

to continue, because the Government has told us so. That is one of the reasons I objected to its discontinuance, because the very people who are on the lowest rung of the financial ladder in the farming community are those who cannot afford to lose it. That is one of the reasons why I am in favour of additional freights being borne by those people who can afford to pay. After all is said and done, they are in competition with those people who are out east and in the north-eastern areas.

I have already told the House that it will take many millions of pounds to put the roads in a fit state of repair to enable them to carry the additional road traffic they will have to carry following a rail closure. I am sure many members consider that the members of the farming community are very wealthy. I quoted to the House some information that has been published on the rural research section of the C.S.I.R.O. and I now wish to quote a little more. It is as follows:—

The most satisfactory single measure for comparing the financial results of the five States is the rate of return shown on the capital investment. New South Wales (8.5 per cent.) and South Australia (8.1 per cent.) had the highest rates of return, with Western Australia in third place with 6.9 per cent.

Both Victoria and Tasmania show returns very much below that. It is said that the earning capacity of a sheep in New South Wales is the highest in the Commonwealth; whilst the earning capacity of sheep in this State is the lowest, at 20d. per lb. Therefore, I want members to appreciate that Western Australia is not in such a lucrative position as other States are. In the respective States the average earning capacity of farmers is as follows:—

	£
New South Wales	2,074
South Australia	1,644
Western Australia	1,041

So it can be seen that farmers in this State have not a great margin of income to enable them to carry this additional burden that is being placed upon them. Even now, irrespective of whether this motion is carried, I ask the Government to investigate the position as it should be investigated. It should not punish those people who are out on the extreme edge of the agricultural areas. For those farmers do not work a 40-hour week. They work, in all probability, a 60-hour week; and, furthermore, their wives and children have to help them. It is only in the last few years that they have obtained some financial benefit from their work.

I hope I shall get sufficient support for this motion to enable it to be passed, even if it is only to give those people on the outskirts of the wheatbelt a little heart to carry on. The man in the city does not

understand the true position; he cannot understand it and, what is more, he will not understand it.

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

Ayes	14
Noes	12
Majority for	2

Ayes.

Hon. N. E. Baxter	Hon. G. MacKinnon
Hon. J. Cunningham	Hon. R. C. Mattiske
Hon. L. C. Diver	Hon. H. L. Roche
Hon. A. F. Griffith	Hon. C. H. Simpson
Hon. A. R. Jones	Hon. J. M. Thomson
Hon. Sir Chas. Latham	Hon. F. D. Willmott
Hon. L. A. Logan	Hon. J. Murray

(Teller.)

Noes.

Hon. G. Fraser	Hon. H. C. Strickland
Hon. J. J. Garrigan	Hon. J. D. Teahan
Hon. W. R. Hall	Hon. H. K. Watson
Hon. E. M. Heenan	Hon. W. F. Willesee
Hon. R. F. Hutchison	Hon. F. J. S. Wise
Hon. G. E. Jeffery	Hon. F. R. H. Lavery

(Teller.)

Question thus passed.

House adjourned at 6.18 p.m.

Legislative Assembly

Thursday, 18th July, 1957.

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The SPEAKER took the Chair at 2.15 p.m., and read prayers.

QUESTIONS.

PENSIONERS.

Concessions on Government Transport.

Mr. JOHNSON asked the Minister for Transport:

(1) Which classes of pensioners are entitled to concessions on Government transport?

(2) Are any classes of pensioners not entitled to these concessions?

(3) What document or pass are pensioners required to produce when claiming the concession?

(4) How does a pensioner who is entitled to a concession obtain the relative document, if not now held or lost?

The MINISTER replied:

Disabled servicemen and blind persons have received certain free travel and fare concessions for many years, and the following now enjoy concessions under the Government's recent decision:—

(1) All civil pensioners including—

aged or invalid pensioners;

widow pensioners (exclusive of war widows);

wives of invalid pensioners;

tuberculosis pensioners;

service aged pensioners;

permanently unfit for employment service pensioners.

(2) Yes, all pensioners other than those enumerated in No. (1).

