for liabilities incurred on behalf of the guild. Accordingly, the guild was made an incorporated body by Act No. 40 of 1947. This Act also empowered the Senate to make statutes or regulations in respect of the Guild of Undergraduates concerning conditions of membership, additional powers, authorities and obligations of the guild, and the custody of the common seal. The Act gave the guild, in effect, the position of a corporate body and conferred on the Senate, as the governing body of the University, power to make the necessary regulations defining the powers, liabilities, and duties of the guild as a corporate body.

The guild is to be commended for the responsibilities it has already assumed in the interests of the life of the students and in providing those services so important in the work of University students.

The constitution of the Senate has been under review, and the Government had contemplated introducing amendments to the University of Western Australia Act next session. However, this Bill is now presented to us by a private member in another place and by Mr. Dolan in this House, and there seems to be no purpose in doing other than support the measure. Therefore, I thank Mr. Dolan for its introduction and support it accordingly.

THE HON. J. DOLAN (South-East Metropolitan) [4.51 p.m.]: I thank the Minister for his support of 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. J. Dolan, and passed.

TRAFFIC ACT AMENDMENT BILL, 1969

Assembly's Message

Message from the Assembly received and read notifying that it had agreed to the amendment made by the Council.

ADJOURNMENT OF THE HOUSE: SPECIAL

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [4.54 p.m.]: That concludes the business of this House for the second portion of the first session—I think that is correctly stated—and we are to have the third portion of the first session in about a month's time. I therefore move—

> That the House at its rising adjourn until Wednesday, the 18th June, at 2.30 p.m.

Question put and passed.

House adjourned at 4.55 p.m.

Legislative Assembly

Tuesday, the 6th May, 1969

The SPEAKER (Mr. Guthrie) took the Chair at 2.15 p.m., and read prayers.

TERMINATION OF PREGNANCY BILL

Council's Message

Message from the Council received and read requesting to be given a reason for the rejection by the Legislative Assembly of the Termination of Pregnancy Bill.

Statement by the Speaker

THE SPEAKER [2.17 p.m.]: I should explain for the benefit of members that this is the first occasion when such a message has been sent to the Legislative Council. The simple reason is that we amended our Standing Orders in 1967 and a provision was inserted in Standing Order 311 to inform the Council when a Bill was rejected and the words used are, "rejected same."

Prior to 1967, under the old Standing Order 312, there was no requirement at all to advise the Legislative Council that a Bill had failed to pass in this Chamber. It was considered by the Standing Orders Committee that this was discourteous, and also unsatisfactory. In consequence, the amendment to Standing Order 311 was approved by this House and incorporated, and that is the reason why a message was sent.

There is certainly no procedure in Standing Orders for us to give any reason, and members would appreciate the many instances where a Bill was defeated at the second reading stage when it would be quite impossible to give a reason.

QUESTIONS (8): ON NOTICE

PETROLEUM (SUBMERGED LANDS) ACT

Minister's Authority: Delegation

1. Mr. JAMIESON asked the Minister representing the Minister for Mines:

   (1) Has he delegated any power or authority held by him as the designated authority appointed under the Petroleum (Submerged Lands) Act, 1967-68?

   (2) If so, what power and authority, and to whom has such power or authority been delegated?

   Mr. BOVELL replied:

   (1) No.

   (2) Answered by (1).

TITLES OFFICE

Business Consultants' Advice: Cost

2. Mr. JAMIESON asked the Minister representing the Minister for Justice:

What was the cost of the business consultants' advice on the rearrangement of the Titles Office?

Mr. COURT replied:

$23,520.

SEWERAGE AND WATER SUPPLIES

Midland Area

3. Mr. BRADY asked the Minister for Water Supplies:

(1) In the Midland area are there any plans for the improvement or extension in the near future of—

(a) sewerage in the unsewered areas;

(b) water mains to cater for the increasing demands on present supply?

(2) Will he set out the current position in regard to these matters?

Mr. ROSS HUTCHINSON replied:

(1) (a) Sewerage in the Midland area is up to the capacity of the mains in peak wet weather, and early extension of the reticulation system is not contemplated.

(b) Yes.

(2) Amplification of the existing sewers in the eastern suburbs, including the Midland area, will be by connection to the northern sewerage scheme, which has been started this financial year. It will be some years yet before worthwhile benefit from the scheme will be available to the Midland area. Improvements to the water supply system proposed for 1969-70 financial year include—

(a) A new inlet to the Greenmount Reservoir to consolidate supplies to the East Midland area and the Greenmount high level area generally.

(b) A new intermediate high level tank at Greenmount with improved outlet mains to provide for development in the area.

(c) A 12-inch feeder main along Toodyay Road from Great Northern Highway to improve the supply to the Wexcombe area.

(d) As development proceeds, further improvements will be carried out to the board's water supply distribution system in the area.

ROADS AND BRIDGES

Midland Area

4. Mr. BRADY asked the Minister for Works:

(1) Has any final decision been made in respect of the following matters in the Midland area—

(a) the continuing of Victoria Street through the old Midland railway property to Great Eastern Highway, West Midland;

(b) the building of a bridge over the Helena River to connect with Hazelmere;

(c) the building of a bridge over the railway at West Midland;

(d) arranging diversion of traffic near Morrison Road and Harper Street, West Midland?

(2) Will he state the current position in relation to the above?

Mr. ROSS HUTCHINSON replied:

(1) (a) Land has been reserved through the old Midland Railway property to provide for the continuation of Victoria Street through to join Great Eastern Highway. No decision has been made with respect to construction of the deviation.

(b) Yes. Tenders were called on Saturday, the 3rd May, 1969, for its construction.

(c) No.

(d) The diversion of traffic near Morrison Road and Harper Street would be related to the construction of a bridge over the railway. However, since no final decision has been reached in regard to the construction of this bridge, no action has been taken to divert traffic on Morrison Road and Harper Street.

(2) Answered by (1).

COMMONWEALTH AID ROADS FUNDS

Use in Guildford

5. Mr. BRADY asked the Minister for Works:

(1) Will the new Commonwealth Aid Roads Fund money enable—

(a) the reopening of the level crossing over the railway at Market Street, Guildford, or alternatively the building of an overhead bridge;

(b) The construction of Swan Street, Guildford, in the vicinity of those properties purchased for such purposes?

(2) If either of the above propositions is possible, will urgent attention be given to proceeding with same in

order to help the many residents inconvenienced by closure of the crossing?

Mr. ROSS HUTCHINSON replied:

(1) (a) The Market Street level crossing was closed in the interests of safety on the recommendation of the Railway Crossing Protection Committee. It is not proposed to reopen this crossing, and, because of the small amount of traffic generated in the area, the construction of an overhead bridge would not be justified.

(b) The land was acquired against the possibility of constructing a new bridge over the Swan River on the general alignment of Swan Street for a deviation of Guildford Road as shown in the Metropolitan Region Scheme. It is not considered that the closure of the Market Street crossing justifies the construction of a new river bridge.

(2) Answered by (1).

BRIDGE ACROSS CANNING RIVER

Herbert Street, Gosnells

6. Mr. BATEMAN asked the Minister for Works:

(1) In view of the statement issued by the Minister for Education that there will be a high school in Thornlie in 1971 to provide for students from the whole area, together with the fact that there will be built a large modern shopping centre this year, will he advise if consideration has been given to the building of a bridge across the Canning River at Herbert Street, Gosnells, to allow easy access to the area generally?

(2) If "Yes," approximately when would construction begin?

Mr. ROSS HUTCHINSON replied:

(1) and (2) Improved access between the Maddington and Thornlie areas involving the construction of a new bridge across the Canning River has been under consideration by the Main Roads Department for some time. No decision has been made to proceed with construction, but investigations into the route, including one using Herbert Street, are continuing and it is expected that discussions on the best route to adopt will take place shortly with the Gosnells Shire Council.

LAND SUBDIVISIONS

Applications by Gosnells Shire

7. Mr. BATEMAN asked the Minister representing the Minister for Local Government:

(1) How many land subdivisions have been applied for by the Gosnells Shire Council since the 1st January, 1969?

(2) How many applications have been rejected on the ground of the new Public Health Department criterion of a four-foot water table clearance established since January, 1969?

Mr. NALDER replied:

(1) and (2) Although one subdivision has, in fact, been applied for by the Gosnells Shire Council since the 1st January, 1969, I assume from the honourable member's question that he seeks information on subdivisions applied for in the shire council's area. A total of 72 subdivision applications has been received between the 1st January and the 30th April and have been dealt with as follows:—

Approved without condtions relating to suitability, i.e., drainage, filling or sewerage	27
Approved subject to drainage, filling or sewerage	11
Deferred for further information	18
Awaiting submission to the Town Planning Board	9
Refused	4
Miscellaneous	3

None has been rejected on the specific requirement of a four-foot water table clearance.

HIGH SCHOOLS

Playing Fields

8. Mr. DUNN asked the Minister for Education:

(1) How many high schools are there in the State?

(2) What are their names?

(3) How long has each been established?

(4) Which of these schools has a playing field suitable for use to cover the sports played as curricula subjects?

(5) What amount has been expended in the construction and preparation of each ground?

(6) How many and which high schools are obliged to send students to other than high school grounds in order to play sport?

(7) As the students or the school are obliged to pay the cost of such transport, does he regard this as equitable treatment?

(8) If he does not consider this equitable treatment, will he make available to those schools without playing fields allowances to cover transport costs incurred because of the lack of suitable playing fields?

Mr. LEWIS replied:

(1) to (8) I undertake to supply the honourable member with the information requested as soon as it is collated, but in the meantime I ask that this question be further postponed.

This question was postponed.

QUESTIONS (11): WITHOUT NOTICE

COMO PRIMARY SCHOOL

Renovations and Repairs

1. Mr. MAY asked the Minister for Education:

(1) When was the last major R. & R.—that is, renovations and repairs—carried out at the Como Primary School, Thelma Street, Como?

(2) Is it the normal policy to modernise old schools when R. & R. are to take place?

(3) When will new equipment such as blackboards, pinboards, and cupboards be installed?

(4) Are the classrooms situated in the original wing of the school adequate to accommodate in excess of 30 children?

(5) Is he aware that, of the 70 children enrolled at this school since March, only seven were Australian children?

(6) Is he further aware that approximately the same number of children has left this school since March?

(7) Will he give consideration to the appointment of an additional teacher to cater for these transitory pupils, having regard for the present well-established unoccupied classroom at the school?

(8) Have funds previously allocated to this school for renovations and repairs been withdrawn?

(9) If so, would he kindly indicate the reason for this action?

Mr. LEWIS replied:

I thank the honourable member for giving me some notice of this question, the answers to which are as follows:—

(1) 1961.

(2) No. Old schools are being progressively modernised as funds can be made available.

(3) This is not known to the Education Department. The Public Works Department install this equipment according to priority.

(4) Of the two rooms concerned, one holds 40 pupils and the other 35. Some slight overcrowding results.

(5) Yes.

(6) Yes.

(7) No. It is considered that these children are better provided for educationally if dispersed over the normal grades according to their age, rather than placed in a single class.

(8) and (9) A programme of repairs and renovations was provisionally listed for 1967-68 but because of higher priorities it was deferred to 1968-69. Tenders are about to be called.

DEPARTMENTAL HOMES

Perth Electorate

2. Mr. LEWIS (Minister for Education): I would like to take this opportunity Mr. Speaker, to reply to a question asked by the member for Perth, which appeared on the notice paper on Thursday, the 1st May, and which was postponed.

The SPEAKER: The Minister may proceed.

Mr. LEWIS: The honourable member's question was as follows:—

(1) Would he advise the postal addresses of all homes in the Perth electorate at present owned by or coming under the control of his department?

(2) Would he indicate which of these homes are at present vacant?

Mr. LEWIS: I am replying on behalf of the Minister for Town Planning. The information concerns vacant and occupied houses, and the answer, which is in the form of a list is extensive. It shows there were 55 occupied houses and six vacant ones either controlled or owned by his department. I seek permission to table the list.

The list was tabled.

JUNE SITTING OF PARLIAMENT

Date of Commencement

3. Mr. TONKIN asked the Acting Premier:

Will he inform the House of the proposed date for the reassembling

of Parliament for the special session to consider the Main Roads Act Amendment Bill and Traffic Act Amendment Bill (No. 2)?

Mr. NALDER replied:

I thank the Leader of the Opposition for some notice of this question. It is expected that Parliament will reassemble at 11 a.m. on the 17th day of June, 1969.

DERBY LEPROSARIUM

Details

4. Mr. DAVIES asked the Minister representing the Minister for Health:

(1) In regard to the Derby Leprosarium, can he advise the number of admissions, discharges, deaths, and those who absconded for the year ended the 31st December, 1968?

(2) As the recently tabled report of the Commissioner of Pubic Health for the year 1967 does not include any report on endemic disease in Kimberley natives, can he advise the reason for this and also what action is being taken to follow up the work detailed in the 1966 report?

(3) Can he advise why the 1967 report does not contain any report by the Public Health nurse in the Kimberleys?

(4) Can he advise whether there has been any alteration in classification and establishment of staff at the Derby Leprosarium since 1966 and, if so, particulars of each change from then to date?

Mr. ROSS HUTCHINSON replied:

(1)

Admissions	64
Discharged	46
Deaths	5
Absconded	1

(2) Special reports on endemic diseases in the Kimberleys are not provided annually. The 1968 report will contain the follow-up.

(3) Because of the delay in completing the 1966 report the Public Health Department nurse's report for 1967 was included in the 1966 annual report.

(4) No alteration.

PERTH RAILWAY STATION: LOWERING

Plans: Extension of Time

5. Mr. BURKE asked the Deputy Premier:

(1) Has the Government decided to meet the W.A.D.C. request for an extension of the nine months' period—to the 31st May—allowed that company to prepare and present its final plans for the projected development of the Perth railway land?

(2) If "Yes," to what date has the Government extended the nine months' period?

(3) If "No," will the Deputy Premier undertake to make a public announcement of the date, when decided, giving reasons for the Government's decision to extend the period?

(4) If there is to be any further variation of the conditions set out in the letter of intent given W.A.D.C. by the Government, would the Deputy Premier undertake to make these variations public?

Mr. NALDER replied:

(1) to (3) A firm decision has not yet been made.

(4) The Government will continue to advise the public on all aspects concerning this proposal.

McCARREY REPORT

Availability of Second Part

6. Mr. TONKIN asked the Deputy Premier:

(1) Has the second part of the McCarrey report on land prices been given to the Government?

(2) Is it intended to make the contents of the report known to the public?

Mr. NALDER replied:

(1) No.

(2) A decision on this matter will be made after receipt of the report.

STATE ELECTRICITY COMMISSION

Employees' Representative: Selection

7. Mr. BURKE asked the Minister for Electricity:

Further to my question of the 30th April, why was Mr. J. H. Reed, whose name appeared second in order of preference, nominated by the Minister for the position of commissioner?

Mr. NALDER replied:

I did reply to a similar question on Wednesday, the 30th April. However, I want to say that section 8 (3) (b) of the State Electricity Commission Act provides for a panel of three names to be submitted by the Western Australian Branch of the Australian Labor Party to the Minister, who shall nominate for the office of commissioner, as representative of the employees of the commission, one of the persons whose names are so submitted.

8. Mr. BURKE asked the Minister for Electricity:

Is the Minister prepared to amend the State Electricity Commission Act to provide that the employees' representative on the commission shall be selected by a ballot of all employees similar to that conducted at the present time by the S.E.C. for the employees' representative on the Promotions Appeals Board?

Mr. NALDER replied:

No.

POLICE FORCE

Undermanning

9. Mr. TONKIN asked the Minister for Police:

(1) Is it a fact that two shifts at the Central Police Station had been combined recently following statements in the Press implying that the Police Force was undermanned?

(2) Were two shifts combined also at road patrol headquarters in full uniform?

(3) If these combinations of shifts took place, were they carried out at his direction or with his concurrence?

(4) What was the reason for combining shifts?

(5) To what extent is the Police Force under strength?

(6) To what causes does he ascribe his inability to maintain the Police Force at full strength?

(7) Has not experience in other countries shown that the raising of wages is a successful counter to falling numbers in a police force?

(8) Is it a fact that the decision as to whether an additional $5 per week should be paid to members of the Police Force rests with him?

Mr. CRAIG replied:

I thank the Leader of the Opposition for giving me prior notice of this question. The answers are as follows:—

(1) Yes, but not for the reason implied. At the request of a TV station, parts of two shifts were combined to provide TV film as background coverage of the announcement of the forthcoming recruiting drive.

(2) Yes, immediately prior to Easter. It has been the practice over several years at the request of a TV station to provide material for TV coverage of the augmented road safety campaigns at Christmas and Easter. The films produced showed parts of two shifts of the road patrol and members of other units, including the roadside checking vehicles. All these men would have been on duty over the respective period.

(3) They were carried out at the direction of the commissioner, with my concurrence, of course.

(4) Answered by (1) and (2).

(5) It is not under strength.

(6) Answered by (5).

(7) This could be so, but I have no definite knowledge.

(8) No.

PEDESTRIAN OVERWAY

Blind School: Guildford Road

10. Mr. HARMAN asked the Minister for Traffic:

Following his reply to my question concerning a pedestrian overway in Guildford Road near the Maylands Blind School and the Maylands State School, would he, in view of the continued number of accidents involving pedestrians crossing Guildford Road in this area, use his best endeavours to have this matter listed as one of top priority?

Mr. CRAIG replied:

Yes. I will add that general agreement has now been reached among all interested parties. As a result, more detailed plans are being prepared.

LOCAL AUTHORITIES

Notification of Classification of Roads

11. Mr. TOMS asked the Minister for Works:

In view of the fact that local authorities are now preparing their estimates, and are budgeting for the next financial year, would the Minister give consideration to notifying all metropolitan local authorities which roads in their particular areas qualify as classes 6 and 7; that is, arterial and subarterial roads?

Mr. ROSS HUTCHINSON replied:

I will confer with the Commissioner of Main Roads with a view to getting the information requested to the metropolitan local authorities as soon as possible.

UNIVERSITY OF WESTERN AUSTRALIA ACT AMENDMENT BILL

Third Reading

Bill read a third time, on motion by Mr. May, and transmitted to the Council.

TRAFFIC ACT AMENDMENT BILL, 1969

Councils' Amendment

Amendment made by the Council now considered.

In Committee

The Chairman of Committees (Mr. W. A. Manning) in the Chair; Mr. Craig (Minister for Traffic) in charge of the Bill.

The amendment made by the Council was as follows:—

> Clause 6, page 3—Delete the passage commencing with the word "after" in line 28, to the end of the clause, and substitute the following:—
>
> > immediately after the word "authority," in lines seven and eight, the passage, ", unless the driver or person in charge of the vehicle has reasonable cause for believing that the damage so caused does not exceed, in the aggregate, an amount of one hundred dollars and the owner, in each case, of any property damaged is, then or immediately thereafter, present or represented at the place where the accident occurred".

Mr. CRAIG: In the first place, might I express appreciation of the support of this Bill by another place. I wish to repeat an undertaking which I gave in this Chamber when we were considering the Bill that the regulations which are to be prepared will be made available to members well before it is intended the scheme will be introduced.

Mr. Graham: Would that give members an opportunity, if they so desired, of disallowing the regulations before they became operative?

Mr. CRAIG: Yes, this was the purpose of my undertaking. The Deputy Leader of the Opposition will recall that he raised certain matters associated with the introduction of the scheme, and I stated they were of a machinery nature. However, I repeat my undertaking that regulations will be made available to members, who will have an opportunity of amending them as necessary.

Mr. Graham: Before they become operative?

Mr. CRAIG: Yes. That is the third time. The Deputy Leader of the Opposition considered this Bill was wrongly numbered and suggested it should be the Traffic Act Amendment Bill (No. 3). However, the first amending Bill was No. 1 of 1968, and this Bill is No. 1 of 1969, and I have that on good authority—none other than that of the Speaker.

The amendment made by another place is a result of certain suggestions which were made by the member for Kalgoorlie and the member for Mt. Marshall.

The clause in the Bill deals with the reporting of a minor accident where no bodily injury to the parties is involved. It was suggested that if the damage to the vehicle apparently did not exceed $100 there should be no obligation on the motorist to report the accident to the police. There was some doubt surrounding the interpretation of the word "apparently" and, in addition, the member for Mt. Hawthorn raised certain difficulties he could see arising in regard to third party insurance and the like.

I gave an undertaking that the Parliamentary Draftsman would have a good look at both points raised by the honourable member and, if necessary, he would draft an appropriate amendment which could be made in another place. We now have the Council's amendment before us and I ask the Committee to agree with it. Therefore, I move—

> That the amendment made by the Council be agreed to.

Mr. BERTRAM: I appreciate the efforts, reflected in the amendment, to overcome the problems which concerned both the member for Kalgoorlie and myself. However, there are two other points which I do not think I should let pass, and I therefore hand the Chairman the amendment I propose to move to the amendment that has been made by another place. The words "or represented" appear in line 10 of the Council's amendment, and my amendment seeks to delete those words completely unless a member of the Committee can suggest some appropriate words which may be substituted.

The purpose of the clause in the Bill is to make it no longer necessary for an accident to be reported where the aggregate damage to the vehicle does not exceed $100; or, to be more specific, where the parties concerned have reasonable cause to believe the damage does not exceed $100. That will be achieved with the provision in the clause if the amendment from another place is agreed to, but the Council's amendment also contains the words, "and the owner, in each case, of any property damaged is, then or immediately thereafter, present or represented at the place where the accident occurred." I can see nothing wrong with that wording if it concluded at the word "present," but the amendment,

with the concluding words, means that an owner need not be present if he is in fact represented.

The amendment now before us means he either has to be present at the time of the accident or immediately thereafter, or be represented at the moment of impact or immediately thereafter. To me that seems to bring in its train all sorts of difficulties. As a basis for the argument let us keep in mind that property not only includes the vehicle itself, but also all the other odds and ends in and around the vehicle which may be damaged as a result of an accident. Let us assume that the son of a member is driving the member's vehicle down the street. He has no authority from the member to drive the vehicle or to represent him at the scene of an accident, or immediately thereafter. The son becomes involved in an accident and the other driver says, "The damage is only $100". Afterwards he can say that he assumed that the son of the member represented his father.

I do not think any person can represent anybody else unless there is a clear implication that he can do so or, better still, there is an express statement that he can do so. I feel sure there would be many members in this Chamber who would not care to have their sons represent them at an accident, or immediately after an accident. As I have already pointed out it would be reasonable for the other driver to say, "I assumed that the driver represented his father at the accident." Therefore, I consider the term in the Council's amendment is too loose and could only bring all sorts of difficulties in its train.

I know the amendment made by the Council is an endeavour to overcome that which concerned both the member for Kalgoorlie and myself, but I would not like someone representing me at an accident, particularly if I had told him prior to the accident that he did not represent me, and all he was doing was driving my car down to the shop. I have been unable to think of a more suitable term, and for this reason I move—

> That the Council's amendment be amended as follows:—
>
> Line 10—Delete the words "or represented".

Mr. CRAIG: I have only just been informed of the honourable member's intention to move this amendment to the Council's amendment; namely, to delete the words "or represented." I do not know why the Parliamentary Draftsman included these words, but apparently he must have had a good reason. As a result of the opinion expressed by the member for Mt. Hawthorn and others when this Bill was previously under discussion, I requested the Parliamentary Draftsman to give every consideration to overcoming these objections and I have his assurance he has done that. I am now informed by the member for Mt. Hawthorn that the provision is still not tight enough.

I cannot give an interpretation of the words in question. The member for Mt. Hawthorn instanced a case of a member's son driving a car and becoming involved in an accident, but I could also cite the same case in reverse; that is, a member of Parliament could be driving his car in a hurry and become involved in an accident and could leave his son at the scene to represent him and to decide whether the damages were less than $100.

At this stage I appeal to the honourable member to leave it as it is. If any complication arises because of the wording in the amendment the matter can be adjusted during the next session. I give the honourable member an assurance this will be done if necessary, particularly if he can draw my attention to any instance where the amendment has not had the desired effect.

Amendment on the Council's amendment put and negatived.

Mr. BERTRAM: I move—

> That the amendment made by the Council be amended by adding after the word, "occurred," in line 11, the following words:—
>
> > provided always that the driver or person in charge of a vehicle involved in an accident may in any event report such accident, in which case, and if practicable, a police officer or traffic inspector will attend at the scene of the accident."

I am more adamant about this amendment. At the moment the clause states that an accident may not be reported if the damage does not exceed $100. I feel sure that it is not intended to preclude people from reporting an accident. Let us assume the damage to property is less than $100; that the owner was present; but that the accident occurred because of culpable or murderous negligence.

I want to ensure that the way is open for the person who has been hurt or offended against to report the accident. I also want to ensure that having reported the accident the ordinary machinery of the law will operate. I want to retain clearly the right of the person to report an accident and to be certain that the report will be treated in the same way as other reports have been to date, and as they will be henceforth, where the damage is over $100.

I want this done because the purpose of this provision is not to go into the question of how much property damage has occurred in a particular accident—section 30 is there to see that offenders against the Traffic Act are brought to book and that people report accidents, and so on.

The provision is not so much concerned with damage but with the blameworthiness of somebody or other. If somebody has been offended against at an intersection, I want an assurance that the normal machinery will be used on his behalf. The police do not go out on every occasion an accident is reported; they use a bit of common sense and discretion. I want the public protected so that when an accident is reported the police will act as they always have done.

I do not want it to be made mandatory for the police to go out to the scene of an accident, because this could be 100 miles away. I want the provision preserved where the police attend the scene of an accident and that is the reason for my amendment.

Mr. CRAIG: Here again I am not inclined to accept the amendment. The member for Mt. Hawthorn expressed doubt as to the right of an individual to report a blatant breach of a traffic regulation which caused an accident involving damage of less than $100, and he felt that because the motorist was not required to report the accident no action would be taken by the police. This is not correct. When a complaint is received from a motorist concerning the behaviour of another motorist which results in an accident, the police will always make the necessary inquiries. If the circumstances referred to by the honourable member arise, the police would require a report to be completed by both parties to enable the necessary action to be taken.

I will obtain a more reliable opinion on this matter and, if necessary, will have it adjusted in due course.

Amendment on the Council's amendment put and negatived.

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

Report

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

ZONE A ALLOWANCE

Extension of Area: Motion

MR. BURT (Murchison-Eyre) [3 p.m.]: I move—

> In view of the urgent need to encourage people to remain in the less settled areas of Western Australia which have shown a steady decline in population in recent years, this House requests the State Government to again make strong representations to the Federal Government to extend the area, known as Zone A for income tax deduction purposes, to include the the whole of those portions of the Gascoyne and Murchison-Eyre electoral districts which lie south of the 26th parallel of latitude.

This motion unfortunately concerns very few people directly, but I consider it to be of great importance to everybody in Western Australia that this very large area, which is south of the 26th parallel and therefore outside the region known as Zone A, be allowed to remain with a sufficient population to keep it alive.

In recent years the population of this area has been decreasing alarmingly. To my mind the only possible way in which people can be encouraged to remain there is to extend to them the comparatively large benefits derived from income tax deductions, such as are now given to people living in Zone A.

So that members may have some idea of the two areas to which I am referring, I had a map, which I have here, coloured in, with the red section representing the whole of that part of Western Australia which is north of the 26th parallel, and the green section representing the areas which I have in mind and which are now totally included in what is known as Zone B. I should point out that Zone B also extends outside the areas shown.

