much to be said for such a committee being appointed.

If a committee of that nature is appointed, one of the questions which might well be considered by it is given by the following illustration: Take a farm worker in a country town. He has his quarter-acre block on which his house is situated in the township, and he works for a farmer in the district. The farmer for whom he works owns land worth \$100,000 and, as a result, we find the extraordinary position that the employee is subject to land tax on his humble quarter-acre block in the township and the farmer is completely exempt from land tax on his land, which is in the same district, and which is worth \$100,000.

To me that is not only odd but also illogical and unjust. If extra revenue is to be raised then I think the position I have just indicated ought to be thoroughly investigated. But let us return for a moment to the question of the person who owns no land other than the vacant block on which he proposes to build his home in one, two, three, four, six, or even 10 years' time, because there are times when a 10-year period expires. I know of a school teacher, a young chap, who bought a block of land intending to build a home on it. He was transferred to the country and he has just returned after spending 10 years in the country districts and is now proceeding to build his home on the block of land he bought 10 years ago. That is an every-day occurrence.

When we were discussing the metropolitan region improvement tax earlier in the session, I took the case of a block of land with an unimproved value of \$3,400, which is a pretty fair example of suburban lots as they go today; and I pointed out that on that block of land worth \$3,400 a man paid municipal rates of \$67, water rates of \$15, land tax of \$40, or a total of \$122. Then the metropolitan region tax was increased from \$5.31 to \$8.50 and, as I then said, although the \$8.50 was not exorbitant there was nothing funny about it when it was added to the other \$122 he had to pay. It brought his total commitments to \$130. Under this Bill it is proposed that that man will pay another \$17.

The Hon. F. J. S. Wise: Where was this?

The Hon. H. K. WATSON: In the metropolitan area.

The Hon. F. J. S. Wise: How big was the block?

The Hon. H. K. WATSON: Just under a quarter of an acre.

The Hon. A. F. Griffith: What was the value of the block?

The Hon. H. K. WATSON: As I said, it was \$3,400, or £1,700, which I suggest, is a pretty fair illustration of blocks in the metropolitan area today. One cannot buy too many blocks under a cost of \$4,000 today. The total impost in this case, if this Bill passes, will be \$147.

The Hon. A. F. Griffith: Where would this block be situated?

The Hon, H. K. WATSON: In Floreat Park.

The Hon. A. F. Griffith: And you say it is worth \$3,400 or £1,700,

The Hon. H. K. WATSON: Yes.

The Hon. F. J. S. Wise: The Minister wants to know where it is because he wants to buy it.

The Hon. H. K. WATSON: That is the land tax valuation.

The Hon. A. F. Griffith: The Minister does not want to do anything of the kind. You probably would not buy a block like that for £1,700.

The Hon. H. K. WATSON: That is so. I am speaking of the unimproved value.

The Hon. A. F. Griffith: I know, and that is the taxation figure and not the value of the land.

The Hon, H. K. WATSON: That is so.

The Hon. A. F. Griffith: You ask the same man to sell it at that price and see what he says.

The Hon. H. K. WATSON: I agree, but that is the position. That man will have an annual outgo of \$147 which, to my mind, is a pretty severe impost. There may be something to be said for taxing the speculator who has bought land for the purpose of speculation; there may be something in taxing him on an extra basis; but so far as the man who owns a single quarter-acre block of land on which he is going to build his own home sooner or later is concerned, I feel he should be exempted from the provisions of the Bill.

I have an amendment on the notice paper but I am not entirely satisfied with it. It does not cover all the possibilities, but if the Minister accepts it, and if the Committee agrees to it, I think it would afford substantial justice to the class of person I have just mentioned, and in effect it would exclude from this supersurcharge the person whose total holdings of unimproved land were not more than one quarter-acre block.

THE HON. R. THOMPSON (South Metropolitan) [12.45 p.m.]: I am opposed to the Bill, mainly for the reasons that have been outlined by Mr. Watson. The owner of a quarter-acre block, in most instances, will be penalised by the imposition of this tax.

The Hon. A. F. Griffith: Would it make it any easier for you if I told you I was prepared to accept the amendment proposed by Mr. Watson?

The Hon, R. THOMPSON: Yes, it would make it a lot easier for me, but there are other features in the Bill which one must carefully consider. One of these features concerns land at Rockingham which has not yet been mentioned. The Lands Department conducted a land auction at Rockingham and those present paid prices ranging from \$1,400 to \$1,600 for the blocks that were offered. Some of those owners have since submitted plans to develop their blocks, but have been told that their plans could not be approved because of the proposed works for the construction of roads and railways which would ultimately be carried out when the connection is made between Point Peron and Garden Island. As a result, those owners are compelled to hold the land, and, to my knowledge, no other land has been offered to them in exchange.

The Hon. L. A. Logan: That problem has now been resolved

The Hon. R. THOMPSON: It has not been resolved to my knowledge, because one of the owners of those blocks is a neighbour of mine, and he has not been advised.

The Hon. L. A. Logan: Well, the position has been resolved.

The Hon. R. THOMPSON: I am pleased to hear that. Whether those people will be offered other blocks in exchange for the ones they now hold remains to be seen. However, even when a block of land is given to such an owner in exchange for the one he owns at present, he will still be required to pay taxes on that land for several years and, in my opinion, this is unfair and unjust.

There is another set of circumstances I wish to bring to the notice of the House of which the Minister is only too well aware. I refer to the largest town planning scheme ever put into operation on 750 acres of rural land. This land was subdivided into small blocks for residential purposes, and the blocks were purchased by various people at prices ranging from \$3,000 upwards. When they attempted to construct homes on the blocks they discovered the land was not connected to the water supply. In my opinion, this is a matter that should be investigated. When a man buys a block of land for \$3,000, he naturally expects that services such as water and electricity are available.

The Hon. A. F. Griffith: Do you think it is reasonable that before he buys the block he should take steps to ensure that the services will be available?

The Hon. R. THOMPSON: I agree with the Minister that perhaps these people should have checked the condition of sale in regard to such services being available.

The Hon, A. F. Griffith: Otherwise it can be very difficult for the owner of the land and the Government.

The Hon. R. THOMPSON: I do not disagree with that statement, but at this moment we are seeking to impose an increase in land tax on people who have bought blocks and who have to wait five, six, or 10 years before they can erect houses on those blocks, because in this instance it is a creeping development which will take place up or down the street.

The Hon, A. F. Griffith: As I have said, we will not impose the tax on a quarter-acre block.

The Hon. R. THOMPSON: I realise that, but some people own half-acre, one-acre, and even two-acre blocks. Some of these subdivisions have been in existence since the turn of the century.

The Hon. A. F. Griffith: When services are extended to that area blocks of that size could easily become quarter-acre blocks, and the owners could gain in capital value.

The Hon. R. THOMPSON: My understanding of the position differs completely from the contention of the Minister, bacause I have looked into this matter before, and the Metropolitan Region Planning Authority does not agree with the Minister's understanding of the situation; namely, that this land will be subdivided into quarter-acre blocks. That authority favours the establishment of a settled township rather than encouraging development along roadways which have services available. However, that is another matter.

On numerous occasions I have asked that subdivision of land into quarter-acre blocks should be carried out along Rockingham Road, Hamilton Road, and other main roads where services are available, but those suggestions have been turned down.

The Hon. L. A. Logan: I have given you some information regarding that.

The Hon. R. THOMPSON: As a general policy land which is already serviced by water, electricity, and so on, should be released for subdivision. I am pleased the Minister has agreed that owners of quarter-acre blocks shall be exempt from the payment of this tax. I certainly agree with that. There are many quarter-acre blocks of land which still remain vacant. I have a letter on my office table at present regarding land which is subject to an interim development order or an order issued by the Metropolitan Region Plan-

ning Authority. Some subdivisions have been delayed for many years. I have spoken about this land in the House on many occasions, but to no avail.

My opinion is that when land has been made the subject of an interim development order, and an owner is not permitted to subdivide it, and the department will not resume it, this land also should be exempted from the payment of charges. I have no objection to imposing a tax higher than that provided in the Bill on land held by development companies for several years until such time as they periodically release 25 blocks at a time; often at six-monthly periods. Generally. the prices asked for such blocks are \$5,000 or \$6,000. This sort of thing is occurring only a few miles from Parliament House. Further, after such a company has sold two or three blocks the prices for all the remaining blocks in the area are increased considerably.

The Hon. L. A. Logan: Is there any answer to that problem?

The Hon. R. THOMPSON: This is urban land which is in the process of being subdivided. The tax should be increased on those land development companies which hold land for many years for the purpose I have outlined. They are the ones which should be penalised.

The Hon. L. A. Logan: I have not found the answer to that yet.

The Hon. R. THOMPSON: If those companies had to pay increased taxation they would release the land sooner than they do at present. I know a member of this Chamber who sold a large area of land some three or four years ago to one of these development companies for £8,000. That company now values the land at \$150,000, but it will not release one block of it for sale to the general public. By the time the company is prepared to subdivide the land, its total value will be possibly \$200,000.

The Hon. L. A. Logan: The company or person who sells the land must obtain sufficient money in order to develop the area.

Sitting suspended from 12.56 to 2.15\_p.m.

The Hon. R. THOMPSON: Before lunch there was some crossfire in the House as to what is to be done about the tax that has been imposed on people who hold bulk lots of land for considerable periods for speculative purposes. It is not difficult for the Government to overcome the position, in view of its ingenuity in applying the taxes that are contained in the other taxation measures it has introduced. would be quite simple for the Government to introduce a formula under which these people would pay a high tax. I agree that a high tax should be imposed on large land holders who hang on to their land to bring about inflationary prices to suit their own ends.

It was said that there are not too many building blocks coming under the increased tax which cannot be sold, built on, or subdivided. I can recall the occasion when the late Mr. Evan Davies discussed the problem affecting a one-acre block of land situated on a high point, with commanding views of the sea. Through the need to provide controlled-access roads, this block was left without any access. Today the same position applies to that land.

Both the late Mr. Davies and the original owner made representations for the subdivision of the land, but it was not possible at that time to subdivide it. The owner in desperation sold the block very cheaply. The new owner who unsuspectingly bought the land is now faced with the same problem. Rates and taxes have accrued over the last five years on this land, and it will be subject to the increased tax proposed in the Bill before us.

In another instance an owner from South Australia read in the newspapers that his land in the Darling Range escarpment was to be set aside as public open space under the metropolitan region plan. He wrote to the Commissioner of Town Planning on the 27th June, 1964, seeking information. He pointed out that a recent issue of The West Australian made mention of the compulsory resumption of 260 acres of land in the Darling Range. Had he not picked up that newspaper when he was in South Australia—it would be rather uncommon for a person in South Australia to pick up a copy of The West Australian—he would not have known that his land was covered by the resumption order.

No offer had been made to him, and he had to approach the department to resume the property. Since the 27th June, 1964, which is nearly 2½ years ago, this person has been trying to obtain justice; but the rates and taxes on his property have been going up year by year. On the 8th November, 1965, he wrote again to the Commissioner of Town Planning, and in one paragraph he stated—

It was stated that the above land had been originally purchased for the purpose of improvement. This was to be effected initially by planting almond trees and later a dwelling would be constructed in which the writer intended to retire.

The Secretary's attention was drawn to the fact that this prolonged delay in finalization was causing a direct financial loss due to lost productivity.

A solution was offered in that the Authority substitute an equal portion of adjoining land not required for Public Open Space. This would be in keeping with the alternative the writer will be obliged to adopt in order to fulfil plans for the future.

Also brought to the attention of . . . was recent increases in Rates and

Taxes since revaluation of unimproved properties. In view of the fact that this land has been arbitrarily resumed the Secretary suggested that the Authority be approached regarding arrangements for payment of these accounts amounting to £76 11s. 1d.

It would be only reasonable to assume that the Authority does not expect Rates and Taxes to be continually paid by the writer when this land has come under the direct control of the Department.

The department did not contact this man and tell him his land would be resumed. No! He is paying rates and taxes on it and could pay those rates and taxes until he is ready to improve his land. Then he was offered the ridiculously low figure of £2,500, which is \$500 less than the taxation valuation on the land. This man has to pay rates and taxes of \$152 a year, and he will be one of those who would have to pay this increased tax; yet he has no control over his land. He cannot even sell it, and the department will not offer him an equitable price for it.

I agree that bulk landowners should be heavily taxed, but I have all the sympathy in the world for those people in the category to which I have referred and those like the person whom the late Evan Davies was trying to help. Therefore, unless this Bill is amended a little further than is intended by Mr. Watson, I cannot accept it. Mr. Watson's amendment deals with only one small section of those people who will be treated unjustly if this Bill is passed in its present form.

THE HON. N. E. BAXTER (Central) [2.27 p.m.]: As stated by other members, this Bill appears to endeavour to achieve two objectives. The first of these is to raise a little more revenue for the Government by the increase of ½ per cent. on the tax on undeveloped land; and the second, and main objective I should say, is by that increase to persuade or force people to develop their land because of the increased land tax they will have to pay if they do not do so.

Because of town and region planning, a number of people who own land will be forced to pay this tax because they cannot develop land due to circumstances beyond their control. A huge number is in this category. I am referring to those whose land is under control of the authority because it is to be resumed, or land where it is uneconomic to extend the services of water and electricity. There are also many other reasons why people cannot develop their land.

This applies also to the deferred urban areas where people cannot develop their land. They cannot subdivide it, because this is a long-term programme and subdivision will not be allowed for, perhaps, 15 years, and possibly up to 20 years. Therefore if a person owns land in a

deferred urban area, as quite a number do, he will not be able to subdivide and therefore he is prevented from developing the land. Nevertheless he will have to pay this ½ per cent. additional tax.

I do not feel that this Bill has been very well considered. A blanket ½ per cent. extra is to be imposed on people who own unimproved land for two years, irrespective of whether they are able to do anything with it or not. As I have said, no consideration is to be taken of the fact that perhaps they are not able to develop the land due to region or town planning control, or the other reasons to which I have already referred.

I shall be brief, because most of the discussion on this Bill will take place in Committee. I have circulated some copies of an amendment I wish to move. Unfortunately, it was a little late to obtain a sufficient number. However, I intend to move to add after the word "acre," in Mr. Watson's amendment, the words "or any land the owner of which can demonstrate to the Commissioner of Taxation he cannot develop because of circumstances beyond his control." This will simplify the matter and protect people to whom I have referred. A person unable to develop his land will be able to apply to the Commissioner of Taxation to be exempt from this tax. The commissioner, or one of his officers whom he may delegate, could then decide whether or not that person could, in the circumstances, develop the land.

I think this is in line with our land tax generally in relation to primary producers' properties. I know quite a number of the small properties contained within the region area are used for primary production. It is surprising the number of people from those properties who are small primary producers and who, for some time, were paying—and probably still are paying—land tax; yet, under the Act, they are exempt. However, their only chance of getting out of paying land tax is by making an approach to the Taxation Department and advising the department that they are primary producers. This statement, of course, can be checked through their taxation returns.

My amendment is more or less in line with that. Those people would be exempt from the additional  $\frac{1}{2}$  per cent. by making application and setting out the circumstances under which they cannot develop their properties. I think this system would be fair and would cover all of the anomalies in relation to the parent Act.

THE HON. A. R. JONES (West) [2.32 p.m.]: I am another member who is not happy with the Bill as it stands. I can say quite frankly that I have advocated for years to try to have a tax put on unimproved land. However, my advocations were always with the rider that a tax should be applied to unimproved land held by those people who took up and held

large tracts of land for the purposes of speculation. Never at any time did I advocate a person with one block of land held for building purposes should be charged additional tax for not improving it.

Those other types of circumstances, which have been mentioned by members, have come to my mind, too. I have in mind one at the moment where urban land is being held and, until such time as the authorities will give the necessary permission to enable it to be subdivided, improvements cannot be made. It is wrong, as Mr. Baxter pointed out, for land of this type to be subjected to additional tax. In company with Mr. Ron Thompson, I consider tax on unimproved land is a very good tax, providing it is levelled at the person who is deserving of it and not at the person who is not deserving of it. At this time, and in its present wording, I feel I cannot support the Bill which is before the House.

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [2.34 p.m.l: The Government makes no secret of the reason for the introduction of this Bill. It has been brought forward in the terms expressed by members because it was a principle for obtaining some more money for the Treasury and it was also intended to encourage the more expeditious development of land.

One or two points have been raised which I think require some mention by me. First of all, I must say I have regard for the remarks made by Mr. Jones. I think he, himself, suggested such a tax a year or two ago when speaking—if my memory serves me correctly—on either the Supply Bill or the Loan Bill.

The Hon. A. R. Jones: Quite right.

The Hon. A. F. GRIFFTTH: Mr Clive Griffiths asked whether there was some matter of a two-year term before this legislation will come into operation. I do not know where this suggestion has crept in but there is nothing about a two-year term in the Bill. It is specific and the Act will come into operation as soon as it is assented to.

When Mr. Ron Thompson was making his speech, I thought it might be helpful for me to indicate that the Government would be prepared to accept the amendment that appears on the notice paper in the name of The Hon. H. K. Watson; the Government is prepared to accept this amendment.

When matters of this nature are being introduced into the House, I think there is an inclination sometimes to lay great stress upon certain factors. Of course, it would not be the Government's desire to penalise a young man who owns one block of land and who is expecting to build his matrimonial home on that block. I do not think for one moment it was the Government's objective to penalise this type

of person. The Premier when introducing this Bill made it clear to all members of the Legislative Assembly that next year he intended to appoint a committee to look thoroughly into this question. As he has said he will do this, I am quite sure it will be done.

Mr Baxter has foreshadowed an amendment. I have not had an opportunity to have a look at it, so I think the best course to follow in this case would be for me to ask the House to agree to the second reading of the Bill. I have already indicated the Government will support the amendment which will be moved by The Hon. H. K. Watson. If the House agrees to the second reading, then given a little time I will have a look at the amendment which Mr. Baxter proposes to move in order to see whether it can be accepted—and if it cannot, I will say why it cannot. In other words, I would like the opportunity to have the matter reasoned out.

I do not think there are any other points for me to answer. We all realise the difficulties which confront people who buy and sell land; we all realise the difficulties which confront the man who owns land in an area which is subject to an interim development order. My colleague (Mr. Logan) points out to me that some of these people in difficulty who want to develop the land can make application to the authority for permission to develop and, in the event of permission being denied, the authority has an obligation to purchase that property. Of course, this sort of thing takes a little time. Mr. Logan tells me that, nevertheless, the way is open to such a person.

I repeat the remarks with which I commenced my reply; namely, there is no secret about the fact the Government saw an opportunity to obtain some additional revenue and also to give encouragement to some people to develop the land they held more expeditiously—thus, the provision in the Bill for a greater tax at the end of the second-year period on all land which is held. On reflection, probably this is where the question in relation to a two-year period which was raised by Mr. Clive Griffiths has crept in.

Question put and passed. Bill read a second time.

# PUBLIC SERVICE ARBITRATION BILL

Second Reading

Debate resumed from the 23rd November.

THE HON. J. DOLAN (South-East Metropolitan) [2.41 p.m.]: This is the first of four complementary Bills which in general terms affect the Civil Service Association. As an introduction I would like to express my thanks to the Minister for delaying proceeding with the Bill until this afternoon, because it gave me a further opportunity to look at the various aspects of it, and to do a little more homework.

Before I get to the subject matter which I wish to discuss, I would also refer to the spirit of compromise which has existed over the past few weeks between the Government parties and the Civil Service Association. I think the spirit of compromise that has been shown is worthy of the highest commendation. The conversation that took place between the officers of the Civil Service Association, the Premier, and the Public Service Commissioner, resulted on the Premier's part, in a series of amendments. That was one side of the question. On the other side we find the Civil Service Association has agreed to give the Bill a trial for a period to see how it will operate.

I do not want it to be inferred from that in any way that it means the association is completely satisfied, because that would be far from the truth. There are many angles associated with this matter which will be looked at again by the parties concerned.

I think the Premier has indicated that in the forthcoming months he will have a look at the various aspects and see how they operate; and I would suggest that probably in the next session of Parliament we will amend the two Acts—as they will be then—if necessary.

I did have in mind putting certain amendments on the notice paper, but then I felt these aspects have probably been fully canvassed in another place and it might be better if I drew particular attention to them perhaps at the end of my speech on this Bill, and the Minister could give me an assurance that these matters will be considered by the Government, and that, perhaps, in the next session of Parliament consideration could be given to bringing down amendments to the Acts so that all parties concerned will be happy about the matter.