(3) The normal authority for obtaining payment of pensions as provided by the Department of Social Services, that is—

(a) pension certificate, or

(b) medical entitlement card, or

(c) widows' pension certificate, or

(d) wife's allowance certificate.
and in addition—

(e) the pensioners' identity card which is issued by the Railway Department to all pensioners entitled to the concession, but who do not hold any of the forms of identification shown in (a) to (d) inclusive, such as pensioners who are paid by cheque by the Department of Social Services.

(4) Lost or mutilated pension certificates are renewed by the Department of Social Services and identity cards by the Railway Department. To obtain an identity card issued by the Railway Department, the pensioner is required to lodge a written application with the Department of Social Services and enclose a stamped addressed envelope for the reply. These applications are checked by the Department of Social Services, suitably endorsed and forwarded to the Railway Department for issue of the card or rejection of the application if the applicant is not entitled to the concession. The identity card may be obtained upon personal application, but the same procedure is necessary, except that postage is not involved.

COMPANY LAW.

Government's Plans and Views.

Mr. COURT asked the Premier:

(1) Is any attempt being made by the Government to achieve uniform company law in each of the Australian States?

(2) Does he plan to have the matter discussed at the next Premier's Conference?

(3) Does the Government subscribe to the view that uniform company law in each State is desirable in view of the freedom of trade between States, and the ever-increasing practice of business interests trading in more than one State?

(4) Would the Government prefer a change in the Commonwealth Constitution to permit of the passing of a Commonwealth Companies Act in preference to uniform Acts in each State?

The PREMIER replied:

(1) Yes.

(2) No. The matter has been on the agenda at previous Premiers' Conferences, in 1946 and 1952, and the question is now being dealt with by Commonwealth authorities in pursuance of a resolution of the 1952 conference.

(3) Yes, but there are substantial difficulties in the way.

(4) Not at this stage.

MAIN ROADS DEPARTMENT.

Number of Employees.

Hon. D. BRAND asked the Minister for Works:

Will he inform me of the total number of salaried employees and wages employees of the Main Roads Department for each of the last five years?

The MINISTER replied:

Salaried Staff.		Wages Staff.	
At—		At—	
30/6/1953	90	26/6/1953	1,379
30/6/1954	95	25/6/1954	1,255
30/6/1955	113	1/7/1955	1,519
30/6/1956	143	29/6/1956	1,796
30/6/1957	179	25/6/1957	1,632

CATTLE.

Kimberley Turnoff, Disease, etc.

Mr. COURT asked the Minister for Agriculture:

- (1) (a) Has an assessment been made of the potential turnoff of cattle from the Kimberleys if export markets to Philippines and other nearby overseas markets, and the southern market in the State, could be fully exploited?
- (b) If so, what is the result of the assessment?
- (c) What is the present turnoff?
- (d) What transportation, disease, and other difficulties prevent the full disposal of the potential?
- (2) Has progress been made with preventive and curative measures in respect of tick fever in Kimberley cattle being shipped?
- (3) (a) Has progress been made with tests to determine the presence of pleuro in live cattle and with what results?

(b) What has been the incidence of pleuro in Kimberley cattle killed at—

Wyndham;

Broome;

Fremantle?

(4) (a) Is the incidence of pleuro in Kimberley cattle decreasing?

(b) Is the ultimate elimination a practical proposition?

The PREMIER (for the Minister for Agriculture) replied:

(1) (a) The potential turnoff of cattle from the West Kimberleys is reasonably well known. The outlet from the East Kimberleys is confined to either Wyndham or the Northern Territory, and it would be extremely difficult to arrive at an assessment of the potential turnoff in this area.

(b) The minimum turnoff potential from the West Kimberleys would be in the vicinity of 10,000 head per year.

(c) Varies with seasonal and other factors but this year will be in the vicinity of 9,000 head.

(d) Lack of shipping space, seasonal conditions and saturation of the metropolitan market with the particular grade of cattle are limiting factors in the disposal of cattle from the area.

(2) Preventive and curative measures in respect of tick fever are well known, but under the conditions existing in the Kimberley area rapid transportation is the only practical means of reducing losses from the disease.

(3) (a) Pleuro can be detected by special blood tests, but as cattle from the area which come south are under quarantine restrictions and may only be slaughtered, such tests would be of little value. Cattle exported to the Philippines are vaccinated against the disease to comply with the requirements of the Philippine authorities.