I have chosen the boundaries of the Gascoyne and the Murchison-Eyre electorates, as I feel they not only form a very reasonable dividing line but also a statutory boundary, and thus my proposal can be more easily considered by the Federal Government when the whole question of taxation deductions once again comes before it. In putting forward my motion in a Federal election year, I sincerely hope it will be brought to the notice of the Federal authorities before the Federal Budget is considered in August next.

From time to time at conferences which have taken place throughout the more remote centres—such as ward conferences, pastoral conferences, and the like—the question of extending Zone A for taxation deduction purposes has been on the agenda.

The last letter I received in reply to one of my many representations came from the Minister assisting the Treasurer in the Federal Government, who in February of this year was The Hon. Gordon Freeth. I will read the last two paragraphs of that letter—

> Following a number of representations received last year, the possibility of altering the zone areas in a number of respects, including particular areas of Western Australia, was given careful consideration during the preparation of the 1968-69 Budget, when the Government looked at the relative merits of all the many taxation proposals received in the light of the overall Budgetary requirements. In the prevailing circumstances, however, the Government did not find it practicable to amend the law in regard to the zone allowance provisions,

the taxation concessions for the current financial year being limited to those subsequently introduced in Parliament.

Nevertheless, in view of your representations, I have now arranged for this subject, particularly in relation to the areas of Western Australia you have mentioned, to be brought forward for further examination by the Government when it next undertakes a review of the zone allowance concessions. You may be assured that the views you have expressed will be carefully considered at that time.

Mr. Bertram: To what section of the Act are you referring?

Mr. BURT: I cannot give the honourable member that information. The difference between the taxation deductions applicable to Zone A and Zone B is very considerable. A person who resides for more than six months of a financial year in Zone A is given the benefit of a direct income tax deduction of $540 for that year, plus half of the total of all his family deductions; that is, the allowance for a wife is $312, for the first child $208, and for all subsequent children $156 each.

I have taken into consideration that the average family is one consisting of a husband, wife, and three children. A family of that size living in Zone A would receive $956 per year in income tax deductions. However, in Zone B the allowance is a mere $90 per annum, plus one-twelfth of the total family deductions; so, in the case of a family consisting of a husband, wife, and three children, the overall income tax deduction is only $159. So in Zone A the deduction amount is $956, but in Zone B the amount is $159. Of course, in an area such as that, many people who are living perhaps only five or six miles from their more unfortunate neighbours gain a tremendous benefit as a result of higher income tax deductions.

These deductions were introduced by the Federal Government in the 1930s following the depression, when the whole of the north-west was in economic difficulties. The cattle and sheep industries were at a very low ebb, and the pearling industry at Broome was gradually disappearing. In an effort to retain the people in those areas, and perhaps even to encourage others to go to the north-west—of course this applied to other parts of Australia as well, because as we know the 26th parallel is also the northern boundary of South Australia—the Government of the day introduced very substantial income tax deductions to most of the northern part of the continent of Australia. At the same time it introduced some minor income tax deduction benefits, as I have just described, to apply to a large section of the more settled, but nevertheless remote, areas of this State; and the Federal Government termed this Zone B.

At that time the area for which I am now seeking further income tax deductions was quite buoyant. Goldmining was experiencing a revival, and the population was in the vicinity of 20,000; so, reasonably enough, there was hardly any need to grant the people there any greater deductions.

Today the position is reversed completely. Thanks to the mineral boom, the population of the north is increasing by many hundreds daily, and with this increase go all the amenities which make life a little more pleasant for the people. However, with the decline in goldmining the Murchison and the south-eastern parts of Western Australia are rapidly losing their population. The electorate I represent consists of almost 400,000 square miles, and I would say that at this stage there are only 1,870 adults on the roll. That gives the House some idea of what I regard as a very serious situation indeed.

There may be some who say it does not matter; that as long as one part of the State is booming, what does it matter if the residents leave these particular areas? But to me it matters a great deal, because in recent years we have been in danger of losing the railway line from Kalgoorlie to Leonora as a result of a greatly reduced population; and a number of the booming goldmining towns of the 1930s, such as Reedy, Mt. Sir Samuel, Youanmi, and Big Bell, have disappeared from the map altogether, whilst others, such as Sandstone, Agnew, Wiluna, and Laverton, are barely ticking over.

It is very important that these towns remain with at least some life in them because there is always the possibility of future agricultural or mining developments in the areas. If these towns are already in existence, complete with railways and roads, developers and speculators will naturally be encouraged to move into the areas. There is no need for me to underline the shortcomings of a diminishing population. Life becomes extremely unsatisfactory. Prices of all goods rise and the attention given to roads and water supplies is naturally reduced; and, as a result, people are not encouraged to move into these areas and, indeed, very little encouragement is given to the population, already established, to remain.

Education is, of course, one of the prime amenities which have to be considered. The educational facilities of the north-west are being constantly upgraded and high schools are being established in many of the towns. Because of the high wages available, families are, despite the rigours of the hot climate, keen to move up there. However, in the area to which I am referring—the southern parts below the 26th parallel—apart from a few primary schools in intermittent towns, education is available only by correspondence and through the School of the Air. This also intensifies the desire of the established families to leave these areas.

I will say now that I am not over-optimistic that the Federal Government will take any action in this regard, but I feel it is probably the most deserving request we could put to it. I personally would be quite happy to travel to Canberra with, if possible, a small deputation, to explain to the Federal Treasurer the plight of these areas of Western Australia which are suffering so much because of a lack of population compared with the north-west and its booming atmosphere. When one compares towns such as Wiluna, Laverton, Sandstone, and others—the populations of which receive hardly any consideration with regard to income tax deductions—with Carnarvon, Port Hedland, Derby, and others, it is simply ridiculous, to say the least.

I sincerely trust a resolution of this House can be given to the Federal Treasurer and that he will realise the importance of keeping these areas alive. I commend the motion to the House.

Debate adjourned, on motion by Mr. Court (Minister for the North-West).

COURT OF MARINE INQUIRY

Rehearing of the Case of George Henry Page: Motion

Debate resumed, from the 1st May, on the following motion by Mr. Grayden:—

> That in the opinion of this House the case of George Henry Page should be reheard by a Court of Marine Inquiry as provided by Clause 106 of the Western Australian Marine Act, 1948-1966, which states—
>
> > The Governor may, where any such inquiry as aforesaid has been made, order the case to be reheard by a Court of Marine Inquiry, either generally or as to any part thereof, and shall do so if—
> >
> > (a) new and important evidence, which could not be produced at the inquiry, has been discovered; or
> >
> > (b) for any other reason there has, in the opinion of the Governor, been ground for suspecting that a miscarriage of justice has occurred.

MR. GRAYDEN (South Perth) [3.16 p.m.]: In closing the debate on this motion, I would say at the outset that I listened with a great deal of interest to the Minister for Works when he replied the other night, but I must disagree with virtually every argument he submitted. I think I have ample evidence to justify my saying that every argument he put forward can be flatly refuted.

I believe a very serious injustice has been done to Mr. George Page, and I do not think this would have occurred had he had legal representation at the court of marine inquiry and if he had had the opportunity of arranging for witnesses to appear before that court. In that event I am sure that at the worst he would have been merely reprimanded and possibly had his master's certificate suspended for a relatively short period. I repeat that this would have been the penalty at the very worst, if the case could have been substantiated, and I do not believe it could have been, because it is contrary to the regulations at present in force.

I want to emphasise to the House that I am asking for a rehearing for Mr. Page, because that is the court of appeal as far as he is concerned. He cannot go to any other court in the land and ask that the case be reheard. He must do this through the Minister who has the power to order a rehearing before a court of marine inquiry.

I have endeavoured for several years to persuade the Minister that the facts are available to justify a rehearing, and the Minister has said that in his opinion the evidence that has been submitted is not new or important. He has gone beyond that and said he does not feel that other facts are sufficient to indicate that an injustice has been done to Mr. Page. I, of course, disagree with this. As we know, the Act states—

> The Governor may, where any such inquiry as aforesaid has been made, order the case to be reheard by a Court of Marine Inquiry, either generally or as to any part thereof, and shall do so if—
>
> (a) new and important evidence, which could not be produced at the inquiry, has been discovered; or
>
> (b) for any other reason there has, in the opinion of the Governor, been ground for suspecting that a miscarriage of justice has occurred.

In regard to that, I simply say that Parliament did not make it possible for people to appeal in the normal manner against a decision of a court of marine inquiry. It simply made provision for the Minister to order a rehearing if he considered new evidence had been brought to light or other facts had come into the issue to affect the situation. I repeat these words: "The Governor may, where any such inquiry as aforesaid has been made, order the case to be reheard by a Court of Marine Inquiry, either generally or as to any part thereof and shall do so if . . ." and then follow paragraphs (a) and (b).

May I just say that after listening to the Minister the other day I gathered the impression, as probably did most members, that there was something seriously wrong with Page and that he was not a fit and proper person to hold a master's ticket.

I would like the House to know the type of man we are dealing with. He is a returned sailor who spent 10 years in the Navy, and who has an unblemished record. He served in every theatre of war over a period of five years. At the present time he is a first aid officer with the Metropolitan Transport Trust and administers to the welfare of several hundred employees. If an employee of the Metropolitan Transport Trust should receive a severe electric shock, he would turn to Mr. Page for first aid treatment. So the lives of many of the employees at the Metropolitan Transport Trust are in the hands of Mr. George Page.

In those circumstances how can it be thought, for one minute, that Mr. Page is not a fit and proper person to hold a master's certificate. I mention this because the statement has been made that the court of marine inquiry felt he was not a fit and proper person to hold a master's certificate. I would emphasise that the court reached this conclusion because it believed that Mr. Page's vessel was the overtaking vessel and in those circumstances he should have taken the precautions necessary to avoid a collision. This is in spite of the fact that all the evidence we can bring forward indicates that, in fact, Mr. Page's vessel was the overtaken vessel as distinct from the overtaking vessel. In those circumstances, he abided by every regulation that is in force at the present time.

In his statement, the Minister made it quite clear that he did not regard the evidence which has since come forward since the hearing by the court of marine inquiry as being new and important evidence within the meaning of the Act. The Minister claimed it was not significant that several witnesses had come forward and testified that the *Andrew* had left several minutes before the *Katameraire*. However, this was of significance because the court of marine inquiry placed great stress upon this point. The judgment of the court on this question was as follows:—

> Finally, some further significance might well derive from Page's sworn statement at the preliminary inquiry before Captain Palfreyman that he left Barrack Street "a good five minutes ahead" of the "Katameraire"—a margin which he reduces at this investigation to two or three minutes, though even this seems slightly extravagant in comparison with other testimony.

In other words, when Page went before the court of marine inquiry he gave evidence to the effect that he had left some time before the *Katameraire*. Clearly that evidence was disbelieved by the court and when new witnesses come forward to establish beyond any doubt at all that Page was speaking the truth, surely this is new evidence. It is important evidence, and I repeat it is evidence which was not available at the time of the inquiry because Page came straight from hospital and did not have time to muster witnesses. So much for that point.

The Minister indicated when witnesses came forward and said that the engine of the *Andrew* was overheating at the time, that this was not new and important evidence. However, I again emphasise that the court took cognisance of this, because the court had the following to say:—

> While it is evident the *Andrew* lacks the maximum speed of which the *Katameraire* is capable, it is not without significance that Page confesses to his ship's engine trouble through overheating which, although he seeks to ascribe it to some mechanical defect, strongly suggests that in his determination to win the race to Fremantle, he spared not the horses.

So it will be seen that the court disbelieved Page. When we produce evidence to show that this was not the situation, the Minister disagrees and says it is not new or important evidence within the meaning of the Act.

Those are two points in respect of new and important evidence. Then we produced several witnesses from the Perth Flying Squadron who watched the actual collision. Those witnesses were unknown to Page and they came along after they had seen the court case reported in the papers. They were all reputable individuals and said that their curiosity was aroused when they saw the two vessels converging, and because their curiosity had been aroused they watched the incident.

The Minister said this was not new and important evidence because the people concerned were 200 yards or so away from the actual happening. The court of marine inquiry said that Page had not brought along any witnesses to substantiate his claim that he was, in fact, the leading vessel, and the best that his two witnesses could say—and they came along because they happened to be crewmen—was that the *Andrew* was parallel with the *Katameraire* at the time of the collision. So the court of marine inquiry took cognisance of the fact that Page did not produce any witnesses to testify that his was, in fact, the leading vessel.

When I produce witnesses the Minister says that this is not new and important evidence. It was evidence which was not available to the court at the time because Page was in hospital and could not obtain witnesses. Of course, he could not have produced these particular witnesses, because they did not come forward until after the inquiry. However, I have been to see the witnesses at the Perth Flying Squadron, and it was pointed out to me exactly where the incident occurred.

I wrote to the Minister at the time and apparently the Crown Law Department gave him an opinion on this matter. No-one from the Crown Law Department interviewed the new witnesses, and nobody examined the map of the area. Therefore I was astonished to receive a reply from the Minister that the evidence had been discounted.

Then, again, the Minister dismisses the fact that a woman has now come forward. The reason she did not come forward in the first place was that she was a non-paying passenger, and a friend of Page. Nobody can discount the evidence which she is in a position to give. This is new and important evidence, in accordance with the Act, and it is therefore mandatory on the Minister to order a rehearing by the court of marine inquiry.

Apart from the fact that this is new and important evidence, there are other grounds for a rehearing by the court of marine inquiry. We know that the Act states the Minister shall order a case to be reheard if for any other reason there has, in the opinion of the Governor, been ground for suspecting that a miscarriage of justice has occurred.

The Minister has pointed out, and I agree with his statement, that there was a preliminary inquiry into this matter. The inquiry was conducted by Captain Palfreyman of the Harbour and Light Department. However, let us first of all realise what a preliminary inquiry means. Even though the individuals concerned were told to bring witnesses to the preliminary inquiry, this did not mean that they should bring them.

Page's actions in this regard were the actions of an innocent man. He went before the court secure in the knowledge that he was conversant with the regulations which were in existence at the time, and he was quite prepared to go before that court without witnesses and without legal representation. When he got there, of course, he found that Mr. Kitcher not only had legal representation, but had five witnesses—some of whom were his relatives.

The Minister attaches significance to the fact that Page had his opportunity to state his case. Page's actions were those of an innocent man going along to a departmental inquiry, prepared to explain exactly what had happened knowing that he had acted within the law. He did not bother to scour the countryside to look for witnesses, and he did not seek legal representation, because he knew he was in the right.

Captain Palfreyman acknowledged that fact; because. after the initial inquiry, his own recommendation was. "Evidence would seem to indicate that Page in the *Andrew* may be much more to blame, but this could also be because Kitcher produced five witnesses whereas Page produced none." Let us look at the names of some of the witnesses produced by Mr. Kitcher; namely Mr. Alan William Kitcher, Mr. Edward James Kitcher, and Mr. Prevost Alan Kitcher. Those were three of the witnesses produced.

In the circumstances, Captain Palfreyman recommended that the matter should be referred to a court of marine inquiry. That was fair enough. However, when the court of marine inquiry sat, we find that Page had been in the Hollywood Repatriation Hospital for two months; he had just had a serious operation for hernia; and he had laryngitis. I have a doctor's certificate issued by Dr. Cook, who is the wife of Mr. Baron Hay, who used to be Director of Agriculture in this State. It reads as follows:—

> This is to certify that Mr. G. A. Page was admitted as an in-patient at the Repatriation General Hospital on 3/5/65 for treatment of a war caused disability, nervous condition for bilateral hernia.
>
> Date discharged: 6/9/65.

It says at the foot of the certificate that Mr. Page was also suffering from laryngitis on the 29th and the 30th of July, 1965. Those were the two days when the court of marine inquiry sat.

Page did what any other individual would do who had been in hospital for two months and who had three days in which to attend a court of marine inquiry. He went to the Legal Aid Bureau and asked for legal representation, but the bureau told him that there was insufficient time to obtain representation for him.

Page was, in fact, a very sick man who was up to his neck in sedation—or up to his ears, whatever the expression might be—as a consequence of the nervous condition from which he had been suffering as well as from the operation for hernia. In addition, he was suffering acutely from laryngitis. Despite all that, he came forward without legal representation to defend himself against several witnesses, some of whom were related to the captain of the other vessel. That was the situation.

I am suggesting that this fact alone should weigh heavily with the Minister when he considers the obligation which is upon him. I repeat that the Act states in part—

> The Governor may, where any such inquiry as aforesaid has been made, order the case to be reheard by a Court of Marine Inquiry, either generally or as to any part thereof, and shall do so if—
>
> (b) for any other reason there has, in the opinion of the Governor, been ground for suspecting that a miscarriage of justice has occurred.

I am not going to dwell on that issue, because I think the facts are obvious to all. It is another ground why the Minister should order a rehearing.

I want to refer particularly to something which is vital to this issue; namely, to the regulations which have been framed for the avoidance of collisions at sea. They are the Minister's own regulations and are headed, "Regulations for preventing collisions at sea." These regulations apply not only in Western Australia but equally throughout the world. They were arrived at during an international conference some years ago. In actual fact the regulations have not changed much since last century, about 1848, I believe. These are the regulations which guide the masters of craft on our rivers and at sea.

I would like to read a few of the regulations, because they deal with the question of overtaking vessels. I wish to emphasise that the *Andrew*, skippered by Mr. Page, left the Barrack Street Jetty several minutes before the *Katameraire*. The Minister agreed with that and said that when the vessels reached the Inner Dolphin, off Pelican Point, the *Andrew* was, in fact, 1,500 feet ahead. The Minister made that statement the other day. The regulations say—

> Notwithstanding anything contained in these Regulations, every vessel overtaking any other shall keep out of the way of the overtaken vessel.
>
> If the overtaking vessel cannot determine with certainty whether she is forward of or abaft this direction from the other vessel, she shall assume that she is an overtaking vessel and keep out of the way.
>
> Every vessel which is directed by these Regulations to keep out of the way of another vessel shall, so far as possible, take positive early action to comply with this obligation, and shall, if the circumstances of the case admit, avoid crossing ahead of the other.

The fourth regulation is possibly of even more significance. I ask members to listen to this—

> Every vessel coming up with another vessel from any direction more than 22½ degrees (2 points) abaft her beam, i.e., in such a position, with reference to the vessel which she is overtaking that at night she would be unable to see either of that vessel's sidelights, shall be deemed to be an overtaking vessel; and no subsequent alterations of the bearing between the two vessels shall make the overtaking vessel a crossing vessel within the meaning of these Regulations, or relieve her of the duty of keeping clear of the overtaken vessel until she is finally past and clear.

This regulation is, of course, for the purpose of avoiding collisions at sea, and is relied upon by every person who goes to sea. I repeat that the regulation says, in part, that if the vessel is the overtaking vessel, no subsequent change of course shall relieve her of the duty of keeping clear of the vessel being overtaken. This could be somewhat confusing to people who do not understand nautical terms, because they would not know what I am referring to in regard to sidelights. What it means is that craft must display a green light on the starboard side and a red light on the port side to indicate the direction in which the ship is travelling. The lights can be seen from directly ahead and to each side. Incidentally, they are separated by a board. One can only see the red light on one side and the green light on the other side. They can be seen in a wide arc from directly ahead to a point which is 22½ degrees abaft the beam; that is, 22½ degrees behind a point at right angles to the vessel.

It means that any ship which approaches from behind is the overtaking vessel, and the overtaking vessel has the obligation to keep clear. I would like to read the regulation again, but I will omit some of the points which might cause confusion. It says—

> Every vessel coming up with another vessel from any direction more than 22½ degrees (2 points) abaft her beam . . . shall be deemed to be an overtaking vessel; and no subsequent alterations of the bearing between the two vessels shall make the overtaking vessel a crossing vessel within the meaning of these Regulations, or relieve her of the duty of keeping clear of the overtaken vessel until she is finally past and clear.

Members know what happened with the *Katameraire;* namely, it was 1,500 feet behind the *Andrew* when the vessels reached the Inner Dolphin. The *Andrew* was continuing on the normal course which is marked on the map for vessels of this size. As I have said, the *Katameraire* was 1,500 feet behind and it changed course to cut the corner. In so doing, according to the regulations, it was immediately on a collision course with the *Andrew*. The *Andrew* had to continue on the normal course even though a half circle was involved.

At that point the *Katameraire* was on a collision course. It was still the overtaking vessel. It does not matter that the *Katameraire* took a short cut, because the regulations are quite specific. I repeat—

> Every vessel coming up with another vessel from any direction more than 22½ degrees (2 points) abaft her beam . . . shall be deemed to be an overtaking vessel; and no subsequent alterations of the bearing between the two vessels shall make the overtaking vessel a crossing vessel within the meaning of these Regulations. . . .

So here we have a situation in which the *Katameraire* did precisely that; it changed its bearings for the purposes of a short

cut. But this did not relieve the *Katameraire* of the obligation of keeping clear of the *Andrew;* it was still an overtaking vessel and eventually, as we know, the boats collided.

In those circumstances, the court in its judgment said that had Page in fact been the overtaken captain, he was obliged to do precisely what he did: maintain his course. I will read the relevant part of the judgment—

> In order to assist in fixing responsibility for this deplorable exhibition of erratic seamanship it devolves upon this court to determine which was the leading vessel. If, as her master, Page, claims, the "Andrew" headed the "Katameraire" throughout then, subject only to such sanctions as might reasonably attach to her in an emergency she would have been entitled (if indeed not bound) to maintain her course and speed.

This is precisely what she did. The *Katameraire* was the overtaking vessel and, in accordance with the regulations, she had an obligation to keep out of the way of the *Andrew.* However, her skipper did not do that and, of course, Page's vessel was subsequently deemed to be the overtaking vessel. He was the one who was penalised for life by having his master's ticket taken from him.

When the collision occurred the boats were on virtually parallel courses, and were not converging at a sharp angle. In those circumstances, even if the court found that the *Andrew* was in fact the leading vessel, surely the penalty should have been a reprimand, or the suspension of Page's license for a short term—not the loss of his license for life.

I have here a book which is proclaimed throughout the world as far as maritime law is concerned. It is Marsden on *British Shipping Laws* and it is an encyclopaedia of shipping laws. Let us refer to this book and see what happens when two boats are travelling on parallel courses in shallow water. If members listen to this they will realise that the penalty in this case was too severe. On page 847 under the heading of "Interaction" the following appears:—

> It has been recognised for a considerable number of years, by the courts of this country and of the United States of America, and by scientific authorities, that, when power-driven vessels are in proximity to each other, hydro-dynamic forces may operate between them in comparatively shallow or confined waters, so as to affect their courses or the course of one of them, although no alteration of helm or engines is made by those on board, or so as to render ineffective any attempted alteration of course.
>
> More is known of interaction taking place in such waters, for example, rivers and canals, than elsewhere but it appears from scientific experiments, made under carefully controlled conditions, that it may also be a danger at sea in deep and open water.
>
> It would seem that in certain circumstances, where a vessel is in more or less close proximity to another, particularly if she is smaller than and is being overtaken by that other on a parallel or nearly parallel course, and enters into a sheer or swerve which at first sight appears inexplicable, interaction may be suspected as causing or contributing to a collision which follows.

The Minister greatly stressed the fact that in this case the two vessels were on parallel courses and in shallow water. He said that three collisions actually occurred, and he appeared to think it was the fault of Page, and that he was grievously at fault. However, the publication to which I have just referred makes it clear that irrespective of what two captains might do, if their boats are travelling on parallel courses in shallow water in close proximity to each other, then those vessels can come together and can keep on doing so because of the interaction.

This is a significant point, because it means that even the captain of the *Katameraire* may not have been really at fault. Both captains could have thought that they were obeying the regulations; the boats were close together on parallel courses and, of course, in no danger anywhere along the line, but when they came within a few feet of each other, the interaction took place. This book is an undisputed authority, and it also makes reference to the articles which I quoted a few minutes ago.

Sitting suspended from 3.45 to 4.5 p.m.

Mr. GRAYDEN: I was about to quote from Marsden's comment on one of our regulations—the one which was relied upon by Page. That comment reads as follows:—

> The first part of rule 24 (b) defines an overtaking vessel thus:
>
> Every vessel coming up with another vessel from any direction more than 2 points (22½ degrees) abaft her beam, i.e., in such a position, with reference to the vessel which she is overtaking, that at night she would be unable to see either of that vessel's sidelights, shall be deemed to be an overtaking vessel . . .

It then goes on to say—

> The principle of rule 24—

I interpolate here again to say that this is the really significant point—

> —is "once an overtaking ship, always an overtaking ship" for the second part of rule 24 (b) continues:

> ... and no subsequent alteration of the bearing between the vessels shall make the overtaking vessel a crossing vessel within the meaning of these rules, or relieve her of the duty of keeping clear of the overtaken vessel until she is finally past and clear.

And then it goes on to say—

> In other words, if a ship once comes within the obligation of rule 24—if she is overtaking another ship with risk of collision—it is her duty under that Rule to keep clear of the ship ahead, not only so long as she is two points or less abaft her beam, but after she draws up to her, so that she would be crossing her within the meaning of rule 19.

There is no point in quoting any further; I merely quoted as far as I did to emphasise that once a vessel is an overtaking vessel it is always an overtaking vessel, especially when there is the possibility of an accident. In this instance, one vessel was 1,500 feet ahead of the other and the vessel that was behind changed its bearing to take a short cut, and the skipper of that vessel, at that point, was obviously under the impression that his vessel became the leading vessel, because he made that point quite clear in his evidence during the preliminary inquiry. The following is what the captain of the *Katameraire* said in evidence on this particular point:—

> Q. When you left Barrack Street you were astern of the *Andrew*?
>
> A. Yes.
>
> Q. Then sometime between then and the point of collision you had overtaken *Andrew*?
>
> A. We gained it when we turned around the Inner Dolphin.
>
> Q. Then once you rounded the Inner Dolphin you were the vessel ahead?

Despite that evidence there is the regulation which provides that if a ship is in the rear of another vessel, a change of bearing does not alter the fact that she is still the overtaking vessel nor does it relieve the skipper of that vessel of the responsibility of keeping clear.

In the circumstances, can anyone blame Page for imagining that his vessel was the one ahead and that the *Katameraire* was the overtaking vessel? The *Andrew* had left several minutes before the *Katameraire* and at this point of time was 1,500 feet ahead of her and Page knew that the *Katameraire* must be the overtaking vessel even if its skipper changed her bearing. Not only did Page know this, but he also knew that he was obliged to maintain his course, and he did this, because, had he done otherwise, he would have committed a breach of the regulations governing a collision at sea.

Therefore, can we blame Page for doing precisely what he did? Of course we cannot! To make some further inquiries on the matter I interviewed a master mariner who, in this State, is an instructor in navigation. I explained the situation to him, despite the fact that he was already conversant with the subject. He directed my attention to the regulations and threw up his hands in horror and said, "These are the regulations and I am not prepared to discuss the matter beyond that." In my copy of the regulations he marked those which I have quoted to the House. Every master mariner in charge of a ship on the ocean and on our local waterways relies on those regulations.