I should imagine that every member in the House will be aware of the present setup, and the difficulties which the Government can see, in the operations of the Public Service at present, and the measures it thinks should be taken to improve the situation.

Of course there are always two points of view. The Government has a certain point of view and it might perhaps be on the right track. On the other hand there are certain aspects with which the association cannot go along; and with that attitude I most certainly agree.

I hope towards the end of my speech to present some of these particular points. I repeat this fact, as I feel, because of the spirit of compromise which has been shown so far, it might be carried a little further, and we can expect that the utmost consideration will be given to the success or otherwise of these operations, and remedies taken accordingly.

The present position is that the Public Service Commissioner determines all salaries in excess of the justiciable salary limit. I do not know why words like "justiciable" are used, they are so hard to pronounce. If I skim over some of these points I hope I will not be taken to task as a result of some incorrect detail, because if I considered every word I used we would be here for a very long time.

Subject to part 10 of the Industrial Arbitration Act the Public Service Commissioner maintains a reasonable consistency with salaries paid to officers within the jurisdiction of the commissioner. The Public Service Commissioner must make a general reclassification of the service every five years. I feel it is more appropriate to use terms like that rather than quinqennial because, very often one reads in the papers that mothers have given birth to five children, and this could be confusing.

The public servants have a right of appeal against the commissioner's decision on the classification which the public servant occupies at the time. It must be understood by members that there are a considerable number of the feminine sex employed in the service as well. These people have a right of appeal to the appeal board, which consists of a magistrate—over the years a magistrate has generally presided over these appeals—one member appointed by the Governor, and one by the Civil Service Association.

I always feel that this type of board is very desirable, because it provides the opportunity to present both sides of the case; and then there is an independent arbiter who generally makes the decision. Without labouring the position I would point out that what really happens is that the Civil Service Association and the Public Service Commissioner get together initially and try by means of negotiation to reach an agreement. If an agreement is reached it becomes a fact, and everybody is presumably happy. If an agreement is not reached, then the Industrial Commission determines the case in relation to class, grades, and so on.

Things have changed considerably—and I agree with this submission from the Government side—since 1920. The position is very different today. Whereas there were probably about 2,000 people employed in the Public Service in those days, the numbers today have increased to about 6,000. This, of course, is to be expected with progress and normal population increase.

There is always bound to be two sides to a matter. When a system has been operating satisfactorily for 40 years, and a move is made to change that system, and bring in something entirely new, no matter what the merits of the case might be either way, there will be room for points of variance. Human nature being what it is that is only natural, particularly when a drastic change is proposed. I would say that a complete changeover from what is operating to what is proposed in the measure is a drastic change on which there could be wide differences of view.

To put it briefly, I think the Government's attitude is that the whole set-up has become arduous, long-winded, and unsatisfactory from all angles. The Government particularly refers to the fact that after a determination has been reached and an argument made the principle of an appeal being lodged has continued and sometimes is still continuing when the next determination is made.

From that point of view the argument of the Government may be sound; that after five years appeals are still being dealt with for the first five, and it is necessary to start all over again which could, to say the least, lead to confusion. But at least there is the privilege of the right of appeal when one feels one is aggrieved and has not been treated fairly; and this privilege cannot be treated lightly. It is something that should be enjoyed by every class of worker or professional man. In the Education Department there is a right of appeal in all circumstances. It is a privi-lege which the individual feels he has fought for over a long period, and having achieved it he is not happy about the matter being taken out of the hands of the appeal board and a different system being set up.

I do not wish to be misunderstood. There are certain matters which will still go before the appeal board. I am not discussing those, but am speaking in broad terms. There is a terrific amount of power vested in the proposed arbitrator. Whether or not appeals take place will, in many instances, depend entirely upon the arbitrator's opinion. If he feels they should be taken, well and good; but if he feels they should not be taken, they are out and there is no appeal against the decision unless—and I repeat again in general terms—there is a question of law involved.

Under the new proposals, all salary and allowance claims will go to the Public Service Commissioner from the Civil Service Association. If agreement is reached, that will be all right as that is the position under the present system, under which a formal agreement is negotiated or executed. If agreement is not reached between the commissioner and the Civil Service Association, the commissioner may make his own determination or refrain from taking any action.

This is where the Public Service arbitrator comes in. He has jurisdiction under this set-up to confer with both parties. I would like members to note carefully these words: "If considered necessary" he will hear and determine claims from the association. As I see it, he has very wide and extensive powers. It seems the Government is prepared to give him powers over and above those often exercised by one man. I want to use that argument later on in a case I will present when another matter is being considered and where certain powers are not permitted to the arbitrator. I will submit later that if the

arbitrator is to be given such wide powers, the Government could stretch a point and allow the further powers of which I have just made mention. I will refrain from pursuing that matter now because I want it to be one of the special points I will refer to the Minister later on.

As I have already said, the Industrial Court of Appeal set up under the Industrial Arbitration Act would have power only to hear appeals of a legal nature. In those circumstances the matters would go before three judges; and I would think that anybody would be satisfied with the determination of three judges after Their decision considering a legal point. could be relied upon. With that, I do not think there could be any quibble. There is another point about which I will speak in detail later on, but in general terms now. I refer to the fact that awards made by the arbitrator operate from the day of issue. The day the arbitrator day of issue. The day the arbitrator issues his award or agreement, is the day it will come into operation. The fact that it may have taken 12 months or a couple of years to determine the award, does not count. I feel an injustice has been done in this regard. The operation been done in this regard. The operation of retrospectivity is something which I think the Government should look at.

Under the proposed laws, awards and agreements will operate for three years. Instead of reclassifying the whole of the Public Service at one time, my reading of the Bill is that it will be a continuing process as circumstances affect certain groups. The fact that this will be done within a period of three years is most desirable, so long as agreement can be reached between the two parties, and so long as they are reasonably satisfied. Of course, both parties would like to have their own way if possible, but so long as agreement can be reached in these circumstances, both parties should be reasonably satisfied.

When the commissioner fixes salaries—should he decide to fix them—there is a right of appeal to the arbitrator; and this is where he has terrific powers. It will depend entirely upon him as to how far the matter will go.

I would like members to cast their minds back to 1920. That is a long time ago and I do not want to live in the past. However, the system which operates today has existed since that time. Back in 1920 public servants were very unhappy about their set-up, as a result of which there was a strike. I was only a lad, but I can remember the teachers also going on strike. I forget whether I was pleased or unhappy about it, but the teachers were happy when the strike was over because practically every demand made was met. One of the demands was for the right of appeal.

With the right of appeal, they felt that if anything of an unjust nature occurred, they would have an opportunity to remedy their grievance. I feel the human element comes into it. I do not think it matters who we are we would feel aggrieved if a decision in respect of something affecting us were left to one person. No doubt we would feel unjustly treated. Naturally there is uneasiness and disquiet in the Public Service that the privilege of appeal is being taken away from them.

I could speak for an hour on various aspects, but I feel our case would not be advanced one bit further. The matter has been thoroughly debated in another place; so if I concentrate on a few points maybe the Minister will give me the assurance that he will consider them closely. If it should happen between now and next session that something should be done with regard to this legislation, I hope action will be taken.

I will refer to the first point I wish to stress and it relates, of course, to the agreements being retrospective. I know the Civil Service Association feels very strongly on this particular point, and it also feels it has excellent grounds for such feeling. In this case the public servants will not get the treatment they deserve. The association feels that the arbitrator should be given discretionary power so that if he feels a case is such that retrospectivity should be granted, he should be able to grant it.

I mentioned earlier that the arbitrator will have very wide powers under the Act, and granting of that power leads me to the conclusion that the Government will have the utmost confidence in the man appointed. He will have to be an outstanding man to handle the job. I have no idea who he might be, but if we are to give outstanding powers of this nature to a man, then he would also have to be outstanding himself so that he could use the powers wisely and justly.

In the circumstances, the Government could have another look at this point and, having considered it from all angles, and seen how it operates, amend the Act. We do not want it to be one-sided, and we do not want a decision to be made before the operation of the Act is observed. think the Government will look at this matter objectively, and sincerely justly, and if it feels this discretionary power should be given to the arbitrator then in the next session it will do something to remedy the position. There may be certain conditions associated with such discretionary power. Discretionary power is never granted without due considera-tion being given to all the implications. That has always been the case.

I feel that was the case with the Industrial Commission. That commission had the power in the case of quarterly adjustments. It would consider all the circumstances and all the implications and the likely effects, and then—and only then—would it use that power. This is one

matter on which there is a marked difference of opinion, and I feel we are obliged to ask the Minister to take note of the Claim. The Civil Service Association has a just claim that this should be done.

Let us look at the position which is operating in the other States. I will not necessarily take them in any order, because I feel that one State is more important than all the others and, of course, I do not need to mention which State that is. In New South Wales, the Industrial Commission has power to make awards retrospective to the day after the application is lodged. If an application is lodged tomorrow, when the commission eventually reaches a determination it has discretionary power to make the award retrospective to the day after the claim was lodged.

In Queensland, the Arbitration Court, which is the wage fixing authority of the Civil Service in that State, also has discretionary power. In Tasmania, the Public Service tribunal also has that discretion. In South Australia the Public Service arbitrator, who is a judge—only one person in this particular case—has discretionary power.

That accounts for all the States except Victoria. Let us examine the position operating there. The Civil Service works under a different system in that State. It operates under a Public Service Board. I understand that was the suggestion of the Public Service Association in this State—that a board should be established on the same lines as the one operating in Victoria. The Government would not agree to that and it did not want to link our set-up with Victoria. I think we should disregard Victoria when we submit a scheme for discretionary power.

So all the other States which can be aligned with us have the discretionary power operating. Once again, I think it is a just claim on the part of the Civil Service Association that that power could be brought into the present Bill. It is also a just claim that the Premier and the Government should at least give it consideration during the trial period, and give very serious thought to introducing it by way of an amendment during the next session of Parliament.

I also noticed that much of the terminology in our Bill is similar to that in the Commonwealth Public Service Arbitration Act. Both the Commonwealth Public Service arbitrator and the Commonwealth conciliation and arbitration commissioner also have power to grant retrospective awards. So four States and the Commonwealth line up on this important issue, and I think this power can be extended to the arbitrator.

I repeat that the arbitrator will be a man of wide experience and one in whom the State and the Government can place trust. He would not exercise this power without the most mature consideration, and when he does exercise the power it will be used justly.

The second matter to which I would refer relates to clause 21, and this is something else I would like the Minister to take note of. Clause 21 relates to the fact that the arbitrator may decline to hear certain claims. There may be certain reasons why he should decide not to hear a case, but I refer to one particular reason, and that is he may refuse on the ground that it is not necessary, or that it is undesirable in the public interest. That reason covers a very wide field.

The position could arise where the Under Treasurer was concerned in the case of an agreement. He could present to the arbitrator a case saying that in view of the existing financial position of the Government, and the fact that more money was required, it would be in the public interest for the arbitrator to refrain from hearing an appeal. I think that power is too wide and I would like the Government, again, to have a look at that particular aspect. There would be a wide difference of opinion between individuals as to what really constituted "the best interests of the public."

The third point refers to the removal of the right of appellants to legal representation—that refers to appeals which are permissible under certain circumstances. This is another privilege that civil servants have had for many years, and I suppose it comes back again to a question of human nature. It is all very well to say, "Well, they can get a member of the Civil Service Association to represent them." People who take a case before an appeal board may not have the confidence that is necessary in their officers; and in saying that it is not a reflection on the officers concerned. They might be outstanding, and they might perhaps be able to do a better job in those circumstances than a legal representative; but if the person who is making the appeal feels that by getting legal representation he can have his case presented in such a way that he is assured of justice, I think he should have the opportunity to obtain that legal representation.

In those circumstances there will be a degree of co-operation between the Civil Service Association and the Government, and from the conversations I have had with some members of the Public Service I would say there are a number who are not happy with the proposed set-up. Therefore, I think the Government could have another look at this question of legal representation.

I have deliberately refrained from canvassing one side or the other, as I think this has been done in another place. The matters I have put forward have been presented in a spirit of compromise and I believe that is the most desirable aspect of this legislation. In spite of the many harsh things that were said—and not being on the inside I do not know just what people have said—I feel there has been a worth-while spirit of compromise in the discussions that have taken place between all parties concerned. However, despite that I still say these variations of opinions will continue to exist, and I appeal to the Minister to keep the proposed new set-up under notice and constant inspection. If that is done, I believe eventually—and it may take two or three years—we will have a system which will be satisfactory to both the Civil Service Association and to the Government, and which will provide for expediency. Things will be on a more workable basis than they are at present.

In those circumstances I believe good will come out of what at present we think is not a very happy situation. Assuming, whether rightly or not, that the Minister will co-operate in this respect, I will support the second reading of the Bill.

THE HON. A. F. GRIFFITH (North Metropolitan-Minister for Mines) [3.13 p.m.]: I thank Mr. Dolan very much for his remarks and the points he has raised will be given consideration. The Premier, in another place, and prior to the introduction of the legislation, I understand, gave the Civil Service Association an understanding that the legislation will be closely watched, and time will be the proof of its effectiveness. I do not think Mr. Dolan would expect me, when he asks me to give an undertaking, to give it in the terms of accepting the fact that the outstanding points that were not settled as the result of consultations between the Government and the association, will in fact be given effect to at some later date. Naturally, I could not do that.

The Hon. J. Dolan: No.

The Hon. A. F. GRIFFITH: Suffice it to say that the matters which do remain unsatisfactorily resolved will be kept under surveillance. It is perfectly true to say that the point this legislation has reached was reached because of a spirit of compromise. Both sides gave considerably, but the two or three matters to which reference has been made, and one or two other matters in the other three Bills which are to be dealt with, which remain unresolved to the satisfaction of the Civil Service Association, are the points on which the Government felt it could not give way.

I see by the nod of the honourable member's head that he accepts the fact that I could not undertake to give effect to the matters to which he has referred in any subsequent legislation. I do not see the necessity for me to canvass the matter any further. The Bill has been accepted by the House. Mr. Dolan, speaking on behalf of the Labor Party, has said that the Bill is acceptable, and there is no need for me to speak any more.

The points raised by the honourable member will be kept well and truly in the minds of the parties concerned, and I do

not think there is any point in my further answering matters that have been raised because the answers are known by both sides.

The Hon. R. Thompson: It is only acceptable to the Labor Party provided it works.

The Hon. A. F. GRIFFITH: I do not think I need add anything further to that.

The Hon. R. Thompson: We could all get up and speak on this Bill.

The Hon. A. F. GRIFFITH: Of course the honourable member could; but there are times when Mr. Ron Thompson is given the task of dealing with a Bill, and he either supports it or opposes it. Frequently he is given the job of examining a Bill on behalf of his party; and in this case I think I have rightly taken the view that the general views expressed by Mr. Dolan are the views of his party.

I, too, do not want to be emphatic nor do I want to examine every word the honourable member said. I accept his speech and the views he expressed in the spirit in which they were stated. Experience will be the best way to test this legislation.

Question put and passed.

Bill read a second time.

### In Committee

The Deputy Chairman of Committees (The Hon. A. R. Jones) in the Chair; The Hon. A. F. Griffith (Minister for Mines) in charge of the Bill.

Clauses 1 to 26 put and passed.

Clause 27: Duration of award-

The Hon. J. DOLAN: I suggest to the Minister that at the end of subclause (1), after the word "award" the words "provided the arbitrator may have discretion to make it retrospective" should be inserted. If a move were made to grant the arbitrator discretionary power, it could be varied one way or the other, accordingly. I merely suggest that that would be the place to insert the relevant words.

Clause put and passed.

Clauses 28 to 30 put and passed.

Title put and passed.

#### Report

Bill reported, without amendment, and the report adopted.

### Third Reading

Bill read a third time, on motion by The Hon. A. F. Griffith (Minister for Mines), and passed.

# PUBLIC SERVICE APPEAL BOARD ACT AMENDMENT BILL

Second Reading

Debate resumed from the 23rd November.

THE HON. J. DOLAN (South-East Metropolitan) [3.25 p.m.1: This Bill, which seeks to amend the Public Service

Appeal Board Act, has direct relation to the Bill just passed. It provides for certain classes of appeal, and two different counts are mentioned. All I need do is to emphasise two or three points and then express my support of the Bill. In this series of measures, once the first Bill is passed, and it is obvious from what has been said in another place and in this House that the Bill will pass, there is no point in one hammering on the same point.

There are certain groups which are entitled to the right of appeal, and one board will be appointed consisting of a judge who shall be chairman, and two other members; one of whom will be appointed by the Governor and one who will be elected by the Civil Service Association.

To deal with the second group of appeals, a board will be appointed conof a public service arbitrator appointed under the public service arbitration legislation, who will become chairman, and the other two members of the board will be appointed in the same way as the members of the first board to which I have referred. Certain methods of procedure are to be observed by these boards. Often, the procedure that will be followed is similar to court procedure. In one particular instance, where certain groups are affected, the Conservator of Forests, or his representative, for example, may appear before the board to give evidence; and in the second instance the Public Service Commissioner, or his representative, may appear before the appeal board, There is no purpose to be served in discussing any further details of the Bill, and I support the measure.

Question put and passed. Bill read a second time.

In Committee, etc.

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

### Third Reading

Bill read a third time, on motion by The Hon. A. F. Griffith (Minister for Mines), and passed.

# PUBLIC SERVICE ACT AMENDMENT BILL

Second Reading

Debate resumed from the 23rd November.

THE HON. J. DOLAN (South-East Metropolitan) [3.30 p.m.]: This is the third of the complementary Bills to be introduced, and I will refer to a few of the main points, more particularly those which affect the commissioner. The first relates to the appointment of the Public Service Commissioner for a maximum term of seven years. When he happens to be 58 years of age on appointment, the period is to be so arranged that as

soon as he attains the age of 65 years he can no longer retain office.

Another amendment relates to the salary of the commissioner, and it shall be not less than \$12,000 a year nor more than an amount to be determined by the Governor. That is a matter in which, I am sure, the commissioner will be very interested, especially as now and again the Governor may grant an increase of \$1,000.

There is a proposal in the Bill for the appointment of two assistant commissioners, although in the second reading debate the Minister mentioned that only one such appointment was intended. Without knowing the position, and without trying to judge the position, I anticipate the deputy commissioner, as is customary in all high appointments—I have in mind the Director-General of Education—in most instances will be appointed to succeed the commissioner; but that cannot be taken for granted.

Of course, when the appointment of the commissioner takes place it is quite possible that at the end of his term he may be eligible, by virtue of age and other factors, for a further term. The commissioner might, on the other hand, be so close to the retiring age that the Government might not feel inclined to reappoint him, and in those circumstances there is provision in the Bill to ensure that his status shall not be less than the status he enjoyed when he was appointed commissioner. That is only common justice, and in that respect the amendment is desirable.

Provision is made in the Bill to tidy up the leave position. There should be no question of the commissioner having to obtain permission to take his leave. He may reach the position where he has to be away for a week or two, and under the existing Act he could forfeit his position by being so away. The provision in the Bill dealing with this aspect seeks to place him in the same position as other members of the Public Service. Under the existing Act the commissioner cannot take his annual leave without the consent of the Governor, so he cannot take his annual leave when things in the department are comparatively slack—not that I think there are slack periods—without the approval of the Governor. Under this Bill he will be able to take his leave at a convenient time.

The provision in relation to suspension of the commissioner is to be altered, to bring him into line with the other officers of the service—such as the Auditor-General and members of the Industrial Commission. There is no question as to whether or not this is a worthy amendment, and I think the provision in the Bill will have the support of every member.

A further provision in the Bill relates to a fair rent being charged where the commissioner or any other civil servant occupies a Government house. The amount has been fixed at 10 per cent. As the minimum wage of the commissioner is to be \$12,000, it will have to be a pretty large and expensive house to warrant a rental of \$100 a month. In those circumstances the provision for determining a fair rental is one with which we can all agree.

There is a provision in the Bill relating to approved leave. Under the Act when the commissioner is on leave for two weeks the period is not counted as service. This provision is ridiculous. Under certain circumstances the commissioner could be appointed to do a job on behalf of the Government, or in the interests of humanity, in an underdeveloped country where his advice, experience, and ability can be utilised to such an extent that he performs an international service. In cases like this the leave question should be arranged on a satisfactory basis, and the inclusion of the words, "to apply unless the Governor on the recommendation of the commissioner otherwise determines" is desirable. In other words, such periods will be counted as service, unless for some reason it is decided the period shall not be regarded as service.