(b) Wyndham—213 of 29,991 slaughtered.
Broome—eight of 4,140 slaughtered.
Fremantle—nine of 10,532 slaughtered.

(4) (a) Pleuro has been endemic in the Kimberleys for many years and there is little evidence to indicate that it has either decreased or increased.

(b) Until all properties in the Kimberleys are fenced, it will not be practicable to take any steps to eliminate the disease.

LOCAL GOVERNMENT BILL.

Hawker Provisions.

Mr. COURT asked the Minister representing the Minister for Local Government:

Can he at this juncture foreshadow amendments the Government proposes to sponsor in respect of the hawker provisions in the Local Government Bill, and which were foreshadowed during passage of the measure in this Chamber?

The MINISTER FOR HEALTH replied:

No, this matter is still receiving attention.

ROAD CLOSURE.

Alignment of Forrest Avenue, Bunbury.

Mr. ROBERTS asked the Minister for Lands:

Will the exchange of portion of lot 221 of Leschenault location 26 for location 4670, Forrest Avenue, Bunbury, and the vesting in the Municipality of Bunbury of location 4469, Wellington location 26, be included in this year's Road Closure Bill?

The PREMIER (for the Minister for Lands) replied:

Yes.

WEIGHTS AND MEASURES.

Checking Procedure.

Mr. ROBERTS asked the Minister for Police:

(1) When checks are made in the metropolitan area by inspectors of the Weights and Measures Office, are they carried out within the premises of the owner of the item or appliance to be checked?

(2) If so, why is this procedure not followed in country areas?

The MINISTER replied:

(1) As a general rule, traders in the metropolitan area are required to produce the weighing and measuring apparatus used by them for trade, to the office of an inspector, in compliance with Section 29 of the Weights and Measures Act.

(2) See answer to No. (1).

HARBOURS.

Plans for Bunbury.

Mr. ROBERTS asked the Minister for Works:

(1) Following a question asked by me on the 25th October, 1956, in relation to the desirability of providing a land-backed quay at the port of Bunbury, have firm proposals now been placed before the Government by departmental officers?

(2) If so, what are—

- (a) the full details of such proposals;
- (b) its economics?

(3) Is there sufficient space available between the present jetty and breakwater to make such a project practicable from both the points of view of ships' manoeuvrability and the loading and discharging of cargo?

(4) What would be the anticipated depth of water available at such a quay, if located approximately opposite the old No. 1 west berth and the present sand were dredged from such a quay area?

(5) How far south could such a quay be ultimately extended, maintaining the anticipated depth of water as in No. (4)?

(6) If a southern extension is possible, how many additional berths could ultimately be provided?

(7) Would adequate road and rail facilities to such a quay present any difficulties?

The MINISTER replied:

(1) No.

(2) to (7) Answered by No. (1).

WATER SUPPLIES.

(a) Narrogin-Katanning Pipeline.

Mr. NALDER asked the Minister for Water Supplies:

Will he lay on the Table of the House a map showing the route which he intends the pipeline will follow between Narrogin and Katanning?

The MINISTER replied:

No finality has been reached regarding the complete route between Narrogin and Katanning.

Statutory requirements ensure that a plan of the proposed route will be on display in the offices of the local authorities involved for a minimum period of one month.

(b) Great Southern Services.

Mr. NALDER asked the Minister for Water Supplies:

(1) Is it the Government's intention to use the catchment area at Wagin and Katanning to feed the respective reservoirs?

(2) If so, will any effort be made to settle the muddy substance that is in the water in the Katanning reservoir?

(3) Will any holding tanks be erected on the route between Narrogin and Katanning?

(4) If so, where and what capacity?

The MINISTER replied:

(1) Yes.

(2) There are no proposals at present.

(3) Yes, in due course.

(4) North-west of Wagin—1,000,000 gallons; near Katanning catchment area—250,000 gallons.

(c) Profit or Loss on Metropolitan and Country Services.

Mr. ANDREW asked the Minister for Water Supplies:

(1) What was the profit or loss on the metropolitan water supply during last year?

(2) What was the profit or loss on the country water supply during the same period?

The MINISTER replied:

Final figures are not yet available.

FISHERIES.

Great Australian Bight Potential.

Mr. HALL asked the Minister for Fisheries:

If the Commonwealth Government is contemplating the investigation of the fishing potential of the Great Australian Bight, will he press for a complete investigation of the western end of the Bight?