The skipper of every vessel knows that any vessel coming up behind his ship cannot change bearing to alter the fact that it is still the overtaking vessel. Yet because Page observed the regulation and stuck to his course in shallow water where there was no risk to life and limb, he was judged not to be in the lead. There was a dispute about that, of course. At the time of the collision two witnesses on the *Andrew* said the two ships were level and virtually this was the true position; this is how the two vessels collided; but because the court considered that one vessel was only a few feet ahead of the other it was decided that Page was in the wrong and it has been pronounced that he is not a fit and proper person to hold a master's certificate. Therefore he has lost his license for life.

Yet we find there were witnesses on the shore who were watching nearer the accident and who were prepared to give sworn testimony to the effect that the vessel skippered by Page was, in fact, the leading vessel.

The other day the Minister made some rather serious statements. To my mind they were untrue. I do not suggest he made the statements intentionally because, I daresay, he accepted the advice of his department. The statements were, however, grossly misleading and unfair to Page; worse still, they were untrue statements. The Minister said—

> It will be noticed from the judgment of the court of marine inquiry that all witnesses, except Mr. Page, agreed that the *Katameraire* was the leading vessel and that Mr. Page in the *Andrew* had deliberately caused the collision.

After I have read portion of the judgment of the court of marine inquiry on this point members will realise that it is very different from the implication contained in the Minister's remark. The judgment states—

> The two (namely his crewman Truscott and passenger Vallis) who might have been expected to lend him most

> support could do no better than to express the view that the vessels were level (that is, bow to bow).

That is what the court said. It did not say that all witnesses agreed that Page was, in fact, the oncoming vessel, or the vessel behind.

Mr. Tonkin: I think the honourable member ought to be moving a motion of censure against the Minister for misleading the House.

Mr. GRAYDEN: I certainly think a serious injustice has been done to Page. The Minister said that all witnesses except Page agreed that the *Katameraire* was the leading vessel, but I have shown that there are at least two who did not agree. The judge said that the best they could do was to say they were level. Witnesses who had not been interviewed previously said that at the time of the collision the vessels were virtually level. This is very different from what the Minister said.

The SPEAKER: The honourable member has another five minutes.

Mr. GRAYDEN: I do not know from where the Minister got his advice. I cannot believe he got it from the Crown Law Department, because the advice is misleading and grossly unfair to Page. The Minister also said—

> However, counsel for the Crown argued that, in the particular circumstances of the case and in view of the hearing before the court of marine inquiry, the court should consider the whole circumstances of the case, and that the crux of the matter was which vessel was the overtaking vessel at the time of the first collision. The court adopted this view, which of course, was more favourable to Mr. Page and the *Andrew* than if the court had taken the view that the rule regarding converging or crossing vessels should apply rather than the rule regarding an overtaking vessel.

There are no circumstances in the world where the rule regarding the crossing vessel could apply in this case; yet we have the Minister indicating that the advice he received either from the Crown Law Department or the Harbour and Light Department was that the law relating to crossing vessels was not taken into consideration in this case and that this was more favourable to Page, implying that if this had not been done the situation would have been worse for Page.

I am quite unequivocal in my stand. The statement is quite untrue, and by no stretch of the imagination could the situation have been regarded under that law. The definition of crossing vessels is contained in the regulations I have read out. The definition is quite clear and states—

> Regulation 24(b). Every vessel coming up with another vessel from any direction more than 22½ degrees (2 points) abaft her beam, i.e., in such a position, with reference to the vessel which she is overtaking, that at night she would be unable to see either of that vessel's sidelights, shall be deemed to be an overtaking vessel; and no subsequent alterations of the bearing between the two vessels shall make the overtaking vessel a crossing vessel within the meaning of these Regulations, or relieve her of the duty of keeping clear of the overtaken vessel until she is finally past and clear.

I have not had time to quote all I wanted to from Marsden's work, but I assure members it is all there. The definition of "crossing vessel" is contained in this publication and members will see that the Minister's statement is quite incorrect and, in my opinion, he has done a great disservice to Page by virtually indicating that something could have happened at the court of marine inquiry when, in fact, it could not have done so.

I conclude on the note that I believe we have new and important evidence which is vital to the hearing of this case. I believe the facts of the case are such as to indicate that an injustice has taken place, and I believe that what Page did was merely to obey regulations. I challenge any member in this House to say that he did not do the right thing. If members read the regulations they will realise that Page was carrying out these regulations.

Accordingly, let us have the case reheard, and if the court finds Page was partly responsible and that his was, in fact, the leading vessel, I feel sure the court will put this in its true perspective and will record a reprimand and order a suspension of license for a limited period rather than for life.

We are asking for a rehearing by the court of marine inquiry because there is no other avenue open to Page. Parliament has, in the past, said that if there is to be an appeal it shall be by means of a hearing by the court of marine inquiry.

It is not possible for Page to go to any other court in the land. In the circumstances I hope members will support the motion and thus give Page some means to obtain redress.

The SPEAKER: The honourable member's time has expired.

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

Ayes—25

Mr. Bateman	Mr. Lapham
Mr. Bertram	Mr. W. A. Manning
Mr. Brady	Mr. May
Mr. Burke	Mr. McIver
Mr. Dunn	Mr. Moir
Mr. H. D. Evans	Mr. Norton
Mr. Fletcher	Mr. Sewell
Mr. Graham	Mr. Taylor
Mr. Grayden	Mr. Toms
Mr. Harman	Mr. Tonkin
Mr. Jamieson	Mr. Young
Mr. Jones	Mr. Davies
Mr. Kitney	*(Teller)*

Noes—17

Mr. Bovell	Mr. Nalder
Mr. Burt	Mr. O'Connor
Mr. Cash	Mr. O'Neil
Mr. Court	Mr. Ridge
Mr. Craig	Mr. Runciman
Dr. Henn	Mr. Rushton
Mr. Hutchinson	Mr. Williams
Mr. Lewis	Mr. I. W. Manning
Mr. Mensaros	*(Teller)*

Question thus passed.

COAL

Inquiry into Greater Utilisation: Motion

Debate resumed, from the 9th October, on the following motion by Mr. Jones:—

> In the opinion of this House the Government should institute an inquiry into the possibilities of the greater utilisation of coal in the various sections of the energy market for the purpose of giving improved stability to the town of Collie and advantage to the State's economy.

MR. NALDER (Katanning—Minister for Electricity) [4.23 p.m.]: The member for Collie has again endeavoured to prove that coal is far from being outmoded, and is, indeed, the preferred fuel in overseas countries and also in the power stations in the Eastern States. He proceeded to argue on, and to produce evidence of, the use of coal, and implied there was no fuel superior to coal.

I shall indicate to the House that this is surely a matter of economics. I intend to give the reasons why the State Electricity Commission in Western Australia is doing what it is; to show what the situation is in the other States of the Commonwealth; and to give the reasons why, in some cases, coal is being used, and in other cases oil is being used.

It is agreed that many power stations burn coal, and that new stations are being designed and built to use coal as the major fuel. This is because all the facts have been taken into account, and they have pointed to the selection of coal. In the same way, for different conditions many power stations operate on oil, and new stations are also being designed and built with the use of oil in mind as the future fuel.

What I have said can apply not only to oil, because, as the honourable member well knows, the situation can develop and is developing in other areas where gas is used. It is also agreed that the use of coal overseas and in other parts of Australia is increasing; mainly in Victoria and New South Wales. I want to indicate to the House that the situation applies also in Western Australia, and I will give the figures relating to the use of coal in this State.

Mr. Graham: Not the figures of the cost of fuel.

Mr. NALDER: No, I do not intend to argue on that point. I intend to give the reasons for the use of coal in this State. The figures indicate that the quantity used yearly is increasing. For the year ended the 30th June, 1966, the quantity of coal burned in this State was 802,000 tons; for the year ended the 30th June, 1967, it rose to 840,000 tons; and for the year ended the 30th June, 1968, it again rose to 900,000 tons. This indicates that coal is the major source of power supply in Western Australia.

It is a misrepresentation of the facts to imply that coal is preferable to other fuels, simply because it is coal. This is what I want to contradict, on the basis of the information that has been given by the member for Collie. A number of factors affect the choice of fuel, which has such an important bearing on a generating authority's desire to keep capital and operating costs as low as practicable. The points which I mentioned a few moments ago relate to these factors—

(a) The location of fuel with respect to the load.

(b) The quantity available over the life of the station.

This is important, and this is taken into consideration in the case of the Muja power station. To continue with the factors—

(c) The cost of the fuel.

(d) The economics and practicability of locating a generating plant at the fuel source.

This is being applied at the present time in the district represented by the member for Collie. Yet another factor is—

(e) The economics and practicability of the transmission of power, as opposed to the transport of fuel to the various stations in other parts of the State.

Some of these factors introduce complexities which combine to make an investigation into a future generating plant very involved, and no hard-and-fast rule can be established or applied. Each case must be considered separately, and on its own merits.

I want to emphasise this: how can any organisation, or in this instance a commission, plan years and years in advance, to erect a type of generating plant or a

plant that is likely to use any particular type of fuel? I appreciate the fact that plans for the future must be made; but commissions—here I am talking mainly of commissions at this point of time—must consider the economics of the situation and the supply of fuel for the generation of power. They must consider these things at the time they are preparing plans for the future demand, whether it be for a city or for some secondary industry, for any particular area. Hence, it is not surprsing that the Member for Collie can quote instances of other countries, other States, and other generating authorities, which are using, or are planning to use, coal as a fuel.

The selection depends upon the cost and other factors involved, which require deep and exhaustive study. It is surprising, however, that the member for Collie has issued a challenge to me—as the Minister—to name any State in the Commonwealth where oil is preferred for industrial power generation.

Mr. Jones: That is, at a base station.

Mr. NALDER: Perhaps I have used the wrong word, but I think it was "preferred."

Mr. Jones: I referred to the question of base stations. I challenged you to show me, where, in Australia, any base station was burning other than coal fuel.

Mr. NALDER: No doubt the member for Collie knows what is happening in South Australia at the moment, and this is important in the argument put forward. We have only to refer to South Australia to see what the South Australian Electricity Trust is doing at this moment.

Mr. Jones: Has it not a limited coal reserve?

Mr. NALDER: In South Australia the trust is erecting a station at Torrens Island, within a few miles of the centre of Adelaide, to help generate power for the city.

Mr. Jones: But what is the life of the coalfield? There are not the reserves that we have in this State.

Mr. NALDER: What I am attempting to say is proved by what the honourable member said when he interrupted me. When a commission has to decide what to do, it considers all the information and evidence available at the time. This is what is happening in South Australia. The trust in that State has given consideration to all aspects of the cost factor, and because of the economic situation in South Australia the trust is favouring oil for the station which is being erected on Torrens Island. It consists of four 120 MW sets, two of which are now in operation, and using oil as fuel. Later, they might burn natural gas.

The selection of oil was made in spite of the virtues of Leigh Creek coal which the honourable member referred to, and probably because that coal is reserved for more economical use at Port Augusta in the Playford station which has been designed for its use. This situation proves that those authorities that have the responsibility of looking after the power generation in any State, or any country, decide on the economics at the time of the erection of the generating plants.

Such development is a matter of necessity in the absence of certain knowledge of one source of sufficient fuel which would completely satisfy the requirements of the reliability of supply, coupled with economy, over the life of the generating plant. That is the situation in Western Australia. The commission decided to develop Muja as a major generating station for the State of Western Australia. The commission considered all aspects of the supply over a period, and estimated the life of the station itself. With the information available regarding the quality of the coal, the economics were considered, and so the main generating plant was constructed at Muja. I mention this because it is an important point. Some would think that because more coal is not used and, I might mention, because the commission has decided—and is proceeding—to build a generating plant at Kwinana which will burn oil, then that is a criminal action.

In the States of Victoria, New South Wales, and Queensland, there are abundant supplies of coal, and quite rightly the generating authorities are basing their development on the use of that fuel. South Australia and Western Australia are not so fortunately placed, as their coal resources are limited by comparison.

Mr. Jones: How do we know that?

Mr. NALDER: The member for Collie has stressed his points over and over again and, no doubt, he will repeat them again before much longer.

Mr. Jones: Why bring engineers from the east to assist in the survey? Why did the Government act in this way recently?

Mr. NALDER: The member for Collie will have his chance to make some constructive criticism on that point before the session is finished.

Mr. Court: If we do not bring in experts they complain, and when we do bring them in, they still complain.

Mr. NALDER: The member for Collie has spoken of the loss of revenue by the railways because of the reduction of rail transport of coal. This is a wasteful and expensive process and is tolerated in South Australia only because of necessity. I do not think I need to go into detail. We know Leigh Creek is situated a considerable distance from Augusta and certainly a greater distance from Adelaide. It has been found to be economical to transport the coal by rail, and consideration has been given by the Commonwealth Government

to the carrying of this coal at a certain price. We do not argue on that basis. An agreement was reached between the then Premier of South Australia and the Commonwealth Government, and it is advantageous to continue to operate that field.

The Leigh Creek field is far removed from the load, and a suitable supply of cooling water and the location of the power station at Port Augusta are a compromise solution to an awkward problem. This is another situation which we have to think of, and I will refer to it again a little later.

The coal is won cheaply in South Australia, and the rail transport cost is low by comparison with our rates. Any preferential rate in our case would only further impair the economics of the Railways Department and its finances. There would not only be a direct loss through transportation, but there would be the necessity to build rolling stock which would be required to carry large quantities of coal from one point to another. It is a wasteful and unnecessary process in our case.

The member for Collie has spoken of 1,000,000 tons of coal lying idle at Muja. Presumably he means the coal from which overburden has been taken in preparation for mining. If so, the amount is nearer 433,000 tons, which was the figure given to me as at the 22nd February, 1969.

Mr. Jones: I quoted that figure last year remember. Please be fair to me.

Mr. NALDER: That is correct; I am not criticising the member for Collie; I am telling him the position at a later stage.

Mr. Jones: That might have been the figure at a later stage.

Mr. NALDER: I admit that the figure was as at the 22nd February, 1969, and it was estimated to be half of the quantity mentioned by the honourable member. It is considerably less than the figure quoted, which indicates that there has been a quantity of that coal mined and used by the company, by the commission, and by the Railways Department. To state that the coal is lying idle is to give an erroneous impression. It represents less than one year's supply of coal and is a prudent measure by the coal company to protect itself against its established orders.

Water is a problem in the Muja area. I think this has been mentioned before, and I want to mention it again briefly. The member for Collie also commented on this point during his speech. The Government must limit the draw by the commission on the Wellington Dam so that sufficient water will be available for irrigation purposes, and for the towns and consumers in the wheatbelt supplied by the comprehensive water scheme. I do not want to emphasise this matter because I do not think you will allow me to, Mr. Speaker, but it is also necessary to pump water from the Wellington Dam to parts of the agricultural areas.

The Government obliged the commission to develop and use water supplies from other sources to the limit of availability. By so doing the commission would assist the situation at Collie. The commission has responded seriously and is largely independent of Wellington Dam water except for domestic and boiler feed water. The member for Collie is in error in speaking of a pipeline from the abandoned Neath mine. It was intended to use the vast water storage of that mine, and a trial bore was sunk into the workings so that the water could be tested.

The information made available to me is that it is unfortunate that the water is heavily contaminated, and present methods of treatment to make it suitable for use would be quite uneconomical. However, the commission has used the same route to pipe water from the Western mine workings, and other ground sources which are suitable for use without treatment.

At the moment the commission is considering tenders for a treatment plant for the water from the Hebe mine, which is not so heavily contaminated as the Neath waters, and which might prove economic in use. This is another stage in the effort to try to find further sources of supply and to make the situation at Collie more satisfactory and reliable. The dry condensing techniques mentioned have been investigated by two senior officers of the commission, and there are prospects of successful technical application. However, as in the case of fuel, economics enter into the matter as dry condensing plants are much more expensive than wet cooling towers, and the plants operate at lower efficiencies.

At this point let me say that every effort is being made by the commission to find out what is being done in other parts of the world to see whether or not it is necessary or desirable that at some future date we should erect still other types of units at Collie; and also whether it is possible to use some basis other than water. I say now, as I have said before in this Chamber, no opportunity is being lost by the commission to send its officers abroad from time to time to see what is being done in other parts of the world. If such improvements as are being used abroad can be applied here they will be incorporated; because the commission is looking for progress and every effort is being made to try to overcome any problem that may exist.

When the Muja power station was opened by the Premier he said that if in future it was found economical and desirable so to do, the commission would erect further units at Collie to provide for the demand which will increase as the State grows.

Assuming the combination of sufficient fuel at an economical price, additional plant could be located at Muja. The water problem could be overcome to a limited extent by using dry condensers, which

would be costly and less efficient. The additional plant would require additional transmission lines unless load growth in the south-west was such that the output of the additional plant could be absorbed completely in the south-west. This condition is unlikely at the moment, and may be for some time in the future.

The present grid system is fully loaded by the generators in the south-west, which is why the stations in the metropolitan area must be kept in operation. The member for Collie fell into error when he assumed that the bulk for base-load generation of the commission would be on oil. It will not, and I emphasise that—the base-load generation of the commission will not be on oil; it will be on coal supplied to the Muja power station. The oil-burning stations will be second priority and will deal with loads above the base load. To illustrate this point it is interesting to note than in the year ended the 30th June, 1968, coal-burning stations in the S.E.C. system produced 91.4 per cent. of the total output.

In January of this year the Government decided, in view of the interest in the further development of the Collie coalfield, to obtain the services of a competent coal-mining engineer to examine, assess, and report on the feasibility of the Collie coalfield being able to provide the required quantity of coal to produce at the rate of approximately 5,000,000 tons per annum for possible supplies for the mineral industry in the north-west, and for export.

As the State of New South Wales has had very considerable experience in coal-mining, an approach was made to the Minister for Mines in that State and he readily agreed to make available two engineers—namely, Mr. A. F. Perkins, the Director of State Coal Mines, and Mr. R. A. Menzies, the Deputy Chief Inspector of Coal Mines. These two experts came to Western Australia and visited Collie in February to make a preliminary survey of the position, and then returned to Sydney.

Following a preliminary report, Mr. Menzies returned, accompanied by Mr. D. Hanrahan, Assistant Superintendent of Coal Mines, to make further detailed studies of the field. These were completed shortly before Easter, and Messrs. Menzies and Hanrahan returned to Sydney to compile their final report. Up to this stage the Government has not received that report but we hope it will be available in the not too distant future. When this report has been received and examined, the position regarding future production from the Collie coalfield can be reviewed.

I think members will agree that, in its present form, the motion is out of order, inasmuch as the member for Collie asks the House to request the Government to institute an inquiry into the situation at Collie and into the possibilities of the greater utilisation of coal, and so on. To put the matter in order I intend to move an amendment. Should I move it at this stage, Mr. Speaker?

The SPEAKER: The Minister can indicate to the House what he proposes to do and then move the amendment.

Mr. NALDER: I propose to move that all words after the words, "in the opinion of this House" be deleted with the object of inserting other words in lieu.

The SPEAKER: I thought you were going to tell the House what words you intended to insert in lieu.

Mr. NALDER: I will do that with your permission, Mr. Speaker. If the words are struck out I intend to move that the following words be inserted in lieu:—

it is desirable that—

1. The Government continues and, if necessary, extends the present studies currently being undertaken to determine more accurately the nature and extent of the State's coal resources in the Collie area as a prerequisite to the determination of how best to develop and utilise these resources to give greater stability to the town and district of Collie; and

2. The Government continues its present studies of potential additional uses of Collie coal such as the Government's current studies of cheaper power generation for aluminium smelting, use of Collie coal for reduction of other minerals and possible coal export.

The SPEAKER: I suggest that the Minister move for the deletion of all words after the word "House," in line 1.

Amendments to Motion

Mr. NALDER: I move an amendment—

That all words after the word "House," in line 1 be deleted with a view to substituting other words.

MR. FLETCHER (Fremantle) [4.49 p.m.]: I may need your guidance on this Mr. Speaker. This is my first experience of rising to speak after a Minister has moved an amendment to a motion. My objective is to support the motion moved by the member for Collie and, naturally, to oppose the amendment moved by the Minister for Electricity. Am I in a position, now, to speak in support of the motion?

The SPEAKER: The subject before the Chair is the amendment and you must confine your remarks to the amendment. You may take into account the words the Minister has indicated he proposes to insert, but you cannot go beyond the amendment. If the amendment is defeated you will have the opportunity to speak further on the motion itself.

Mr. Nalder: That is, if it is defeated.

The SPEAKER: Yes; that is, if it is defeated. The honourable member must confine himself to the amendment, but I think he will find that it covers most of the motion. We will see as he goes along, but the question before the Chair is the amendment moved by the Minister for Electricity.

Mr. FLETCHER: I have not been able to obtain a copy of the amendment at such short notice, although its purport has been outlined to me. The first part of the amendment states—

> It is desirable that—
>
> 1. the Government continues and, if necessary, extends the present studies currently being undertaken to determine more accurately the nature and extent of the State's coal resources in the Collie area as a prerequisite to the determination of how best to develop and utilise these resources to give greater stability to the town and district of Collie;

I find the Minister has at least something in common with the member for Collie, but in my view the amendment is inadequate in that it merely contains unsubstantial promises in connection with a situation which could be created. I find the amendment most unsatisfactory as, I daresay, does the member for Collie.

My reason for saying that the amendment has no substance is that we already have extremely expensive coal-handling plant installed in both the East Perth and the South Fremantle power stations. We all know, of course, that coal is readily available for use in these power stations.

Is it an outrageous suggestion therefore that this coal-handling plant should be handling coal? Yet we find the amendment suggests that it is conceivable that oil might be preferred to coal. If the amendment is in favour of continuing to use oil and, if it were successful, it would mean that we would continue to pay hard currency for oil in this State. I do concede, however, that the oil obtained from BP might not be a dollar import. But even if this oil does come from a soft currency area—for the want of a better term—the oil which will be used to supply the power stations could be used to better advantage in other areas. There is nothing to prevent coal being used as an alternative.

Mr. Nalder: Do not forget that a considerable amount is coming from Barrow Island.

Mr. FLETCHER: I will deal with that in a moment if I am permitted to do so by the Speaker. Unfortunately, however, my notes have been prepared in connection with the motion moved by the member for Collie. I will deal with the point made by the Minister immediately; I will not be like the previous member for Mt. Hawthorn who generally promised to deal with such comments, but who subsequently did not do so. The Minister interjected and said that a considerable amount of oil would be coming from Barrow Island.

Let us suppose that, as a result of hostilities, supplies of oil were found to be inadequate in this State for all purposes, including its use in the power stations. Would it not be better in such an eventuality to have a power station equipped with coal-handling plant? I submit it would. In view of this I see great danger in the procrastination suggested in the Minister's amendment.

The second part of the Minister's amendment states—

> 2. It is desirable that the Government continues its present studies of potential use of Collie coal such as the Government's current studies of cheaper power generation for aluminium smelting, use of Collie coal for reduction of other minerals and possible coal export.

I do not object to that portion of the amendment, though to me it is merely a pie in the sky for the future. We are faced with a situation which exists now, and that is the purpose of the motion which has been moved by the member for Collie.

I think I have previously mentioned that, before entering Parliament, I worked in both the East Perth and the South Fremantle power stations. I know that you, Sir, as a taxpayer, and everybody else in this House as such, contributed to the capital outlay necessary for the installation of coal-handling plant in those power stations. Without in the least exaggerating the point, I would say that the cost of this plant runs into millions of pounds; I do not mean dollars.

I asked a question and discovered that the South Fremantle power station cost £12,000,000—not dollars—and a large percentage of that amount was used for the installation of plant for the handling and crushing of coal. Is that plant to lie idle while the Minister goes forward with the inquiries he promises in his amendment?

Mr. Nalder: To which plant are you referring?

Mr. FLETCHER: I knew the Minister would miss the vital point. I am pointing out that in the South Fremantle power station alone there are eight precipitators which cost something like £80,000 each; there are 16 exhausters and 16 mills; apart from which there are bunkers, conveyors, locomotives, coal houses, rails in the yard, and a storage yard which runs into acres, and has a concrete floor and retaining wall 6 inches thick. All this cost millions of pounds to install.

I have seen an increased use of oil at the South Fremantle power station and, as a consequence, coal-handling plant has been lying idle. Is this to continue progressively until we reach the position where the power stations are using only oil? Is this plant, which cost millions of pounds to install, to lie idle while the Minister conducts an inquiry? For the reasons I have outlined, I oppose the amendment.

Mr. Nalder: Do not forget that most of that has been written off; it was not put in last year. The plant has been there for many years.

Mr. FLETCHER: I know that, and I would point out to the Minister that I helped in the construction of that power station; as a tradesman I was involved in its construction.

Mr. Nalder: That would be well over 20 years ago.

Mr. FLETCHER: The plant is still good; spare parts are still available for it, and I have no doubt that this coal-handling plant could be put into operation tomorrow and that it could continue to handle Collie coal while the Government is fiddling around in connection with this amendment.

Mr. Nalder: It is obvious you were not listening to what I was saying. I said it was not economic so far as the railways are concerned.

Mr. FLETCHER: I will concede that it is not an economic proposition so far as the railways are concerned; but I have never known a diesel-powered locomotive to use coal.

Mr. Nalder: I will say you are very observant.

Mr. FLETCHER: If coal is readily available on our doorstep, we should use it; we should not import oil from overseas, particularly when the supplies of oil could be cut off. Our lines of communication are very long indeed as they relate to the importation of oil from overseas, and if the indigenous supply is found to be inadequate we will be in a very difficult position. As a consequence, I am convinced that the coal areas should be opened up, explored, and exploited to the full advantage of this State.

If members opposite wish to disadvantage Australia's economy then they will vote for the amendment, and against the motion; but if they want to advantage the economy of this State then they should support the motion, as distinct from the amendment.

For the reasons I have outlined, I find the amendment unsatisfactory. Let me say before I resume my seat that, in respect of the controversy on the use of oil as against coal, I am convinced the millions of pounds which were spent on the installation of the coal-handling plants in the respective power stations I have mentioned justifies the continued use of coal.

If oil is to be used as an alternative fuel—I know the price of this oil—the Government must be getting it for nothing or at least at a price to be able to write off the capital outlay for the installation of the coal-handling plants. I do think the finance which is used for the importation of oil can be used to the better advantage of the State in other directions, and as a consequence I oppose the amendment.

MR. JONES (Collie) [5.1 p.m.]: We on this side of the House have no alternative but to accept the amendment moved by the Minister for Electricity to the motion which calls for an inquiry into the great utilisation of coal; because in the final analysis, as the Government has the numbers, the amendment will be carried irrespective of the views of members on this side. If the amendment is not agreed to the motion will, no doubt, be defeated.

It is at least encouraging—in the motion for an inquiry into the meat industry in this State—that the Government, whilst not agreeing with the terms of reference proposed in the motion, did institute some form of inquiry into this industry.

I find that in this case, too, the Government is not prepared to move in the manner suggested by me, but it has indicated that it is prepared to lay down some policy and to make some investigation into the greater use of Collie coal. Whilst I do not wish to delay the House, I shall mention a few points to indicate some of the weaknesses in the amendment moved by the Minister for Electricity.

In his initial remarks the Minister indicated that the world trend was towards the use of different types of fuel. To me, from the investigations which I have made and the submission which I will present, that does not seem to be factual, because from the intense research I have made into this matter I find that where coal is available it is preferred to other fuels. The references which I shall give, and the reports which I have obtained from overseas, clearly show this to be the position.

Mr. Nalder: That is because of the economics.