The last matter to which I wish to refer is reciprocal long service leave. The Minister stated that the States of Queensland and Western Australia are the only ones which do not at the present time provide for reciprocal long service leave. Under the existing Act, if an outstanding public servant went from this State to another, he would forfeit this privilege. I feel that is unjust and for that reason I support the amendment. No good purpose will be served in canvassing the Bill any further. I support the measure.

Question put and passed. Bill read a second time.

### In Committee

The Deputy Chairman of Committees (The Hon. A. R. Jones) in the Chair; The Hon. A. F. Griffith (Minister for Mines) in charge of the Bill.

Clauses 1 to 18 put and passed.

Clause 19: Section 56A added-

The Hon. A. F. GRIFFITH: I move an amendment—

Page 10, line 3—Insert after the word "officer" the passage "is appointed to the Public Service after the coming into operation of the Public Service Act Amendment Act, 1966, and that officer."

Where an officer transfers to the Western Australian Public Service from the service of the Commonwealth or another State, there is, as Mr. Dolan said when he was making his remarks to the second reading, no provision for him to receive credit for his pro rata long service leave; and, as Mr. Dolan also said, Western Australia and Queensland are the only two States which do not provide this reciprocal recognition.

This places the State at a disadvantage in attracting officers whose services it may wish to acquire, and the clause provides for the State to accept liability for pro rata long service leave in such circumstances, with necessary safeguards.

However, the way the clause is now drafted, it is probable that retrospective application to officers who have already transferred to the State may be included, and this was not intended. This amendment is designed to ensure that the clause will, in effect, apply only to those cases which may occur in the future.

The Hon. J. DOLAN: I agree with the amendment. We are making it possible for those from other States to come here, but I think it would be only fair to see if we could make arrangements whereby officers who go from this State to other States might enjoy the same benefit.

The Hon. A. F. GRIFFITH: I do not know the contents of the legislation in the other States. I merely repeat that this amendment is to avoid all sorts of difficulties which could arise if it were thought that retrospectivity were to apply to officers who have already come from other States. This provision in the Bill is intended to apply in future.

The Hon. J. DOLAN: I do not want to labour the point, but I was merely saying that I felt we should make a move to establish reciprocal arrangements with all the States and with the Commonwealth. I was not actually concerned with this amendment, but thought it an appropriate time to make my suggestion.

Amendment put and passed.
Clause, as amended, put and passed.
Clauses 20 and 21 put and passed.

Title put and passed.

### Report

Bill reported, with an amendment, and the report adopted.

### Third Reading

Bill read a third time, on motion by The Hon. A. F. Griffith (Minister for Mines), and returned to the Assembly with an amendment.

# INDUSTRIAL ARBITRATION ACT AMENDMENT BILL (No. 2)

Second Reading

Debate resumed from the 23rd November.

THE HON. J. DOLAN (South-East Metropolitan) [3.45 p.m.]: This is the last of the group of four Bills dealing with the Public Service, and the proposals in this Bill are necessary because of the passing

of the three previous measures, and consequently it would be ridiculous to oppose this one.

However, I would take this opportunity of saying it is the hope of all parties concerned that these proposals will work. We have some doubts, but I am sure everyone hopes that those doubts will be resolved and during the next session, or the following one, uniformity will have been reached and a satisfactory settlement made of the whole question.

We all hope the Civil Service will continue to give the excellent service it has always rendered to the State, and that harmonious relations in the association itself will always prevail. I feel the association is to be commended on the attitude it has adopted, and I believe that eventually this matter will be ironed out to the satisfaction of the association. I certainly hope so. I support the Bill.

Question put and passed. Bill read a second time.

#### In Committee, etc.

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

### Third Reading

Bill read a third time, on motion by The Hon. A. F. Griffith (Minister for Mines), and passed.

Sitting suspended from 3.49 to 5.17 p.m.

# MAIN ROADS ACT AMENDMENT BILL (No. 2)

### Second Reading

Debate resumed from an earlier stage of the sitting.

THE HON. J. DOLAN (South-East Metropolitan) [5.18 p.m.]: There are just one or two points I wish to raise in connection with this measure. I notice that when Mr. Wise was referring to the Minister's second reading speech, he mentioned the Great Northern Highway in England. I think this might be an opportune time to express the view that I hope the Mitchell Freeway will get off to a better start than did the Great Northern Highway in England.

That highway was boosted as one of the greatest traffic arteries of all times and, more particularly, so far as England was concerned; but in the very first winter after the highway was opened, England experienced exceptionally severe freezing conditions and in many places the road just collapsed. There was a terrific number of fatalities. In fact, I can recall that one of the greatest motor drivers in the world was killed at the time. He was killed on that highway because of the access road, and because an amateur was using that road as a speedway. In any event, I think the speed limit on it is 90 miles

per hour. My mentioning this might make all members see what can happen in these

While on the subject of these roadways and highways, I would like to refer to the Hornibrook Highway out of Brisbane. If ever members want to see an ocean wave, this is where they should go; because the bridge on that highway goes up and down. These are the problems which are associated with the structure of these modern arteries and I just issue a note of warning that the Government needs to be very careful about these matters. I know we have marvellous engineers and mistakes can be kept to the minimum, but nevertheless mistakes can occur.

Many bridges are to be built in Western Australia, and the experience of the King's Bridge in Melbourne should be borne in mind. Despite good engineers, and their ability, such things as the collapse of the King's Bridge can happen.

While this measure is before the Chamber, I mention these matters as a word of warning so that nothing is left to chance. In England, the engineers did not consider the excessive freezing might play havoc with the roads and we in Western Australia have to consider the possibility of excessive heat which might play ducks and drakes with the roads.

Anyone who travels regularly on the Kwinana Freeway will know the ups and downs due to the settling of that road. It is not observable just by looking at it, but it is evident to the driver of a car when he finds his car is bouncing as he goes over it. These bumps, and all the rest of it, have been caused by heavy sand trucks. I refer to these matters because I think they have an application to this measure which is before the House.

THE HON. G. C. MacKINNON (Lower West—Minister for Health) [5.20 p.m.]: Members will be aware that I was not here this morning. I was absent on official business; but Mr. Wise was kind enough to let me examine a copy of the speech he made in order that I might speak from first-hand knowledge on what had been said. I thank him for that courtesy. I will pass on to the appropriate quarter the warning given by Mr. Dolan.

It is generally conceded that with road building in this State we are fortunate in that we have a smaller variation between the minimum and maximum temperatures than is the case in many other countries of the world. This means that we are able to build roads with a thinner blanket than is possible in other parts of the world, which have to withstand greater extremes of heat and cold; particularly cold which tends to break up the surface. A lot of these matters have been taken into consideration.

In his comments on this measure Mr. Wise spoke about the difficulties—which, of course, I appreciate—of keeping in touch

with what the Minister says when we are unable to get Hansard notes. I trust members are aware of the fact—because the Leader of the House has on several occasions mentioned it—that when a Bill is introduced there are always a number of copies made of the notes, apart from the routine issues. Members know that one copy goes to Hansard, one to the Leader of the Opposition, and so on.

On this measure I have currently available two surplus copies of my original notes, for which nobody made an inquiry. Occasionally inquiries are made, and the member concerned is always supplied with a copy of the notes.

The Hon. R. F. Hutchison: I do not ask because I do not like to be a nuisance all the time.

The Hon. G. C. MacKINNON: Mr. Griffith has rightly made it known that these copies are available. For a time copies were issued, but then it was found that somebody who was particularly interested would not receive a copy, while others who were not interested in a particular Bill would have a copy.

The Hon. F. J. S. Wise: We have had the situation often where none is available.

The Hon. G. C. MacKINNON: This may be so on a Bill which has a wide interest. I must admit that this year I have never been left in that situation in connection with any Bill I have introduced.

The Hon. F. J. S. Wise: It is different when a Bill is being dealt with in a hurry

The Hon. G. C. Mackinnon: Those members who are interested will always find there are copies available. There is some virtue in the suggestion that copies could be roneoed and issued. I have a Bill here which is yet to be introduced, of which six copies of the introductory notes are available. I think Mr. Logan will bear me out when I say that there are generally five or six copies of notes available.

While this may not completely solve the problem, it at least means that two or three copies of speeches are available. There was one occasion when I did hand out my own copy of the notes, and this might be of some help to a member who is interested at this stage, without any alteration being made in the procedure.

Mr. Wise has made the suggestion—which has been made before—that the matter could be looked at at a later stage of the sitting. I am sorry if in my presentation of the Bill I gave any indication that there was an intention to cover up. When Mr. Wise asked me the question whether there was anything specific in mind, I immediately made inquiries and was able to tell him that this matter applied specifically to the brewery.

But it is not always wise, of course, to base a Bill upon a specific intention. Mr.

Wise has suggested that this measure be withdrawn, and that we bring in a specific measure to cope with the specific problem of the brewery—the problem of going over brewery land.

It is for this very reason that this Bill—and indeed most Bills; a considerable number, anyway—are dealt with in terms of the principle involved rather than being based on specific matters. It is, of course, quite conceivable that the particular problem of the brewery could have been overcome by bringing down a Bill to enable that problem to be dealt with, and for the legislation not to have been applied any further.

It was felt, however, that this was not the right approach; that the matter should be approached in terms of a problem, and the manner in which the problem could be overcome. Mr. Wise elaborated on the brewery position and this serves to exemplify the need.

The other problem raised by the honourable member dealt with the difficulties he foresaw of compensation, and according to my interpretation these applied in the main to the problem of injurious affection; that an authority could resume only sufficient land on which to base pylons and complete the flyover, or the bridge or structure, over the particular activity which was in progress.

In this connection it is as well to appreciate that compensation must be taken as a whole. Compensation for this, as for any other type of resumption or purchase, is controlled by the Public Works Act; and injurious affection forms a part of the compensable whole.

Let us take the extreme case which was used by Mr. Wise and say the structure goes over Parliament House. This is a good example, because the injurious affection which would be suffered in a place like this, where one must hear oneself and others speak, would be extreme. It would, indeed, be so extreme that I have no doubt the allowable compensation would be such as either to render it necessary to re-route the artery or remove Parliament House.

Let us consider the sort of situation that might arise. We may have to truncate a corner. The place in question might be so situated as to lend itself to a flyover. The land where truncation is to be made may have a factory erected on it, and the site may be a comparatively low one. If the land being truncated is used for parking, or for manouevring and so on, it may be that the injurious affection would be virtually nothing. In these circumstances it would be reasonable for the authority to proceed with its plans because they could be carried out economically. Of course, economy in any direction leads to more expenditure in other directions. One of the gravest criticisms which can be levelled at various departments is that they

do not practise economy. So it is reasonable they should adopt the most economic plans they can.

If, on the other hand, a particular plan with all the attributes I mentioned before was such that noise or vibration was a serious problem, the injurious affection resulting from the building of an artery in such a situation would be so high perhaps as to make it necessary for the artery to be re-routed. There would be no other alternative. In short, the whole matter should be regarded in its entirety and in the concept of the various Acts with regard to compensation for resumption, and the procedures followed in this regard.

The examples I have given of overseas roads have been to show there is nothing new in this legislation. We are not attempting in a comparatively small State to adopt a principle that has not been tried and proved in other countries of the world. In short, the problems have been solved and the situation calls for a local application of the various solutions that have been arrived at.

I hope to some extent I have been able to allay the fears which members may have had in regard to this legislation. I hope I have been successful.

Question put and passed. Bill read a second time.

# In Committee

The Chairman of Committees (The Hon. N. E. Baxter) in the Chair; The Hon. G. C. MacKinnon (Minister for Health) in charge of the Bill.

Clauses 1 to 3 put and passed.

Clause 4: Section 29 repealed and reenacted—

The Hon. F. J. S. WISE: It is obvious from what I said this morning and from the Minister's reply that there are many gaps between the two speeches. To me there are many aspects that have not been dealt with. A person who owns land has some use for that land and if he is interrupted in his plan because of public requirements, considerable hardship can be imposed under this clause.

We have the case where, by negotiation and understanding, an amicable arrangement was made with the Swan Brewery Company. However, where the Mitchell Freeway is constructed over Crown land, the Crown will have an asset underneath the structure to lease or sell; but in the case of people whose ownership will be affected by a freeway passing overhead, or an overway of any kind, they will be subject to the provisions of this clause, unless an arrangement can be entered into as in the case of the Swan Brewery.

I am concerned as to the adequacy of the compensation. The Minister distinctly said that only the land on which the road supports need to rest will need to be resumed. Imagine a case where a person objects to such a resumption. The Crown will compulsorily acquire that portion of the person's property and he will be seriously and prejudicially affected. We are not dealing with something that may happen in one or two instances; there will be a multiplicity of bridges, viaducts, and overways that will affect land not yet resumed.

The Hon. R. F. Hutchison: What a horrible mess they are making of the place.

The Hon. F. J. S. WISE: I am not prepared to go along with that; I am concerned with the rights of the individual. Clause 4 should be amended so that the compulsory provisions of the Public Works Act will apply only if the owner is not agreeable to a proposition after negotiation. Some members may say the position is covered by paragraph (a), but I contend it is not.

We, in this Chamber, have the greatest possible duty to consider the rights of the individual, and that is what I am concerned about, particularly in view of the reference by the Minister to what is to be done in regard to acquisitions.

The Hon. G. C. MacKINNON: While Mr Wise was speaking I was wondering what the situation would be if this were the law and we were endeavouring to remove it. The thought crossed my mind that with a few minor modifications, any observant person would make almost the identical speech to that which the honourable member just made.

Let us take a property that is used for the storage of, say, bottles. If this property were situated in a slight hollow that lent itself to a flyover, we would resume only that portion necessary for the pylons to rest upon. The alternative is to resume a swathe, in which case the owner of the block is left with insufficient land on which to conduct his business. I can well imagine the owner of the premises saying, "Why not resume the bit you want for the pylons and leave me the rest so that I can continue business with a minimum of interruption?" That is why the provision is in the Bill.

Members will note that the clause provides for the acquisition of land by agree-That is the first step in any resumption process. Had we not followed a parliamentary career, any one of us could have been an officer doing the resumption. If that were so, the member would not be a different person; he would think along the same lines as he does now, and the logical approach is to try to reach agreement by negotiation first. person who occupies the position in the land resumption office is no different from any other person; he would follow the procedure of negotiation. However, after a failure to negotiate, it is essential that the Government has the power to resume compulsorily. It is an essential power that is hedged around with a great number of

precautions in order to safeguard the rights of the individual to the maximum extent.

I would impress upon members there are two sides to this matter. The specific example of the brewery is one. It is of great advantage to the company that we should have the power to resume the area upon which the pylons will stand, and no more. It is of advantage to the company and, fair enough, it is of advantage to us, too, because it will cost much less.

The Hon. H. K. Watson: It is mutual advantage.

The Hon. G. C. MacKINNON: It is mutual advantage; a happy arrangement, particularly when one deals with any form of engineering structure, and the costs involved therein.

So I suggest that with an intelligent approach, which can logically be expected, this will be accepted.

The Hon. F. J. S. WISE: The illustration given by the Minister aptly fits the only situation—and the only one we know of at this stage—to be affected. The area to be affected is used for the storage of bottles, and the resumption of the whole area is unnecessary. The resumption will not interfere with the business carried on on the adjoining property. That is the only case this Bill will deal with.

My concern is that until a person is agreeable, by negotiations, that all the air space above his property may be used by the department, the land should not be acquired. There may be dozens of different cases which would not be seriously prejudiced by having a roadway built above them. There are examples in Australia, and there is an example at Circular Quay in Sydney where a roadway, a railway, and a business are on different stratas. However, that is not privately owned land.

We are dealing with the assets of individuals and surely it is not wrong to see that the person concerned gets absolute justice. Sections of the Public Works Act have turned out to be extremely harsh on some individuals. That is not good for the public belief in authority. We need to encourage the public to have a belief in authority and in government, and we need to restore that confidence because it is failing.

Land should not be compulsorily acquired until, by negotiation, the owner is in agreement to the air space above his land being used by the Crown. The owner will retain the rest of the title. I hope the Minister will not be adamant because I would be prepared to move to delete paragraph. (b), so that the land may be acquired only by agreement.

The Hon. H. K. WATSON: I would like to inquire of the Minister whether, so far as the immediate project is concerned, the Bill would be emasculated if paragraph (b) of proposed new section 29 was omitted for the time being.

The Hon. G. C. MacKINNON: I will deal with the matters in the order in which they were raised. This Bill has been introduced in order that we may extend, not curtail, the activities within the resumption powers. We want to ease the problems of people who are associated with resumptions of their land.

Of the 450 properties it has been necessary to acquire in association with the Mitchell Freeway I am advised that no more than 20 were the subject of compulsory resumption. The compulsory powers are in the Bill for two reasons. They are necessary in the normal and logical sequence of events in the case of a disagreement; and Mr. Watson would perhaps know more about that than I do. Sometimes these powers work to the advantage of the holder of a property.

I have heard the Minister for Town Planning explain cases where this has occurred. I repeat, this is an extension, and to some extent, an elevation of the present needs and requirements of our laws which apply to the securing of properties for specific purposes. It will mean that we can secure the right above or below as well as on the surface of the land when it is to everybody's advantage.

It is reasonable, therefore, that the whole of the arrangements which have been currently agreed to by Parliament, relative to the securing of land for these purposes, should be followed normally in this aspect, as they are in any other.

The Hon. A. R. JONES: I would like to ask the Minister how this Bill would apply to one of those persons who is not able to be approached with regard to the taking of land. There are people in our community who cannot have dealings with the Crown. A straight out resumption would have to take place in those cases.

The Hon. G. C. MacKINNON: The land would be resumed in exactly the same way as it is under the present law. That is one of the reasons why we need the provision. For instance, if any one of us here owned land which was required, we could not sell it to the Crown. It would have to be resumed. The normal procedure of resumption is carried out and I understand that one receives a notice of the resumption and a normal procedure develops.

The Hon, C. R. ABBEY: The point raised by Mr. Jones is relevant to this clause of the Bill. Surely it would be sufficient to maintain the Act as it is. I cannot see any reason to object to the methods of acquiring land; because, after all, proposed new section 29 (a) provides for the land to be acquired by agreement, and it takes precedence over the other method in the Public Works Act.

Surely we would not allow a situation to occur where a project was held up because 1 per cent. of the land required could not be obtained as the only power in this Act provided for negotiation by agreement! The Government, and local authorities, would be in a bad situation if they did not have power to resume land under the Public Works Act. I think it is perfectly all right as it is.

The Hon. H. K. WATSON: Mr. Abbey missed the point raised by Mr. Wise. If I understand Mr. Wise's point, it is this: Assume that instead of the land which is required being used for a bottleyard it was contemplated to be used for a shopping centre, or a 10-storey building. The proper thing to do would be to resume the whole of the area of land and pay the owner compensation for it.

The Hon. G. C. MacKinnon: That is fair enough, and that is what happens now.

The Hon. H. K. WATSON: Now could this Bill be a device—I use that word for want of a better expression—for the Government to say that it would not resume the whole of the land because it would be cheaper to resume enough land for two pylons here and another two there, irrespective of what the owner intended to do with the land?

We have seen occasion where words have been inserted in an Act for the benefit of an individual and where the legal interpretation has twisted the words and applied them to the advantage of the individual. Taking the case I have illustrated, normally an owner would be entitled to say that he is not interested in the overway and that he will sell the whole of the area of land. I think he should have that right.

The Hon. G. C. Mackinnon: The point raised by Mr. Watson is worthy of examination. He would be the first to agree there are many Acts which, with evil intent, could be turned to the disadvantage of the people they were designed to protect. I can cite section 7 of the Fisheries Act as a classic example. However, the overall system of government gives protection against that type of action being taken. Let us suppose, however, that an old house, erected upon a rather valuable block, is subject to a resumption order. One has been shown an agreement under which negotiations have been made for a service station to be erected on this site. Naturally enough, the compensation that would be paid would then become much more than, say, the original \$10,000.

In such an instance, if the plans could be substantiated, it would seem this would, to an extent, constitute injurious affection. No doubt it would be infinitely cheaper to buy the property holus-bolus thereby enabling the owner to move to another site. This would be an extension of the situation we are discussing.

I will now return to what I mentioned earlier; namely, a large part of the protection is embraced by the constituted system.

The Hon. J. G. HISLOP: I am rather puzzled over this provision. It seems extraordinary to me the Bill was introduced to this Chamber without any reason being advanced for the immediate necessity for this provision, or what the plan contemplated. I understand the Minister himself did not know that the proposed flyover was to be constructed near the Swan Brewery. We need to have some sort of protection from this sort of thing.