The MINISTER replied:

Yes.

LORD CAMPBELL'S ACT.

Proposed Amendments.

Mr. JOHNSON asked the Minister for Justice:

(1) Under Lord Campbell's Act, is the amount of damages recoverable by a woman widowed by the action of a third party, reduced by the value of insurance policies, etc., maturing because of the husband's death?

(2) If so, will he introduce amendments to the Act and correct this anomaly?

The MINISTER replied:

(1) Courts take the matters mentioned into consideration when assessing damages under Lord Campbell's Act.

(2) Not this session. The question will receive further consideration in conjunction with the legislative programme for the 1958 session.

MENTAL HEALTH.

Legislation, Report, etc.

Mr. CROMMELIN asked the Minister for Health:

(1) Is it the intention of the Government to introduce during the present session, a mental health Bill on the lines envisaged in the Stoller report?

(2) Has a report by a Royal Commission in Great Britain on mental health legislation been received?

The MINISTER replied:

I am advised that the report has been forwarded by the Agent General and that the department is awaiting receipt.

The report comprises approximately 300 pages, a synopsis of which appears in a recent issue of the British Medical Journal. In referring to the report, the Minister for Health in the United Kingdom states that new legislation would be of a very complicated and prolonged nature and must receive adequate consideration before being introduced there.

As soon as the report is received it will be carefully examined but, in the circumstances, it would appear impracticable to introduce State legislation this session.

TRAFFIC.

(a) Parking Stands and Blinking Lights.

Mr. CROMMELIN asked the Minister for Transport:

(1) Will he have metal discs on stands installed on the parking stands reserved for doctors' cars in the metropolitan area, in addition to the road lettering?

(2) When will a decision be reached to make blinking lights on vehicles acceptable to the Traffic Department for indication of direction purposes?

The MINISTER replied:

(1) No. Steps are being taken in the interests of the public to discontinue special parking stands.

(2) It is anticipated that a decision will be reached shortly.

(b) Driving in Highway Lanes.

Mr. ANDREW asked the Minister for Transport:

(1) How many motorists have been charged with driving on the inner lane, in a four-lane highway, during the last six months?

(2) How many motorists have been charged with passing another vehicle on the left in a four-lane highway during the same period?

The MINISTER replied:

(1) 195.

(2) 30.

(c) Stirling Highway Lights.

Mr. ROSS HUTCHINSON asked the Minister for Works:

(1) With regard to answers given to questions on Wednesday, the 17th July, with reference to Stirling Highway lighting, will he explain what is meant by checking the local switch in the Cottesloe-Mosman Park area?

(2) Will he endeavour to ensure that the switching on time for lights in Cottesloe-Mosman Park, officially set down as 5.45 p.m., is adhered to?

The MINISTER replied:

(1) The local switch is a time switch and its setting is checked weekly.

(2) Yes.

EDUCATION.

(a) Expenditure on High Schools.

Hon. A. F. WATTS asked the Minister for Education:

(1) How much was expended during the financial years 1955-56 and 1956-57 on each of the high schools being provided in the metropolitan area?

(2) How much is it estimated will be required to be expended during the current financial year on each of them?

(3) If the expenditure referred to in No. (2) will not complete them as planned, what further amounts will be required to complete them?

(4) How much has been expended, or is estimated to be expended, during the same financial years on—

(a) erection;

(b) extension

of high school premises outside the metropolitan area, showing expenditure on each separately?

The MINISTER replied:

	£
(1) Armadale High—	
1955-56	122,039
1956-57	111,318
Midland Junction High—	
1955-56	174,333
1956-57	129,443
Mt. Lawley High—	
1955-56	181,588
1956-57	90,080
John Curtin High—	
1955-56	153,768
1956-57	182,121
Tuart Hill High—	
1955-56	5,232
1956-57	133,529
Belmont High—	
1955-56	Nil
1956-57	78,607
(2) Armadale High	43,000
Midland Junction High	115,000
Mt. Lawley High	33,000
John Curtin High	115,000
Tuart Hill High	95,000
Belmont High	14,853
Applecross High	90,000
Hollywood High	90,000
(3) Midland Junction High	50,053
John Curtin High	61,726
Applecross High	60,000
Hollywood High	20,000
(4) Manjimup High 1956-57	62,362
1957-58	1,370
Merredin High 1956-57	59,504
1957-58	7,000

Busselton High—It is hoped that the erection of this school will be commenced during this financial year, but it is not possible to give the estimated expenditure at the present time.