Mr. JONES: Dealing with that question, I ask: what are the economics in the use of coal, as against the use of oil? This is perhaps the most important question facing us today. The Minister made the the point that this was a matter of economics, but I ask: where does coal stand in relation to oil? If we knew the price which the Government pays for oil we could determine this question.

In the words of the Mayor of Bunbury, as reported in *The Sunday Times* of the 24th November, 1968, the oil used in the Bunbury power station has a fishy smell. Of course, the remarks of the Mayor of Bunbury supported my proposition: that

If the economics are the basis which determines the greater use of oil, in preference to coal, then the Government should indicate the position clearly. If the Government has nothing to hide, why does it not make public the price of oil, and so clear the air? For some suspicious reason, and for other reasons known only to itself, the Government, in my opinion, is not prepared to release the price which the State Electricity Commission is paying for oil because of the effect the release of the information will have on the other consumers of oil in this State.

The Minister has told us, and I agree with his statement, that the State Electricity Commission of Western Australia is increasing its use of coal. Of course, he forgot to mention—and I would be pleased to hear from him on this point—how much extra oil is being used in this State. It is all very well to say that coal is being used at the rate of almost 1,000,000 tons a year, but I ask the Minister by how much is the use of oil increasing at the same time? The figures available in this State indicate that the Government is still preferring the use of oil to coal. Members will recall the questions which I asked last year in this House in relation to the East Perth and the South Fremantle power stations.

Mr. Nalder: What you have said is definitely not correct.

Mr. JONES: In reply to those questions the Minister said that the South Fremantle power station would be used primarily at peak load. We have the spectacle where we were told last week that the output of the South Fremantle power house has been increased, while the output of the Bunbury power house has been reduced to one of its lowest levels. To illustrate the policy adopted by the Government, last year the State Electricity Commission started to stockpile coal at Bunbury three months before the coalminers went on annual leave.

Mr. Nalder: That was a sensible thing to do.

Mr. JONES: That clearly shows the effect of the Government's policy on the greater use of coal in this State.

Mr. Nalder: Even if the S.E.C. used coal exclusively the honourable member would not be satisfied. That seems to be his attitude, because at the present the S.E.C. is generating 91.4 per cent. of the power output by the use of coal.

Mr. JONES: It is at the moment, but as it is the policy of the Government for the greater base load to be provided by the Kwinana power station now being erected the position will change.

Mr. Nalder: The honourable member was not listening. I told the House that the base load would continue to be provided at Collie.

Mr. JONES: That power station is only half the size of the Kwinana power station, so how could that be the position? We cannot accept that proposition, because the capacity of the Muja power station is 240 MW.

Mr. Nalder: I am telling the honourable member that Muja will be the base station for a long period; as far as we can foresee.

Mr. JONES: Possibly until the power station at Kwinana is completed.

Mr. Nalder: And the Kwinana power station will only come in to take the extra load.

Mr. JONES: I look to the future on this point with interest. The Minister made reference to the use of oil in South Australia, but he forgot to mention the reports of the Joint Coal Board. I draw the attention of the Minister to these reports, and also to the 1968 annual report of the Electricity Supply Industry in Australia which discloses clearly that the reserves of coal in South Australia are limited, and that as a consequence the Electricity Commission in South Australia has no alternative but to use another fuel for power generation.

The same position applies in Tasmania where a decision was made recently to build an oil-burning power station. The decision was made on the basis that, firstly, the hydro-electric system could not be extended due to seasonal conditions; and, secondly, the reserves of available coal in Tasmania were poor. The electricity authority in that State had no alternative but to build an oil-burning station.

Let us consider what was the position in South Australia in the past. It will be seen that the quantity of coal produced last year at Leigh Creek reached over 2,200,000 tons. The highest production achieved in Collie was just over 1,000,000 tons a year. I would point out to the House that the coal produced in South Australia is inferior to Collie coal in regard to heating value; yet the electricity authority in South Australia is prepared to cart the coal over long distances by rail in order to assist a local industry and to use a local fuel.

After listening to the Minister anyone would think that the oil used in this State was produced here. Of course that is not a fact. I would refer the Minister to the remarks of the late Sir Harold Raggatt, which I mentioned when I introduced the motion. He warned the electricity authorities in Australia that they would have to be very careful in determining the policy they adopted on the fuel to be used for power generation, and he indicated that the supplies already found were not sufficient to meet the requirements in this respect.

With regard to the location, I agree with the Minister that it is natural to locate power houses adjacent to the actual supply of coal. There is nothing wrong with this policy and it is being adopted in the Mohave project to which I referred in my submission late last year. That undertaking shows it is possible in America to transport power 200 miles by wire and at the same time beat the economics of nuclear power and oil-fired generation. The point I make is that if it is possible in America, why is it not possible in Australia?

It is quite clear to me that the Minister did not mention any of these points when answering the submissions I made. I was waiting to hear him on this very important question.

Then we turn to the question of water. This is one of the sob stories we hear. One year Collie is flooded with water and the next year it has a shortage. Anyone who knows Collie, would know—and I expect the Minister would be aware of this, being the Minister in charge of the State Electricity Commission in this State—that in Collie a policy could be adopted, similar to that adopted in other parts of the world and Australia. We know the policy at the Swan Bank power station in Queensland, at the Hazelwood power station in Victoria, and at the new one being constructed out of Newcastle in New South Wales, has been to construct dams where power stations have been erected.

Is there anything wrong with my suggestion that a dam could be constructed in Collie? There are areas adjacent to seams of coal where this could be done. The Minister knows full well that what I am saying is correct. If he looks at the reports of the various State electricity authorities he will find that this is the policy being adopted. If it is possible in Queensland, New South Wales, Victoria, and South Australia, to build dams to supply water for the generation of electric power by coal, why is it not possible in Western Australia?

When answering my submission, the Minister avoided this question. He knows there is an abundant supply of water in a number of collieries. In fact, millions of gallons a day are available, and this is another source which could be tapped.

Mr. Nalder: I mentioned that position.

Mr. JONES: I am not referring to the mine the Minister mentioned. He spoke of the Cardiff mine where the supply is not being tapped. I also admit that he mentioned the water was being drawn from Western No. 2 mine. However, other vast supplies are available.

The question I ask is: What has the Government done to assist the transport of coal? The Bunbury station, which is not an old station, has been reduced to a very low capacity. What has the Government done to assist in the haulage of coal from point A to point B? I would say that it has done nothing. We are still using the old type of haulage system. There has been no endeavour to assist the coal industry by granting concessions. Freight concessions are granted for the haulage of bauxite from Jarrahdale to South Fremantle, and similar agreements are operating in the north-west of the State. But what has been done in relation to the transport of coal? This is the question I am asking. I am not saying that it is right to give freight allowances, but my point is that if it is good enough to subsidise the industries I have mentioned, why is it not good enough to offer the same consideration with regard to the haulage of coal? The Minister cannot deny that enough emphasis has not been placed on the coalmining industry in the past.

Mr. Nalder: It is funny you do not refer to the fact that the State Electricity Commission went to Muja and built the base load station. You give no credit for anything.

Mr. JONES: I have not finished my speech.

Mr. Nalder: I am glad I have reminded you.

Mr. JONES: I gave the Minister credit the other night, and I may even give him more credit before I am finished tonight.

Mr. Nalder: That would be interesting.

Mr. JONES: With regard to the reserves of coal, rather oddly the Government is now bringing in Eastern States mining engineers. I applaud it for this, but I think the action has been taken too late. The engineers were in Collie for exactly one week; and I challenge anyone, including the Minister himself, to adequately assess the reserves of coal in Collie without undertaking additional boring. It would be quite impossible.

Even since the last Marshall report was made—and he was a prominent mining engineer from New South Wales brought to this State by the Government—new seams of coal have been found daily. Faults thought to have existed at Western No. 2 mine, the biggest producing mine, do not exist. This points to one important fact: a proper boring programme should be instituted for the Collie coalfield.

In my motion calling for an inquiry, I mentioned the question of greater utilisation of coal, and I did not refer only to power generation. I referred to the utilisation of coal and the possibility of some by-products being extracted from Collie coal. In Britain a new $16,000,000 project has been opened. This involves the extraction of a number of chemicals. I will not weary the House, but the publication I have here

refers to the by-products available from coal. It clearly indicates that after a long space of time has elapsed it has been found that other by-products, not previously known to exist, are available from coal in Great Britain.

Mr. Nalder: What is the name of the paper?

Mr. JONES: It is the *Coal News* of January, 1969.

Mr. Nalder: Of Great Britain?

Mr. JONES: Yes. I will make it available to the Minister afterwards if he would like to borrow it.

The best example of power production is to be found in a recent edition of *The Australian*. This states that even in Poland and Russia the tendency is to go back to coal. The article states that stations with a 2,000 MW capacity are being built in Poland and other parts of the world. The smallest units are 500 MW.

The SPEAKER: Order! The honourable member has five more minutes.

Mr. JONES: I would have liked to say a lot more, but time will not permit it. Many papers have been submitted on this subject. A recent one was by Schumacher, who was economic adviser to the Joint Coal Board in Britain. In this he says coal is being preferred and is coming back into its own, irrespective of the use of oil, natural gas, and other heating commodities.

I have here another statement in the June, 1968, bulletin of the Australian Institute of I.M.M., in which it is stated that one oil company in the United States has spent $20,000,000 American on coal research. This is the general pattern and, as the Minister mentioned, as far as the Eastern States are concerned, new stations are being constructed right, left, and centre, in Victoria, New South Wales, and Queensland.

In conclusion, I would like to refer to the Minister's amendment. Whilst I am not happy with it, I note that under paragraph 1 the Government will continue, and, if necessary, extend the present study. I give the Government credit for building the Muja power station. The only thing wrong is that there are not enough units at Muja. I would have liked to see a policy instituted under which the local product was used rather than have the major station erected at Kwinana, this being oil fired.

No doubt the Government has now been prompted to make a statement on its policy on coal. I do not know the last time a statement was made by the Government in this respect, along the lines of the present statement. Therefore, while I have not achieved all I set out to achieve under my motion, at least it would not be unreasonable to suggest that I have drawn the Government's attention to the matter, and, following my submissions in this House, the Government has now seen fit to institute some basic policy for the greater utilisation of coal.

I hope that the Minister will go further than this and that some of his experienced technical officers will be permitted to travel overseas to study the new dry cell system of power stations in America and other parts of the world. Great advances have been made in the production of power from coal, and it would be of great assistance to the State and the industry if consideration could be given to allowing permanent technical officers to study the new techniques and systems being introduced in other States.

In view of the situation, I now indicate I support the amendment moved by the Minister for Electricity.

MR. WILLIAMS (Bunbury) [5.20 p.m.]: I rise to support the amendment moved by the Minister. The amendment recognises that investigation is being carried on at the present time, and it shows that investigations have been carried on for many years into the utilisation of Collie coal. The Government desires that this investigation should continue and, of course, the Minister's amendment will allow for an extension of studies if necessary to give greater stability to the town and district of Collie.

The main point in the second part of the Minister's amendment is, I feel, that a study will be made to provide a cheaper source of power generation. The member for Collie, and the member for Fremantle, mentioned this point, but did not seem to believe that the Muja power station would be a base-load station. They seemed to think that the Kwinana station would take over.

When the Premier opened the Muja station—and the member for Collie was present—he stated that the Muja station would remain a base-load station and, if necessary, it would be expanded. The Minister for Electricity has stated this on several occasions, as has the Minister for Industrial Development.

Mr. Gillies, who is the second-in-charge to Mr. Jukes in the State Electricity Commission, gave an address to the Institution of Engineers, Australia, on the 7th March, 1967, and I would like to quote a small section of the address. Mr. Gillies mentioned that the advent of an oil refinery in Western Australia would be of benefit to the general fuel policy of private companies, as well as Government institutions in this State. He went on to state—

> We now reach the position for the first time—

And I repeat: first time. To continue—

> —when the newest addition to the system will not have first load priority.

The system, of course, is the State Electricity Commission system. When other stations have been built, the new station has always had first-load priority but in this case there is reference to a new oil-powered station which will not have first-load priority. The report continues—

> It now seems very likely that Muja Generation Station will assume base load duties for many years, and that it will generate a higher percentage of the possible units than any previous station on the multi station system.

If this does not convince the member for Collie and the member for Fremantle I do not know what will.

A lot has been said about the price of fuel oil, and what cannot be found out about that price. I think it is generally recognised that confidences are respected in business. This applies particularly when there is one supplier, and the source of supply in this case is the Kwinana refinery.

I made some inquiries through a private industry and I have obtained some enlightening figures. Firstly, the price of furnace oil—which is the type of oil which can be used in a power station—is $26.35 per ton in bulk, and that price can be bettered for purchase in quantity.

Mr. Jones: Where did you obtain that information?

Mr. WILLIAMS: From a private firm.

Mr. Jones: A firm?

Mr. WILLIAMS: A firm.

Mr. Jones: Burning a big quantity of oil?

Mr. WILLIAMS: The inquiry was on the basis of burning a big quantity of oil. Oil is classed at 18,750 BTUs per pound. Collie coal, I believe, is on the average, 8,700 BTUs—depending on where the coal comes from. I think the member for Collie mentioned a figure a little higher.

Mr. Jones: The figure was over 9,000 BTUs.

Mr. WILLIAMS: Basically, it is taken as 8,700 BTUs. For 1,000,000 BTUs the price of oil in cents—and this is for a private company—is 30c. Natural gas, if it was available—and taking it on the Eastern States, prices at the present time —would show a cost figure of 40c per 1,000,000 BTUs. Coal would show a figure of 40c to 60c per 1,000,000 BTUs. This is a private industry figure; not the State Electricity Commission figure. If the member for Collie would like to have the State Electricity Commission figure which I have taken the trouble to work out, then the way to obtain it is to obtain the price per pound in cents, divide by 2,240 times the BTUs per pound, and multiply the result by 1,000,000.

Mr. Jones: How does that prove the price?

Mr. WILLIAMS: It does not prove anything at all. The cost would be far less if the firm I have mentioned bought oil in greater quantities.

Mr. Jones: We do not know, do we?

Mr. WILLIAMS: Open-cut coal from Collie, I believe, is purchased at $3.20 per ton—or thereabouts—by the Muja power station. Deep-mine coal costs $6 per ton, and if those two prices are averaged we arrive at the figure of $4.50 per ton, which would be approximately 23c per 1,000,000 BTUs.

Mr. Jones: What would be the price of coal if more was used?

Mr. WILLIAMS: I do not know. At $3.20 per ton the cost figure per 1,000,000 BTUs would be 16.5c, and at $6 per ton—the price of deep-mine coal—the cost would be 30.5c per 1,000,000 BTUs.

I believe the maximum cost in New South Wales is about 20c per 1,000,000 BTUs, and the price comes down to as low as 10c or 11c per 1,000,000 BTUs.

Mr. Jones: And goes higher.

Mr. WILLIAMS: In South Australia the price varies up to 26c per 1,000,000 BTUs.

It has been mentioned that a survey has been conducted at Collie, and the report is now awaited. I sincerely hope that should the committee make recommendations to the Government—and I feel quite sure it will—then the Government will give this matter further consideration. I will join with the member for Collie and say that I believe the field should have been drilled many years ago to ascertain the total quantity of coal which is available in the area. Of course, when reference is made to the total quantity of coal, it is of no use just referring to surface coal; it has to be coal which can be excavated economically.

Mr. Jones: The honourable member will not challenge me on this one, will he?

Mr. WILLIAMS: I think the member for Collie will agree that it has to be coal which can be mined economically. When the report is received, and should a drilling programme be recommended by the committee, if the Mines Department is too busy, I hope the Government will give consideration to a private company tendering for the work so that it can be done as quickly as possible.

The economics of any fuel determine the use of that fuel, and I would like very briefly to refer to the fuel policy as enunciated in Britain. The member for Collie has made many references to this in the past.

I have seen the annual report and accounts of the Central Electricity Generating Board for 1967-68. It is very interesting to read some of the portions of the report. It states on page one—

> The Government White Paper on Fuel Policy (Comnd. 3438) published in November 1967, concluded that support for coal should continue but recognised that it would be wrong to expect particular categories of energy consumers to bear the cost of preference given to coal for wider social and economic reasons.

Then it goes on to say that for the period from the 1st August, 1967, to the 31st March, 1971, for the electricity supply (and gas) industries the British Government has set aside a figure of £45,000,000 (sterling) to subsidise the use of coal in power stations for the generation of electricity. This is a case where coal, the national product, has been subsidised for a very good reason.

Mr. Jones: What is the date of the paper?

Mr. WILLIAMS: It is the Financial Report of the Central Electricity Generating Board, 1967-68.

Mr. Jones: It is a bit out of date.

Mr. WILLIAMS: Not very much.

Mr. Jones: I have some papers for 1969.

Mr. WILLIAMS: If the member for Collie can hold his horses for a moment, I might be able to enlighten him a little further.

Mr. Jones: You have used a fair bit of my time tonight.

Mr. WILLIAMS: I did not use much of the honourable member's time tonight. The member for Collie should remember that he had an unlimited time on a previous occasion. The report continues—

> . . . and deferring requests to the Minister of Power for consent to practical and economic conversions of certain power stations from coal to oil-firing. With the exception of the building up of excess stocks, a once and for all exercise, these additional non-reimbursable costs would probably not disappear completely before 1971.

It goes on to say at page two—

> In deciding whether to give consent to new stations the Minister of Power will also take into account such wider economic considerations as may be relevant. The Board aims to make the most economic and co-ordinated use of all sources of energy—nuclear, coal, oil and, if it becomes available to them at an economic price, natural gas.

I could make many quotations from this report; but I do not want to weary the House and, as my time is limited, I will make as few quotations as possible.

On page 28 of the report reference is again made to the White Paper on Fuel Policy which was brought out in the United Kingdom and it is stated—

> . . . that U.K. refining capacity is likely to exceed projected home sales and that oil is likely to remain competitive with coal. . . . Despite the impact of devaluation and the equivalent of a 40 per cent. tax, fuel oil can still be cheaper than coal and must be regarded as an important source of cheap heat for electricity generation. There may therefore be further opportunities for new oil-fired power stations in the future and, after 1970-71, for conversions of existing stations in particularly favourable locations.

This means that in Britain the situation exists whereby coal is subsidised to the tune of £45,000,000 (sterling) over a period of four years and fuel oil has been taxed to the tune of 40 per cent.

Mr. Nalder: Is this paid by the Government?

Mr. WILLIAMS: It is paid by the Government; it is paid out of taxes.

Mr. Jones: Does not that happen in Germany also?

Mr. WILLIAMS: I would not have a clue, but the member for Collie referred to Britain, too, and I will stick to that area.

Mr. Jones. It happens in Germany, too.

Mr. WILLIAMS: It happens here. Coal is also subsidised. A little later on I will mention the details for the benefit of the honourable member.

The British Fuel and Power Industry's report of 1967 also makes some reference to oil-burning stations. I mention at this point that on previous occasions the member for Collie has supplied the House with information concerning the Northern and Scottish Electricity Generating Boards. I have checked and I find that those two boards produce only 9.5 per cent. of the total requirements of Great Britain. In Great Britain as a whole there are 14 oil-burning power stations, or parts of stations, operating, excluding other stations converted to oil-firing to conform with clean-air legislation. They are situated mainly on river estuaries and are thus able to be fed conveniently from oil refineries.

That is a classic example for anyone who says that this State is out of step in using some oil and thereby giving the people of the State a permanent supply of power, inasmuch as one does not have to rely on only one source of fuel. In

Britain, where refineries are conveniently situated, that country uses oil-fired power stations. This would be a similar situation to the power station at Kwinana, which is situated on the ocean-front.

One would think from words that have been spoken in this House from time to time that the consumption of coal in Britain has gone up and up, and will continue to rise. In actual fact, from the fuel and power report put out by the Ministry of Power, the total amount of coal used in 1956 for the generation of electricity over the whole of Britain was 46,298,000 tons.

The SPEAKER: The honourable member has five more minutes.

Mr. WILLIAMS: In 1966 it went up to 68,427,000 tons, which was an increase of 48 per cent.-plus. The actual electricity generated went up by 106 per cent. It is interesting to see where oil stands in this percentage increase. There has been an increase of 1,600 per cent. in the amount of oil used in Great Britain for power generation over the period from 1956 to 1966.

A short while ago, when the member for Collie interjected, I mentioned that to some degree the State is subsidising the coal-mining industry in Western Australia. I have no argument about this, but sometimes one would think that the industry was receiving no help whatsoever.

In actual fact, if one compares the $3 per ton for which coal can be gained from open cuts with the $6 per ton for which it can be gained from deep mines, this means that the people of Western Australia are subsidising the industry through the State Electricity Commission, by an amount of approximately $1,500,000 per annum through this extra charge on the coal.

Mr. Jones: Do you disagree with this?

Mr. WILLIAMS: I do not. The member for Collie should have listened to what I said.

Mr. Jones: How long do we get coal?

Mr. WILLIAMS: I have only five minutes left in which to speak; in fact it is less than that now—possibly four minutes or three and a half—and I have a little more to say. I said early in my remarks that this is not a new problem for this State, because, as members will recall, the previous Government had the same problem from 1954 to 1957. At that time there were many strikes on the field because the Government of the day recognised the problem; namely, that there had to be cheaper coal gained and it had to be gained from open cuts. The unions concerned did not want the coal to be gained from open cuts. A cheaper way of obtaining coal had to be found and, in fact, the then secretary of the union (Mr. Jones) was reported—when speaking of the Minister for Works, who was in charge of electricity at the time, and who is now the Leader of the Opposition—as follows:—

> Mr. Tonkin told the mining unions at the conference that the Government would seriously consider changing from coal to fuel oil for the State Electricity Commission if the ban on open cuts was continued.

This is reported in *The West Australian* of the 21st January, 1957. The article continues—

> Mr. Tonkin also said that the closure of some deep mines was inevitable, and that the unions would have to expect retrenchment.

Mr. Jones: Where was that report?

Mr. WILLIAMS: It is contained in *The West Australian* of the 21st January, 1957. For a further reference, on the 4th February, 1957, the then Premier (Mr. Hawke) was reported as follows—

> The Premier (Mr. Hawke) told the miners in a letter read at the meeting that if no coal was to be produced by the open cuts the Government would be compelled to use more oil to make up shortages in the supplies of deep-mine coal.

Mr. Jones: What about the McLarty-Watts agreement?

Mr. WILLIAMS: This is a different Government from the McLarty-Watts Government.

Mr. Jones: It made an agreement.

Mr. WILLIAMS: This Government had enough stomach to turn around and try to obtain cheaper coal for the people of Western Australia, and the Government believes that it has done so. Perhaps one of these days it will be necessary to mine coal 100 per cent. from open cuts in order to compete with fuel oil; then we would see what the reaction of the member for Collie would be.

Dr. Henn: The member for Collie thought you had forgotten.

Mr. WILLIAMS: I lived there and I do not forget easily.

Mr. Jones: We have missed you.

Mr. WILLIAMS: I bet the honourable member has! Various studies of coal have been undertaken over the years, from 1947 onwards. In 1965-69 investigation was undertaken of the use of Collie coal in direct reduction and beneficiation of ilmenitic beach sands for which work a grant of $10,000 per annum was allocated from the National Coal Research Advisory Committee; that is, by this Government. It is still being used, and I would like to think that one day in the future we can find other uses for Collie coal.

MR. TONKIN (Melville—Leader of the Opposition) [5.41 p.m.]: I wish to make a few comments because the member for Bunbury would leave the impression that there is no case for the motion which was put up from this side of the House. It seems to me that the information he quoted is considerably out of date—

Mr. Williams: Not a great deal.

Mr. TONKIN: —and in order to address ourselves more particularly to the motion it is necessary for me to bring his knowledge right up to the present. The member for Collie has made available to me information which he himself would have used had he had more time to do so—information which is relevant to this motion. He has given me some pages from the *Colliery Guardian* published in 1968. One page is from the annual review on which there is a very interesting article titled "Coal and its Competitors" by E. F. Schumacher, Economic Adviser and Director of Statistics. It reads as follows:—

> Irreversible decisions about coal, therefore, have to be based on a most conscientious and painstaking study of the alternative fuels which will have to fill the gap if coal diminishes.
>
> Taking the world as a whole, coal is an expanding industry. World output of hard coal amounted to 1,607.6 million tons in 1957 and to 1,759.3 million tons in 1967, excluding Red China. In the United States, India, South Africa, Australia, and all the coal producing countries of the Eastern bloc, coal output is rising fairly rapidly, in some cases after serious declines. The experience of a reversal of trend in coal demand is by no means exceptional. There have been wide fluctuations in the past and it is not unlikely there will be considerable fluctuations in the future.

This is a most important part—

> At present, coal is still the world's most important fuel.

Mr. Williams: It has a much greater range of uses than just the generation of electricity in those countries, because it is a different type of coal.

Mr. TONKIN: There follows a most interesting comment on the point, and it is very relevant to the matter at issue, and that is the competition which coal faces from oil. That is the question here and the one which is worrying the member for Collie, because he believes—and I agree with him—that we should make the best possible use of this indigenous fuel whilst it is economical to do so. We should not just leave it in the ground and rely on imported fuel, because we have not yet established that there will be an adequate supply of oil round Australia, or anywhere else in the world, for that matter, to meet our growing requirements.

I continue with this quotation—

> Competition From Oil.
>
> Next in importance is oil. The biggest single oil consumer in the world is the United States, which is also the biggest producer. The American oil companies are distinctly uneasy about the reserve position of oil in the United States. Mr. Michael L. Haider, president of the Standard Oil Co., has recently expressed his conviction that oil from coal will become a decisive factor in the future, because reserves of oil and gas in the United States will be insufficient to meet the ever growing requirements.

Mr. Williams: Does that have much relevance here?

Mr. TONKIN: So it would indicate that we are blessed with quite a substantial amount of coal—a fuel which has served us so well—and it would appear we ought to do all we can to use this coal and not keep kicking the town of Collie so that it is going backwards and further backwards. We should encourage it to thrive and prosper, because the people who reside there are the citizens of this State, and just as we subsidise a number of other industries from time to time to keep people employed in them, we should do our utmost to ensure that our coal town is a thriving town.

Why, for years we kept the town of Gwalia going, because there was a goldmine there and we thought it was wrong that the town should be closed down and the people turned away with a consequent loss of the equity they had built up in their assets. This is nothing new; it has been done time and time again by Governments to try to do something for the people who have been encouraged to establish themselves in a certain district and invest their money. Subsequently those people have found, because of a change of economics, that their town starts to go down and their property loses its value, following which some of them are forced out. Recognising such a situation, Governments from time to time have come forward with subsidies and assistance in various forms to enable such people to continue living in their town and to thrive as well as they are able. That is all that is being advocated in this motion.

I think the member for Collie has been completely vindicated in bringing the motion before the House. It has served the purpose of drawing the attention of the Government to what has happened at Collie and what ought to be done there to meet the situation. If the motion results in more attention being given to the district and its requirements, the action taken by the member for Collie, on behalf of the Opposition, has been completely justified. However, what we want to ensure is that this town shall not be allowed to

languish, as it has done in past years, but that everything possible shall be put into operation to enable it to continue to flourish and, we hope, expand. I confidently believe that if some concentrated attention is given to various aspects of the use of coal, it is quite possible that in the future we will find there is insufficient coal at Collie ultimately to meet the demands which there will be for it.

I will now deal with one other matter. I tried to follow the argument that Muja will continue to be the base station. Muja can continue to be the base station only so long as it is large enough to fulfil that responsibility.