Many people are developing a feeling that they no longer count in the community, and that only the Acts which are passed by Parliament have any import, and this feeling is growing. If we are told there is no immediate rush for paragraph (b) at the top of page 3 of the Bill, why not delete it and re-draft the Bill so that it can be made to apply in the way it was originally intended? It seems to me rather peculiar that the Minister, who did not know what was taking place, emphatically supports the Bill. That would not be the method employed by me to get a Bill passed by this Chamber.

If we, as a Parliament, have no idea of what is meant by the definitions contained in the Bill, we would be very remiss in our duty if we agreed to it. I draw members' attention to the definitions of "interest" and "road" on page 2. This is an important measure and the Minister would be wise to agree to the deletion of paragraph (b) at the top of page 3 because it would endanger the agreement already made with the Swan Brewery.

Under this Bill we transfer all the powers of this Chamber to the planning authority, because we have no idea where the flyovers or the underpasses will be constructed. We should have some control over any work that is proposed. I am convinced that in the years when the Mitchell Freeway was first planned, those in authority must have known that a flyover would eventually be constructed near the Swan Brewery. This was certainly not known by the members of this Chamber, and had it not been for the astuteness of a wily member in our midst we would not have known of this proposal even now.

I am in favour of paragraph (b) at the top of page 3 being deleted, so that the whole plan can be proceeded with apace, and then we would have some idea of what control is required before accepting the provisions contained in this Bill. It would be dangerous to grant an open cheque, as it were, under the provisions contained in paragraph (b) on page 3. Sitting suspended from 6.8 to 7.30 p.m.

The Hon. F. J. S. WISE: It is vital that an addition be made to this clause. There is likely to be a large section of the community which will be prejudicially affected unless there is provision to enable negotiations to take place, because a freeway or highway, requiring a bridge or an overway, might approach a subdivided area in which quarter-acre blocks exist between one road and another. It might be possible to pass over such properties entirely without the need to build a pylon. The required pylons might be built on the outer edge of four or five of these quarter-acre lots.

Such a situation is not covered in the Bill, because there is no acquisition involved; but there is much prejudice and injurious affection involved. Through negotiations with an owner in respect of an unused or a used portion of his property satisfactory arrangements might be made to surrender the air space to the Government, but leaving him undisturbed on the ground. Possibly these negotiations could take place without the need to pay compensation.

Members representing provinces in the outer suburban areas can visualise what I am describing. I would like to see a new paragraph to stand as paragraph (b) along these lines: "May negotiate with an owner for the use by the Crown of all air space above an area of land where no acquisition is involved." If such a provision is inserted most of my objections will fall away.

The Hon. G. C. MacKINNON: When the amendment suggested by Mr. Wise was made to me in private conversation I was impressed by it, and I proceeded to examine it because it sounded rather sensible. However, when I examined the provisions in the Bill I found there were already specific exclusions. I refer to the interpretations of "interest" and "land" in clause 3 which states—

"Interest" in relation to land means-

- (a) a legal or equitable estate or interest in the land: or
- (b) an easement, right, power or privilege in, under, over, affecting, or in connection with the land;

"land" includes an interest in land;; and

This definition covers what Mr. Wise has proposed; namely, the commissioner may acquire the land by agreement, or may acquire the air space above the land by agreement. The definitions of "interest" and "land" are very specific. If we include the term "air space" there is a risk of automatically excluding the rights mentioned in the definitions.

I draw attention to proposed section 29 (6) which states—

Where-

- (a) land that consists only of a space above the natural surface is acquired under this section:
- (b) a road is constructed through that space; and
- (c) the road is proclaimed, reserved, declared or otherwise dedicated as a road under an Act.

the land shall not, if it is under the operation of the Transfer of Land Act, 1893, at the time it is so acquired, be removed from the operation of that Act, notwithstanding the provisions of this or any other Act.

I also draw attention to proposed subsection (5) on page 3. By taking the three provisions I have just mentioned it seems that the angle raised by Mr. Wise is more than adequately covered. For those reasons I cannot agree to the suggestion of Mr. Wise.

The Hon. F. J. S. WISE: Proposed section 29 (6) is not relevant to my suggested amendment. It is specific in dealing with the non-interference of the title of land involved. It has nothing to do with the definition of "land." This provision simply states that the title to land which is below a road structure erected under this Act shall not be interfered with. What the Minister has said does not satisfy what I am seeking to cover. I therefore move an amendment—

Page 3, line 1—Insert after paragraph (a) the following new paragraph to stand as paragraph (b):—

(b) may negotiate with an owner for the use by the Crown of all air space above an area of land where no acquisition is involved; or

The Hon. G. C. MacKINNON: As I said earlier this deals with action under the Transfer of Land Act; but it does highlight the provision contained in subsection (6) (a) of this proposed new section. The word "land" as it is used in this Bill means, in one instance, a space above a natural surface. Because of this I do not believe Mr. Wise's amendment is necessary, because it is, in effect, a repetition of what is already in the clause.

The Hon. F. J. S. Wise: No.

The Hon. G. C. MacKINNON: I am not sure whether or not there would be any legal difficulties in this. Erring on the side of caution, I feel constrained to oppose the amendment. I suppose that in this situation we admit we have failed to convince one another.

The Hon, F. J. S. WISE: I am not concerned whether we convince one another, but whether we convince sufficient numbers. Agreement does not necessarily mean conciliation, consideration, and negotiation. It means something possibly harsher than that. If the Minister cannot accept my amendment, would he agree to include the words "negotiation or" after the word "by" in line 31?

The Hon. A. F. Griffith: Negotiation is agreement.

The Hon, F. J. S. WISE: Not necessarily.

The Hon, A. F. Griffith: I realise that you can negotiate without agreeing, but what is the good of negotiating if you do not agree?

The Hon. F. J. S. WISE: I want to ensure that those people involved can be considered; and there is no provision for that at the moment.

The Hon. G. C. MacKINNON: I would prefer to accept the addition of the words "negotiation or." I will agree to that amendment, with reservations, because I am not the Minister handling the Bill.

The Hon. F. J. S. WISE: Could I move the amendment I just suggested, if I withdraw the one I have already moved, Mr. Chairman?

### The CHAIRMAN: Yes.

Amendment, by leave, withdrawn.

The Hon. F. J. S. WISE: I move an amendment—

Page 2, line 31—Insert after the word "by" the words "negotiation or." Amendment put and passed.

Clause, as amended, put and passed. Title put and passed.

### Report

Bill reported, with an amendment, and the report adopted.

#### Third Reading

Bill read a third time, on motion by The Hon. G. C. MacKinnon (Minister for Health), and returned to the Assembly with an amendment.

### LOAN BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by The Hon. A. F. Griffith (Minister for Mines), read a first time.

### Second reading

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [7.45 p.m.]: I move—

That the Bill be now read a second time.

The introduction of a Bill of this title is required each year for the purpose of authorising the raising of loans to finance the works and services which are detailed in the General Loan Fund Estimates.

As is known, public borrowings of the Commonwealth and each State Govern-

ment are co-ordinated by the Australian Loan Council constituted under the 1927 Financial Agreement between the Commonwealth and the States.

The Loan Council also determines the annual borrowing programmes of the Commonwealth and of the States and the terms and conditions under which loans are raised to finance these programmes.

The Commonwealth, subject to the decisions of the Loan Council, arranges for all borrowings for or on behalf of the Commonwealth and the States and for all conversions, renewals, redemptions, and consolidations of the public debts of the Commonwealth and the States.

The council also approves, under the terms of a "Gentleman's Agreement," which was originally entered into by the members of the Loan Council in 1936, an aggregate yearly borrowing programme for semi-governmental and local authorities proposing to raise more than \$200,000 in a year. Individual borrowings by each of these authorities are, in addition, subject to Loan Council approval.

The Loan Council has placed no overall limit since 1962-63 on the programmes of authorities for which State Governments approve individual borrowing programmes of \$200,000 or less. The terms and conditions of such loan raisings are, however, still subject to Loan Council approval.

The Loan Council decided last year upon a borrowing programme for Commonwealth and State works of \$590,000,000. This was subsequently increased during the year for housing purposes by a further \$15,000,000. An additional \$82,000,000 had to be raised for defence purposes and also for redemption of maturing loans.

Total loans sought, therefore, in 1965-66 amounted to \$687,000,000. This sum was found in the following manner: \$466,000,000 being cash loans in Australia, \$24,000,000 being special bonds in Australia, \$6,000,000 consisting of domestic raisings by the State, \$22,000,000 representing an overseas loan raised on the European market, leaving a balance of \$169,000,000 of Commonwealth subscription to a special loan.

The necessity for the Commonwealth \$169,000,000 special loan subscription arose through the need to supplement loan raisings in order to finance the authorised works programmes of the States. Commonwealth assistance on this occasion represented 28 per cent. of the works and housing programme and was somewhat higher than the average amount required during the period that the Commonwealth has been assisting to finance these programmes.

The borrowing programme for the current year was determined at a meeting last June. The governmental programme for works and housing was fixed at \$645,000,000 and for semi-governmental and local authorities raising amounts in

excess of \$200,000. There was approved a total borrowing programme of \$268,000,000.

Semi-governmental and local authorities are required to make their own arrangements for raising loans up to the total approved by the Loan Council.

Prospects at the present time for loan raisings are not as promising as they were some years past, but it is expected, nevertheless, that authorities in this State will be able to fill their programmes.

The provisions in this Bill relate only to the raising of loans to finance the governmental works programme. The Commonwealth arranges for the necessary borrowing operations on our behalf as they do with other States.

The authority sought is to raise loans amounting to \$48,977,000 for particular purposes which are listed in the first schedule of this Bill.

I desire to inform members that the new authority provided for each item in the schedule does not necessarily coincide with the estimated expenditure from that particular item during the current financial year.

This is for the reason that unused balances of previous authorisations have been taken into account. In the case of works of a continuing nature, sufficient new borrowing authority has been provided to permit these works to be carried on for a period of approximately six months after the close of the financial year.

There is nothing unusual in this and it ensures that there is continuity in the progress of works pending the passing of next year's Loan Bill.

For the information of members interested in the full details of the condition of various loan authorities, I suggest reference to pages 14 to 17 of the Loan Estimates. These details are set out together with the estimated balances to be carried forward as at the 30th June, 1967. Within these pages also is set out the appropriation of loan repayments received in 1965-66.

An important authorisation contained in this measure is the provision for the payment of interest and sinking fund on these raisings. These payments are charged to the Consolidated Revenue Fund so no further appropriation by Parliament is necessary.

A further provision in the Bili seeks authority to reappropriate certain authorisations which are in excess of immediate requirements. These are set out in the second schedule and the items to which it is proposed they be applied are shown in the third schedule.

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the Opposition) [8 p.m.]: This is the usual Bill that we expect towards the concluding stages of the session and, having regard for the probability of an early end to the session, it has been introduced a little earlier this year and this will give members an opportunity to discuss anything they may desire. I think it is most appropriate that we have this opportunity because members will be able to deal with any issues which concern their electorates, or they will be able to discuss any subject they have in mind.

As regards the Bill itself, it is one we can accept at this time knowing full well that the loan programme is just as much a part of State finances as is the general programme covered by the Revenue Estimates, and the various Supply Bills that are introduced during the session. The amount of money raised by loan over the past three years has been fairly consistent and the problems associated with loan expenditure are evidently being kept well in hand and watched very closely, knowing the limitations involved with loan raising. I have no desire to delay the Bill and I merely say that I support it.

THE HON. R. F. HUTCHISON (North-East Metropolitan) [8.4 p.m.]: I wish to take the opportunity this Bill affords to voice a protest regarding what happened to me earlier in the session, but before doing so I wish to say something about safety belts in cars. Last week I saw a car fitted with safety belts which to my knowledge are completely useless and unsafe. These particular belts are the same as ones I saw when I went to America. The Consumers' Union in America took the matter up because these belts are an absolute menace as a result of the angle at which the anchor points are installed. They are fitted at such an angle—the angle has not been worked out scientifically—that if one is sitting in a car fitted with this type of seat belt, and an accident occurs, and the car is jerked forward the person's weight causes the belt to tear as though it were a piece of paper.

I have voiced a protest about these seat belts before because they were a real issue when I was in America in 1962. The Consumers' Union journal published an article on these belts and stated that they should not be fitted to cars in this manner. I think the Government, or whoever is responsible for this question, should take steps to ensure that the anchor points are fitted at a proper angle.

I know many people have this particular type of belt fitting in the that they are perfectly safe, when that is I hope somebody not the case at all. will take action in regard to the matter, but if something is not done I will introduce legislation next session to alter the Act in this regard. I am writing to the National Safety Council in Melbourne to draw its attention to these belt fittings. I happened to come into contact with the problem when I was in America and I thought I should refer to it again in view of what I saw the other day.

This session we have seen the power of the Legislative Council to impose its will when it objected to my introducing a Bill for the abolition of this Chamber. I was not even allowed to explain its contents and so I propose now to mention a few aspects which I had intended to refer to at the second reading stage had I been allowed to introduce my Bill.

I wish to show the changing pattern, under Labor influence, of Upper Houses in the British Commonwealth, and I shall quote from an Encyclopedia of the British Parliament—

1945. Labor Government proposed, after many years of endeavour and with its large majority the Government won the day.

Sir Winston Churchill gave a pledge to restore the University seats should his party be returned to power. His amendment was defeated by 338 votes to 193—although the Conservatives have been in power since they avoided the issue and made no move to restore University constituencies, the issue evidently being too controversial for them to tackle. Thus another step towards democracy owes its origin to Labor.

The Representation of the People Act 1948 received Royal Assent on the 30th July that year and an undemocratic institution which had survived for 3½ centuries ceased to exist.

If a Bill which is passed by the House of Commons is rejected twice by the House of Lords it can automatically become law. To continue—

History points to the Upper House as a fledgling of responsible elected Government. We honour the men who served in their time and age.

As progress took place, so the Legislative Council was brought up to date as an elected House. Never very democratic until it has now become a redundant relic of a past era—and should pass away, not unhonoured, but certainly not regretted.

To stifle any pretence of democracy and simply being used to frustrate progressive legislation, most particularly as a bar to progressive legislation proposed by Labor Governments.

It is a Tory House simply and solely elected on weighted anti-Labor electorates, undemocratic, unrealistic and unprogressive.

From 1832 the legislature of this State gradually evolved until in 1890 an election of 30 members of the Legislative Assembly took place from the 27th November to the 12th December. In the Legislative Council 15 members were nominated and 15 were elected. In 1899 the membership of the Legislative Assembly was increased to 50 members, and the Legislative Council's membership was altered to

provide for 30 elected members, but on a restricted franchise. I now wish to quote a few words of a very great writer. He said—

All history is evidence that only the most courageous men and women have dared to fly in the face of conventionality. When change is proposed one needs to recognise that a majority will always think along established lines; but roughly speaking the ability of the majority to voice its feelings has increased throughout historic times. The majority today is taking a larger hand in its own affairs.

Those words were written by George Bernard Shaw many years ago in his Book of Great Speeches. So we have evolved very slowly as a real democracy.

As I said, we have a Legislative Council in Western Australia whose members are elected on a franchise that is totally undemocratic. Because of the way the boundaries are drawn up it is not possible for the Labor Party to win, I should say, more than 10 seats. This House is the most powerful Chamber in the British Commonwealth of Nations. I have said this many times, and no-one can refute it. It has absolute power and that power is always vested in one party. We talk about having a democracy, and a democratic Government! That has never occurred in Western Australia.

One of the most undemocratic gestures I have ever witnessed was when I got up to introduce a Bill to abolish this Chamber. I was not even allowed to speak, or introduce it in the proper sense.

The Hon. E. M. Heenan: I hope you will bring it forward again next year.

The Hon, R. F. HUTCHISON: It will be introduced each year while I am here. I hope that when I am due to retire this House will no longer exist.

The Bill I tried to introduce was not creating a precedent in Australasia; because in Queensland in 1922 the Upper House was abolished, and it was abolished in New Zealand, by a Labor Government. In neither of those places has there been any talk of re-introducing an Upper House. The people would not tolerate it, and although the Liberal Party has been in power in both of those places since the Upper House was abolished the Government has not attempted to restore it. Surely that is testimony that once democracy is introduced nobody is game enough or even inclined to restore the undemocratic type of set-up under which we are forced to live in Western Australia.

In spite of the threats and the controversial speeches that were made by the anti-Labor parties at the time of the abolition of those Upper Houses, nothing has been done to restore them. In Queensland and New Zealand the members were nominated into the Legislative Council

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and the Chambers were eventually abolished. So we have one democratic State in Australia, and there is New Zealand, too. Those places have discovered the benefits of abolishing their Upper Houses.

I do not intend to make a long speech because the session is drawing to a close. I rose simply to protest against the treatment that was meted out to me as, I hope, an honourable member of this Chamber. I did not admire the Government for what it did; as a matter of fact I have a little feeling of contempt for what happened. It was one of the most undemocratic moves that I have ever seen and I decided to say a few words about it at this time.

The Hon. R. Thompson: You are quite right, too.

The Hon. F. J. S. Wise: It was really offensive.

The Hon. R. F. HUTCHISON: I have had a hard life, and I reared a family of seven children on my own. If a woman is not very courageous she will not do that. My children are a credit to me and I have no regrets.

However, it would take more than remarks made by members in this House to discourage me when I mention democracy, because that is a fundamental of life as we know it. We live in a free society, but in Western Australia there is very little if any freedom left in this House of Parliament—that should be an example. In New Zealand, the Legislative Council was used for a social room in which the Queen was welcomed and I agree with the action in using it for that purpose. I would like to see Her Majesty welcomed in this Chamber. In Queensland, some use is made of the Legislative Council and no-one there regrets what has been done. This idea has extended and I hope it will pertain to Western Australia.

This measure must be introduced. I ask the Government to take notice of that statement if it is still in office: If it is not in office, in any event it will be introduced just the same if I am alive. If anything happens to me I hope there will be some of the Labor members who are in this House at the present day-and I am sure there will be—who will take up the cause on my behalf. They can be reassured that whereever I am-if we believe in spiritual life -I will be looking on with great approbation for their action in bringing it I hope to live to see the day forward. when we have a democracy in Western Australia and we have not got it in the Legislative Council.

THE HON. R. THOMPSON (South Metropolitan) [8.17 p.m.]: I support the measure which is before the House, but I would like to raise one question on which I spoke briefly during the debate on the Industrial Arbitration Act Amendment Bill. Since that time it has been brought to my notice again; that is, in respect of children who are attending school and in

respect of the capabilities of their parents to support them at school at high school level.

On this occasion I would mention that just this week at one high school my daughter happened to be with a group of children when they discussed what was going to take place during the next four years of schooling after the end of this year. Although these children are very bright and capable of going on for five years and possibly, even beyond that to higher education, it was found that very few of these children will be able to continue schooling because of economic circumstances; in fact, it was found that many of them would not be able to complete their schooling even to the junior level. In a growing State such as ours this is bad. It is intolerable that children should have to leave school because their parents cannot afford to keep them there and give them the desired education. With the advances which are being made in all spheres, it is a duty—and our duty, I would stress—to see that every person in Western Australia who wants a higher level of education receives it.

It is unreasonable to expect that people in these most affluent times, of which we are always being told, have to take their children away from school, although in many cases the mothers and fathers are working. They are working in order to make both ends meet in the household and they are doing their utmost to maintain a good living standard for their children.

Yet we find that children have to leave school and be cast on to the labour market. Possibly these children might have to become labourers, which is a category of worker in which there always seems to be a surplus; possibly they might become seasonal workers; and possibly young girls will go into a factory-type of employment, or into a shop. Yet, as I have said, these children are capable of greater things. I think this is a problem which our Parliament and our departments have to look at.

I consider it is the bounden duty of the Education Department to see that teachers take stock of the children's capabilities and report this to the district inspectors for investigation by them to determine whether or not the children can be kept at school for a longer period; and assistance should be given to those parents who cannot afford to keep their children at school so that they can continue with their schooling and attain a higher level of education. Possibly all my life I have felt strongly about this because, perhaps like many other members in this Chamber, I was of school age when the depression hit Western Australia. Like so many thousands of other Western Australians, I had to leave school and get a job. However, that was because of economic times and nothing

much could be done about it. Nobody had any money. Even the most well looked upon families in Western Australia were as hard hit as the man in the lower income bracket.

However, when we talk of success; when we talk of affluent times; and when we hear all of the time that we have never had it better, we should not see children having to leave school. I think there is something wrong with our system and it is about time our system was changed so that those who desire a higher level of education can get it, and can get it free. I support the Bill.

Question put and passed.

Bill read a second time.

### In Committee, etc.

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

### Third Reading

Bill read a third time, on motion by The Hon. A. F. Griffith (Minister for Mines), and passed.