Mr. Williams: But it is considered by the Government that this station can be added to in the future.

Mr. TONKIN: Yes—can be added to. I have seen no declaration yet that it will be added to, and there is a big difference between what can be done and what will be done.

Mr. Williams: You will appreciate that because you mentioned something about establishing a station when you were in office, but nothing was done about it.

Mr. TONKIN: I will remind the honourable member that we started it off, because we started the initial exploration to establish whether it was justified. It was my intention to establish the station, but unfortunately we did not continue in office long enough to enable us to do so. So there is no point in the statement the honourable member has just made. Therefore I will return to the point with which I was dealing.

I will say quite deliberately that we have no guarantee that Muja will continue to be the base station for any great length of time, or beyond the time, as the member for Collie has said, when the new Kwinana oil-burning station is ready to go fully on load. It would alter the situation if the Government would make a formal declaration that it intends to maintain Muja as the base station and that it will make such additions to the station as are necessary to enable the station to continue.

Mr. Nalder: I have said that the station at Muja will be the base load station when Kwinana is completed.

Mr. TONKIN: That is not the question I am asking. I asked the Minister whether he is prepared to guarantee, in order to ensure that Muja will continue to be the base station, that such additions as are necessary for that purpose will in fact be carried out.

Mr. Nalder: The Leader of the Opposition must know that when I make this statement I make it for the foreseeable future.

Mr. TONKIN: The Minister has not made the statement I want him to make.

Mr. Nalder: That is all very well; I do not intend to be caught.

Mr. TONKIN: Of course the Minister does not intend to be caught.

Mr. Nalder: I have said this is going to be the base station after Kwinana is completed.

Mr. TONKIN: For five minutes after.

Mr. Nalder: I did not say that; you did.

Mr. TONKIN: That is the conclusion to which the Minister has forced me to come from what he has said.

Mr. Nalder: You can come to any conclusion you like.

Mr. TONKIN: Of course I can; it is a free country, but it may not remain so if the Government continues in office for very long. So that there will be no doubt on this matter I will say that I accept what the Minister has said about his intention to keep Muja as the base station for a time after Kwinana has been constructed.

Mr. Nalder: Completed.

Mr. TONKIN: Very well, completed. I want to know, when we reach the stage where Muja cannot continue to be the base station unless additions are made to it, does the Government guarantee that in order to maintain Muja as the base station it will make those additions?

Mr. Nalder: It has been said that if it is necessary and economical at the time the additions will be made. But by that time I may not be here and the Leader of the Opposition may not be here.

Mr. TONKIN: After hearing the Minister say "if," it does not give us very much confidence.

Mr. Lewis: You will have to try another bait.

Mr. TONKIN: Surely there is no need for me to throw out baits on a question like this! If the Government is sincere, and if the member for Bunbury knows what he is talking about, then the answer to my question should be a simple "Yes." That is all that is needed—just one word; that if and when we reach the stage where, in order to enable Muja to continue as the base station, additions will be required to achieve this, the Government will make those additions. To the question: "Will this be done?", all we need is a simple "Yes" or "No". But that is an answer the Government is not prepared to give.

Mr. Nalder: Neither would the Leader of the Opposition give it.

Mr. TONKIN: The Leader of the Opposition is not in a position to give that answer. An assurance has been given by the Minister for Electricity and it is

of no use his hedging and trying to convey the impression that Muja, so far as the Government is concerned, will continue to be the base station; because the only way it can continue to be the base station is for it to be large enough to discharge the responsibilities and work involved in its being the base station.

We cannot make a station a base station by simply saying, "It is a base station"; it must fulfil the requirements of a base station, and the Minister is not prepared to answer "Yes" or "No." Instead of such an answer we are given a lot of supposititious proposals which state, "If this, if that, or if something else, then, yes."

The situation calls for an unequivocal answer to the question and, as the Minister has already said, he is not prepared to give it. So I think we can leave the matter there and members can form their own conclusion.

We have no objection to the proposed amendment. It follows the prompting which came from this side of the House to awaken the Government to the need not only to do something, but to create the impression it is doing something.

Mr. Williams: Do not kid yourself; this has been on for some time.

Mr. TONKIN: The motion sought to ginger the Government into some action and, having achieved that result, the form in which the motion is ultimately passed does not matter a great deal.

Amendment put and passed.

MR. NALDER (Katanning—Minister for Electricity) [5.57 p.m.]: I move an amendment—

Substitute the following for the words deleted:—

"it is desirable that—

1. the Government continues and, if necessary, extends the present studies currently being undertaken to determine more accurately the nature and extent of the State's coal resources in the Collie area as a prerequisite to the determination of how best to develop and utilise these resources to give greater stability to the town and district of Collie; and

2. the Government continues its present studies of potential additional uses of Collie coal such as the Government's current studies of cheaper power generation for aluminium smelting, use of Collie coal for reduction of other minerals and possible coal export.

Amendment put and passed.

Question (motion, as amended) put and passed.

PERTH RAILWAY STATION: LOWERING

Parliamentary Approval of Any Agreement: Motion

Debate resumed, from the 26th March, on the following motion by Mr. Tonkin (Leader of the Opposition):—

That this House declares that the Government should not enter into any binding agreement with Western Australia Development Corporation or any other company for the lowering of the Perth Railway Station until the proposed terms are first approved by Parliament.

MR. JAMIESON (Belmont) [5.58 p.m.]: In addressing myself to this matter I must say that I feel nothing will come of the present proposition. From the information that is filtering through, I am sure that very little will be done, because the Western Australia Development Corporation seems to have gone quite cold on the proposal. This appears to be so because of certain suggestions.

I do feel, however, that some further comment should be made on the problem, because in order to try to induce this organisation to continue with its studies and come to some decision, I understand an agreement was reached that the area would be sunk to a depth of three feet less than was originally anticipated.

If this is the case, and it being necessary to secure a clearance of 13 ft. 6 in. for trains, and so on, it will mean that there will be hardly any sinking of the area at all and, as a consequence, it will become a hideous proposition and one that it would be far better to forget than continue with at this stage.

Mr. O'Connor: There has been no agreement with anyone to do anything different from what is in the De Leuw Cather report.

Mr. JAMIESON: There has been some research on different depths. If that is not the case, I do not know why the research was made. I feel it is foolish, when the transport system of the metropolitan area is being reorganised, to duplicate some parts of it. I again refer to the fact that, to a great extent, the land for the northern leg of the ring-road system has been resumed; and no doubt action will be taken to establish this road on the proposed route. This locality is not very far out of the city; and a complete investigation by the experts on the possibility of sinking the railway line along part of the route of the northern leg of the ring-road system should be made. This would incorporate that section of the ring road as an overhead feature, with the railway line underneath. If that were done the transport system of the city would be tied together in the one circuit, and it would overcome a great number of

the problems which now exist. Further on the railway line could be rerouted back into the main Fremantle railway system.

In my view it would be desirable in the early stages to construct the standard gauge line between the proposed terminal at East Perth and the North Fremantle bulk loading centre, because that centre would be confronted with many problems, should a derailment occur. The despatch of goods in bulk to the bulk loading centre at North Fremantle, and the transport of goods in bulk from it, would be impeded.

What I have advocated deserves more than a passing glance. It is an alternative to the proposed route of the railway line. Under my proposal the railway line would be removed from the centre of the city, and the cost of establishing it beneath part of the northern leg of the ring-road system would be far less than the cost to the Government, should the Western Australia Development Corporation not proceed with its proposition.

This is something we could look forward to. Some of the land associated with this project, by virtue of its nature, would not be suitable for use as central cultural or park purposes, and it could be sold to help defray the cost involved in rerouting the railway line in the manner I suggested.

Mr. O'Connor: This is central city land to which you are referring.

Mr. JAMIESON: Yes, some of it is. If the line is rerouted along the northern leg of the ring road then most of the railway land extending from Perth city centre to Colin Street in West Perth will become available for disposal in some form or other. Some of this land, being narrow in width, is not suitable for development as parkland, but it is suitable for commercial development, as it is considered to be in a premium area. By this means the Government could acquire funds from the disposal of this land on the basis of payment in part, with the balance to be handed over when the Government quits the land. This is not an abnormal business practice.

No doubt the Minister is aware of the complications which I have mentioned, such as the complications with the Cahill Freeway which has a railway line underneath it, and again underneath that are streets. This is a three-level construction. What I have proposed for the rerouting of the railway line would not be as complicated, because it involves only two levels. If the standard gauge line is built to Fremantle in one fell swoop, then the cost of establishing a duel line system will be avoided. We will face difficulties in some sections of suburban railway traffic, such as one the line to Armadale, but these difficulties could be resolved at far less cost than that to sink the line in the centre of Perth.

My proposal lends itself to the transformation of the railway system in this area to a standard gauge system, and this is a most desirable feature. The rerouting of the line would be a better proposition than the sinking of the line at its present location. If the proposition of the Western Australia Development Corporation is proceeded with the cost to the Government will be a recurring one.

I draw the attention of members to a statement made by the Minister for Railways when he spoke in the House recently. He said that the Labor Party members did not seem to be very interested when the plan was explained in this House. I took strong exception to that statement, because, like many others who have been associated with this city—as I was born in it and have not travelled far away from it since—I consider it to be just as much mine as the Minister's. My colleagues and I have taken a keen interest in this proposal of the Government, but unfortunately on the night in question a rather urgent meeting of Caucus to deal with an important matter which then appeared next on the Legislative Assembly notice paper had to be held. We had no alternative but to attend the meeting.

Unfortunately for us it was not possible for everything to be explained to us, but I did take the opportunity to discuss the matter with the Minister on other occasions while the model was still in the building. I also discussed it with several people who have quite a knowledge of the subject and have made a study of it. Some of them were later associated with the New Heart for Perth Movement, and they seem to come from every walk of life. They are more interested in ensuring that in the final analysis a reasonable project is proceeded with in the centre of the city than they are with any political party or its actions.

To that extent I think the Minister did the members of the Labor Party in this Parliament an injustice by implying that they were not interested in the project. Indeed, they are very interested and have their own ideas in respect of it. I suggest that in the ultimate, as I started to mention a few moments ago, we would be involved in recurring costs if we continued with the proposed sinking of the railway line on its present site. As we all know, the original railway station was established on a swamp, and though it is not impossible to drain swamps by establishing suitable pumping facilities, in the case of the proposed lowered railway station, these pumping facilities would have to be in constant operation. In addition, auxiliary power plants would have to be available in the event of a break in the normal power supplies.

In addition to this, because we do not have electric trains, as is the case in other areas where the lines go underground, the whole area involved in this city would have to be force-draughted so that the fumes from the diesel motors could be expelled from the lowered railway. The maintenance on this ventilation would also involve recurring costs.

Because of all this I feel the railway line should be established in an area which would not require mechanical means to dispose of the fumes.

It would appear to me that no great ingenuity or imagination would be necessary to devise some means of exit—perhaps, as I suggested before, some sort of mobile walkaway—from Forrest Place to the new central station north of the present one. It would certainly not be beyond the bounds of possibility for engineers to design such a system. In this way we could at least give the impression of having a modernised city transport system, without adopting the alternative now under consideration.

With regard to the Western Australia Development Corporation, it seems more than passing strange that this organisation entered the situation in the later stages. As members will be aware, from questions I asked, this organisation submitted its proposition some time after the closing time for credentials. It is true that a local agent submitted a letter stating that because of the strike by Pan American Airways, or some other airline, a letter of intent may not have arrived from the Western Australia Development Corporation.

Mr. O'Connor: I think it was a week later.

Mr. JAMIESON: It is true that Fyfe, on the organisation's behalf, submitted some form of letter, but this could not be construed as a credential because in his letter, which was made available to the House, Fyfe did not indicate that he had any authority from the organisation to speak on its behalf.

At any rate, the corporation did enter the situation latish and it was the only one that remained in the field. The same organisation has been associated with a number of futuristic ideas but the schemes never seem to get off the ground. The principals of this organisation received the contract to do the tunnelling under the British channel, but that scheme has not got off the ground yet. Its chance of solving this lesser problem—the lowering of Perth station—is very remote. I would not like to bet on its success.

I believe it would be far better if the Government now started to look for alternatives. I have suggested that one alternative would be to establish the station on far higher ground. It would allow the almost unhindered crossrunning of traffic to the north by means of a series of bridges, once a cut had been made for the lines to use, with the clearance they would require. As I have already mentioned, many problems will arise under the present proposal because of the various factors I have mentioned, such as drainage and extra ventilation.

No doubt it would be possible to get all kinds of ideas from all over the world, but I do not think it is always advisable to rely on engineering or development authorities for those ideas. Sometimes it is best to plagiarise. It may pay to send a couple of railway civil engineers on an inspection tour to ascertain any possible alternatives, such as double layer traffic. Under this system the Main Roads Department would be responsible for its share of maintaining the line of traffic. Indeed, since this motion was introduced, more money has been made available for freeway systems around capital cities. In these circumstances, we could well consider this project and the expense associated with it in the terms of the Commonwealth agreement. This, of course, will depend on future legislation, but I do feel the Government should examine fully the possibility of an alternative route for the railway line rather than play around any further with the present proposal which, we all realise, will be a dead duck by the end of May.

Sitting suspended from 6.15 to 7.30 p.m.

MR. TONKIN (Melville—Leader of the Opposition) [7.30 p.m.]: The importance of this motion is that before the Government enters into any binding agreement it shall let Parliament know what it proposes to do so that Parliament shall have an opportunity to express its approval or otherwise, or suggest some amendments to the agreement. In a democratic country surely that is the proper procedure with a matter of this kind.

This is not one of those agreements where, as we have been told so often by the Minister for Industrial Development, the proposition would not get off the ground if it were not agreed to in the way set out. This is a matter which vitally concerns every Western Australian and I think we have a right to know what it is the Government proposes to do before any contract is entered into in such a way that there is no way open to Parliament to vary it at all.

We are all familiar with the practice which this Government has so frequently adopted; that is, to enter into an agreement with somebody, have it signed, and then bring it here in the form of a Bill—of which it is the schedule—and include a clause which says that when we pass that clause we have passed the schedule. Then, when we reach the schedule, we can do nothing about it. We have to accept the

agreement which has been made. I think that is the very negation of democracy; it is making fools of members of Parliament.

Mr. O'Connor: Did you ever put forward an agreement yourself on the basis you are suggesting?

Mr. TONKIN: No, I do not think I did.

Mr. Bovell: No, the Labor Government did not introduce a Bill at all.

Mr. TONKIN: The Minister for Lands ought to know better because he was one of those who criticised the Labor Government for certain proposals in connection with the land at Esperance.

Mr. Graham: I am afraid his memory is failing him.

Mr. Bovell: No, it is not; the Labor Government did not introduce an agreement.

Mr. TONKIN: It is important to know what plans the Government has in mind at the present time. It is possible to discuss this motion, without reference to such plans at all, on the principle as to whether in a matter of this kind Parliament ought to be given the opportunity to express its opinion before any firm and binding agreement is entered into.

I will remind members that Parliament has already determined that before anything can be done with the land in King's Park the matter has to be referred to Parliament. I would regard the land in the centre of the city as being of equal importance—if not, greater importance—as the land in King's Park. If Parliament saw fit to provide that any proposal for the use of land in King's Park was to be brought to Parliament then, to be consistent, it should insist upon the same procedure in connection with the area of land in the centre of Perth, because we have the opportunity to make or mar the city centre.

It is a unique opportunity which presents itself to few countries. It is a very rare opportunity and we would be failing in our duty if we did not make the best use of it and develop the area to the best advantage of the people and the city, and not place all the emphasis upon the cost involved.

The New South Wales Government is currently proposing to spend $75,000,000 to develop a new port at Botany Bay. Therefore, should this expanding State of Western Australia, with millions of dollars coming into it by way of royalties—and millions more to come—back out of a miserable expenditure of some $7,000,000 or $8,000,000—or even $10,000,000—to provide the city centre with something that could be outstanding by world standards? That is the prospect which is facing us at the present time.

Mr. O'Connor: I agree; we should have something of world standard.

Mr. TONKIN: Let us see the attitude of the Government in a democratic country, to a proposal such as this—that Parliament should be permitted to have a say before there is any binding agreement. Let me read the motion first, Mr. Speaker. It reads as follows:—

> That this House declares that the Government should not enter into any binding agreement with Western Australia Development Corporation or any other company for the lowering of the Perth Railway Station until the proposed terms are first approved by Parliament.

Now, what is wrong with that? What is wrong with the Government saying that the negotiations have been carried out, all the discussions have been held, and this is the basis upon which it desires to enter into an agreement, and give the reasons? That would give the Government all the opportunity it requires to explain fully why it wants to enter into such an agreement in the terms under which it proposes to do so, and leave it to members of Parliament to say, "Well, we feel that with advantage the Government might alter this, or might alter that, and we recommend that this agreement be approved with those alterations. So go back to the people and discuss this." What is wrong with that? That is all the motion seeks.

However, the Government will have none of it. I will quote the attitude of the Government, given by the Minister himself in very clear terms, and I quote from *Hansard* page 2833 as follows:—

> I wish to make it quite clear that I oppose the motion. For one thing, if we were to agree to it, it would be something new since I have been in Parliament—

May I pause in my quotation and ask what is wrong with agreeing to something because it is new? If that philosophy is to determine our actions then we would never do anything that has not been done before. I do not go along with that attitude at all—to knock a thing because it is new.

It is hard to imagine a weaker argument. The Minister is saying, "Do not do it, because it is new. We have never done it before, so do not do it now." I reject that argument as having no force or effect whatsoever.

To continue with the Minister's statement—

> —in regard to agreements of this nature. It would take us back to the days when the present Opposition was in power, and prior to that when Governments had no agreements to sign.

I cannot see that this is any argument. It might be useful as a comment to try to give the previous Government a kick; but, as an argument in support of a proposition

that the Minister should not bring agreements to Parliament, it is completely worthless in my view.

What follows is the important part of the Minister's statement. He says—

> We would not put ourselves in that position, because if these agreements came before Parliament and were discussed before they were signed we would never get them through.

In other words, the Minister is saying, "Do not ever trust Parliament."

Mr. O'Connor: That is not right.

Mr. TONKIN: Further, the Minister is saying, "Do not ever bring an agreement to Parliament if one wants to get it through."

Mr. O'Connor: I was talking about the length of time.

Mr. TONKIN: The Minister is saying, "Do not ever bring an agreement here; because, if one does, one will never get it through."

Mr. O'Connor: You know I was referring to the iron ore agreements. They had been brought in on this basis.

Mr. TONKIN: I do not want to be unfair to the Minister. Let us take it word for word again—

> We would not put ourselves in that position, because if these agreements came before Parliament and were discussed before they were signed we would never get them through. If that were the case, we would still be discussing the first agreement in connection with the iron ore companies and getting nowhere as far as Western Australia was concerned.

Consequently, the Minister's argument to the Parliament is, "Do not agree to this motion. Do not force us to bring the proposals before Parliament before they are signed; because, if we bring them here and give members an opportunity to discuss them, we will never get them through. Accordingly, we are not going to do that. We are not going to run that risk. We are not going to let the Parliament have any say; and, in fact, we are going to bring agreements here all sewn up so that members have no option but to accept what the Executive has decided."

Mr. O'Connor: Was not that the reason you—

Mr. TONKIN: That is the Government's proposition.

Mr. Bovell: Parliament can reject it.

Mr. TONKIN: If members of this House are prepared to side with the Government and acquiesce in that procedure, then I have no hesitation in saying that they forfeit any confidence the people are expected to have in them as representatives of the people.

Mr. Cash: You are being most unfair.

Mr. TONKIN: That is a complete abdication of a member's parliamentary responsibility and an indication that he is prepared to hand to the Executive complete power to enter into all agreements irrespective of what is involved.

Mr. O'Connor: This is coming from someone who admits he never brought an agreement before Parliament.

Mr. TONKIN: What I am saying is coming from me.

Mr. O'Connor: What I say still holds.

Mr. TONKIN: What I am saying is my opinion of the Government's attitude on this question. The Government has a majority. If it brought an agreement before the House and was able to satisfy its own members—

Mr. Cash: It would have to do that first.

Mr. TONKIN:—then it has the numbers to pass any proposal that it brings forward. However, the Government has had experiences previously whereby, on occasions, some of its own members are prepared to exercise an independent opinion.

Mr. O'Connor: Yours are not permitted to do this?

Mr. Williams: That is for sure.

Mr. TONKIN: They do exercise an independent opinion. On this question, the Government is not prepared to take that risk. Its own members may exercise an independent opinion which, combined with the Opposition, could mean that the Government might be obliged to accept some amendments. The Minister for Railways says, "No, we are not having that. We would not get the agreement through."

I put it to you, Mr. Speaker: Fancy a Government with a majority—and not a majority of one—telling the Parliament that it will not bring proposals before it because, if it did, it would not be able to get them through! Surely if it brought reasonable proposals to Parliament it would have no difficulty in getting them through; and if the proposals were unreasonable, it should not expect to get them through—and I would hope it would not get them through under those circumstances.

No, the Government is not prepared to run the risk; the Government is not prepared to trust the Parliament. It wants to sew everything up beforehand and then say to Parliament in respect of an agreement, "There it is."

Mr. Bovell: Parliament has the right to reject it if it so desires.

Mr. TONKIN: Further, the Government is saying to the Parliament, "You approve of it." The motion is not unreasonable in view of the very great importance of this matter, the widespread public interest, and the extent of the Government's secrecy in connection with it.

Mr. O'Connor: There has not been any secrecy.

Mr. TONKIN: How much has the Parliament been told in the past few months of the difficulties that have developed? I ask the Minister: What have members been told about it?

Mr. O'Connor: Is this secrecy?

Mr. TONKIN: What have members been told about the approaches which have been made for the extension of time which is being sought and about the reasons for such an extension being sought? What have we been told about the extension?

Mr. O'Connor: How can we tell you when we have not finalised it? We do not know the extension, because it has not been agreed to.

Mr. TONKIN: So, the Government wants to tell Parliament all about it when it is finalised; when there is no time to do anything about it or to express an opinion.

Mr. O'Connor: You want us to tell you about an extension before we have given it.

Mr. TONKIN: I want the Government to do the fair, decent, and reasonable thing to save the taxpayers a deal of money. I remind the Government of the fact that for some years a number of people, including the Opposition, were telling the Government that it should not go ahead with the complete plan for the interchange and that it should leave off the top section. The Government took no notice and spent some hundreds of thousands of dollars in building up land in preparation for the erection of the complete structure. Subsequently, the Government decided to leave off the top of the structure, which means that the Government unnecessarily spent hundreds of thousands of dollars preparing for a structure much larger than the one it is going to build. Had the Government taken notice of the critics and been less secretive about the matter, that expenditure would have been avoided.

The Opposition wants to avoid a similar occurrence in connection with the proposal to sink the railway. I put it to members: What is unreasonable in asking that the Parliament, which is supposed to be a Parliament in a democratic country where Parliament should be supreme, be given the opportunity to express approval or otherwise of a proposition which the Government intends to sign—instead of the Government signing it beforehand, bringing it before the Parliament, and saying, "Parliament has to accept the lot or none"? That is what it will mean: accept the lot or none.

Very possibly the Parliament would be prepared to accept the major proportion of the Governmnent's proposals, and it may suggest some alterations which would be to the advantage of the country. However, the Government will present the Parliament with no such opportunity, because the Government's intention is to arrive at a complete agreement and to bring it to the Parliament in a form whereby members have to reject it *in toto* or accept it *in toto*.

I say that is wrong, and we should not be expected to do it. The purpose of this motion is to do nothing more nor less than to ensure that we shall have the opportunity to discuss, clause by clause, any proposal which the Government intends to enter into, before it is entered into. We do not want to be hamstrung beforehand and told, "You take the lot, or none."

Surely it is conceivable that we could suggest improvements on what is intended. We ought to have the opportunity to do that, and not be denied it; and in this respect I will say that the proposed agreement differs from the agreements with regard to the iron ore companies. Those companies do their bargaining on the basis of what is good for them, and what they need; otherwise they will not play. With regard to this proposition, the bargaining should be done on the basis of what is good for us; and all the brains do not repose in the Executive. We have to give the members of this House who are not members of the Executive some credit for having a few ideas from time to time which may be worth while taking into consideration, and that is all the motion proposes.

The motion does not bind the Government to any particular provision; it passes no judgment upon any of the propositions which are put forward; and it does not say whether the land ought to be retained in public ownership, or sold. All it says is that when the Government reaches a stage where it is ready to sign an agreement, it should take the Parliament into its confidence before it does sign. It should let the representatives of the people know what is intended and, more, it should give them an opportunity to amend the proposals if a majority of the Parliament is so minded.

It does not follow that if amendments are suggested they have to be incorporated; it is still necessary to get a majority of the House to agree to such alterations. That would mean that some members of the Government would have to signify their support of any such alterations, and if they were prepared to do so it would be a pretty good indication that the alterations ought to be made.

However, to come here and say, "We will not run the risk of letting Parliament discuss these proposals one by one, because if we did that we would never get the agreement through," is not the right thing to do; but that is the position of the Government. It says, "Do not trust the Parliament; it will hold up any agreement we bring forward; and we will never get it through. So do not give the Parliament a chance; bring it forward as a *fait accompli* and then tell the Parliament it has to take the lot or none." I

think it is time we called a halt to that attitude, and that is the purpose of the motion.

This creates no precedent; this has already occurred with regard to the reclamation of the Swan River. The Government wanted the right to approve of the reclamation of any area of the river without reference to Parliament. But pressure and public opinion obliged the Government to accept a situation where it was limited to a very small amount of reclamation without the approval of Parliament. In the same way there was a time when it was possible to do almost anything with the land in King's Park, but Parliament thought we had reached the stage where Parliament ought to have some control over what was done in King's Park, and now it has enacted that any proposals must receive the approval of Parliament.

I submit that this matter is of no less importance to the people of Western Australia than is the reclamation of the Swan River or the usage of the land in King's Park, and if we have a statutory right to have a say in what is done with the river and what is done with King's Park, we should insist that we have an equal right to have a say in what is going to be done with this area of land in the centre of the City of Perth. I hope that members will be fully conscious of their responsibility to the people whom they represent in this matter.

This motion is no censure of the Government; it will in no way restrict the Government. It will permit the Government to go ahead with its negotiations and to reach the stage where it is ready to sign. But it requests that before the Government does sign, Parliament should be fully advised of the Executive's intentions and given full scope to express its opinion and to make any alterations to the proposals which, in its wisdom, it thinks should be made.

If there is anything unreasonable in a proposition of that kind, then I have a very poor appreciation of what is fair and equitable. I am not asking for a revolutionary change; as I pointed out, there is ample precedent for this, and I trust that members will regard the proposition in its proper light, and therefore support the motion.