# BETTING INVESTMENT TAX ACT AMENDMENT BILL

# Receipt and First Reading

Bill received from the Assembly; and, on motion by The Hon. L. A. Logan (Minister for Local Government), read a first time.

# Second Reading

THE HON. L. A. LOGAN (Upper West-Minister for Local Government) [8.26 p.m.]: I move—

That the Bill be now read a second

This Bill has, as its simple objective, the tidying up of an omission from the provisions of the Betting Investment Tax Amendment Act of 1965, which came into operation on the 14th February last; that is, D-Day—the day on which the currency change was made.

The principal Act passed in 1959 imposed a tax upon each bet made in registered premises by a bookmaker or his employee on his behalf.

After the establishment of the Totalisator Agency Board, it became necessary to extend the imposition of the betting investment tax to bets made through or with the Totalisator Agency Board. This was done through an amendment to the principal Act in 1960. It was decided, with the advent of decimal currency, to impose a tax of 3c upon each bet made in registered premises or with the Totalisator Agency Board, in lieu of the then existing tax of 3d. where the consideration for the bet did not exceed £1 and 6d. where the consideration for the bet exceeded £1.

The Betting Investment Tax Act Amendment Act passed last year was aimed at this objective but through an omission in the drafting of the measure, the new rate of 3c only applies to bets made in registered premises of a bookmaker or his employee on his behalf.

Through an oversight, no rate of tax was prescribed in respect of bets made through or with the Totalisator Agency Board, with the result that we have the situation of the long title of the Act reading, "Imposes a Tax on Bets made by a Bookmaker in Registered Premises and on Bets made through or with the Totalisator Agency Board"; yet only in the case of the former is the rate specified.

The omission came about through a redrafting of the section specifying the rate of tax and was only quite recently discovered by the Chief Parliamentary Draftsman when checking this piece of legislation.

It is necessary, of course, to rectify the omission with effect as from the 14th February, 1966, which was the date of operation of the Act giving rise to the omission.

The object of the Bill is to do just this and its effect will simply be to bring about a state of affairs which we all thought existed.

Debate adjourned, on motion by The Hon. J. Dolan.

### AUDIT ACT AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by The Hon. L. A. Logan (Minister for Local Government), read a first time,

### Second Reading

THE HON. L. A. LOGAN (Upper West—Minister for Local Government) [8.31 p.m.]: I move—

That the Bill be now read a second time.

The provision in this Bill calls for but a brief explanation. Its purpose is to amend the Audit Act in a very similar manner to an amendment made in relation to the Public Service Commissioner's salary passed in another place last Tuesday.

It is provided in the Audit Act that the salary of the Auditor-General shall be determined by the Governor and be not less than £2,000. This is the figure applicable at the 1st January, 1954, and this requirement is set out in section 6 of the parent Act.

There is the added provision that the Governor shall cause adjustments to be made to the salary by multiples of £20 in accordance with variations in the State basic wage. As members are aware, salary agreements now applying to the Public Service adopt the Federal basic wage.

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The amendment omits any reference to basic wage variations and provides that the Auditor-General's salary may be determined by the Governor from time to time and brings the minimum figure up to the existing level of \$11,650 per annum.

I commend the Bill to members.

Debate adjourned, on motion by The Hon. W. F. Willesee (Leader of the Opposition).

## TRAFFIC ACT AMENDMENT BILL (No. 2)

Receipt and First Reading

Bill received from the Assembly; and, on motion by The Hon. A. F. Griffith (Minister for Mines), read a first time.

#### Second Reading

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [8.33 p.m.]: I move—

That the Bill be now read a second time.

The first amendment in this Bill refers to carriers' licenses. Last year, an amendment to the Traffic Act dispensed with the need to pay a fee for a license to carry goods for reward, as such licenses were thought unnecessary in the light of other transport charges. However, references to carriers' licenses were not repealed in other parts of the Act and anomalies are now beginning to arise because of this. It is desired, accordingly, to delete references to carriers' licenses wherever mentioned in the Act.

Another amendment deals with the licensing period. In the matter of vehicle registration, the Act sets an annual licensing date and a 12-months' renewal may not be taken out unless it commences from this date. An owner, therefore, does not always have the benefit of a six or 12-month licensing period. With staggered licensing and better recording equipment, it is considered not necessary to retain this provision which has, in the past, caused some little discontent.

Another amendment deals with licenses for tractors. Farm tractors—those engaged solely in primary production—can be licensed in three ways at present: Firstly, free of charge, secondly, at \$10, and thirdly, at \$20 each depending on required use and the tare weight of the tractor.

In a recent survey, it was shown that 99 per cent. of tractors owned by farmers are used with free licences and pay \$3 third party premium and \$1 plate fee. These licenses subject the tractor to movement on roads only from one part of the farm to another. Any other use requires the issue of a special permit. There is no obligation on a farmer to license his tractor at the fee of \$4 if the tractor be used entirely on the farm and not used at all on the road.

The Country Shire Councils' Association supports the idea of all farm tractors being licensed at a flat rate without any restrictions on use. This would obviate the difficulty of policing the present restrictions and farmers generally would be less inconvenienced.

It has been agreed, therefore, that a \$4 fee for all farm tractors is an equitable charge, having in mind the number of tractors now licensed free of charge and the small road mileage involved. A \$4 fee could mean an estimated \$60,000 to \$70,000 additional revenue to local authorities. However, it has been pointed out to the Government by the Treasury that, if this amount becomes eligible for matching money from the Central Road Trust Fund, the Commissioner of Main Roads would have difficulty in meeting his commitments and it has been recommended that any revenue from this proposal be ineligible for local authority matching grants.

It is suggested this is not unreasonable, having in mind the additional revenue that will be available to local authorities directly from tractor license fees. The country shire councils have agreed with this proposal and hence the need for a complementary Bill to amend the Stamp Act.

Another amendment deals with railway crossing protection. These proposals relate to the establishment of a railway crossing protection fund account to operate throughout the State and to replace the Metropolitan Area Railway Crossing Fund Account. It requires that country local authorities shall pay to the account one-half of the total collection of fees for the transfer of vehicle licenses, and that one-half of the total collection of these fees in the metropolitan area shall also be paid to the account. From the account will be met the cost of providing, improving, maintaining, and repairing railway road crossings throughout the State.

Proposals to levy a contribution from country local authorities has been examined by the State Treasury and by the Department of Local Government, both of which agree that such a contribution should be made. This proposal also is approved by the country local authorities, having been taken up with the Country Shire Councils' Association by the Minister for Traffic.

It is estimated that the contribution, by way of half of the transfer fees, would amount to \$30,000 from all country authorities and as there are approximately 120 of these, this would average out at about \$240 per shire. Naturally, there would be a greater contribution from the larger shires. The idea emanates from recommendations made by the Railways Crossing Committee. It is obvious there will be a considerable commitment for a period of

years to ensure that adequate protection will be provided at all rallway crossings throughout the State. It was felt this was the fairest and most equitable way of providing the funds.

The next amendment has to do with drivers' licenses. At present, a person from overseas or from another State, obtaining a Western Australian driver's license for the first time, is placed on probation for three years unless he has held a license elsewhere for three years or more. He is not given any credit for having held a license elsewhere for, say, one or two years. It is considered, therefore, the section should be amended to provide for a reduction of the three year probationary period equivalent to the period the license was held elsewhere.

Also, in the matter of drivers' licenses and the cancellation of old drivers' licenses, the section of the Traffic Act covering the issue of driver's licenses is not clear as to the renewal of a driver's license which has expired for some years. It is the practice to require a driver, whose license has expired for five years or more, to undergo a driving test in the same manner as an applicant for a new license.

Part III of the third schedule to the Act sets out a fee of \$4 which is payable on application for a driver's license, but there is no provision for a fee where it is necessary for the driver to be re-examined after a considerable lapse of time. It is considered that the wording of subsection (3) of section 23D, permits the renewal of a license any number of years after it has expired.

This has led to a departmental procedure of keeping records of all drivers who have ever held a license, and when an application is received from such a person, even after a lapse of many years, the old license is revived. We are presently looking into a proposal that motor drivers' license records be processed in a computer, to speed up procedures and make provision for the increasing number of drivers' licenses expected in the years to come.

It is fair that when a license has expired for five years or more, a new application and test for a license should be made and the standard fee of \$4 charged. Where a person has not renewed his license for, say, 20 years, under the present procedure he can get it renewed without any test at all.

The next amendment refers to licenses obtained by valueless cheques. An amendment to the section is desired to provide that a motor driver's license obtained by means of a valueless cheque, is thereby rendered null and void. A similar provision already exists in respect of vehicle licenses so obtained, but where a driver's license is involved, it remains in existence until cancelled by the Commissioner of Police. Sometimes it is difficult to locate the holder to enable this to be done and he is able

to exercise the license until it expires by lapse of time.

The next amendment relates to proof of district boundaries. As a result of representations from the Shire Councils' Association, it is desired to amend section 69 of the Act to provide that an averment in a complaint that an offence took place in a specified local authority, shall be deemed to be proved in absence of proof to the contrary.

This is to overcome the necessity of producing expensive plans of each local authority district, certified as correct by the Surveyor-General, at the hearing of every traffic offence. One magistrate is known to insist on a new plan every six months, and this is causing a good deal of technical difficulty in enforcing traffic laws. It is understood this costs the authority something like \$80 or so for these plans.

As regards the mandatory suspension of vehicle licenses, The Country Shire Councils' Association has requested that the section be amended. The section at present provides that, where a person is convicted of driving an unlicensed vehicle, he is debarred from holding a license under the Act until the court orders otherwise. This places an unfair burden on the court because it might overlook making an order "not debarred," and this automatically causes the offender's licenses, both vehicle and driver's, to be suspended. That is in the absence of such certification.

It is desired to amend the section so that such licenses are suspended only if the court so orders. A court will still have discretionary powers to suspend such licenses under other provisions of the Act.

Debate adjourned, on motion by The Hon. W. F. Willesee (Leader of the Opposition).

### STAMP ACT AMENDMENT BILL (No. 2)

Receipt and First Reading

Bill received from the Assembly; and, on motion by The Hon. A. F. Griffith (Minister for Mines), read a first time.

#### Second Reading

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [8.45 p.m.]: I move—

That the Bill be now read a second time.

The introduction of this Bill was fore-shadowed when the explanation of the amendments contained in the Traffic Act Amendment Bill (No. 2) was being given. I wish merely to say, with respect to this measure, that its simple provisions are necessary because of an amendment contained in that Bill. Therefore this measure is purely a simple piece of complementary legislation, which I commend to members.

Debate adjourned, on motion by The Hon. W. F. Willesee (Leader of the Opposition).

#### GOVERNMENT EMPLOYEES (PRO-MOTIONS APPEAL BOARD) ACT AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by The Hon. G. C. MacKinnon (Minister for Health), read a first time.

#### Second Reading

THE HON. G. C. MacKINNON (Lower West—Minister for Health) [8.47 p.m.]: I move—

That the Bill be now read a second time.

The Government Employees (Promotions Appeal Board) Act provides, in respect of persons employed by or under the Crown, for appeals by certain officers against the appointment of other officers. Employees may, at the present time, apply for any positions but applicants who are not members of a union, party to the award or agreement, covering the terms and conditions of the vacant position, are denied an automatic right of appeal where one or more of the applicants is a member of such union.

Where no applicant is a member of the appropriate union, an anomaly occurs in that unsuccessful applicants in the same category are denied an automatic right of appeal. This situation has arisen because of an amendment made to the Act in 1964; and it is accordingly considered advisable to recast the appropriate section in order to give effect to what is believed to have been the intention of the 1964 amendment.

The provisions contained in this measure will have the following effect: Applicants for positions, who are not members of the union, party to the relevant award or agreement, will have an automatic right of appeal in cases where no applications are received from persons who are members of such unions, provided that applicants are employed in the department where the vacancy or new office occurs. It is proposed, however, to retain the provision allowing the Minister, on special grounds, to grant a right of appeal to any applicant.

Another amendment has been drafted to permit the Public Service Commissioner, as recommending or appointing authority, in respect of positions under the Public Service Act and, also, the Government Employees Promotions Appeal Board, when considering efficiency of employees, to have regard to acting service in the vacancy to be filled. But this is intended only in those cases where such acting service occurred prior to the position becoming vacant.

The Public Service Commissioner and the Civil Service Association concur in the proposed amendment. However, since the Trades and Labour Council raised objection to the general principle involved, the amendment will apply only to those persons employed under the Public Service Act.

The Bill contains a provision to resolve a problem of determining seniority where two or more applicants had previously been appointed to offices or positions in the same grade or classification or to vacancies where the same rate of salary or wages applied at the same time. It is proposed in such cases that relative seniority, prior to the last-mentioned event occurring, shall be regarded as seniority for the purposes of the Act.

The Public Service Act regulations already cover this situation in relation to public servants and this proposal extends the principle so that it will also apply to Government wages employees. All of these amendments have been the subject of several conferences held over the last few months between employing departments. The Trades and Labour Council and the Civil Service Association and all parties in their respective areas have reached agreement.

The references in the amending Bill to the Industrial Arbitration Act, 1912, and the Public Service Arbitration Act, 1966, are consequential to the legislation relative to the Public Service currently before Parliament and do not in any way affect the principles contained in the Bill with respect to the amendments proposed. I commend the Bill to the House.

Debate adjourned, on motion by The Hon. J. Dolan.

#### LAND TAX ACT AMENDMENT BILL

In Committee

The Deputy Chairman of Committees (The Hon. F. R. H. Lavery) in the Chair; The Hon. A. F. Griffith (Minister for Mines) in charge of the Bill.

Clause 1 put and passed. Clause 2: Section 5 amended—

The Hon. H. K. WATSON: I move— That the Assembly be requested to make the following amendment:—

Page 2, line 12—Insert after the word "section" the passage "(being land or lands which in the aggregate exceeds a total area of one-quarter of an acre)."

The Hon. A. F. GRIFFITH: I am prepared to accept this amendment. It has been explained that an amendment of this nature will exclude the young person who has genuinely purchased a quarter-acre block of land on which to build a house. However, I would point out that an area of land exceeding one quarter of an acre would be taxable. In a discussion during the course of the day it has been brought to my notice that there will be cases where the block of land is slightly in excess of a quarter of an acre and with a strict

interpretation of the law these blocks would not obtain the relief afforded by this amendment. It is therefore my intention to delete the word "quarter" from the amendment and substitute the word "third." I move—

That the amendment be amended by deleting the word "quarter" and substituting the word "third."

The Hon. H. K. WATSON: I had not overlooked the situation in regard to a single block being slightly more than a quarter of an acre, but I thought the Commissioner of Taxation, in a close case, would exercise commonsense and exempt the land accordingly. However, the amendment completely covers the situation and I support it.

Amendment on the amendment put and passed.

Amendment, as amended, put and passed.

The Hon. N. E. BAXTER: I have an amendment I wish to make to clause 2 on page 2. I indicated this amendment during the second reading and I have had copies circulated in the Chamber.

I move-

That the Assembly be requested to make the following amendment:—

Page 2, line 19—Insert after the word "cent." the words "Excepting where the owner of such land can demonstrate to the Commissioner of Taxation, that he cannot carry out improvements because of circumstances beyond his control."

During the second reading stage of the Bill, I pointed out that there are various areas subdivided not only into quarter-acre and one-third acre lots, but also into one-acre, two-acre, five-acre, or 10-acre lots. The people who have those larger blocks will be subject to the tax even though they cannot improve the land. There could be many reasons why they could not improve the land, and this amendment will leave it to the Commissioner of Taxation to decide, on the case put up by the owner, whether improvements cannot be carried out for reasons beyond the control of the owner. We have provision in the Bill to exclude one-third-acre blocks. A person who goes out into the urban areas and buys a larger block will have the land tax applied. I think it is just as fair to exclude those owners.

This is a difficult Bill to amend to make conditions fair for everybody. If it were left to the discretion of the Commissioner of Taxation, as my amendment provides, he could decide whether the case put to him warranted exemption. We have that type of provision in a good deal of our legislation.

The Hon. A. F. GRIFFITH: The honourable member's amendment is well intended but I think if we stop to contemplate it for a few moments we will find that the provisions would be very wide indeed. It reminds me somewhat of the clause which one finds in legal agreements that somebody will not unreasonably withhold something. It is a matter of defining the word "unreasonably" in that particular case.

The Hon. R. Thompson: We will have one of those agreements tonight, containing those words.

The Hon. A. F. GRIFFITH: I am conscious of that because I negotiated that agreement. However, let us stick to the land tax at the moment and I will tell members about the alumina refinery agreement shortly.

Returning to the defining of words, we could have the same situation with the words "circumstances beyond his control." There are many circumstances which could legitimately be beyond the control of the person concerned. He could fall sick or be out of work.

A great number of administrative difficulties would be created and I venture to suggest that a great many people would be putting propositions before the Commissioner of Taxation if we agreed to this amendment. I think it is too far reaching and I am sure the Committee will see that point.

Having conceded the point of not applying the extra tax to one-third-acre blocks, I do not think we can go any further. I would remind the Committee that the Treasurer has said he will appoint a committee to look into these matters next year. The Government is aware that some people encounter difficulty with respect to interim development, which is under the authority of my colleague, the Minister for Town Planning. On this occasion, I ask that the Committee not accept the amendment moved by Mr. Baxter.

The Hon. R. THOMPSON: For the reasons I outlined this morning, it is necessary that we give some protection to those people who have been buying lots for a number of years. With the slow rate of town planning, it could be many years before they are able to build. I first thought that the amendment was a good idea, but to tidy it up we should go further. Therefore, I move—

That the amendment be amended by adding after the word "control" the words "due to town planning requirements"

If a landowner can demonstrate to the Commissioner of Taxation that he cannot develop his land because of circumstances beyond his control, due to town planning requirements, then he should receive consideration. Town planning requires that land must be serviced with made roadways, and have a water supply. I think my amendment will get over the objection of the Minister, because I can see the amendment as moved by Mr. Baxter would have wide implications. There could be a hund-

red and one reasons given for circumstances beyond one's control. I trust the amendment will be accepted by the Minister in its amended form.

The Hon. A. F. GRIFFITH: I would like to read to the Chamber what the Treasurer had to say when he introduced this Bill. He stated as follows:—

It is my intention in the new year to set up a committee to look very thoroughly at the points which have been made and the suggestions which have been submitted here as to how we can be more effective in the two objectives of the Bill which are—

- (1) To obtain more money for the Treasury.
- (2) To bring about, as the member for Narrogin has suggested, more expeditious development and improvement of the land held.

Further on in his speech the Treasurer had the following to say:—

However, I agree that there is quite a difficulty surrounding the taxation on unimproved land, and there are problems of people holding it for investment. There is the difficulty of the genuine landowner who desires to build a house in the fullness of time. I am sure that amongst the suggestions put forward are some practical and logical ones. I thank members for their support of the Bill, and I commend it to the House.

I merely quote those words to indicate to the Committee that the Treasurer has the problems well in hand and he has undertaken to have a committee appointed to go into the matter. I could no more accept this further amendment, than I could accept Mr. Baxter's amendment. The issue would only be complicated further. I think the Committee should be satisfied that we have conceded a number of points raised and I ask that the matter be left where it is with the knowledge that the Government will look into the matter.

The Hon. N. E. BAXTER: I would consider accepting the amendment moved by Mr. Ron Thompson, but I still think it would leave a large number of landowners, who have purchased land for the purpose of building, out in the cold. I ask the Committee to give this very serious consideration. We are excluding persons who own one-third of an acre of land, but because some people want to build in an area where land is cheaper, or like to live in an urban area, they will be penalised. There are hundreds of acres of deferred urban land which would come under Mr. Ron Thompson's amendment to my amendment.

They would be protected, but if my amendment were amended there would still be other owners who would not be. However, if the Committee feels it cannot agree with my amendment as worded, in the circumstances I would be prepared to accept the amendment on the amendment in the thought that at least some of these people would not have to pay this extra imposition when they cannot afford to effect improvements to their property because of circumstances beyond their control.

The Hon. C. E. GRIFFITHS: I can appreciate the Minister's explanation that the Treasurer has given an undertaking to have a committee formed to investigate this question, and I would be prepared to agree with the Minister in what he has said up to a point. Yesterday, when speaking to the second reading of the Bill, I expressed the opinion that the doubling of this surcharge would not be retrospective, and it would be imposed two years after the law had been proclaimed. As the Minister has now told me I was wrong in that assumption, and the legis-lation will come into effect immediately, I do not think I can agree with him, despite his explanation that the Treasurer is prepared to form a committee; because the provision contained in the Bill could cause great hardship to some people who are unable to improve their properties.