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

Ayes—18

Mr. Bateman	Mr. May
Mr. Bertram	Mr. McIver
Mr. Burke	Mr. Moir
Mr. H. D. Evans	Mr. Norton
Mr. Fletcher	Mr. Sewell
Mr. Graham	Mr. Taylor
Mr. Jamieson	Mr. Toms
Mr. Jones	Mr. Tonkin
Mr. Lapham	Mr. Davies

(Teller)

Noes—22

Mr. Bovell	Mr. Mensaros
Mr. Burt	Mr. Nalder
Mr. Cash	Mr. O'Connor
Mr. Court	Mr. O'Neil
Mr. Craig	Mr. Ridge
Mr. Dunn	Mr. Runciman
Mr. Grayden	Mr. Rushton
Mr. Kitney	Mr. Stewart
Mr. Lewis	Mr. Williams
Mr. W. A. Manning	Mr. Young
Mr. McPharlin	Mr. I. W. Manning

(Teller)

Pairs

Ayes	Noes
Mr. Bickerton	Mr. Brand
Mr. Hall	Mr. Mitchell
Mr. T. D. Evans	Mr. Hutchinson
Mr. Brady	Dr. Henn
Mr. Harman	Mr. Gayfer

Question thus negatived.

Motion defeated.

BILLS (2): RETURNED

1. Lake Lefroy (Coolgardie-Esperance Wharf) Railway Bill.
2. University of Western Australia Act Amendment Bill.

Bills returned from the Council without amendment.

MEMBERS OF PARLIAMENT

Travel Concessions: Motion

Debate resumed, from the 16th April, on the following motion by Mr. Jamieson:—

> In the opinion of this House travelling concessions for Members of the Parliament of Western Australia should be provided for travel within the State on a similar basis to those applying in the States of New South Wales and Queensland for the benefit of the members of these respective Parliaments.

MR. NALDER (Katanning—Deputy Premier) [8.2 p.m.]: The Premier has agreed to give consideration to the proposal contained in the motion moved by the member for Belmont, and in view of that I doubt whether it will be necessary to discuss the item further. All I can say at the moment is that the Government will consider the suggestion that has been made and later in the year, when the Premier has returned, he will indicate to the House what decision has been reached on the question of travel concessions to members of Parliament. I hope, therefore, the House will accept the statement I have made on behalf of the Premier.

Debate adjourned, on motion by Mr. I. W. Manning.

MOTOR VEHICLE THIRD PARTY INSURANCE

Inquiry by Royal Commission: Motion

Debate resumed, from the 16th April, on the following motion by Mr. Graham (Deputy Leader of the Opposition):—

> That this House deplores the recent increases in premiums for motor

vehicle third party insurance, resulting in part from the requirement to retrieve within three years the unpaid dividends to insurance companies which have accumulated from 1957-58; and calls for the appointment of a Royal Commission or other form of exhaustive enquiry for the purpose of devising a more equitable system of both premiums and payments to claimants.

MR. NALDER (Katanning—Minister for Agriculture) [8.3 p.m.]: In introducing the motion, the Deputy Leader of the Opposition took great pains in indicating that he had spent a great deal of time and effort in studying all aspects of third party legislation. I think that you, Mr. Speaker, and all members will agree that third party insurance premiums should be kept at the lowest level, and I feel sure that this wish would be shared not only by all members of this House, irrespective of the party to which they belong, but also by all motorists.

If the Deputy Leader of the Opposition has spent a considerable amount of time and effort in examining the situation as he sees it, I can assure him that the Minister and the members of the Cabinet have also spent a great deal of time studying the problem and have shown a great deal of concern over the situation that has been developing over the years. When the recommendations of the Premium Rates Committee were received, they were carefully examined by Cabinet when a subcommittee was specially appointed to discuss the recommendations with the representatives of the Motor Vehicle Insurance Trust.

Many of the questions we heard raised in the speech of the Deputy Leader of the Opposition were put to the representatives mentioned and their answers discussed and debated with them before it was decided—albeit with some reluctance—that there was no acceptable alternative to the recommendations made.

If we are to reach a proper conclusion concerning the various questions posed and the comments that have been made, it is desirable for us to go back to 1948 to look at the position as it existed before the creation of the Motor Vehicle Insurance Trust. Some aspects of that position have been related in the speech to which I am replying.

Prior to the creation of the Motor Vehicle Insurance Trust, third party insurance policies were issued by the various private insurance companies then operating in Western Australia, and also by the State Government Insurance Office. These companies, and the State Government Insurance Office, charged the premiums prescribed by the Act, and third party insurance policies were required by every motorist before he could license his motor vehicle or vehicles. In the metropolitan area this did not cause very much inconvenience, but in the country—particularly in the smaller and more remote areas—a serious interruption to the carrying on of business, and considerable delay and inconvenience, was caused.

At this time a scheme was suggested which would overcome this inconvenience, and would also probably result in the reduction of the high administrative cost incurred by the insurance companies in providing a State-wide coverage. The scheme provided for the third party insurance policy to be printed on the reverse side of the license, and for the creation of a Motor Vehicle Insurance Trust to comprise all private insurance companies and the State Government Insurance Office, with each interest calculated in the ratio of its third party insurance business to its total business.

The scheme was discussed with, and approved by, the Government then in office. Thus an honourable agreement was reached whereby the private companies and the State Government Insurance Office gave up their right to conduct this class of insurance business. It was given up in the interests of the State to provide a more efficient and less expensive form of insurance, and it was not done as a result of any political pressure.

The companies and the State Government Insurance Office undertook the underwriting of the scheme—which was unique in the world—without any knowledge of how successful the scheme might be, or whether, indeed, it would succeed at all. Having given up a form of insurance business rightly belonging to them, and undertaking the unknown liability of guaranteeing the financial stability of the scheme, the companies were offered, and accepted, the possible entitlement of a dividend if the scheme succeeded.

The dividend was to be paid only if a surplus were made, and was to be paid only if the members of the Motor Vehicle Insurance Trust so decided. It was limited in amount to a maximum of 7½ per cent. of the premiums. After the trust had operated for a few years with deficits at first, but later with surpluses sufficient to liquidate the prior deficits, the participating approved insurers voluntarily agreed to reduce the amount of the maximum dividend to 5 per cent. of the premiums collected.

This, it must be remembered, is the maximum percentage payable and there is no certainty that the trust, in the future, if it is ever in the position of having liquidated all deficits and still having a surplus, will declare a dividend of 5 per cent.

Mr. Lapham: The minimum has always been the maximum up to date.

Mr. NALDER: This is the situation, as the honourable member has said. It could be any figure, 5 per cent., 4 per cent., 3 per cent., or even 1 per cent. or less. I hope that I have made it quite clear that the participating approved insurers are entitled to a dividend not exceeding 5 per cent. of the premiums received by virtue of the contract they made with the Government in 1948 based upon—

(a) the forfeiture of their right to provide individually third party insurance with some expectation of earning profits, and

(b) the underwriting of the venture thus making the venture certain of success from the start.

The Deputy Leader of the Opposition asked why the Crown should not operate the scheme, because insurance is compulsory. I would answer that insurance of the employers' liability under the provisions of the Workers' Compensation Act is compulsory, but the Crown is not the sole insurer. If, however, third party insurance were operated solely by the Crown, presumably by the State Government Insurance Office, could it be provided any cheaper? Claims would have to be paid, of the same amounts as at present; administration expense which is at present about 2½ per cent. could hardly be expected to be reduced, while a margin of about 5 per cent. surplus would be required to establish reserves for future years which yield deficits.

Let us look for a moment at the cost of the dividends which have been paid to the participating approved insurers arising from the agreement made with them in 1948, which is in part their reward for guaranteeing the financial soundness of the trust from 1948 until now—a period of 21 years.

Mr. Lapham: How can they guarantee it when there is absolutely no risk whatever to them?

Mr. NALDER: The honourable member knows the situation and the history I am trying to give as to the experience of the trust under this system.

Mr. Lapham: The Minister is trying to say there is a risk when there is absolutely no risk whatever. There cannot possibly be a risk.

Mr. NALDER: On the 4th September, 1960, after waiting 12 years, an amount of $59,142 was paid, and on the 31st July, 1962, another amount of $413,310 was paid, representing a total of $472,452 in respect of the years 1949-50, to 1956-57. On the 30th September, 1967, an amount of $242,507 was paid in respect of the year 1964-65. The total paid in 21 years is therefore $714,959, or an average of $34,046 per annum.

A further dividend is not likely to be paid for several years even if the results expected by the Premium Rates Committee are achieved. If the trust were handed over to the State Government Insurance Office, as has been suggested, the liability would still exist to pay the dividends to the participating approved insurers up to the date of their handing over.

Mr. Graham: Who suggested that it should be handed over to the State Government Insurance Office?

Mr. NALDER: The Minister has indicated this situation.

Mr. Graham: There is no need to hand it over to any insurance company; we want to avoid that.

Mr. NALDER: It has been suggested that an inquiry should be held into the necessity for the premium rate increases approved by the Government to operate from the 1st July next. The position has been exhaustively and carefully considered by the Motor Vehicle Insurance Trust, the Premium Rates Committee, Cabinet as a whole, and by a subcommittee of Cabinet. What further inquiry could be made? What other conclusions could be reached? The money received from premiums can be spent in only one of three ways. It can be used only—

(1) to pay claims:

(2) to pay administration expenses;

(3) to pay dividends not exceeding 5 per cent. of premiums.

We have already seen that administration accounts for only about 2½ per cent. of the premiums, while dividends although theoretically limited to 5 per cent., have been unpaid more often than paid. The amount paid in claims is the only item left and this is fixed primarily by the motorist himself. If he will reduce his accident incidence then the amount required for the payment of claims to injured persons will be automatically reduced. Here I would like to emphasise that accident prevention is not the responsibility of the trust; the trust is concerned only with the results of accidents.

Another suggestion made was that the amount of damages underwritten by the trust should be limited. This would defeat the purpose of the Act which is to ensure that every person who suffers injury as a result of the negligent use of a motor vehicle is fully compensated. Only the other day we saw a relic from the days when the liability in the Act was placed at $12,000, and a person was made a paraplegic as a result of the negligent use of a motor vehicle.

The person in question was awarded $60,000, but because the owner of the vehicle involved did not have any comprehensive insurance on the vehicle, this poor girl will receive only $12,000 and not the $60,000 to which the court decided she was entitled.

Mr. Graham: That is not strictly correct either. She will receive $12,000 from the trust and she will receive the additional amount from the person concerned.

Mr. NALDER: The person involved was not insured, according to the information given me on the point I am trying to make.

Mr. Tonkin: What are you going to do to correct that situation?

Mr. NALDER: The Leader of the Opposition will know as well as I do.

Mr. Tonkin: I know you are going to do nothing.

Mr. NALDER: This is a situation which has been experienced and the position is as I have reported it.

Mr. Tonkin: There is a remedy.

Mr. NALDER: If the Leader of the Opposition has the remedy it is for him to indicate what it is.

Mr. Tonkin: I will tell you about it.

Mr. NALDER: Does any member wish to see the premium reduced by a few cents per annum and a limit of $12,000 replaced in the Act? This of course will mean that unfortunate victims will be left with inadequate compensation, as was the girl to whom I referred. Although it is true that there are limits placed in the Workers' Compensation Act, it must be remembered that the injured worker also has the right to unlimited compensation by way of damages if he can establish negligence on the part of his employer.

Legal costs were mentioned as worth examining. These, however, are in accordance with the rates prescribed and cannot be avoided in those few cases which require the attention of the tribunal. Some cases must be heard by the tribunal. These are cases involving claims by minors—which represent about 50 per cent. of all contested cases—settlements where agreement cannot be reached either on quantum or damages—about 40 per cent. of all contested cases—or upon liability, which represents about 10 per cent. of all contested cases.

About 100 to 150 cases are contested each year. These costs seem to me to be unavoidable and they offer no ground for expecting a reduction in the amount, although a reduction would be most welcome.

With reference to the amount paid to the wealthy family, the trust must be guided by the same principles which would be followed if the injured person, or the deceased person, suffered the injury as a result of the negligence of another party not involving the use of a motor vehicle. All common law actions result in judgments based upon recompense for the loss suffered. It is natural that a wealthy family will have a breadwinner with a larger than normal income. If he is killed or incapacitated, a court will always award a larger amount of general damages than if the killed or injured person were earning only a small income.

This is a fact of life and the trust merely assesses its liabilities, quite rightly, upon the amount it estimates that a court, or the tribunal, would award if the claim were litigated.

It was questioned whether the motorist who travelled a small mileage each year should pay as much as the motorist who travels a large mileage. It is considered that the mileage travelled is too vague a basis for premium calculation and it also has little relation to the matter.

A pensioner who travels only a few thousand miles each year can just as easily knock down a pedestrian, or cause injury to a passenger and involve the trust in a large claim, as a motorist who travels a large mileage. The sharing of the fortunes —or perhaps I should say the misfortunes —of all motorists by all of us follows the main principle of insurance as well as being the accepted pattern throughout Australia and, I think, in every other country with similar legislation.

A discount, or no claim bonus, is absolutely impractical as only about 3 to 5 per cent. of motorists are involved in accidents involving injury to others. Thus about 95 to 97 per cent. of motorists would earn a discount. Where would this discount come from? Obviously the overall premiums would have to be increased considerably to enable 95 per cent. of motorists to receive a discount. As liability in many cases is not decided for years, and as the negligence involving the claim may often be due to the action of other than the vehicle owner, the administration difficulties would be enormous and costly.

If this brief explanation is not accepted, it is only to prevent spending too much time on this speech that I have contracted the objections into a few words. The Motor Vehicle Insurance Trust, the Premium Rates Committee, and other bodies elsewhere have examined this question very closely and have all been convinced, without the slightest shadow of doubt, that a discount is quite impractical and really borders upon the ridiculous.

Mr. Bertram: What about a premium against the offender?

Mr. NALDER: According to the information I have, all the circumstances in the argument which has been submitted have been considered. The finding is that they are not practical.

If Parliament wishes to load a person's motor driver's license because of his negligent use of his motor vehicle then that is a matter quite outside the province of the trust or the Premium Rates Committee for neither is concerned with punitive action. The Act is to provide compensation to injured persons; not to punish wrongdoers. That is the function of another Act and another body.

Mention was made that in Queensland there is an insurance commissioner, appointed by Act of Parliament, who controls

insurance premium rates of all types, including third party. This is taking the comment rather outside the scope of the trust and the Act. If one were appointed the only effect that I can envisage is that he would replace the Premium Rates Committee. How that would result in lower premiums I do not know but it seems to me that he would have little scope for coming to any conclusion different from that of the committee, although he might have more time and opportnuity to make his inquiries.

The Deputy Leader of the Opposition need have no worry that an amount of $2,081,533—being 5 per cent. of premiums for the years 1957-58 to 1968-69 inclusive—will be paid to participating approved insurers during the next three years. In the first place a dividend cannot be paid until a surplus is left after deficits have been liquidated, and this will not be for many years hence. Also, although the Premium Rates Committee quite rightly provides for the possibility of a dividend of 5 per cent. being paid, there is no certainty that the trust will fix this figure when, if ever, a future dividend is paid.

In providing the information I have concerning the questions asked by the Deputy Leader of the Opposition, I feel certain that it will be admitted—

(a) that prior to the Government giving approval to the new premium rates it made careful and thorough inquiry into the necessity for them and examined every conceivable alternative;

(b) that both the Motor Vehicle Insurance Trust and the Premium Rates Committee made equally careful and thorough examination of all available data and considered every reasonable alternative to the increased premiums before making the recommendation that was made;

(c) practically every suggestion made by the Deputy Leader of the Opposition has been inquired into and reported upon by Royal Commissions and committees of inquiry in other States or countries;

(d) that there is no justification for instituting any further inquiry into facts already well known;

(e) that the Government acted correctly in taking the action that it did; and

(f) that reductions in premium rates can be expected only if the motorist himself drives his motor vehicle with more care than he has so far demonstrated he uses.

Mr. Graham: What a policy of despair!

Mr. NALDER: Much concern has been expressed on this question. If any member can put forward a suggestion which has not already been considered then I am sure both the Minister and the Government will be prepared to consider it. I think the situation has extended to very large proportions. It is not the concern of only one section or group; it is the concern of every person in this State.

I can assure the Deputy Leader of the Opposition and members opposite that every effort has been made not only to endeavour to find a solution—if there is one available—but also to seek information on what is being done elsewhere. In this connection the Government has left no stone unturned to see what can be done. On the advice given to me the appointment of a Royal Commission will not unveil any information which is not already available to the Government.

Mr. Graham: I think the Government is afraid it might.

Mr. NALDER: That is a smart suggestion! The honourable member might be the one who is placed in that position.

Mr. Graham: You are afraid that the transactions of the insurance companies might be unveiled.

Mr. NALDER: I feel no good purpose will be served by adopting the suggestion for the appointment of a Royal Commission.

MR. TONKIN (Melville—Leader of the Opposition) [8.26 p.m.]: The Government takes up a most remarkable attitude in connection with this proposal. The Minister admits that the present situation is more or less a shambles. Very great concern is felt about it everywhere. One by one the Minister dealt with the suggestions made from this side of the House, and said that none was practical. He said that nothing could be done about the situation; that it was a dreadful one; that we have to live with it; and that we have to put up with it.

That is not the attitude of those on this side of the House. We agree it is a dreadful situation; that it is not peculiar to Western Australia; and that it exists in other parts of the Commonwealth and in other countries. Whereas in the other places an endeavour is being made to improve the situation, it seems that in this State we have to allow it to remain where it is.

Mr. Nalder: That is not the case at all.

Mr. TONKIN: I listened carefully to what the Minister had to say about what propositions had to be explored, but there was not one mentioned. The Minister knocked off one by one the suggestions we made, by saying that they had been inquired into and were not practical.

It will surprise the Minister when I point out that some other countries are adopting some of these suggestions. Currently in New South Wales an inquiry is in progress, a somewhat similar inquiry to

the one we propose. We do not say necessarily that the only inquiry which would be satisfactory is the appointment of a Royal Commission, because the motion states "or other form of exhaustive inquiry." Such an inquiry could collate the information which is available in other countries, to ascertain what is being done there. If we are not prepared to set up a Royal Commission in this State, and to take evidence, then let us appoint somebody to inquire into and explore what is being done elsewhere so that we may learn from their experience.

Mr. Nalder: That is being done continuously.

Mr. TONKIN: Being done by whom, and what is being done?

Mr. Nalder: By those who are interested in this matter.

Mr. TONKIN: We have had no evidence of that. It is so easy to say this is being looked into or being inquired into. We want something more definite than that.

Mr. Court: I can assure the Leader of the Opposition that the officers of the trust have been most diligent in their search for alternative methods.

Mr. TONKIN: Where have they searched?

Mr. Court: They have searched not only from their own experience, which is very considerable, but in all other States, because I was a member of the Cabinet subcommittee which submitted to them a list of questions almost identical with the list mentioned in this debate.

Mr. TONKIN: What was the nature of their search? Did they send an officer overseas, or did they write letters?

Mr. Court: These men are on the job all the time.

Mr. TONKIN: All airy-fairy!

Mr. Court: These are good officers.

Mr. TONKIN: I am not saying they are not good officers, but I want some proof that they have been given the opportunity to inquire into what is going on. The mere statement that they are looking into this is not good enough. I am reminded of some of the proposals which were made for improving the position of migrants Each time we raised the question we were told the matter was receiving attention. A lot of attention it received!

Mr. Court: I am telling you the facts.

Mr. TONKIN: The Minister is telling us all right, but I would be a lot more convinced if I had some evidence of what is being done, and whether those concerned have been inquiring by letter, have sent an officer over to inquire, or are inviting officers from somewhere else to advise them. That is what I want to know. I want to know what is being done. A statement that it is being looked into does not satisfy me at all. Currently in New South Wales an inquiry is in progress and, in due course, its report will be available.

Mr. Nalder: That is one good reason then. If they are having an inquiry, it would cover the aspects.

Mr. TONKIN: It may be, but the Minister was not previously aware of it

Mr. Nalder: I am saying you have indicated it.

Mr. TONKIN: It may be a good reason, and I will be looking forward to this report with the greatest interest.

There has been another inquiry too, which, fortunately, has been completed after a period of two years. It has issued a report which runs to more than 800 pages. I wonder whether the people here have read that report and whether they have given any consideration to the adoption of some of its recommendations.

It is worth while to consider the terms of reference of this inquiry, which took two years to ascertain whether the questions it was inquiring into were not pertinent questions so far as we are concerned. They were—

(a) the costs and delays in compensating victims;

(b) whether victims were getting adequate compensation;

(c) the costs of providing the present forms of automobile insurance;

(d) the effect of medical benefits funds and worker's compensation legislation;

(e) the rising trend of automobile insurance premiums;

(f) the "no-fault" system of compensating accident victims;

(g) whether such a "no-fault" system should be privately administered or administered by a governmental agency.

I think it will be agreed that the answer to every one of those items would be important to us in Western Australia. I will now quote some of the findings, but only a few of them, because, as I have said, the report covered more than 800 pages—828 to be precise. The following are some of the recommendations:—

(i) Compensation to be paid to all motor accident victims regardless of who may be considered to be at fault.

This is something we have had in our minds for some time because it seems so unfair that people must prove negligence in some cases in order to get compensation, although the injuries may be the same as in others. The committee of inquiry looked at this question of paying compensation regardless of who is at fault. To continue—

(ii) Insurance premiums to be based on the traffic violation experience and accident experience of each

driver instead of the current practice of basing premiums on the type and make of vehicle.

(iii) The basic policy will be two party insurance on the driver. It will cover his/her passengers in a motor vehicle and all members of his/her family currently resident in the same household if hit by an automobile while getting into or descending from an automobile or while a pedestrian or a pedal cyclist.

(iv) Compensation of $20,000 (Canadian) to be paid to all motor accident victims over 18 years killed, with lower benefits for those of younger ages.

The Minister dealt with this particular point and he used the illustration that if a breadwinner was killed, and had been in receipt of a high salary, his family was entitled to receive higher compensation than that received by the family of a breadwinner who had been killed, and who had been on a much lower wage. He said that these are the facts of life.

Mr. Nalder: This principle has been accepted.

Mr. TONKIN: Maybe it has been accepted up till now, but I would point out that it is not accepted with workers' compensation. If a man is killed at work, Parliament has laid down that, irrespective of his earning capacity, so much shall be paid. If a worker loses an arm, he receives so much. Surely if a man has been used to using his right arm to make his living and is earning, say, $10,000 or $15,000 a year, the loss of his right hand is a much greater loss to his family than would be the case of a left-handed man who lost his right arm! But the Workers' Compensation Act stipulates that the same amount shall be paid to both. It does not take into consideration the earning capacity of the breadwinner. Why should the situation be different if that breadwinner is killed in a motor accident?

Mr. Nalder: Nothing you have stated yet suggests you are going to relieve the situation.

Mr. TONKIN: The Minister should not be in such a hurry.

Mr. Nalder: I am not in a hurry, but these points still do not relieve the situation.

Mr. TONKIN: These are ideas which should be thoroughly considered, and maybe adopted, to improve the existing system. Continuing—

(v) Indemnity payments of $50.00 (Canadian) per week to all accident victims over 18 years for as long as disability lasts, commencing one week after the accident.

(vi) Before a driver can renew his licence he will have to produce a certificate showing that he has taken out the compulsory insurance. The policy will be non-cancellable.

(vii) New drivers who can produce a certificate from a registered driving school will qualify for the lowest premium rate for the basic policy.

(viii) It is recommended that premiums be varied according to the type of licence held. These vary from "white" (encompassing 86 per cent. of British Columbia drivers) to "red" (indicating a history of accidents and traffic violations).

This is a proposal, not for a no-claim bonus, but that those most prone to accidents and who make the most claims should pay the highest premiums, while those who have fewer accidents, or none at all, should pay lower premiums. Surely that is an encouragement to a fellow who is careless to take more care; because if he does he will save money! This is a suggestion following the inquiry which took two years. The recommendations continue—

> The premiums estimated by the Commission for the various categories of licence-holders are:

I want members to listen to this. We are proposing to increase our premium to $34.20, but in this case the premiums that committee calculated will need to be imposed if the scheme is adopted are—

> For holders of "white" licence, $16.76 (Canadian) per annum; for holders of "green" licence, $21.36; for holders of "yellow" licence, $23.91; for holders of "red" licence, $26.48.

Even with their worst drivers their premiums are going to be some $8 less. Of course, we must take into calculation the difference between the Australian and Canadian dollars, but even for their worst drivers the proposed premium is down to $26.48.

The next recommendation is interesting, and reads as follows:—

> The Commissioners also recommended much more rigid suspension rules as a means of keeping very careless and bad drivers off the road.
>
> The Commissioners rejected submissions that a governmental agency should undertake the provision of no-fault insurance as in the Province of Saskatchewan, as it felt that there would be rigidities and limited innovation in such a system. There would be a reduction in the ability of insurance companies to offer an all-round insurance service to their customers. Indeed, the Commissioners said "Effective competition is in fact attainable

> in automobile insurance, and . . . the industry is not a natural monopoly. The injection of such competition is possible and will result in great improvements in efficiency and fairer pricing."
>
> The Commission recommended, however, that if the insurance companies showed a reluctance to write the new-type contracts, or a reluctance to compete, the Government should take over the sole selling of all automobile insurance.

In past years, because we thought it was a better system, we bought out the private companies; that is, from what the Minister has said, we bought what was their right to have this insurance. We have bought them out and we have agreed to pay them 5 per cent. of the premiums for doing practically nothing and taking no risk. They are on a very good wicket.

Are we to continue this and see the premiums continually rising, or are we to get down to business to see if we can effect a remedy? That is the question, and there is nothing in the attitude of the Government which gives me any confidence that next year or the year after—if this Government remains in office—the situation will be any better than it is now.

I suggest we have to acknowledge that the present situation is most unsatisfactory. I see no justification at all for continuing to pay the insurance companies 5 per cent. of the premiums for doing nothing and taking no risk. That is an imposition on the people who have to insure their vehicles.

Surely we have reached the stage where this whole system has to be recast. If we can do it without an inquiry, or without a Royal Commission, all right. However, we feel that if a body is appointed to go into this, whether it takes notice of the report from British Columbia, or waits on the report from New South Wales, or goes further afield, it matters little so long as we know that there is somebody whose business it is to get to grips with this question and do something about it.

I am not prepared to accept the statement that the present members of the trust are looking into the matter and giving consideration to it. How long have they been looking into it? Over the years the position has been getting worse and worse, and surely no-one can be satisfied with the existing situation. It is dreadful to think we have to face the motorists with this impost which the Government has now been obliged to agree to, and with the understanding that this sort of thing will continue to escalate.

Surely, we should measure up to our responsibilities more squarely than that. In our view the appointment of a Royal Commission, or some other body, charged with the responsibility of looking into this question, is the best way to go about the problem.

The Government did not argue that the Director-General of Education, or the Deputy Director of Education, was looking into tertiary education. The Government appointed a special committee to inquire into that matter. The Government might have argued, at the time: What is the use of a special committee? We have a director-general and a deputy director-general. We also have an officer in charge of secondary education and we have numerous inspectors so why a special inquiry? However, the Government appointed one.

It is no argument to say that the present members of the trust are looking into this matter; they are far too busily engaged in the work which is their immediate concern. Everybody's business is nobody's business, so if a body is appointed and it is told that the Government is not satisfied with the existing situation and wants to get all the information it can to put up a proposal for improvement it would get somewhere. But if we fall in line with the Government attitude we will get just nowhere.

MR. LAPHAM (Karrinyup) [8.46 p.m.]: I sincerely regret that the Minister who is actually controlling the Act is not a member of this House because I have formed the opinion that he does not know his Act. As a consequence of not knowing his Act how can he give information to the Minister who, unfortunately, has to act in his stead in this House?

I think it would be well for members to realise that the Premium Rates Committee, which submitted a report recently, indicated that to the year 1968-69 there would be a deficit of $2,884,605. However, it is also well to remember that the figures for the dividends payable—computed from the same source: the figures in the report of the Premium Rates Committee—show that the dividends included in the above figure amount to $2,800,483.

So, in fact, after operating for 20 years there has been a loss to the trust of $84,122 if the dividends paid or payable are omitted. In my opinion a lot of balderdash has been stated in regard to this motion. The Minister indicated that concern was felt by the Cabinet but I doubt if Cabinet has ever considered the matter because had it done so it would not have come up with the rubbish we have heard.

The Government is asking for a 35 per cent. increase in the premium rates on motor vehicles. This is not good, morally. There is not the slightest need for any increase in the fees which have to be paid by motorists.

I think it might be necessary for me to go back over practically the whole of the Act, section by section—or the relevant factors anyway—so that members will understand the measure. The trust is composed of the Manager of the State Government Insurance Office, and four other members. Three of those are nominated by members of the Fire and Accident Underwriters' Association, and the remaining member is nominated by those insurers who are not members of that association.

The members elect their own chairman, from amongst themselves, and a quorum is three members. The committee operates on a majority decision.

Besides the trust itself, section 31 of the Act sets up what is known, in broad terms, as the Premium Rates Committee. It is not referred to in the Act as the Premium Rates Committee but that is what it is generally known as, and it is known by that name in the insurance world.

The Premium Rates Committee is composed of six members, of whom—

(a) one shall be a member of the Institute of Chartered Accountants in Australia, practising accountancy in the State, and who shall be appointed as Chairman of the Committee;

(b) one shall be the person for the time being holding the office of General Manager of the State Government Insurance Office;

(c) one shall be the person, not being a member of the Trust, nominated by the participating approved insurers that are not members of the body known as the Fire and Accident Underwriters' Association of Western Australia;

(d) one shall be the person, not being a member of the Trust, nominated by the participating approved insurers that are members of the body known as the Fire and Accident Underwriters' Association of Western Australia;

(e) one shall be a person nominated by the governing body of The Royal Automobile Club of W.A. (Inc.), who shall represent the owners of motor vehicles;

(f) one shall be the person nominated by the Minister.

Consequently, six people are dealing with the question of premium rates. The Premium Rates Committee is the organisation that controls the solvency, or otherwise, of the Motor Vehicle Insurance Trust; because, if the trust makes a loss in one year, the Premium Rates Committee adjusts its rates so that the loss will be compensated for in the following years, and so that, in addition, there will be a rate increase to offset possible inflationary trends which could occur.

Consequently, there cannot be a loss at any time. Further, there never has been an actual loss at any time. There may be a book loss, but it is adjusted in subsequent years.

Although there is absolutely no risk at all on the part of the participating approved insurers, in latter years they have been entitled to 5 per cent. of the whole of the income received by way of premiums by the trust. If this continues to the period recommended by the Premium Rates Committee, and if the increases are made to the year 1972, then we will find that the dividends which have accumulated to the participating approved insurers, for whom there is no risk at all, will be in excess of $5,000,000. Even to the 30th June, 1968, the participating approved insurers will have derived $2,800,000-odd on dividends. As I mentioned previously, if it was not necessary to pay the dividends, the trust would be solvent.

Consequently, is there any reason for continuing with the participating approved insurers? The Minister indicated that the reason the participating approved insurers are in the field at the moment is that they were bought out by the Government on the understanding that they would not compete in this field of insurance. That is not so. The participating approved insurers were induced to go into the Motor Vehicle Insurance Trust by the Government of the day. I will be quite candid; it was a Labor Government. They were induced to go into it because at that time the Labor Government wanted to set up a Motor Vehicle Insurance Trust and as the Government was dealing with something about which it knew very little, it wanted the knowledge and backing of the insurance companies. As a consequence, the Government asked the participating approved insurers to come into the field.

From memory there were 64 approved insurers in the initial stage. The number has varied over the years and it is now down to 50. Never at any time has any one of them been asked to contribute one cent to the Motor Vehicle Insurance Trust. It is true that there was an amount, I think, of $200,000 paid by some of the insurers in the initial formative years, but that was not as a consequence of an amount sought by the trust itself.

Mr. Bertram: Is it refundable?

Mr. LAPHAM: Yes, of course it is refundable. When the Motor Vehicle Insurance Trust set up its Premium Rates Committee, it knew that committee would be unable actually to stipulate an amount of premium which would be sufficient to equalise the amount needed at the end of the following term, because so many imponderables were involved. Who is to know what accidents will occur? As a matter of fact, who is to know these days what the costs of accidents will be? The

manager of the Motor Vehicle Insurance Trust (Mr. Grieve), indicated through the Press that he is never too sure at any time what the cost of a broken leg might be. At one time it could have been £200, but now it could be $2,000. So it is almost impossible for the Motor Vehicle Insurance Trust to assess the amount that is needed, or to get within reasonable limits of it.

So any accrued losses of any one year are brought into calculation by the Premium Rates Committee when new rates are being considered. It is this factor which justifies the committee varying its rates from period to period. I think it is only right that the rates should be varied because the insurance is for the protection of the motorist, and the motorist himself should have to pay for such protection. How he pays, and how the amount of protection is allocated to him are other matters entirely.

I have mentioned in this House on previous occasions that the method of allocating a proportion to each motorist is a most unfair one. I have said many times that the more miles one travels on the road the greater the risk; and the fewer miles one travels, the less the risk. The method of assessing the amount each motorist has to pay should be on a far different basis from that used under the present arrangement. I have suggested a tax on petrol for that purpose.

The Premium Rates Committee has shown in 20 years of operation that there can be no ultimate loss to the trust. Its whole operation shows this. The last report of the Premium Rates Committee, which was laid on the Table of this House some weeks ago—perhaps a month ago—indicates by its assessment that, at the end of 1972, the trust will have paid off all its arrears, and will have an amount of $822,000 in excess; even though there is an amount of $2,400,000-odd which is included as dividends for the period 1969 to 1972, and for which the motorist has to pay by having his premium rate increased by 35 per cent.

For the seven-year period ended the 30th June, 1968, each of the first three years showed deficits which aggregated $1,778,565, but each of the following four years showed surpluses aggregating $1,989,312. It is therefore axiomatic that the persistent application of the Premium Rates Committee's varying rate principle leaves no risk to be underwritten by the participating approved insurers, and obviously this principle has been recognised by the Motor Vehicle Insurance Trust. As I mentioned earlier, no claim has ever been made by the trust against any participating approved insurer.

From the report of the Premium Rates Committee, dated the 23rd January, 1969, and its supporting schedule, it is seen that there should be no loss to be underwritten as at the 30th June, 1972. In fact, a surplus of $882,000-odd is estimated. Paragraph 8 of that report indicates that surpluses for the years 1966-67, 1967-68, 1969-70, 1970-71, and 1971-72 will total $4,285,228.

There were deficiencies to the 30th June, 1966, amounting to $3,272,833, and there is an estimated deficiency for 1968-69 of $190,000. So if we take one from the other we find where the estimated surplus of $822,000 comes from. This absolutely confirms the policy of the committee of liquidating accrued losses, and it is the committee itself which keeps the trust completely solvent.

Notwithstanding that no losses are expected within the next four years, and that at the end of that period there should be a surplus of $822,000-odd, provision has been made in the recommended premium rates for the payment of dividends of the following amounts to participating approved insurers:—

	$
1968-69	440,000
1969-70	627,750
1970-71	661,500
1971-72	695,250

So there is a total of $2,424,500 which is estimated to be the dividends payable over the next four years.

Mr. Bertram: Do they stop paying then?

Mr. LAPHAM: No, they never stop. Under those circumstances, if we are to go on like this we will be saddled with it forever. Every time the premium rates are adjusted and the motorist is asked to pay a little more, the participating approved insurers—who take no risks whatever—get their 5 per cent. That is the maximum dividend, and the dividend paid has never been less than the maximum. At one time it was 7½ per cent., but it was reduced to 5 per cent. There is no risk whatever to the insurers. I would like members to tell me of any organisation or any business which I could get into that is as good as this.

Mr. Court: If it is such a bonanza, why are we having such difficulty?

Mr. LAPHAM: Yes, why are we? I would like an inquiry to be made, and I would like to be on the inquiry to find out if there is a reluctance on the part of those people to take money from the motorist.

Mr. Court: You know that the Labor Government had extreme bother with this very point, and we are still having the same bother.

Mr. LAPHAM: I do not know whether the Labor Government had any bother with it. I spoke on this matter last year, and drew the attention of the Government to the fact that this was going on. I knew full well at the time that if we did not do something about it there would be a

terrific increase in motor vehicle insurance premiums, and we have now reached the stage where there is to be a 35 per cent. increase.

I know it is almost impossible to expect members opposite to cross the floor of the House and vote with us on an issue like this; but surely those members who represent motorists in their constituencies can stand up to the Government and ask their Ministers what they are going to do in regard to this matter. This is just daylight robbery. If this penalty is imposed on the motorist, he will be robbed of another $9 a year.

There is another matter to which I wish to refer whilst on the subject of paying $5,000,000-odd to participating approved insurers to the end of June, 1972. It is interesting to see that the poor unfortunate motorists were saddled with a most inequitable tax, I thought, when the Motor Vehicle (Third Party Insurance Surcharge) Act of 1962 was passed.

Why has the Government collected this tax? It is simply because the individual is compelled to insure. He knows the need to insure. He knows he should not take a risk on the road. He is a good responsible citizen and, consequently, he wants to insure. The result is that the Government has taken another $4,000,000 from him in the surcharge tax, because he insured.

The Act provides for the Motor Vehicle Insurance Trust to pay the money into Consolidated Revenue. Recently I asked a question in this House with respect to the amount paid to the Treasurer from 1962, when the Act came into operation, until 1968-69. It is estimated that the total amount for this period will be $4,048,181.

Consequently, the motorist has not only to carry the participating approved insurers, because he is a responsible citizen, but he has to carry a tax because he insures. I should like to consider the reasons advanced for this and, in so doing, I shall refer to the Treasurer's remarks when the surcharge tax was introduced. They are to be found at page 2025 in volume 3 of *Hansard* of 1962. The Premier had this to say—

> The tax proposed in this Bill was first introduced in Victoria, in 1959, and was initially imposed until the 1st December, 1960. It has now been made permanent. As Victoria is one of the standard States against which this State's revenue-earning efforts are measured, it follows that our adjustment for the relative severity of taxation, calculated by the Commonwealth Grants Commission, contains an unfavourable adjustment for third party insurance surcharge.
>
> The reasons for introducing this surcharge in Victoria were the increasingly heavy burdens imposed on the Consolidated Revenue Fund.

Consequently, motorists have been saddled with a surcharge of $4,000,000-odd, because this State was down $4,000,000 in comparison with Victoria when Western Australia was a mendicant State. Western Australia is not a beggar any more and is not poverty stricken. I think the least we can do with respect to this surcharge is to remove it. If I understand the Treasurer aright, he said that the tax had been imposed to equalise the position in Victoria so that Western Australia would not be jeopardised in its grant from the Commonwealth Grants Commission.

Therefore, the motorist has to carry a terrific burden. To this date, the surcharge is of the order of $4,000,000. If this money did not have to go into Consolidated Revenue, but was retained by the Motor Vehicle Insurance Trust, it would be sufficient to pay even the participating approved insurers the gratuity of 5 per cent., and the trust would be solvent.

It is about time the House looked at this matter. I do not think the Minister in this House has taken full cognisance of the provisions of the Act and I doubt very much whether the Minister in another place has done so, either.

It is high time consideration was given to all aspects of motoring. As this subject is under review at the moment, we should have a look at the trust operation. We should face the fact that today motoring is no longer a luxury, although it may have been regarded as such a few years ago, and since then it has been taxed and taxed again. However, there is no doubt that motoring today is a sheer necessity. If one wishes to travel from point A to point B there is no other reasonable means of transport than for one to use one's car. Therefore we are entitled to use a motor vehicle for such purpose at the cheapest possible rate. I therefore suggest that we should investigate the activities of the Motor Vehicle Insurance Trust by holding an inquiry in an endeavour to find out if some improvement can be effected in the present situation. I feel sure that a great deal of enlightment would follow if an inquiry were held.

I am certain that following the inquiry we would find there is no necessity to increase motor vehicle third party insurance premiums by $9 in order that this insurance scheme should be continued. It could be continued at a cheaper rate to motorists, if we started to discontinue the gratuities that are at present being handed out to the private insurance companies. In fact, we could even reduce the premiums if the Government was prepared to amend the Motor Vehicle (Third Party Insurance Surcharge) Act which was introduced at the time for the express purpose of satisfying the Commonwealth Grants Commission.

MR. GRAHAM (Balcatta—Deputy Leader of the Opposition) [9.12 p.m.]: It would be an understatement for me to say I was bitterly disappointed not only with what the Deputy Premier had to say, but also with the manner in which he brushed aside what I submitted as being a constructive case. At no time did I indulge in any criticism or implied criticism of the Government, or of the Motor Vehicle Insurance Trust. I deliberately submitted about a dozen propositions in the form of questions in the belief that they should be resolved. As the Deputy Premier surmised, I made a study, not only of the Act but of its history, and also the manner in which it operates. I had discussions with those who are associated with the insurance of motor vehicles from a third party angle—

Mr. Nalder: I gave you full credit for that.

Mr. GRAHAM: —and this work was undertaken with the object of assisting the Government by making out a case, on a non-party basis, that there should be a thorough investigation in order to ensure, as I felt, that it would be possible to effect improvements that would result in a lighter burden on the motorists than is to be their fate when this additional charge comes into being.

The Deputy Premier immediately jumped into the breach, apparently feeling he had a mission to defend the Government, but the Government was never under attack. I do not know who briefed him—but whoever it was he did not do a good job, and the fact that the Minister merely recounted what that person said does little less than justice to the Government or himself. I spoke for a total of one hour and 10 minutes in an endeavour to submit something positive in connection with this motion. It is a comparatively easy matter for a Minister to have departmental officers push a piece of paper in front of him and for the Minister to read that piece of paper, but it is an entirely different matter for a private member, with no facilities whatsoever at his disposal, except his own will, to ascertain the facts of a situation in order to present a case such as this.

Yet the Minister treated this subject contemptuously, and in certain respects almost with a degree of insolence. I repeat that I do not think it was worthy of him. His prime concern seemed to be to defend the trust; to defend the insurance companies. That was his first consideration; not the plight of the motorist; not the injustices that are apparent to anyone with eyes to see; not the necessity to call some halt to this spiral of increasing costs being loaded on to the motorist, especially when this imposition is mandatory under the law. No motorist can escape it.

The Minister showed no concern whatsoever for the motorist, except perhaps to make the trite observation that if motorists had fewer accidents the call upon the funds of the trust would not be so great. There is nothing holy or sacrosanct about the trust. It comprises five representatives of insurance companies, and as has been mentioned by the member for Karrinyup, the higher the premiums, the greater the return to them. They have every inducement in the world to step up these charges irresponsibly. There is a limited charter which is available to the Premium Rates Committee, and of course the trust willingly accepts its submissions which rather inevitably, are required to take into account the losses, so-called losses, or any anticipated losses.

In view of this fact it is impossible for the trust, over a period, to show a loss, as the premiums can be adjusted to whatever degree is necessary in order to meet not only all the costs but also to pay this unearned increment to the insurance companies. I think it is a scandal and, in fact, I say it is a racket. Initially, when this legislation was introduced, there was a degree of experimentation. The financial results, and what the implications of the legislation would be, were not known; but after a period of 20 years it has become perfectly obvious that the pattern is available for all to see—that is, to those who wish to see—and those of us who have no axe to grind can see as plainly as can be written that this is an insurance company benefit society. That is what it is!

Also, it is plain to see that hundreds of thousands of dollars a year are being paid to the insurance companies for exactly nought; and even if they wanted to do something it would be impossible for the insurance companies to do it. I invite every member of this House—particularly those who sit behind the Government—to analyse what I am saying—and there is no need for them to admit it in this House or anywhere else—and to prove anything to the contrary.

I say that the insurance companies do not—nor is it necessary for them to do so—find so much as one cent of capital. The insurance companies do not advertise or seek business; there is no occasion for them to do so, because legislation forces this insurance upon every motorist. There is no need for one company to enter into competition with another in seeking to obtain a client; it is done automatically through the processes of the law when a motor vehicle is licensed. There is no occasion for an insurance company to write so much as a single receipt from the 1st January to the 31st December in any year. The companies do not receive, or handle one cent of premiums or payments made by the motorists. No claims are

submitted to the insurance companies, and therefore they do not deal with, or handle, a single claim.

The insurance companies do not make a single payment to any person, to any claimant, or to any other organisation or company. In 12 months these insurance companies do not write a single letter to anybody in connection with third party insurance; they have no occasion to keep a single record of any activity whatever, because none of the activities—not one of them—is handled by the insurance companies. Insurance companies do not handle a single piece of paper in connection with third party insurance matters during the course of the year; nor do they employ, between them, even a single office boy for this work. No member of their staff—and there are 52 companies—is engaged upon it, nor does one hour of work in any of the insurance compaies devolve upon any member of the staff of any of these companies.

It is palpably obvious that there is no risk whatever attaching to the insurance companies and yet, with the adoption of this additional premium, the insurance companies will be paid between $4,500,000 and $5,000,000 over a period of three years.

I have said that, and I will stand in this place and apologise to the House if any member on the other side or, indeed, any member on this side of the House, is able to controvert or prove wrong any single statement I have made.

It is little wonder that I say this is a racket; that it is an insurance companies' benefit system, because that is what it is. The motorists are being unnecessarily mulcted of a sum of $600,000 to $700,000 a year with the connivance and support of this Government; this arrogant Government; this Government that has been here too long; this Government which will not bother to bestir itself to look thoroughly and properly into this matter; this Government which is too prone to accept the word of its advisers, not seeking to turn over the page or to make its own inquiries.

The challenge I make is to all members who sit behind the Government; and it includes the Minister for Industrial Development. I know that what I am saying is correct, because I have spoken to executives of insurance companies, and to those who have served with insurance companies in the past, and who have dealt with this matter of third party insurance.

Mr. Court: You might just complete the story by adding that the Government is working under legislation conceived, brought into being, and operated by a Labor Government.

Mr. GRAHAM: If the Minister were not so prone to making speeches, and if he paid a little attention to what other people have to say, he would know that I went to considerable pains to point this out. I was being perfectly non-party in my approach to the question; something which the Minister would find difficult to understand in any circumstances.

The burden of my story has been that after the experience of 20 years, the time has arrived for a complete and thorough survey of this system, particularly when experience has shown that on the trust's own figures, between $600,000 and $700,000 a year is to be paid to insurance companies, in respect of which those companies do exactly nothing. If the Government thinks it can justify that then it is, indeed a far stranger Government than has been my opinion of it over the period it has been in office.

Mr. Court: I come back to my point that the companies are doing exactly what they were brought into the scheme to do by a Labor Government.

Mr. GRAHAM: That is so, but because something was brought into operation by a Labor Government 20 years ago as experimental legislation, does it mean that we have not learnt something in the interim?

Mr. Court: There is a reason they were brought into the scheme.

Mr. Tonkin: There is no reason they should not get out.

Mr. GRAHAM: The position is that they were previously in the scheme in their own right; they were individual insurance companies. It was felt, however, that there was something wasteful in this procedure and so we had this combined effort; in other words, the trust arrangement and the automatic payment of premiums when a motor vehicle was licensed.

But surely we have learnt something over the past 20 years; although obviously the Minister for Industrial Development has not. I acknowledge freely that the legislation was introduced by a Labor Government, but I say equally emphatically that it is time something was done to effect substantial changes in the legislation.

This matter of payment to insurance companies is merely one of a number of items which were suggested as being worthy of a full and proper investigation; something which apparently the Government does not want.

The Deputy Premier told us, among other things, that the insurance companies in 1948 and 1949 gave up something which rightfully belonged to them. This scheme of motor vehicle third party insurance on a compulsory basis, surely, was not enacted for the purpose of providing some benefit to insurance companies. Surely the whole purpose and object of it was to provide some protection and cover for those who might sustain injury or death, so that the persons directly affected, or their dependants, could receive some relief!

That was the purpose of the scheme; but the Deputy Premier seems to think that the insurance companies gave up something as a result of legislation that was passed. For a number of years they operated in their own right and then, for a further 20 years, they have had the opportunity to participate in this most profitable scheme without having to outlay a cent; without having to do anything. Yet these tremendous sums, annually, become their entitlement.

It has no bearing on the situation that they are owed a certain amount, because that will be paid. This maximum of 5 per cent. has become the set figure, and if it was not paid last year, or five years ago, it is to be paid; and that is the purpose of this steep increase.

Indeed, the returns laid on the Table of the House indicate that the $9 increase is designed deliberately to make up the loss so that the lag will be paid to the companies and, in addition, approximately $2,000,000 will be paid the companies in respect of three years commencing from the 1st July next.

I interjected when the Deputy Premier was speaking—that he found something wrong with the suggestion that the State Government Insurance Office should be entitled to do the whole of the business and that therefore it would be receiving dividends. The idea is that no insurance company shall put its finger in the pie. It has no business to do so; there is no necessity for it to be there.

The trust receives the money from the licensing authorities and from there on does all the business. Accordingly, why should the private insurance companies, or the State Government Insurance Office, have anything to do with it? All this, of course, means a Christmas present of varying amounts of between $600,000 and $700,000 which will be whacked up between the 52 participating insurance companies.

I would be most reluctant to accuse the officers of preparing figures and returns with ulterior motives, but they talk in terms of a deficit for the current year.

If we avoid the payment of $440,000 by way of a 5 per cent. dividend—as we can so easily do—then, indeed, a surplus will be made. I find in following certain lines of communication that the trust has, to its credit, a sum which totalled at the 31st March last—only five weeks ago—no less than $20,701,375. It has over $20,000,000 to its credit. This, of course, represents 2½ years' premiums for motorists. I therefore wonder what all the panic is about.

It would be sufficient for some action to be taken next year or the year after, if action was warranted; but I am confident that if the Government was honest in its approach there would not be the need for the increase—at least an increase of the extent recently proposed, which is disturbing very many people.

Mr. W. A. Manning: What is the amount of outstanding claims against that credit of $20,000,000? Is it not about $17,000,000?

Mr. GRAHAM: The easiest way I can answer that is to say that the member for Narrogin is adopting exactly the same approach to this as certain statistically minded gentlemen adopt in relation to superannuation funds. At any given moment, whether it be with the operations of a bank, a superannuation scheme, or an insurance scheme such as this, there are outstanding claims or likely claims which can only be estimated or assessed; but at the same time, over a period when those claims are paid, many millions in premiums will be received. There is nothing new or novel about this.

The fact of the matter is that the amount in kitty is substantially over $20,000,000. Of course, the claims paid and those outstanding amount to something in the vicinity of $10,000,000. According to the return that has been submitted, to the 30th June, 1968, an amount of $9,100,000 was for claims paid and outstanding, and to the 30th June of the previous year the amount was $6,000,000. So it will be seen that with over $2,000,000 on hand the position is, indeed, healthy, and there is no need for panic.

Mr. Court: According to the audited balance sheet tabled in Parliament, as at the 30th June, 1968, the fund would have had a deficiency had it been wound up at that time, and the deficiency would be $1,000,000.

Mr. GRAHAM: That was precisely what I said, using the illustration of a superannuation fund. If the Minister cares to entertain himself he can investigate the Parliamentary Superannuation Fund, to which 81 members now contribute. Money is flowing from and into this fund, but every year a greater amount lies to the credit of the fund. No matter at what rate the fund increases, the actuaries and those who find it a pleasant pastime to do so point out that the fund is unsound. That is their way of assessing superannuation schemes everywhere.

Mr. Court: You misunderstand me. As at the 30th June, 1968, the audited balance sheet showed that if the fund was wound up—though it is not likely it will be—there would be a deficiency of $1,000,000 which the insurance company would have to put in. That is indisputable.

Mr. GRAHAM: If that be so then the figures which have been supplied to this Parliament do not agree with the facts.

Mr. Court: This is shown in the tabled accounts.

Mr. GRAHAM: If we take into account the figures as at the 30th June, 1968, the amount of $9,100,000 for claims paid and

outstanding, $250,000 for costs of administration—as though no costs of administration were paid in the last year—$50,000 in tribunal costs, and $440,000 in dividends for which there is no requirement, total $9,840,000 for the year.

Mr. Court: I am not talking about income and expenditure. I am talking about the assets and liabilities as at the 30th June, 1968. According to the audited accounts there is a deficiency of $1,000,000.

Mr. GRAHAM: There is lying to the credit of the trust a sum of $20,701,375. If the fund is that much in credit, and if its outgoings and commitments total less than $10,000,000, obviously the fund is not in the plight suggested to us by the Minister for Industrial Development.

Mr. Court: I think you are working on a different premise. You are talking about an entirely different statement. The audited balance sheet tabled in Parliament showing the position as at the 30th June, 1968, having regard for the outstanding claims—those not yet settled—as well as those that are determined, indicates there was a deficiency of $1,000,000. Do not take my word for it. Look at the audited figures.

Mr. GRAHAM: I would point out that my word does not come into it. I have been reading from an official document that was tabled in the House on the 26th March, 1969.

Mr. Court: Do not take my word for it. Just study the audited balance sheet.

Mr. GRAHAM: I am referring to the return that was submitted to us. This is a copy of the document which was presented to the Minister in charge of the trust, and it was on the basis of this document that he made his recommendations to Cabinet; and on the basis of those recommendations there has been an increase in the premiums—which increase has led to public outcry and, in turn, to my moving a motion in this House, not for the purpose of criticising or vilifying the Government, but for the purpose of instituting a full inquiry.

Mr. Court: Not much to criticise the Government!

Mr. GRAHAM: I defy the Minister to find one word in my 70-minute address which could be construed as a criticism of the Government. What I endeavoured to do was to be helpful, in view of the difficult situation. Apart from the motorists who are affected, the only party which can gain—if there is merit in my submissions, and if something is discovered as a consequence of the inquiry—is the Government itself, because it will be able to announce a reduction in the heavy premiums which motorists are called upon to pay. If a Labor Government were in office the burden of the premiums that is placed on the public this year would be at least three-quarters of a million dollars less than it is. The Government has made no attempt—because no doubt it cannot—to justify the heavy increase.

The suggestion which was submitted to me by those who have had experience in the matter of third party insurance is that the regular process should be that lump sums be not paid to claimants, but instead periodical payments be made. I instanced the case of $150,000 which had been paid to the family of someone who tragically lost his life in a motor vehicle accident. I have no idea of the extent of the wealth of the family concerned, but no doubt it runs into hundreds of thousands of dollars. Yet a lump sum of $150,000 was paid to the members of that family.

No doubt there was a part loss of income resulting from the death of the breadwinner, but I would point out that income is still being returned from the properties owned by this family. In these circumstances it would have been sufficient —and this would have met the situation amply—to have a payment of $10,000 or $15,000 annually for that family. Meanwhile of course the balance would be retained in the fund, earning interest and thereby helping to build up the liquid assets of the trust and, accordingly, making some contribution towards keeping premiums down to a level lower than would otherwise be the case.