I appreciate the Minister's accepting the amendment moved by Mr. Watson, and even improving it, but I cannot see any reason why we should not extend justice to the fullest extent. I cannot see anything wrong in excluding certain properties for the time being, and until the committee proposed by the Premier arrives at its finding. It may discover that exclusion suggested by Mr. Ron Thompson is not sound, and all the Government would have lost would be the revenue derived in this year. However, the Minister wants to tackle the problem from the opposite direction so that the owner will lose and the Government will not. Therefore I cannot see why we should not support the amendment. Unless the Minister can convince me otherwise, at this stage I am inclined to support it.

If the proposed committee is formed early in the new year it would mean that legislation would remain in the Statute book for approximately 12 months, following which, I feel certain, when the committee does make its recommendations, we would have an amending Bill before us in the following session to tidy up the situation completely. However, the amendment would give the committee something to work on with a view to ascertaining how much land is prejudicially affected.

In view of the facts in my possession, and possibly because of the objections other members have raised from time to time in this Chamber, I cannot see anything wrong with accepting the amend-

ment at this stage, because we know it will be in existence for only 12 months.

The Hon. A. F. GRIFFITH: I would point out to Mr. Clive Griffiths that the wording of the amendment is—

Except where the owner of such land can demonstrate to the Commissioner of Taxation that he cannot carry out improvements because of circumstances beyond his control.

It does not even contain the words, "demonstrate to the satisfaction of the Commissioner of Taxation." All an owner has to do is to say to the Commissioner of Taxation, "I can demonstrate to you that I cannot carry out improvement of this land."

The Hon. C. E. Griffiths: Due to town planning requirements.

The Hon. A. F. GRIFFITH: In respect of town planning requirements I think Mr. Logan would agree with me that would not apply in many cases. What would apply would be the interim development order issued by the Metropolitan Region Planning Authority. In my opinion the amendment is far too wide.

The Hon. R. Thompson: It is narrow now.

The Hon. A. F. GRIFFITH: It is narrower now, though it is still wide enough, and to me it is not acceptable for the reasons I have given.

The Hon. A. R. JONES: I have had nothing to say as yet, but if the Minister says the amendment is too wide now, that opinion is not shared by me and other members of this Chamber. We are of the opinion the Minister's Bill is too wide for us to consider. Like others, I believe too many people who should not pay this tax will be called upon to pay it. Why is the Minister hurrying the Bill through the Chamber merely for the sake of inserting an amendment in the Act?

The Hon. A. F. Griffith: I am not hurrying it through; I have been debating it for three quarters of an hour.

The Hon. A. R. JONES: Well, why not debate it for another three quarters of an hour to arrive at an amendment acceptable to all members of the Committee? Surely those who frame these amendments could arrive at something that would satisfy all members of the Committee.

The Hon. C. R. ABBEY: I can see the reasoning behind the amendment moved by Mr. Baxter, and the amendment on the amendment moved by Mr. Ron Thompson. I can also accept the Minister's assurance that action will be taken early in the new year by the proposed committee to investigate the whole position. If we hastily amend this provision now we may defeat our purpose by making it too wide or too narrow. I would offer the counsel that we give the

Treasurer the opportunity to appoint the committee to investigate the whole situation.

The Hon. C. E. GRIFFITHS: I am completely at a disadvantage because I have not a copy of the amendment and I am trying to remember the words contained in it.

The Hon. A. F. Griffith: You can have mine.

The Hon. C. E. GRIFFITHS: Others who have had a copy of the amendment have been able to arrive at their own conclusions on whether it is too wide or too narrow. If this proposed committee is to be established for the sole purpose of investigating any anomalies in the legislation, as Mr. Ron Thompson has said, all that could happen is that in 12 months' time it will be completely rejected; but, in the meantime, some person has not been unjustly taxed on land which, through no fault of his own, and particularly because of town planning requirements, he cannot develop.

Mr. Watson said last night that one arm of Government says one cannot develop the land, whilst another arm of Government says that if one does not develop one's land the tax on it will be doubled. Such a situation absolutely flabbergasts me.

The Hon. N. E. BAXTER: In regard to this extra tax on unimproved land, members should reflect on what areas will be affected within the metropolitan region town planning scheme. The Bill will extend beyond Rockingham and beyond Armadale, and people in those areas who are not primary producers are subject to the metropolitan region improvement tax. I would point out that there is a large number of quarter-acre blocks outside the perimeter of the metropolitan area and of a much higher value than many within the metropolitan area which will not be affected if this amendment is not agreed to

The Minister for Mines suggested that I had not included the words "to the satisfaction of the Commissioner of Taxation." I am quite happy to include those words. Nevertheless, the amendment demonstrates that it shall be done to the satisfaction of the commissioner. The amen ment gives the Commissioner of Taxation discretion whether he shall decide if any person shall be excluded from the action of the Metropolitan Region Pianning Authority.

If the amendment is agreed to and is incorporated in the Bill, and the proposed committee investigates the whole subject next year, I can assure the Minister and members of this Committee that if it is found the committee cannot insert any practical provision in the legislation, and that the amendment is wrong, it could be repealed next session. However, I am sure

the committee which will examine this problem would appreciate a provision of this nature in the Bill.

The Hon. H. K. WATSON: I am in sympathy with the principle outlined in the amendment moved by Mr. Baxter, but I believe the amendment which has been circulated among us has one disability for no other reason than sheer lack of time being available to Mr. Baxter to consider the question at leisure and draft an amendment which would be more appropriate in meeting the case we have in mind

The Hon. A. R. Jones: That is exactly right!

The Hon. H. K. WATSON: The Minister has drawn attention to some drafting weaknesses in the amendment, and even with the restriction proposed by Mr. Ron Thompson it is still rather ragged. One would expect to find in an Act of Parliament words such as these: "Due to any order issued to him under interim development by the Commissioner of Town Planning." This is a particular way to draft a provision such as the amendment.

The amendment is entirely without limitation as to area. A person can own 10,000 acres, but he will still be entitled to exemption if he can demonstrate to the satisfaction of the commissioner that he cannot carry out improvements because of town planning requirements. There might be something in the amendment if the restriction were applied to five or 10 acres.

All of us require more time than is available to produce an amendment which will achieve the desired result. For that reason there is something in the Minister's suggestion, in view of the definite promise made by the Treasurer that he will appoint a committee. We should wait for the presentation of the report of that committee.

The whole question of land tax will have to be looked into. The Act needs redrafting and tidying up to cover the points which have been raised by Mr. Clive Griffiths and Mr. Baxter this evening.

The Hon. A. F. GRIFFITH: I refer to some comments which are recorded in *Hansard*. They are—

I suggest that a good source of revenue would be a tax on unimproved land. Whilst we have a State which is progressing as it is, and there is so much land to be developed and such a call on the land by various people, it seems to me to be wrong that people should continue to hang on to land they were able to buy so many years ago. It is wrong they are not called upon to develop that land in any way.

The Hon. A. R. Jones: That is still my opinion.

The Hon. A. F. GRIFFITH: The preparation of this Bill has not been rushed, and it contains only two clauses.

The Hon. F. J. S. Wise: Let us report progress and deal with it again tomorrow.

The Hon. A. F. GRIFFITH: That will not achieve anything more than what the Bill sets out to achieve. The administrative costs for putting into effect what has been proposed will be greater than the increased tax. Further, we would not know where to start or finish.

I remind members that before the Committee stage was dealt with I conferred with the Treasurer as to whether a person owning a single block of land could be protected. I came back within a short while with an undertaking that such a block could be protected. The amendment will enable a person to avoid the tax if he can demonstrate that he should not pay it.

The Hon. N. E. Baxter: That right now exists in respect of land in the metro-politan area.

The Hon. A. F. GRIFFITH: This amendment will affect not only the metropolitan area but also the country areas.

The Hon. F. J. S. Wise: Let us put the amendment to the vote.

Amendment on the amendment put and a division called for.

Bells rung and the Committee divided.

The DEPUTY CHAIRMAN (The Hon. F. R. H. Lavery): Before the tellers tell, I give my vote with the Ayes.

Division resulted as follows:-

#### Ayes-13

Hon. N. E. Baxter
Hon. C. E. Griffiths
Hon. E. M. Heenan
Hon. R. F. Hutchison
Hon. A. R. Jones
Hon. F. R. H. Lavery
Hon. T. O. Perry

Hon. T. O. Perry

Hon. R. Thompson
Hon. R. Thompson
Hon. J. M. Thomson
Hon. J. W. Stson
Hon. J. S. Wise
Hon. J. Dolan

(Teller)

Noes-10

Hon. C. R. Abbey Hon, V. J. Ferry Hon, A. F. Griffith Hon. J. Heitman Hon. J. G. Hislop Hon. E. C. House Hon. L. A. Logan Hon. G. C. MacKinnon Hon. P. D. Willmott Hon. H. R. Robinson (Teller)

Pairs

Ayes Noes
Hon. R. H. C. Stubbs Hon. N. McNelll
Hon. J. J. Garrigan Hon. G. E. D. Brand
Hon. H. C. Strickland Hon. S. T. J. Thompson
Amendment, on the amendment, thus

Amendment on the amendment thus passed.

The Hon. H. K. WATSON: For the reasons related to drafting I cannot support the amendment, as amended.

The Hon. A. F. GRIFFITH: I agree with Mr. Watson's comment. I am not so concerned with the drafting, and even if time were available, redrafting of the amendment would not alter its effect. The scope of the amendment leaves the position wide open. It is all very well for members to vote in favour of an amendment like this when they do not

have the responsibility for administering the Act. It is all very well for members to deprive the Government of \$60,000 or \$70,000. The Government has conceded a point, and has gone further to exempt a one-third-acre block. I have already pointed out that the Treasurer has undertaken to look into this matter, but members do not seem to be satisfied. If the amendment, as amended, is agreed to we will have an additional provision in the Bill. I do not intend to flog this, but for the reasons I have already given I am opposed to it.

The Hon. C. E. GRIFFITHS: Until the Minister spoke just now I was prepared to follow the same line as suggested by Mr. Watson. However, in view of the fact that the Minister said it did not matter how much this was amended, it would not suit the Government, I take that automatically to mean that even the Premier's committee will not consider this aspect.

The Hon. A. F. Griffith: Cut it out.

The Hon. C. E. GRIFFITHS: That is my interpretation. It does not matter how much time we spend trying to word this amendment, it will not be accepted. For the life of me, I cannot believe that I should support it in its endeavours, unjustly, to get \$60,000-odd. I could not possibly go along with that.

The Hon. A. F. Griffith: You have a vivid imagination, I did not say or imply anything of the kind.

The Hon. C. E. GRIFFITHS: This can be checked, but I am under the impression that the Minister said we could easily vote against the Government's taxing Bill and preclude it from getting £60,000-odd or \$60,000-odd. I am not sure what he said.

The Hon, A. F. Griffith: That is right. You are not sure what I said. What I tried to convey to you was that it was very easy for you to vote against the Government and deprive it of \$60,000 or \$70,000 taxation without having the responsibility attached to it.

The Hon. C. E. GRIFFITHS: Fair enough. The means of obtaining the \$60,000 is to get it from someone from whom the Government is not entitled to get it because those concerned are not in a position to improve their land. I am sorry if this is against my party's wishes, but I am afraid my conscience will not allow me to vote with the Government.

The Hon. F. D. WILLMOTT: The longer this debate continues the more apparent it becomes to me that we would be unwise to tinker with this Bill any further. I feel that the debate and cases submitted clearly demonstrate that the Government needs the advice of the committe to be established, before it can deal with any anomalies.

The Hon. J. HEITMAN: I agree entirely with Mr. Willmott. The amendment as it stands deals with those blocks which might come under town planning. However, a lot of rural blocks are also involved.

The Hon. F. D. Willmott: Plenty of them.

The Hon. J. HEITMAN: I am sure quite a few members, when voting on this amendment, forgot about the rural land. I am prepared to wait for the committee to be established and inquire into the matter. I feel there might be other anomalies which we do not realise tonight and the committee could investigate all these and report to the Government next year, when the whole matter could be tidied up.

The Hon. N. E. BAXTER: I think all members heard me say I was prepared to accept half a loaf. The same as Mr. Willmott and Mr. Heitman, I know that a lot of people will not be included. However, let us set the principle that people who cannot improve their properties, because town planning will not allow them to do so, will be protected.

The Hon. L. A. Logan: Are you going to apply today's values in five years' time?

The Hon N. E. BAXTER: This will not affect the values in any way at all. All it will do is exempt those concerned from paying the additional tax on unimproved land which they cannot improve through no fault of their own. If my amendment is not included, these people will be taxed unfairly, and that is not justice.

The Hon. A. F. GRIFFITH: My friend. Mr. Clive Griffiths, has gained an erroneous impression. He thought I said that at no time would the Government give consideration to the principle of this amendment even when the proposed committee is examining the overall question of land tax. What I said, or what I intended to convey, was that at this point of time the intention of the amendment is clear, badly worded though it may be. Before the committee has had an opportunity to look at the matter the honourable member's amendment is not acceptable to the Government. That is what I think I said. If I said anything different I did not mean to do so.

The Hon. A. R. JONES: As far as I am concerned this is a matter of principle. I do not accept for one moment the suggestion that the Premier would not keep his word in connection with the appointment of a committee. However, if these people are to be taxed, the committee should have been established a long time ago and not next year. Why should we tax for 12 months people who should not be taxed? If they pay this amount only once, it will be once too often, We must protect them. If the Minister is not prepared to accept a properly worded amend-

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ment, I will stick to the one we have already.

Amendment, as amended, put and a division called for.

Bells rung and the Committee divided.

The DEPUTY CHAIRMAN (The Hon. F. R. H. Lavery): Before the tellers tell, I give my vote with the Ayes.

Division resulted as follows:-

#### Aves-12

Hon. N. E. Baxter Hon. C. E. Griffiths Hon. E. M. Heenan Hon. R. F. Butchison Hon. A. R. Jones Hon. F. R. H. Lavery	Hon, T. O. Perry Hon, R. Thompson Hon, J. M. Thomson Hon, W. F. Willesse Hon, F. J. S. Wise Hon, J. Dolan (Teller)

#### Noes-11

Hon. C. R. Abbey Hon. V. J. Ferry Hon. A. F. Griffith Hon. J. Heitman Hon. J. G. Hislop	Hon. L. A. Logan Hon. G. C. MacKinnon Hon. H. K. Watson Hon. F. D. Willmott Hon. H. R. Robinson
Hon. E. C. House	(Teller,
	Pairs

Ayes Hon. R. H. C. Stubbs Hon. J. J. Garrigan Hon. H. C. Strickland Noes Hon. N. McNeili Hon. G. E. D. Brand Hon. S. T. J. Thompson

Amendment, as amended, thus passed. Clause, as amended, put and passed.

#### Report

The Chairman reported that the Committee had considered the Bill and had agreed to return it to the Assembly with the request that the amendments agreed to by the Committee be made; and that the Committee asked leave to sit again on receipt of a message in reply from the Assembly.

Report adopted, a message accordingly returned to the Assembly, and leave given to sit again.

#### ALUMINA REFINERY AGREEMENT ACT AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by The Hon. A. F. Griffith (Minister for Mines), read a first time.

#### Second Reading

THE HON. A. F. GRIFFITH (North Metropolitan-Minister for Mines) p.m.]: I move-

That the Bill be now read a second

The purpose of this Bill is to effect a necessary amendment to the agreement with Western Aluminium No Liability, as contained in the Alumina Refinery Agreement ratifying Act of 1961-63.

Alcoa, the name by which this concern is so well known, has established its industry at a quicker tempo than that envisaged in the original agreement and Western Aluminium N.L. already has undertaken major expansion to double its original capacity.

As a consequence, the company now is in a position of requiring greater flexibility in its negotiations. For this reason, it desires to separate from the main mineral lease six separate mineral leases. These leases are identified in plan marked "D".

The main features of these special mineral leases are as follows:-

Firstly, the company has the right of assignment within the next 20 This assignment can be to itself and another corporation of any of the six new mineral leases presently forming part of Mineral Lease No. 1SA granted to the company under the terms of the original agree-Right of assignment is conditional upon the construction, within three years, of an additional alumina refining unit with an annual production capacity of not less than 180,000 metric tons of alumina for each of the three separate mineral

Secondly, the six separate mineral leases cannot be dealt with until 1986 by assignment, except under these conditions. Subsequently, any of the six separate mineral leases not by then assigned, will then automatically determine and form part of Mineral Lease No. 1SA, namely, the present main mineral lease.

Thirdly, any separate mineral lease which has been assigned and later reassigned back to the company, then ceases to be a separate mineral lease and becomes part of the Mineral Lease No. 1SA.

Fourthly, as Minister for Mines, I may, at any time before 1986, at the request of the company, cancel any separate mineral lease and such cancelled special lease would also become part of Mineral Lease No. 1SA.

There is some flexibility permitted under the provisions in the new subclause (2) of clause 17 of the principal agreement by the incorporation of the words, "except where and to the extent that the parties hereto may otherwise agree in relation to any matter mentioned in this subclause."

Without these words, too much rigidity could exist and militate also against something reasonable as far as the com-pany and the State are concerned.

The company's right of assignment, under the original agreement, is retained through the same wording, apart from the separate mineral leases to which I have referred.

An assignment made under the terms of the new provisions does not relieve the company from any liability under the agreement, however, and this is important.

The attention of members to the new subclause (5) in the amended clause 17 of the principal agreement, is specifically invited. It reads, "An assignment made pursuant to this clause shall not relieve the company from any liability imposed upon the company hereunder."

The amendments contained in this measure are commended as being in the interests of the State. The greater flexibility in respect of the separate mineral leases, tied as they are to substantial new alumina refining units, could be instrumental in expediting the speed and extent of the expansion of the Alcoa project in this State, thus bringing with it consequent advantages in additional rail tonnages, with corresponding financial gains in revenue and in employment.

The Government is informed by the company of its expectation to execute at least one agreement for an additional alumina unit within quite a reasonable time after the new separate mineral leases are available. Indications also are that the day is approaching when the justification of a smelter economically will be feasible.

Members will recall, I think, that, regardless of strenuous efforts made by the Government at the time, it was then impracticable to justify economically the establishment of a smelter at Kwinana. Circumstances existing at the time the original agreement was negotiated and which gave rise to this decision, were related to the non-availability of large volumes of cheap and continuous supplies of power. As a consequence, the company was obliged to make arrangements in Victoria, where successful negotiations to produce power, based on a very large deposit of cheap coal, eventuated.

Nevertheless, the company has since cooperated with the State Government in a study of the feasibility of having a smelter in Western Australia at the earliest practical date.

As may well be appreciated, there are many factors which are involved in the determination of the circumstances and in the period of time necessary to permit the establishment here of a smelter as an economical proposition.

Among these factors are, as already mentioned, the availability of suitable power supplies and of raw materials. Then there is the size of the local market, conditions generally in world production, and market patterns.

We accept the fact that the overall Australian market is fairly limited and, although expanding to what is regarded as a satisfactory degree, it is shared by a number of large companies with considerable capacity and potential for expansion.

It would appear, therefore, that the future markets to be supplied from a Western Australian smelter would be those open largely for the supply of billets to other countries not having indigenous sources of bauxite or adequate alumina refineries and aluminium smelters of their own.

It will be readily appreciated, I believe, that the company is not in a position at this stage to commit itself to the establishment of a smelter. As a declaration of its sincerity in the studies that are being undertaken, however, and its attitude to this State's hopes for progress in this direction, the company advised the Premier by letter.

For the benefit of members, I would like to read the letter to the House. It is dated the 21st November, 1966, and is addressed to The Honourable, The Premier of Western Australia. It reads as follows:—

Dear Mr. Brand,

The Company acknowledges its intention to construct a smelter in this State to smelt alumina produced at the works site or some other refinery operated by the Company in this State under the Alumina Refinery Agreement as and when market requirements have developed to the appropriate level and other conditions are present which make it economically feasible to do so. The Company cannot at present accept a specified commitment as to the time when such smelter will be established or the location and size of such smelter, but it undertakes to investigate the economic feasibility from time to time of constructing a smelter and to inform the State of the result of its investigations.

The State acknowledges that this is not a specific commitment to establish a smelter and that there are a number of important factors which would have to exist before such a smelter would be economic. These include but are not limited to a continuing and adequate electric power supply at a cost which, in the opinion of the Company, based on its experience in other localities, will permit it to operate the smelter at a cost competitive with other smelting installations throughout the World serving the same or comparable markets.