I had hoped that the deputy leader of the Government would answer what I tried to submit, which was that it is possible—so I am informed—to obtain cover guaranteeing against loss for a premium of $1 per annum for $1,000 loss, in other words, at .1 per cent. No! The Government prefers, if there is any danger involved, or any possibility of loss, that the insurance companies shall be paid 5 per cent.—50 times as much. The fact that this is an additional burden upon the motorist does not worry the Government.

I wonder what the liaison or affiliation is between this Government and the insurance companies. Here the matter has been raised, and raised by way of question and interrogation, and if there be no substance in what I have submitted, then surely a competent inquiry would be able to establish that beyond any reasonable doubt. But of course no inquiry could do that because the analysis of all the returns has been undertaken by people who would know far more than any of us, and probably as much as any competent authority which might be inquiring into this subject! No, the Government is apparently content to exploit the motorist. It has given no good reason why there should not be a thorough examination of this question. If there are good reasons, they were certainly not submitted by the Deputy Premier.

I repeat, as I conclude, that I am disappointed, and I say that there is not a great deal of encouragement to a private member to devote his time endeavouring to be of some assistance not only to the Government, but to the community. There is no inducement for him to refrain from criticising or loading some sort of condemnation upon the Government. I suppose it is the way of Governments that after they have been in office for a protracted period they feel they and they only are possessed of sense and judgment; that they and they only have a proper knowledge of any public question.

Certainly one would gather that impression from the attitude of this Government in regard to this motion which was sincerely submitted in the hope that something would be done for the motorist. Every member would be agreed that the motorist is loaded to a point which is becoming extreme in the excess, if I can use that strange term. How it becomes possible any longer for the ordinary motorists in the community, who receive no return and have no expense account, and who are establishing themselves in their homes and raising families and the rest of it, to meet this ever-growing commitment in respect of a motor vehicle which has become not part and parcel of life, but indeed an absolute necessity in this day and age, is completely beyond me! But on so many occasions this Government has shown no consideration whatever for the smaller person in the community, so I suppose it is only running true to form in establishing its opposition to this motion.

Nevertheless it is my intention to divide the House to ascertain exactly where members stand in connection with this matter; and I hope and trust my colleagues will do everything possible to publicise the unsympathetic attitude of those who cast their votes against this very simple and sensible resolution.

Question put and division taken with the following result:—

Ayes—18

Mr. Bateman	Mr. May
Mr. Bertram	Mr. McIver
Mr. Burke	Mr. Moir
Mr. H. D. Evans	Mr. Norton
Mr. Fletcher	Mr. Sewell
Mr. Graham	Mr. Taylor
Mr. Harman	Mr. Toms
Mr. Jamieson	Mr. Tonkin
Mr. Lapham	Mr. Davies

(Teller)

Noes—22

Mr. Bovell	Mr. Mensaros
Mr. Burt	Mr. Nalder
Mr. Cash	Mr. O'Connor
Mr. Court	Mr. O'Neil
Mr. Craig	Mr. Ridge
Mr. Dunn	Mr. Runciman
Mr. Grayden	Mr. Rushton
Mr. Kitney	Mr. Stewart
Mr. Lewis	Mr. Williams
Mr. W. A. Manning	Mr. Young
Mr. McPharlin	Mr. I. W. Manning

(Teller)

Pairs

Ayes	Noes
Mr. Bickerton	Mr. Brand
Mr. Hall	Mr. Mitchell
Mr. T. D. Evans	Mr. Hutchinson
Mr. Jones	Mr. Gayfer
Mr. Brady	Dr. Henn

Question thus negatived.

Motion defeated.

WEEBO TRIBAL GROUND

Preservation—Motion: Order Discharged

Order of the Day read for the resumption of the debate, from the 16th April, on the following motion by Mr. Tonkin (Leader of the Opposition):—

> That in the opinion of this House the Government should take the requisite action to preserve inviolate the Aboriginal Weebo tribal ground.

MR. GRAHAM (Balcatta—Deputy Leader of the Opposition) [9.48 p.m.]: In view of the action taken by the Government since this motion was introduced, and in the belief that the purpose and intention of the motion have been given effect to, I move—

> That the Order be discharged.

Motion put and passed.

Order discharged.

LEGISLATIVE ASSEMBLY

Conduct of the House: Motion

Debate resumed, from the 16th April, on the following motion by Mr. Jamieson:—

> In the opinion of this House the conduct and affairs of this House, where not specified in the current standing orders, should be in accord with previous practice and precedent. Reference to the practices of other Parliaments and authorities should be resorted to only where situations occur which are not covered by standing orders, established procedure, or established precedent.

MR. COURT (Nedlands—Minister for Industrial Development) [9.49 p.m.]: I will comment briefly on the motion moved by the member for Belmont. He has put forward a motion which, in my memory, is quite unique as far as this Parliament is concerned inasmuch as he has addressed himself to the Parliament on a question concerning the relationship of the members, not only one to another, but between themselves and the Speaker.

The main burden of the motion was—to use his own words, which I think is the safest way in this particular place as I then cannot be misquoted—to express the opinion that—

> the conduct and affairs of this House, where not specified in the current standing orders, should be in accord with previous practice and precedence.

> Reference to the practices of other Parliaments and authorities should be resorted to only where situations occur which are not covered by standing orders, established procedure, or established precedence.

I invite the attention of members to the last part of the motion because I find it has particular significance in considering this issue. We work under Standing Order 1, and I think it is appropriate that we record it. It reads as follows:—

> In all cases not specially provided for hereinafter, or not covered by our practices or usages, or by other orders, resort may be had to the rules, forms and usages of the Commons House of the Imperial Parliament of Great Britain and Northern Ireland, which may be followed so far as the same can be applied to the proceedings of this House: Provided that—

and here is another very important provision—

> —nothing hereinafter contained shall be deemed to render applicable any new Standing Order of the Commons House made since the 1st January, 1890, save so far as the same shall have been or shall be expressly adopted by this House.

I invite members' attention to the fact that in a Chamber of this kind, which has grown out of a parliamentary system peculiar to the British Commonwealth, whilst we want to build up our own practices and, as far as we can, be the masters of our own destiny, it is necessary from time to time to have to resort to something which is stable; something which is part of a system we have learnt to trust, when we have neither a Standing Order which is specific on a point, nor an established custom of our own.

It is significant that our own Standing Order 1 does provide that "in all cases not specially provided for hereinafter, or not covered by our practices or usages, or by other orders, etc." and then it goes on to say that we may resort to the usages of the Commons, etc. I think to a substantial extent the import of the honourable member's motion has been acknowledged by the Parliament and incorporated into its Standing Orders.

I would like to assure the honourable member that an extraordinary amount of work has been done on his motion, not necessarily by me but by others who have diligently studied his speech. I then had the rather laborious task on Sunday evening of having to go through the information and the speech to acquaint myself with some of the background. Having read the honourable member's speech I came to the conclusion that his main concern is in respect of the relationship between members and their Speaker when questions are asked, or desired to be asked by members of their Speaker.

The Speaker has laid it down, and I think without doubt based on good authority so far as the practices in this House are concerned, that if a member wants to ask him a question he should do so by private notice. The member for Belmont apparently felt very strongly that he should be able to place such a question on notice and, eventually, no doubt this matter will be resolved by the House in the review, from time to time, of its Standing Orders.

I have always regarded the Speaker as being in a rather unusual situation in relation to members of the House. I feel that it is the duty of all of us not to expose him —regardless of who he might be—to the danger of being asked questions either on notice or without notice which could be embarrassing to him, not as an individual, but as the Speaker of this Chamber. This is regardless of what differences of opinion we might have from time to time.

We do not want to overlook this matter lightly because he is our Speaker. I have been in this Chamber under a number of Speakers each of whom I have always regarded in just the same way, whether he has been from the parties on this side or the party opposite. I refer to Mr. Rodoreda, Mr. Hegney, Mr. John Hearman, and now, of course, our present Speaker.

Mr. Jamieson: All those Speakers have differed on this aspect.

Mr. COURT: I think all those gentlemen, without exception, have discharged their duties as the Speaker of the House rather than the Speaker elected by a particular party. I agree that some of them have tended to differ in their interpretation of this particular rule.

Mr. Jamieson: All of those you have mentioned have differed.

Mr. COURT: They have differed because of their own particular personalities. Nevertheless, I am of the opinion—having done a considerable amount of research on the matter, and having seen the result of other research—that the Speaker has been quite correct.

What I propose, Mr. Speaker—and I have discussed the matter with the honourable member concerned—is that in view of the fact that this is of some concern to individual members—because I understand it was raised not only by the member for Belmont, but also by a couple of other members—it is something that could properly be referred to our Standing Orders Committee.

In view of the fact that this subject has been raised I would like to feel that when the Standing Orders Committee is next convened—and I understand a meeting is to be held in the near future—this particular question could be referred to the committee for study. The committee could then consider the issue as it has done on previous occasions when recommendations have been made to us. I submit that a

number of matters have arisen in the last few days which would warrant consideration by the Standing Orders Committee. I refer to the situation in respect of private members' Bills. I will not refer to any particular piece of legislation, but to the issue as it affects private members; because I think if we take literally a recent ruling by the Speaker we will have to revise our attitude towards private members' Bills.

The Standing Orders Committee, in my opinion, is the body to discuss this matter in a dispassionate way, and then it can make recommendations to the Chamber in the ordinary way. I hope the honourable member will allow the matter to go forward on that basis, now that he has made his position very clear to the House.

Debate adjourned, on motion by Mr. I. W. Manning.

RURAL INDUSTRIES IN THE SOUTH

Inquiry by Royal Commission: Motion, as Amended

Debate resumed, from the 2nd October, on the following motion by Mr. H. D. Evans, as amended:—

> That in the opinion of the House a Royal Commission should be appointed to enquire into the rural industries in the South-West and Great Southren areas in respect to:—
>
> (1) The costs, returns and trends in the dairying, apple growing, wool and lamb, and the dairy beef industries of those areas;
>
> (2) the problems confronting the producers;
>
> (3) the preservation of the small farmer;
>
> and make such recommendations which could assist in resolving the problems revealed by the investigation.

MR. H. D. EVANS (Warren) [9.59 p.m.]: When replying to the motion—the debate on which I am about to close—the Minister took umbrage at the suggestion that posterity could know this Government as a compass Government. The Minister even went so far as to produce comparative figures to this end. He stated that the amount spent in the north during the 1960-68 period was about one-sixth of the amount spent in the south. So far, so good. However, the line of demarcation which the Minister took divided the north and the south at the 26th parallel. That is somewhere in the vicinity of Shark Bay.

The Minister did not quote the amount spent south of Armadale, or south of Mandurah, as a basis of comparison between the two areas. I might suggest that would have been more relevant as we were dealing with the south-west and the lower great southern. I would like to make one point abundantly clear: no-one—certainly no-one from this side of the House—suggests that the north should not be developed.

However, it was the Minister who transposed the comparison of north and south into financial terms. We, on this side of the House, are concerned about the contrast of attitudes, and particularly about the attitude taken towards the southern areas.

The Government's attitude is shown very clearly by the fact that the Minister did not even once acknowledge or recognise the crux of the whole motion. Not once did the Minister mention the central problem; namely, the plight of the small farmer in today's economy. The problem can be called by any name, such as the non-viable, the low-income, or the uneconomic farmer. However it is known, the problem still exists. Certainly the motion makes reference to the costs, returns, and trends in rural industries in the south-west and lower great southern and, to this end, it specifies dairying, apple-growing, wool, lamb, and dairy beef industries. However, these industries are the components of the central problem: the preservation of the small farmer. Nevertheless, not even one of the speakers on the Government side of the House made reference to this issue; they all ignored it completely.

When the Minister rejected the proposal for a Royal Commission he stated that no value would be derived from appointing one. His comments are to be found on pages 1423 to 1434 of *Hansard* when he advanced a number of reasons for the rejection of the proposal for a Royal Commission.

Firstly, the Minister believed that the situation in regard to the price of wool and mutton would improve. His remarks in this connection are to be found on page 1431.

Mr. Nalder: This has been borne out, has it not?

Mr. H. D. EVANS: I will come back to that point in just a moment.

Mr. Nalder: It was a pretty accurate prediction.

Mr. H. D. EVANS: The Minister also said that various areas had experienced a bad season.

Mr. Nalder: Correct.

Mr. H. D. EVANS: The Minister thereby implied that the nature of the situation is temporary.

Mr. Nalder: What would a Royal Commission find out?

Mr. H. D. EVANS: Let us not take one isolated aspect, but let us look at the overall picture first.

Secondly, the Minister claimed that sufficient investigation had already been undertaken and, to this end, he instanced some 21 individual inquiries of one sort or another. At the time, he also announced a further inquiry into the price of mutton and lamb. The relevance of a number of these inquiries to the motion before the House is rather dubious.

The third ground upon which the Minister based his rejection was that of time. He predicted that a period of three to five years would be involved. The Premier and he were both of the opinion that a Royal Commission would tell them nothing new. They knew all the facts already.

Although the Minister expressed optimism on several aspects of the situation—namely, prices, and particularly seasonal conditions—there is still widespread feeling that the plight of the small farmer is not likely to improve to any marked degree. Without positive action of some kind on the part of the Government, the prognosis in relation to the small farmer is gloomy, if not grim.

This viewpoint was expressed at a series of meetings held by farmers. When I introduced the motion in August last I instanced some six meetings which had been held in the south-west up till that date. A number of other meetings have been held to the present time.

I would like to refer firstly to a meeting held at Boyup Brook which was attended by over 600 farmers. Of course, some detailed reference has been made in the House to this meeting and it was reported widely in the Press.

Mr. Nalder: One of the instigators of the meeting has since been accepted as a candidate by the Labor Party for the next Federal election. It is rather strange, is it not?

Mr. Jamieson: That is pretty good.

Mr. H. D. EVANS: It shows that his feelings were aroused by what he had been through.

Mr. Jamieson: One of the millionaires in Esperance has been endorsed by the Liberal Party.

Mr. Nalder: That has nothing to do with this.

Mr. Jamieson: I know it hasn't.

Mr. H. D. EVANS: The *Farmer's Weekly* carried a very significant report on the situation which I quoted to the House at the time. It said—

> When more than 600 farmers travel up to 400 miles to attend a protest meeting it is obvious that something is very wrong.
>
> This happened at Boyup Brook last week when the farmer's precarious economic position was highlighted.

A number of newspapers and journals, particularly those with a rural bias, followed up that comment with considerable interest.

The second meeting to which I referred was a special meeting of the Winijup Branch of the Farmers' Union which prepared an agenda for a meeting to be subsequently held in Bridgetown. It was a special meeting of the zone council of that area of the Farmers' Union. I will not bore the House by referring to the particular items which were prepared for the agenda.

The third meeting to which I made reference was held at Bridgetown under the auspices of the Farmers' Union. It was well attended and, in fact, over 200 farmers went to the meeting. I will take the liberty of reading the final paragraph of the editorial of the *Farmers' Weekly* with your indulgence, Mr. Speaker, as it is the official organ of the Farmers' Union. It says—

> The farmer's problems need quick, but thorough investigation followed by equally rapid action to help solve them.
>
> Any inquiry that may be held must not be merely a post mortem.
>
> The farmer already knows that he is in trouble. What he wants to know is how to get out of it.

That is a very significant conclusion.

The fourth meeting to which I referred was held at Manjimup on the 23rd September. This, too, was under the auspices of the Farmers' Union, and consequently, the *bona fides* of those responsible for calling it can in no way be doubted. Approximately 400 people attended this meeting, and again the Press coverage was very considerable.

The fifth meeting which was under the auspices of the same body was called in Northcliffe. Over 100 farmers were present at the meeting, but the smaller number should not be taken as an indication of lessening concern. The concern of the dairy farmers around Northcliffe is very real indeed, probably more than it is in many other places.

On the 6th September a general meeting of farmers was called at Anzac House and *The West Australian* of Monday, the 30th September, 1968, carried a report on the meeting. It says—

> A meeting of about 300 farmers in Anzac House, Perth, on Saturday carried a vote of no confidence in the Federal and State Government's agriculture policies.

It was, to say the least, a spirited meeting.

Other meetings were held concurrently in other parts of the State, but the culminating point was the now historic meeting held at Perry Lakes Stadium on the 5th

December. This meeting, with approximately 3,000 in attendance, was addressed by Mr. Anthony and by the Minister for Agriculture. Those people who are engaged in the production of wool, mutton, and lamb, did not share the Minister's optimism that seasonal and improved conditions would solve their difficulties. Neither did they gain much hope from Mr. Anthony. In fact, he served notice on the small farmer.

The apprehension expressed at these meetings has been indicated by economists and other authorities in their writings. I would like to draw the attention of the House to a selection of extracts from these writings; I will by no means run the whole gamut of them. The first one, dated the 4th October, 1968, was written by Mr. Rock, the Assistant National Director of the Australian League of Rights. He was reported as follows:—

> Get Big or Get Out
>
> He said farmers were being told to get big or get out.
>
> The same process was occurring in United States of America where the number of farms had been reduced from 4 million in 1960 to less than 3 million this year.

This catchcry, "get big or get out" is one that has been popularly taken up by the Press, and it sums up quite a deal relating to the present situation.

Mr. Rock's statement was taken up by Mr. Stephens, the secretary of the Albany zone council of the Farmers' Union, and in the news bulletin report, as broadcast by the A.B.C., he was reported as follows:—

> The Acting Secretary of the Albany Zone Council of the Farmers' Union, Mr. Stephens, said today that many farmers were beginning to wonder if their troubles were a direct result of a Government economic policy aimed at forcing the smaller farmer off the land.

The report went on to state—

> Mr. Stephens said that as far as he knew, this had been the first time that someone had stated in public what many farmers are saying privately.

It was being stated not only by farmers either.

In the *Farmers' Weekly*, under date Thursday, the 14th November, 1968, reference is made to a statement by Mr. Anthony under the heading—

> Major Effort Needed to Retain Family Farms

I would like to draw attention to the report of what Mr. Anthony said. It reads as follows:—

> Mr. Anthony said a Bureau of Agricultural Economics survey had shown that more than half the nation's 60,000 dairy farmers had incomes of less than $2,000 a year.

He went on to say that this number was probably greater if one took into account all the other industries, and he went on to complete his statement by saying—

> We are trying to determine just how many farmers are on incomes that are too low.

He should have asked that question in this House, because the Premier and the Minister for Agriculture said that a Royal Commission would produce nothing they did not know already. Apparently they had seen it all before.

A report of a similar statement appeared in another issue of the *Farmers' Weekly*. It fixed the number of low income farmers at approximately 80,000. On the 11th September, 1968, members received from Dr. Schapper, Reader in Agricultural Economics at the University of Western Australia, a summary of the different policies applicable to the small farmer. The member for Gascoyne referred extensively to this submission by Dr. Schapper and so I have no intention of quoting from it again. Dr. Schapper makes a number of points by almost paraphrasing or summing up the points made by other authorities already quoted. The submission by Dr. Schapper gained the attention of *The West Australian*, the *Countryman*, and the *Farmers' Weekly*.

Although the remarks made by Dr. Schapper are of concern, they do not concern me so much as the remark made by Mr. G. D. Oliver, the officer in charge of the research and marketing section of the Department of Agriculture. An article written by him appears in the February, 1969, issue of the *Journal of Agriculture*. The article received fairly wide publicity and the facts were summarised in a number of other newspaper articles. Mr. Oliver's article, in essence, sums up the situation as he sees it, and reads as follows:—

> Since it just does not appear to be possible for people on small farms (less than 3,000 sheep, less than 200 beef breeders, or less than 800 acres of wheat and 1,500 sheep) to go on indefinitely making a satisfactory living under the anticipated cost-price regime, changes in farm structure must take place. Bluntly, economic policy must aim deliberately at the removal of small holdings. This means, of course, that some farmers will have to go.
>
> How can this be achieved? I'm all for leaving economic forces to work themselves out as long as this does not lead to disruption and chaos.

That is a fairly bland statement—so long as there is no great upset, the individual need not be considered; so long as the economy is not disturbed to any marked degree, the individual does not matter.

In answer to the Minister's comment made at the meeting I would like to quote a reference which will indicate the transient nature of the seasonal improvements to which he referred when addressing these small farmers. This quote is also taken from the *Journal of Agriculture*, February, 1969, issue—

> The cost-price squeeze.
>
> Over the past 10 years the price of petrol has increased by 19 per cent., a 2,000 bushel silo by 18 per cent., a standard model of one of the popular motor cars is fractionally cheaper and repair costs are up by 50 per cent. In all, prices paid by primary producers have risen by 16 per cent.
>
> In the same period, wool has fallen by 20 per cent., mutton by 35 per cent., lamb by 13 per cent.; wheat has risen by 12½ per cent. and beef by 37 per cent.

Mr. Nalder: Did you say that beef had gone down by 13 per cent.?

Mr. H. D. EVANS: No, the article says that beef has risen by 37 per cent. and, in the same period, wool has fallen by 20 per cent.

Mr. Lewis: What period is he referring to?

Mr. H. D. EVANS: He takes the past 10 years.

Mr. Lewis: The price has fallen by that in the past 10 years?

Mr. H. D. EVANS: In the past 10 years the prices paid by primary producers for various items have risen, but the prices for farm produce have fallen.

Mr. Lewis: I was wondering in what period they had fallen.

Mr. H. D. EVANS: In the past 10 years. The Minister's second claim was that the series of investigations which had been undertaken at both a Commonwealth and a State level were adequate for the purpose of this situation and for his Government to continue its present policy. If these inquiries had been successful, and if they had interpreted the situation correctly, and had come up with policies which would solve the difficulties that exist, why does the problem continue to exist at the moment? If sufficient action had been taken, the problem should be solved.

In all the investigations that were made in the past, nowhere was the plight of the small farmer analysed; at no stage was this done. I notice that the Government and Mr. Anthony have taken refuge in the fact that they are rendering assistance already, and in relation to this they quote the proposed dairy rehabilitation scheme. They say, "Oh yes, we are doing something; we have already started this in the dairying industry."

As this scheme is constituted, its chances of being effective at present are very remote indeed, because its shortcomings are many. The purpose of the scheme is to permit farmer A to buy out farmer B. Let us assume that the geographical situation can be found where this is applicable, and it must be appreciated that we cannot have dairy farms separated by a distance of 10 miles. Dairy farms are not like rows of houses which are neat and geometrically ordered.

In the first instance the scheme will apply only in a limited number of cases; and where the scheme can be introduced, the farmer making the purchase will be granted a loan and he will then proceed to buy out farmer B. The write-off of capital assists him to a large degree, and though he has the additional land he has two run-down dairy farms—not one—and he has two substandard dairy herds. This means he would still be on his own, or with a limited family work force.

How does he operate and increase his efficiency, which must be doubled; because it would be impossible for one man to do this alone? The servicing of the additional debt must be taken into account and, of course, the drop in production in the area would increase the servicing and the manufacturing costs. This would be inescapable.

The farmer who is bought out is the man who voluntarily has put his place up for sale. What will happen to him? Most dairy farmers are approaching, or are in, middle age now. It is generally accepted that there are very few young dairy farmers; they cannot stand the rigours of the life. Accordingly, what will happen to the man who is bought out? He has no vocational training; he has no background either by training or temperament; he has grown up with a certain degree of independence, and to put him into industry will certainly not be easy. There is no suggestion made, at all, as to how he will be assisted.

Another aspect which must be considered is his housing position and also his financial capacity. His equity in his farm will certainly not set him up in a house in the metropolitan area; not in most cases, anyway. If the scheme that was quoted by the Minister and by Mr. Anthony at Perry Lakes Stadium as an illustration of assistance being given to the small farmer is the only form of assistance that the small farmer can expect from the Government, then heaven help him!

The third objection raised by the Minister was the element of time. He claims that the Royal Commission asked for in

the motion would be involved for a matter of three to five years. I would suggest, however, that the number of inquiries to which the Minister referred would all have a direct bearing; and, even if they were updated before they could be used by the commissioner, many months of work would be saved him. I suggest that the Minister's estimate of time is well out on these grounds alone. Even so, a commissioner could be requested to make interim reports. These, at least, would establish the extent and the nature of the problem which Mr. Anthony already acknowledges he does not understand. He says he does not know the extent of the problem.

This motion is not an outburst by the Opposition alone; we are not the only people who are concerned about the matter. I would like to present for consideration a statement from the ABC news dated the 11th September, 1968. which states—

> The Country Party of Western Australia wants action to overcome what it considers is a rapid decline in the rural economic situation in Australia, particularly in the West. This was stated today by the Party's State President, Mr. Elphick... It also sought a high-level study into aiding small-income farmers or helping them transfer to other industries.

Even though this was published after our submission from this side of the House, it indicates a certain approval of the motion as presented. The newspaper report that accompanies this news item is in much the same vein; it simply states that the Country Party will press for a high-level study of means to assist small-income farmers to remain on their holdings or be transferred to other industries.

I also noted that at a meeting of the Liberal Party State Council at Narrogin, the delegates expressed concern at the economic plight of some rural industries, and, after lengthy discussion, carried a resolution requesting that the attention of the Federal Government be once again drawn to the plight of primary industries.

There are several further references in similar vein. I think this is sufficient to show that the position continues to exist and that nothing has been done, or is being done, about it.

The Minister has said he intends to reject the submission for the appointment of a Royal Commission. I can only ask him what alternative he has in mind. Does he propose to allow things to drift along the present lines without assessing, as I have asked him to, the nature and extent of the problem? To follow this course is to condemn many small farmers to slow, economic strangulation. Such a policy shows a callous disregard for individuals who are in this situation through no fault of their own, but as a result of sheer economic factors over which they have no control.

In drawing to a conclusion, I would like to reiterate what I said previously. The Country Party members in this House are fully aware of the situation as it exists, at least in their own areas. They have a moral obligation, if nothing else, in this matter. For a Government to allow this situation to remain is reprehensible in itself; but, for Country Party members—a party whose members consider themselves to be the representatives of the farmers—it is all the more reprehensible. With those remarks I commend the motion to the House.

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

Ayes—18

Mr. Bateman	Mr. May
Mr. Bertram	Mr. McIver
Mr. Burke	Mr. Moir
Mr. H. D. Evans	Mr. Norton
Mr. Fletcher	Mr. Sewell
Mr. Graham	Mr. Taylor
Mr. Harman	Mr. Toms
Mr. Jamieson	Mr. Tonkin
Mr. Lapham	Mr. Davies
	(Teller)

Noes—22

Mr. Bovell	Mr. Mensaros
Mr. Burt	Mr. Nalder
Mr. Cash	Mr. O'Connor
Mr. Court	Mr. O'Neil
Mr. Craig	Mr. Ridge
Mr. Dunn	Mr. Runciman
Mr. Grayden	Mr. Rushton
Mr. Kitney	Mr. Stewart
Mr. Lewis	Mr. Williams
Mr. W. A. Manning	Mr. Young
Mr. McPharlin	Mr. I. W. Manning
	(Teller)

Pairs

Ayes	Noes
Mr. Bickerton	Mr. Brand
Mr. Hall	Mr. Mitchell
Mr. T. D. Evans	Mr. Hutchinson
Mr. Brady	Mr. Gayfer
Mr. Jones	Dr. Henn

Question thus negatived.

Motion, as amended, defeated.

ADJOURNMENT OF THE HOUSE: SPECIAL

MR. NALDER (Katanning—Deputy Premier) [10.33 p.m.]: I move—

> That the House at its rising adjourn until a date to be fixed by the Speaker.

Question put and passed.

House adjourned at 10.34 p.m.