The State also acknowledges that World market and economic conditions must be taken into account when assessing whether the establishment of an aluminium smelter is economic and practical.

When the State and Company agree on the time and conditions for the establishment of a smelter, the Company nevertheless will not be expected to establish a smelter unless and until the State can make available to the Company, on reasonable terms, such land and facilities as may be necessary for the purpose.

Yours truly,
A. C. SHELDON,
Managing Director.
WESTERN ALUMINIUM
NO LIABILITY

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This communication represents, I believe, a considerable advance on the previous situation, while not amounting in itself to a legal commitment—this, for reason of the impracticability of forecasting with any accuracy the point of time when economic factors will come into balance.

The dominating factor will be the supply of power and, in this connection, I suggest that the discovery of natural gas in sufficiently large quantities could influence the position in a number of ways.

It should not be assumed, nevertheless, that a smelter will be practicable within a few years—nor in ten or twelve—but members may be assured that close consultation will continue with a view to achieving our objective at the earliest practicable date.

The Minister for Industrial Development, who introduced this measure in another place, expressed his satisfaction with the manner in which Western Aluminium N.L. has conducted itself at Kwinana and the progress made ahead of its contractual commitments and I am pleased to be associated with these views.

The concern has endeavoured to face up to its problems of effluent and dust in a spirit of willing co-operation and within the reasonable limits which can be expected in industries of this nature.

I do not think it is necessary for me to add very much more, except to say that as these assignments take place, it can be expected they will be associated with the installation at Kwinana of additional aluminium refining units at the site which, it is unnecessary to say, will be of considerable benefit to the State, not only in the refining of another one of our minerals but also in the employment-giving advantages that such treatment of bauxite to aluminium will bring about. I commend the Bill to the House.

Debate adjourned, on motion by The Hon. R. Thompson.

### PRIVATE RAILWAYS (LEVEL CROSSINGS) BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by The Hon. L. A. Logan (Minister for Local Government), read a first time.

Second Reading

THE HON L. A. LOGAN (Upper West—Minister for Local Government) [10.14 p.m.]: I move—

That the Bill be now read a second

This Bill has, as its main purpose, the clarification of a situation, which will become increasingly important through the commencement of operations of some of the private railways which have been constructed in the north under iron ore agreements which have been ratified by Parliament.

The agreements provide for the railways being operated in a safe and proper manner, but there is no certainty, nevertheless, that the Government can provide adequately in any lease agreement, etc.. in respect of the position at level crossings.

When negotiating in these matters and in the preparation of lease documents in respect of railways, conditions are set by the Government in agreement with companies, which are considered satisfactory for railway operation, but these conditions, in certain respects, are not necessarily applicable to the general public.

The question of level crossings is one such matter which it is considered can be dealt with satisfactorily only by Statute and this explains why this Bill has come to the House. It was considered best to handle the situation by introducing a special Bill in order to make it easier for members of the public, than by inclusion of its terms in any other Act such as the Public Works Act, for instance, in which Act level crossing provisions in respect of the Western Australian Government Railways are contained.

For the information of members, I suggest it is appropriate to refer to the relevant provisions of the Public Works Act so far as they relate to Government railways. These are contained in subsection (2) of section 100 of that Act and are as follows:—

Where a road, street or thoroughfare crosses a railway on a level, the public right of way at such crossing shall cease whenever any engine or carriage on the railway is approaching and within a distance of a quarter of a mile from such crossing; and shall at all other times extend only to the right of crossing the line of railway with all convenient speed but not stopping thereon.

Upon reference to this Bill, it will be noted that its terms are drafted in the same manner in respect of public right-of-way at all level crossings. It is provided in clause 4 that the public right-of-way shall cease when, and as often as, any engine, truck or carriage on the line of a private railway that passes through the level crossing is approaching and within a distance of a quarter of a mile from the level crossing.

The Bill provides, also, that the public right-of-way at level crossings at all other times shall extend only to the right of crossing the line of railway at the level crossing with all convenient speed but not stopping or continuing thereon. I emphasise the point that some of these private railways, which are being constructed under the terms of agreements ratified by Parliament, are major systems, as for instance, the Hamersley Iron and Mt. Goldsworthy railways.

I suggest it would be unrealistic to have one set of conditions for level crossings for private railways of this kind and another set of conditions for Government railways, particularly now with the increasing amount of travel by motorists throughout the State, and the number of people who will be strangers in these areas.

The impracticability of adequately distinguishing in the motorist's mind between two types of railways will be apparent, and uniformity, therefore, is considered most desirable. A private railway is defined in the Bill as a railway that is constructed by a person under the authority of an agreement with the State. A "person," under the Interpretation Act, also means a company, corporation, etc.

Opportunity has been taken in the drafting of this measure to make provision with respect to the erection and maintenance of protection devices at level crossings. These will normally be dealt with by the Government of the day in any agreements, leases, etc. it enters into with private railway operators, but it is considered some appropriate reference should be made in this legislation.

Level crossings existing at the time this Bill comes into operation as an Act, will be at the cost of the railway operator, subject to any provisions that may be in existing agreements. The question of level crossing protection, in respect of new level crossings, that may become necessary because of development of a more widespread road system, will be a matter for negotiation between the Government and the railway operator. There is provision for arbitration where agreement cannot be reached.

I suggest that in circumstances where new crossings are being created because of a developing road pattern, it would be reasonable for the Government of the day to take into account such things as the reason for the new road. It would be unfair, obviously, to expect the railway operator to stand all the cost of level crossing was being created, or, an existing crossing was being upgraded for the benefit of a third party, or, for a public purpose.

Should the Government of the day not reach agreement, though it is difficult to imagine insurmountable objects in this regard and commonsense would be expected to prevail, an arbitrator would take into account all the circumstances surrounding a particular request for a new level crossing and its protection, to arive at a fair proposition between the railway operator, the Government, and any third party.

The Government, of course, would be largely in command of the situation because new level crossings would be developed for a particular purpose and if related to the development of an industry, an agreement, no doubt, could be made with the newcomer to make a reasonable

contribution on the whole or part of any new costs incurred. I mention this, particularly, lest there be any suggestion that the costs would necessarily fall wholly or in part on the Government.

I commend this measure to the House.

Debate adjourned, on motion by The Hon. W. F. Willesee (Leader of the Opposition).

Sitting suspended from 10.21 to 10.54 p.m.

#### LOTTERIES (CONTROL) ACT AMENDMENT BILL

Second Reading

Debate resumed from the 23rd November.

THE HON. J. HEITMAN (Upper West) [10.55 p.m.]: I rise to support the Bill. I believe that, over the years, the Lotteries Commision has done a great deal to assist charitable institutions in Western Australia. Looking at the list of disbursements it has made to various institutions—which list is set out in the booklet I have before me—it is found the commission distributed \$673,634.23 in 1951, and then, in 1965-66 it is discovered it distributed \$1,216,156.04. That is a great increase in the moneys distributed over the years.

On looking at the back page of the booklet it is found that, since 1933, the total profit distributed by the Lotteries Commission is \$19,071,615.90. Of this amount \$7,140,227 has been distributed to hospitals, so approximately 35 per cent. of the moneys distributed went to hospitals. and was not spent, as the Government intends it to be spent in the future but on and buildings amenities in hospitals throughout the State. Of this \$7,140,227, an amount of \$3,538,221 was distributed in the metropolitan area, and \$3,582,006 was distributed in the country. That shows the commission has given consideration to various hospitals both in the country and in the metropolitan area.

I now feel, as the Premier said in his second reading speech on the Bill in another place—

The PRESIDENT: Does the honourable member propose to quote from *Hansard* of this session, because Standing Orders will not allow him to do so?

The Hon. J. HEITMAN: Very well. However, it was said by the Leader of the House that in 1962-63 approximately \$12,000,000 was spent on hospital administration in this State. Since then the amount has grown to approximately \$17,000,000. I feel that if \$400,000 of this can be taken from the profits of the Lotteries Commission in the first year, at the rate of 10 per cent., this must prove to be of assistance to hospitals throughout this State which accommodate many people of all classes and in many walks of life when they become hospitalised.

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The Lotteries Commission has done a great job in that its income has shown an increase each year through the sale of tickets, and the types of lotteries conducted are more popular than they were in the initial years of the Commission's existence. I wonder why, therefore, there has been so much opposition to the Government withdrawing some of the profits from the commission so that they can be paid into Consolidated Revenue, when it is considered that the Irish sweepstake is run solely for the benefit of hospitals throughout Ireland.

When I was in that country in 1952 I saw some wonderful hospitals that had been built throughout the country by moneys obtained from the sweepstake. Not only are hospitals built from the money obtained from this source, but the administration costs of the hospitals are also met by the profits that are made from this sweepstake.

I am given to understand that in Victoria and New South Wales most of the profits from the lotteries are paid into Consolidated Revenue. In Western Australia it is not proposed to do that, and the funds will be paid into a hospital fund. I think Mr. Baxter said it should be given another name.

This reminds me of the war years when I was chairman of a patriotic committee. One person wrote in and said he was prepared to donate the profits from a Melbourne Cup sweep to the committee. We had a reverend gentleman on the committee who refused to accept the donation, because it had been obtained from gambling; so a motion was moved that the donation be accepted, without any reference being made to gambling, and it was passed. Mr. Baxter's comments remind me very much of the thoughts held in those days: That as long as gambling was not mentioned it was all right.

I cannot see anything wrong with the Government's proposal to take 10 per cent. in the first year, 15 per cent. in the second year, and 20 per cent. thereafter. It is a very good proposition and the proceeds will help the hospitals in this State and people in all walks of life will benefit. I support the measure.

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [11.2 p.m.]: What I have tried to do in this debate is to satisfy the points which have been raised by various members, and in particular I address my remarks to Mr. Wise. I have spoken to the Under Treasurer and have asked him what happened in matters of this nature. I qualify that by giving my own point of view. The question of Commonwealth-State financial relationships is very involved, and the part which the Grants Commission plays in this matter is probably more involved.

I must confess that to me this is a very difficult matter. I go so far as to say few people in this State really understand the implications and the complications of Commonwealth-State financial relations and the attitude of the Grants Commission towards the States. The Treasury officers of this State do all they possibly can in a conscientious effort to advise the Government of the day what, in their opinion, is the right and proper thing to do in the interests of Western Australia in order to gain the fullest possible advantage from the Grants Commission.

The Hon. R. F. Hutchison: You mean to make the Lotteries Commission subject to Government spending.

The Hon, A. F. GRIFFITH: That is nonsense. The honourable member is drawing red herrings across the trail. I am being serious in what I am saying.

The Hon. R. F. Hutchison: So am I.

The Hon. A. F. GRIFFITH: I ask the honourable member to be patient. If she does not agree with what I am saying she can express her views in the Committee stage. There is obviously a lack of knowledge on the part of many of us on matters concerning the Lotteries Commission of this State. It is generally thought that by conducting lotteries we generate the capacity to spend the net proceeds, in addition to the normal outlet, on hospitals and charities from the revenue. That is not so.

At this stage I wish to read a statement which has been prepared setting out the position. The person who supplied the notes had no axe to grind, and he has no reason to tell me anything other than the truth; because New South Wales and Victoria take the proceeds of their lotteries, apart from the Opera House lottery, into Consolidated Revenue and the Grants Commission treats our proceeds as if they are taken into Consolidated Revenue.

The statement which has been supplied to me is as follows:—

In fact, the effect of the commission's methods is to increase both the revenue and expenditure sides of our Budget as if lottery transactions were part and parcel of our Budget and not conducted by a separate agency.

The reason for this is to make our Budget comparable with the Budgets of New South Wales and Victoria for purposes of comparison and to determine appropriate standards both in respect of revenue and expenditure.

In the case of New South Wales and Victoria, the spending of lottery proceeds is charged to Consolidated Revenue which of course means that expenditure on hospitals and charities is raised by these outlays and we in Western Australia get the benefit of a higher standard of allowable expenditure.

As the standards of expenditure are raised to our advantage by the treatment given to lotteries by New South Wales and Victoria it will be obvious that in examining expenditure in Western Australia on hospitals and charities, the Grants Commission must take into account all expenditure incurred by the Lotteries Commission as though it were charged to Consolidated Revenue.

The essence of the matter is that the net income of the Lotteries Commission is not treated as being separate from ordinary State revenues and therefore its expenditures are as much a drain on the resources of the State as are other outlays on hospitals and charities financed directly from the Consolidated Revenue and General Loan Funds.

The proper and sensible course would be to confine the Lotteries Commission to a body which simply conducted lotteries without any power to spend the net proceeds. These should be paid like other taxes into Consolidated Revenue to assist in financing the State's outlay on hospitals and charities.

In making that statement I should add that it must not be implied there is not a qualification to follow. The legislation before us provides that although this may be regarded as the optimum objective, it is not what the Bill seeks to do. The statement goes on—

Such a course would not result in the State lifting its total income but we would be able to exercise control over expenditure which today is being authorised by the Lotteries Commission in the mistaken belief that it has a source of income independent of State finance.

The Hon. F. J. S. Wise: Those are almost the identical words I used.

The Hon. A. F. GRIFFITH: I got the Under Treasurer to examine the speech of the honourable member, and I am sure he would like me to do that. The statement goes on—

In consequence large sums are being spent on items which in no circumstances could be regarded as a proper charge to Consolidated Revenue and yet that is what really happens to this expenditure in the end resulting with a disturbing effect on the conduct of State finance.

It will be apparent that as the net proceeds of lotteries are taken to Consolidated Revenue in the standard States they assist in financing normal budgetary expenditure on hospitals and charities.

But in Western Australia however, net proceeds of lotteries are spent largely on extra-budgetary items which adds to the total outlay on social services and results in adverse adjustments which of course, all other things being equal, require the use of loan funds for deficit funding purposes. In simple terms, the extrabudgetary expenditure of the Lotteries Commission is not being financed from lottery proceeds at all but from State loan funds or by extra taxation effort or by lower than standard expenditure on other social services.

At this stage I should draw attention to the fact that adverse adjustments made by the Grants Commission in respect of hospital expenditure in Western Australia are by no means of a minor character. In 1963-64 the adverse adjustment was \$1,500,000 which increased to \$1,700,000 in 1964-65 and the indications are that it will be even higher in 1965-66 and 1966-67.

In past years we have had to use loan funds to clear revenue deficits which have arisen in part from the expenditures of the Lotteries Commission. Therefore whilst the commission has been given credit for the contributions it has made to such capital projects as extensions to hospitals, homes, etc., the State Government has in fact provided the finance for these works from its own loan funds which obviously is a very serious weakness in the control of State finance.

From a personal point of view I wish to compliment highly the Lotteries Commission for the work it does in so many fields, but the fact remains that in this particular field we are not operating to the best advantage.

The Hon. F. R. H. Lavery: I cannot see the logic in that.

The Hon. A. F. GRIFFITH: Let me finish and we might be able to sort out some of the points. The statement goes

It is realised that the restrictions proposed in the Bill on Lottery Commission spending will mean that there will have to be more direct spending from the General Loan Fund on capital projects previously assisted by the commission, particularly hospital buildings.

This does not mean that the Government will be any worse off financially as it has in any case been financing these works in the past from its own resources as has already been indicated.

However, the Government would be able to exercise full control over its own capital outlays both as to volume and priority of works which under the current arrangements is not possible.

There is another important aspect to bear in mind, and that is expenditure on capital works incurred by the Lotteries Commission, unless offset by a higher than standard tax-raising effort by Western Australia or by denying legitimate claims for expenditure on other social services, would result in a deficit having to be funded from loan funds. In the past such a funding has not resulted in a penalty from the Grants Commission, but under a recent change in its procedures any future deficit funding will carry a very heavy accumulating penalty which would impose a difficult burden on State finance.

On the other hand, expenditure on capital works financed direct from the General Loan Fund attracts no similar penalty. It would therefore pay the State to finance any required capital outlays direct and not in the present devious and illogical way which will ultimately lead to considerable financial difficulties.

If no change is made in the current position the Government, in order to continue financing the extra-budgetary expenditures of the Lotteries Commission, will have to:-

Levy taxation at rates above the average of New South Wales and Victoria, or,

Curtail expenditure in other fields of social services including education to a level below that of New South Wales and Victoria, or,

Use loan funds to clear revenue deficits occasioned by Lotteries Commission extra-budgetary and expenditures incur heavy and real penalty at the hands of the Grants Commission for using loan funds for this purpose.

I think due recognition should be given to the problem which faced the Government in trying to tidy up this area of State finance.

In this respect it was realised that it would be difficult to convince the public at large of the true situation with lottery finance and any move to pay the net proceeds of lotteries to Consolidated Revenue—

And this is where I qualified the remarks I made a little earlier in respect of the whole of the proceeds-

—would be taken as a step by the Government to bolster its finances when in fact it would only be formalising what is already the effect of Grants Commission procedures.

Nevertheless, the Government decided that is was essential to face up to the true facts of the situation and this is the reason for the legislation to amend the Lotteries Control Act.

However, the proposals contained in the Bill do not take away from the Lotteries Commission all the moneys at its disposal even though there is a very strong case to do so.

The Hon, R. F. Hutchison: How gracious of you!

The Hon. A. F. GRIFFITH: To continue-

The commission will still be left with substantial funds which the Government believe will be adequate for it to carry on its support of charitable and public bodies.

That is the end of the advice I have re-ceived from the Under Treasurer, given to me I am quite certain, as I said a few moments ago, in a conscientious effort to There is try to explain the objective. nothing shady about this, which has almost been suggested.

I talked to Mr. Townsing a little further on the point and I said to him, "You have not answered to my satisfaction-and certainly not to the satisfaction of Mr. Wise, because you have not mentioned it at all—the question Mr. Wise raised on the unfavourable adjustment." I think the figure was \$526,000. I explained to Mr. Townsing that Mr. Wise had said there was nothing in the report to this effect.

I was told that the report does not disclose full details; it more or less summarises. However, the details are available to the Treasury, and it is from these details and the knowledge of the details that the Treasury has, which enables it to present figures; but these figures cannot be traced physically in the report itself.

I think it is fair to say again that Treasury officers spend many hours of their time in order to try to obtain maximum benefits, in the circumstances of the financial arrangement we have, for Westtern Australia.

The Hon. R. F. Hutchison: They are doing what they are told.

The Hon. A. F. GRIFFITH: It is nonsensical to say a thing like that; it really is. Anyone would think these people were crooks, or something. They are not doing as they are told. They advise the Government and they would advise a Labor Government just as conscientiously.

The Hon. R. F. Hutchison: They would get better advice from a Labor Government, that is the difference.

The Hon. A. F. GRIFFITH: I do not think we will go into that.

The Hon, R. F. Hutchison: No.

The Hon. A. F. GRIFFITH: I do not think anyone will take any notice of the obsession the honourable member seems to have that because it is a Liberal Government it is crooked and the Treasury

officers, as a result, are crooked. The Treasury officers would serve a Labor Government just as efficiently if it were in power. It is so silly to adopt this attitude.

The Hon. R. F. Hutchison: I am not blaming the service. I am blaming the Government.

The Hon. A. F. GRIFFITH: I know upon whom the honourable member is placing the blame.

The Hon. F. J. S. Wise: Properly placed, too.

The Hon. A. F. GRIFFITH: I think I had better let that go.

The Hon. F. R. H. Lavery: It might be just as well.

The PRESIDENT: Order!

The Hon. A. F. GRIFFITH: I can only say again that the operations of the Grants Commission are very involved. However, if there is any matter upon which Mr. Wise is not satisfied in connection with this transaction by the Treasury, or any other transaction, then he has an open invitation to discuss the matter with the Under Treasurer.

The Hon. F. R. H. Lavery: I am sure we would all be given that privilege if we wanted it.

The Hon. A. F. GRIFFITH: I am, too, so long as all members did not want to go at the same time. I have found the officers of the Treasury ever willing to try to explain to me queries I have raised.

The Hon. F. R. H. Lavery: Can the Treasury officers explain how they comprehend that it is right that I buy a ticket hoping to win some money and the money I contribute is paid into Consolidated Revenue?

The Hon. A. F. GRIFFITH: I have been spending half an hour trying to do that, but apparently I have not succeeded.

The Hon. F. R. H. Lavery: You have not.

The Hon. A. F. GRIFFITH: I am sorry.

The Hon. F. J. S. Wise: You are losing your punch.

The Hon. V. J. Ferry: He has not started punching yet.

The Hon. A. F. GRIFFITH: One must lose one's punch at some stage or other of the proceedings, I suppose.

The Hon. F. D. Willmott: It depends upon the thickness of what you are trying to punch through.

The Hon. A. F. GRIFFITH: That is right. I was going to say it depends on the target at which one is aiming.

The PRESIDENT: Order!

The Hon. A. F. GRIFFITH: I think the only other comment I can make is in respect of the particular year Mr. Wise mentioned. I am told the taxation in that year was favourable. Victoria was, to use an expression, dragging its feet. It was below the standard at that particular time, but since then Victoria has increased its charges and therefore our adjustment will be less favourable in future.

This Bill seeks to provide that percentages of the Lotteries Commission's receipts will go into the Hospital Fund and that fund will be used for operating expenses as distinct from capital costs. Therefore, the State will be advantaged by being able to put the transaction through the Consolidated Revenue Fund of the State.

I am not certain of these figures, but I think they are reasonably accurate. Last year the Lotteries Commission gave for hospital construction something in the order of 14½ per cent. The percentage for the year before was, I think, 18 per cent. The Bill provides for a maximum of 20 per cent., which is 2 per cent. more than the Lotteries Commission subscribed to capital works last year. Admittedly it is 5½ per cent. more than this year.

As I explained when I introduced the second reading, it is expected that the turnover of the commission will increase and in any case there is not a great margin between 18 per cent, and 20 per cent.

I can go no further in my efforts to explain to the House that in the opinion of the Government's advisers—those people who spend most of, if not all, their entire lives working upon Treasury matters—the Government should, in the best interests of Western Australia take the steps proposed in this Bill.

The Hon. R. F. Hutchison: What do you take us for?

The Hon. A. F. GRIFFITH: I would not like to tell the honourable member, but surely is this not reasonable advice to accept? I can only take the honourable member's interjection as meaning that we are the dishonest ones.

The Hon. R. F. Hutchison: Don't you think we know the Government's advice is carried out? What is wrong with you? We have been in Government!

The Hon. A. F. GRIFFITH: I can assure the honourable member there is nothing wrong with me. I do not expect at any time to convince the honourable member, and I do not intend to try. At least I hope I can convince the majority of members that there is nothing shady about this move, and that the advice of the Treasury officers to the Government is legitimate, honest, and well meaning. The Government proposes to take that advice, and I hope the House will agree to this Bill and assist the Government to achieve its objective.

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

#### Ayes-15

Hon. C. R. Abbey Hon. V. J. Ferry Hon. A. P. Griffith Hon. C. E. Griffiths Hon. J. Heltman Hon. J. G. Hislop Hon. E. C. House Hon. A. R. Jones	Hon. L. A. Logan Hon. G. C. MacKinnon Hon. T. O. Perry Hon. J. M. Thomson Hon. H. K. Watson Hon. F. D. Willmott Hon. H. R. Robinson (Teller)

#### Noes -8

Hon. N. E. Baxter
Hon. J. Dolan
Hon. R. F. Hutchison
Hon. F. R. H. Layery
Hon. E. M. Heenan
(Teller)

#### Pairs

Ayes Noes
Hon. N. McNeill Hon. R. H. C. Stubbs
Hon. G. E. D. Brand Hon. J. J. Garrigan
Hon. S. T. J. Thompson Hon. H. C. Strickland
Question thus passed.

Bill read a second time.

#### In Committee

The Deputy Chairman of Committees (The Hon. A. R. Jones) in the Chair; The Hon. A. F. Griffith (Minister for Mines) in charge of the Bill.

Clause 1: Short title and citation—

The Hon. F. J. S. WISE: This clause will give me an opportunity to speak on the Bill as a whole, and the parent Act in particular. I could open in a very nasty strain because I have already heard this evening someone taken to task for deciding to exercise an independent vote.

I could continue to say that most people who voted for this Bill were neither able, nor willing, to get up to discuss the situation explained by the Treasury and as outlined by the Minister. The Minister must not think I will sit down under slighting comments such as he has made in regard to persons in this Chamber not being able to understand Government finance, the devious ways of State finance, Commonwealth activities, and the reports of the Grants Commission. I will not accept that statement at all.

The Hon. A. F. Griffith: I did not say you could not.

The Hon. F. J. S. WISE: I have been responsible for presenting the case for this State before the Grants Commission and was the person responsible for the initial grants from the Commonwealth for the north-west as a whole. I still mentally and retain sufficient vigour, physically, not to sit down under any slighting remarks made against me or against those who vote with me. In con-nection with the challenge I made, there was no statement at all in the Grants Commission report. No proof whatever has been brought forward from the Treasury or by the Minister in contradiction of the statement I made when I challenged the Minister to prove his remarks in his introductory speech. He fell down completely in this respect, and I will read what he said. This is as follows:—

As a result of the practice being followed in this State, a relatively heavier burden is placed on Consolidated Revenue, in the meeting of the operational costs of hospitals than is being borne in New South Wales and Victoria—

At this point I interpolate to say that is not wholly true, but the Minister went on to say—

—and this is a contributing factor to the adverse adjustment imposed on our State by the Grants Commission for excess expenditure in this sector of social services.

That is the part to which I object. It is purely supposititious. It has not been supported by one atom of fact and we have been offered no proof at all. On the other hand, the whole of the tables of the Grants Commission relative to services and taxation, other than income taxation, refute that entirely. I do not wish to retrace the steps of the speech I made on the second reading, but I say it is not true for the Minister to say that and, because it is not true, therefore it is improper to present that as the basis for his argument in support of this Bill.

I have copious notes from which I made my speech, but let me read to the Minister what I said—never mind what the Under Treasurer said. I say I fairly stated the case. These words will have a familiar ring to the House, and actually anyone would think I had written part of the end of the Treasury statement. I said, in effect, it makes no difference to the State's finances whether the Lotteries Commission spends the money in that way or whether the Government takes the money into revenue and spends it in that way. It is still expended on social services.

Anyone would think the Under Treasurer had discovered something; anyone would think he had read my speech, because his words are almost identical. I went on to say, in effect, what the Government proposes is not to spend the money obtained from the Lotteries Commission on capital expenditure but to use such moneys for the purpose of loan moneys; and it will meet capital expenditure and some portion will be paid from loan funds.

Apart from any suggestion of misstating the situation, I exactly stated it. Of course, the Treasury's point of view is to obtain more and more money for revenue, in the circumstances. But, how does this approach balance with the attitude of the Treasury in regard to revenues from the State Electricity Commission, from the Fremantle Harbour Trust, from the harbour boards, and from many other sources which I quoted in the course of my speech? In the one case the Treasury advice is—and the Government acts upon this advice—to develop.

The Hon. H. R. Robinson: Some of the best of these boards are losing money, and are not providing any revenue.

The Hon. F. J. S. WISE: The honourable member would not understand the position. Whether a project is bringing—

The Hon. H. R. Robinson: We are not all wizards like you; I appreciate that. You turn around and say that I would not understand, but I am listening to what you are saying.

The Hon. F. J. S. WISE: Of course the honourable member does not understand.

The Hon. H. R. Robinson: I asked a question.

The Hon. F. J. S. WISE: No, the honourable member was casting a slighting remark. Instead of doing that he should get to his feet and say something.

The DEPUTY CHAIRMAN (The Hon. A. R. Jones): Order! I must ask the honourable member to address the Chair.

The Hon. F. J. S. WISE: On this matter I must say how humbugging it is for us to be kept under the pretext that the Government is endeavouring to finish the session as soon as possible and, because of this, we are faced with the consideration of absolutely everything. It has been suggested that nothing can stay till tomorrow; but I say, "What a reason!" I say this because we are going to sit next week. I know the reason.

The Hon. R. F. Hutchison: So do I.

The Hon. F. J. S. WISE: A few people in this Chamber know the reason.

The Hon. A. F. Griffith: What is the reason?

The Hon. F. J. S. WISE: I would like to revert to the comment made by Mr. Robinson. Prior to the passing of legislation recommended by the Treasury that certain State instrumentalities should conduct their own business, all of their earnings were paid into revenue. Since the change, the revenue accounts have lost all of those earnings which were paid into revenue. All of the profits of these State instrumentalities, and all of their revenue, is used in turnover. Can the honourable member follow that explanation?

The Hon. H. R. Robinson: That is the question I asked.

The Hon. F. J. S. WISE: That is the situation. Therefore, on the one hand, revenues have shrunk by those very actions, but in this case the Treasury says that, unless we receive the moneys from the Lotteries Commission into revenue, the Government is going to be embarrassed. Of course this situation will not stand examination.

The Hon. R. F. Hutchison: Of course it will not.

The Hon. A. F. Griffith: What is the position with other States that have the same sort of instrumentalities?

The Hon. F. J. S. WISE: The Minister may not have been listening to me when I made my speech. I referred to that point. I referred to the differences in the various States where some pay moneys entirely into revenue. Others who have special lotteries may arrange to use this money. for special purposes. Others have the background in their very law to ensure Others have the these moneys shall be used entirely for hospital construction. They are all different. The background of our Lotteries Commission was not for this to happen at all. It was to provide for charitable purposes. I would like to read an extract from the Minister's speech when he initially introduced the lotteries legislation.

The Hon. A. F. Griffith: What I asked was: What is the position in other States that have these trading instrumentalities such as the boards Mr. Robinson referred to?

The Hon. F. J. S. WISE: They vary in each State, and I think the Minister knows that.

The Hon. A. F. Griffith: Yes, I do.

The Hon. F. J. S. WISE: They vary according to the rules within the State as to which instrumentalities should be State-controlled and which should not. Even in the State of South Australia, did we not have the spectacle of one of the great Liberal Premiers of Australia of all times—Sir Thomas Playford—taking actions which, in the words of some people, were socialising electricity undertakings? We had that spectacle.

The Hon. R. F. Hutchison: Yes, he did.

The Hon. F. J. S. WISE: We find in all the other States the principles vary from instrumentality to instrumentality, whether it be a board, an electricity undertaking, or a harbour trust. They are all different according to the political beliefs or the circumstances of the State.

It cuts no ice with me at all when it is said the Treasury advised the Government, because the Treasury probably did this on an initial idea from the Government-how to get money from the Lotteries Commission and also that this is the right thing to do. I have no disrespect whatsoever for the Treasury, and I want to make that quite clear in every suggestion and in every way. The Government has been advised, but it has been advised at its own request that this is the best thing to do. However, I do not agree with that. In the Treasurer's own words, and in the Minister's own words, the moneys which are being taken from the lotteries, and which would have been used for capital undertakings of different entities will, in future have to be found from loan funds. There is no other way of obtaining moneys for capital expenditure. Since I used some words to express this last night, I will repeat them again. I said-

> To me, this is a piece of subtle strategy ultimately to get into Con

solidated Revenue all the moneys from the Lotteries Commission.

The Hon. R. F. Hutchison: To the disadvantage of the charities which need it so badly.

The Hon. F. J. S. WISE: I intend to take the opportunity to speak to the next clause as and when necessary, but for the time being I make it very clear that I think the Government is altering a system which has successfully operated—successfully in every respect—to assist every form of charity as set out by section 4 of the parent Act.

The Hon. R. F. HUTCHISON: I want to reiterate the honourable member's last sentence, because that is exactly what I say. Moneys from the Lotteries Commission have always been used to the advantage of the people of Western Australia. The Lotteries Commission has made funds available to relieve suffering right throughout the State when it has been asked to help.

It has helped little community groups which are trying to alleviate the suffering and sickness in this State. More diverse committees have grown up in this State than anywhere else; in fact, I asked a question about one concerned with muscular distrophe. We have a man who is doing research into this matter, and the Government proposes to take this money away from him.

The Hon. G. C. MacKinnon: That is not true; his money is coming from the University. I know the man to whom you refer.

The Hon. R. F. HUTCHISON: He must have money for his research, whether it comes from the Lotteries Commission or anywhere else.

The Hon. V. J. Ferry: Are not hospitals worthy institutions?

The Hon. R. F. HUTCHISON: By the time this Government is finished there will be no money left for charities. I object to this legislation, and the Minister knows why I am objecting. There is no necessity to take this money from the Lotteries Commission when it is doing such good work. It has a wonderful committee; it is impartial and most helpful when something is asked of it.

The Hon. A. F. GRIFFITH: I object to have to listen to things which are not true.

The Hon. R. F. Hutchison: Do not tell me I am not speaking the truth.

The Hon. A. F. GRIFFITH: I am telling the honourable member she is not speaking the truth.

The Hon. R. F. Hutchison: I object, Mr. Deputy Chairman. I am speaking the truth and the Minister should prove I am not,

The DEPUTY CHAIRMAN (The Hon. A. R. Jones): I suggest the honourable

member gives the Minister a chance to prove this,

The Hon. A. F. GRIFFITH: It appears that people can say what they like, but the moment I rise to defend the actions of the Government there is a wail. I repeat that after the payment of this 10 per cent. in the first year to the Hospital Fund, and after part of the payment for prize moneys and administrative expenses the Lotteries Commission will be left with roughly \$850,000 to distribute in 1967. In 1968 the amount will drop to \$650,000, and to \$480,000 in 1969, as the payment to the Hospital Fund increases to 15 and 20 per cent. respectively of the gross proceeds in those years in accordance with the proposals now before the House.

The Hon. F. R. H. Lavery: Is not that what we are saying?

The Hon. A. F. GRIFFITH: No. What Mrs. Hutchison is saying is that we are going to take all the money.

The Hon. F. J. S. Wise: Did not I quote those figures?

The Hon. A. F. GRIFFITH: The honourable member did. But this is not all the money, not all the proceeds. It is a good thing to try to create a picture and make people think the other way; to make them think there is something shifty about this.

The Hon. R. F. Hutchison: You are not saying there is not?

The Hon. A. F. GRIFFITH: The matter is not worth arguing about. When I have a problem that I cannot understand I take it to the department concerned and have it explained to me. That is what I did on this occasion. I did not imply Mr. Wise knew nothing about State finance. On the contrary, I said it is difficult for me to understand, and I am sure it is difficult for other members to understand. The ramifications of the Grants Commission are very difficult to understand. I know that Mr. Wise does understand State finances, because he has been a Treasurer and a Minister in a number of Governments.

I took the remarks of the honourable member to the Treasury and asked them what the position was. Mr. Wise did not adopt the attitude that we were a lot of crooks; that is left to somebody else to say. I can only believe in my own heart that the man who gave me this information is not as crooked as some people try to make out I am

The Hon, R. F. Hutchison: He is doing what the Government wants him to do.

The Hon. A. F. GRIFFITH: That is a lot of humbug.

The Hon. R. F. Hutchison: He is carrying out your policy.

The Hon. A. F. GRIFFITH: Mr. Wise suggested this was being done at the Government's request. To whom does the Government go when it wants advice in connec-

tion with financial problems that beset the State? It goes to its Treasury advisers, just as any other Government does. Yet we get this absurd picture of a Cabinet gathering in a back room and revelling in the joys of placing more taxes on the people. Surely members do not think that this takes place. The Treasurer asks for this advice from his Treasury officers.

When I was on that side of the Chamber I am sure the Government of the day did the same thing. Does Mrs. Hutchison suggest that the speech made by Mr. Hawke in 1952 was a lie, when he said the difficulty in State finances continued to increase? Was that so much tripe, as we were told by Mrs. Hutchison.

The Hon. R. F. Hutchison: I did not use that expression.

The Hon. A. F. GRIFFITH: It does not matter what expression the honourable member used. The situation is just as factual now as it was then.

The Hon. R. F. Hutchison: I remember when you were on this side of the Chamber.

The DEPUTY CHAIRMAN (The Hon. A. R. Jones): I would ask the honourable member not to interject.

The. Hon. A. F. GRIFFITH: You are asking for too much, Mr. Deputy Chairman. I accept the advice given me by the Treasury officers, and if there is anything wrong with it I invite Mr. Wise to meet them and discuss the problem with them. My colleagues and I share all the problems the Treasurer might refer to from time to time. We talk about them and ask the advice of the Treasury officers; and their advice in respect of the Lotteries (Control) Act is set out in this Bill.

The Hon. F. J. S. WISE: I have had opportunity of access to the Treasury, and I have availed myself of that opportunity. There is nothing new in that, suggested by was the Minister, has been the situation for a quarter of a century. This week I conferred with the Under Treasurer, but not on this subject-I do not play the game Yesterday the Minister told me that way. he intended to refer some of the matters I raised to the Under Treasurer, and I said that was fair enough. Surely it is not an opportune time for me to confer with the Under Treasurer on this or any other subject.

The Hon. N. E. Baxter: It would look like skullduggery if you did.

The Hon. A. F. Griffith: This is out of context. I spoke to him at 5.30 this evening.

The Hon. F. J. S. WISE: I do not want the Minister to give the misleading impression that I have not availed myself of the opportunity to confer with the Under Treasurer.

I have the greatest respect for him. He has presented something to the Minister in which most of my own words will be found and with which I must naturally agree; but there are other parts of his comment with which I entirely disagree. Nothing has been shown in anything the Under Treasurer has said that will overcome the words of which I complained in the introductory speech. In addition, the real necessity for this action has not yet been explained. I do not intend to knock myself about any further in rebelling against the idea of this measure.

Clause put and passed.

Clause 2: Section 9 amended-

The Hon. N. E. BAXTER: During the second reading debate Mr. Heitman said that 10 per cent. of the profits of the Lotteries Commission would be approximately \$129,000; but 10 per cent. of the moneys received by the commission will amount to something like \$400,000. The Minister in his second reading speech said that after the deductions had been made the Lotteries Commission would be left with \$850,000 for distribution.

The Hon. A. F. Griffith: In 1967.

The Hon. N. E. BAXTER: In the booklet I have here it states that the forward commitments of the Lotteries Commission are \$512,000. I take it this is for the year 1967.

The Hon. A. F. Griffith: Is that the Lotteries Commission report?

The Hon. N. E. BAXTER: I should say so, but the word "report" is not on it. The figure shown for forward commitments is \$512,000. In addition to the forward commitments shown at the back of this report the commission is committed to another \$66,000 a year until 1984. I will quote from this report—

The biggest task undertaken in this field was the support of the rebuilding programme of the Royal Perth Hospital. When this programme was conceived the State Government had to find a source of funds other than those normally available for such a purpose and that source was found in the Lotteries Commission which is still bound to provide \$66,000 a year until 1984.

I take it this will be added on to the forward commitments of \$512,000. The commission will have \$258,000 out of a total of approximately \$1,236,000 profit; so somebody will be short.

The Hon. G. C. MacKinnon: We got 14½ per cent. last year and will get 10 per cent. this year, so obviously there will be more left this year than last year.

The Hon. N. E. BAXTER: I do not think that follows at all.

The Hon. G. C. Mackinnon: We got 18½ per cent. the year before, 14½ per cent. last year, and this measure lays down 10 per cent.

The Hon. N. E. BAXTER: Does the Minister mean that the hospitals got that figure?

The Hon. G. C. MacKinnon: Sure.

The Hon. N. E. BAXTER: Many organisations look forward to the assistance they get from the Lotteries Commission and I can see that somebody will have to go short. If not, the only alternative will be for the commission to reduce the amount of prize money that is distributed.

The Hon. F. R. H. LAVERY: On page 151 of the Auditor-General's report, hospitals and medical health services for the year ended the 30th June, 1965, received \$711,688, and for the period ended the 30th June, 1966, the amount was \$651,916. Homes, orphanages, and mission centres for the period ended the 30th June. 1965, received \$272,288, while for the year ended the 30th June, 1966, they received \$363,431. In addition the infant health centres and other charitable bodies received payments.

The Hon. A. F. GRIFFITH: I hope Mr. Baxter stays within earshot while I speak. I did not wish to mislead the Committee in this respect, but I would think the suggestion that the forward commitments in this report which total \$512,000 are a commitment in total for 1967 is very illogical. I am not sure of this, but I do not think that is the case. The forward commitments mentioned would be for a Whatever the forward period of years. commitments are in relation to hospitals, I would take it the operating expenses would be the responsibility of the Hospital Fund Account, but the capital moneys required for hospitals will be met out of loan funds. I mentioned that the income from the sales of tickets to the 30th June, 1966, amounted to a little more than \$4,000,000, 10 per cent. of which would be \$400,000. If Mr. Heitman mentioned any other figure it was an unintentional mistake

Clause put and passed. Title put and passed.

#### Report

Bill reported, without amendment, and the report adopted.

#### Third Reading

Bill read a third time, on motion by The Hon. A. F. Griffith (Minister for Mines), and passed.

### ADJOURNMENT OF THE HOUSE: SPECIAL

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) (12.15) a.m.]: I move-

> That the House at its rising adjourn until 11 a.m. today (Friday).

Question put and passed.

House adjourned at 12.16 a.m. (Friday).

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