(b) University Matriculation and Selective Subjects.

Mr. COURT asked the Minister for Education:

What action is taken within schools to ensure—

(a) that students understand what are the requirements to matriculate to the university;

(b) that students are taking subjects appropriate to their particular ambitions and aptitude?

The MINISTER replied:

(a) Every high school student receives full guidance from both the headmaster and the guidance officer attached to the high school to ensure that his course leads to matriculation, if he is capable of work to that level.

(b) This is carefully watched by both headmaster and guidance officer.

(c) Donnybrook Junior High School, Classrooms.

Mr. HEARMAN asked the Minister for Education:

(1) What new classroom accommodation has been approved for the Donnybrook Junior High School?

(2) When will work commence on these new classrooms and when should they be available for occupation?

The MINISTER replied:

(1) Two classrooms have been listed on this year's building programme.

(2) At this stage it is not possible to give a commencing date.

(d) School Bus Contracts, Papers Tabled.

The MINISTER FOR EDUCATION: Yesterday, in answer to a question by the Leader of the Country Party, I indicated that I would table the papers dealing with school bus contracts, and I now hand them in for tabling.

LANDS.

(a) Jerramungup Townsite.

Hon. A. F. WATTS asked the Minister for Lands:

(1) When will the blocks at Jerramungup townsite be available for sale?

(2) Is a plan of the townsite available, and if so, will he table one?

The PREMIER (for the Minister for Lands) replied:

(1) Within three months.

(2) Yes. A plan of the townsite is available and will be tabled.

(b) Revision of Valuation Procedure.

Mr. COURT asked the Premier:

(1) Are there cases in areas—for example, Wanneroo—where land is used for primary production but unimproved land values for land tax purposes are arrived at on the assumption that such land is subdivided and potential residential land?

(2) If so, would he agree to have this procedure revised, so that such land, whilst used for primary production, is valued accordingly at lower values?

The PREMIER replied:

(1) No.

(2) Answered by No. (1).

GNOWANGERUP HOSPITAL.*Plans for Proposed Additions.*

Hon. A. F. WATTS asked the Minister for Health:

(1) What progress has been made in the preparations of plans for the proposed additions to Gnowangerup hospital?

(2) If they are not completed when does he expect them to be completed?

The MINISTER replied:

The district architect has been asked to secure levels on the site and so far these have not been received. Loan money has not been set aside for work this financial year and the principal architect is concentrating on plans for work for which loan funds are available.

INTEREST ON DEFICITS.*Amount Paid from Loan Funds.*

Hon. D. BRAND asked the Treasurer: Will he state the amount of interest paid on deficits, if any, financed from loan funds for each of the last ten years?

The TREASURER replied:

Revenue deficits financed from loan funds during the past 10 years are:—

	£
1954-55	60,068
1955-56	157,883
1956-57	463,723

Total interest paid on these amounts to the 30th June, 1957, is £23,944.

REVENUE AND EXPENDITURE.*Particulars for Past Ten Years.*

Hon. D. BRAND asked the Treasurer: Will he inform the House of—

- (1) revenue;
- (2) expenditure;
- (3) deficit, if any;
- (4) percentage of deficit in relation to revenue;

for each of the last 10 years?

The TREASURER replied:

(1) to (3). The details are as follows:—
Consolidated Revenue Fund.

Year.	Revenue.	Expenditure.	Published Result.	Adjusted Budget Result after bringing to account final adjustments recommended by the Grants Commission
	£	£	£	£
1947-48	17,710,310	18,062,392	352,082*	85,918†
1948-49	20,500,646	21,377,907	817,261*	N/A
1949-50	25,810,961	25,787,203	23,758†	23,758†
1950-51	28,156,181	27,996,334	159,347†	347†
1951-52	33,955,157	34,546,768	591,611*	141,611*
1952-53	38,884,236	39,392,119	507,883*	157,883*
1953-54	43,145,840	43,248,519	102,679*	77,679*
1954-55	45,719,846	46,203,889	484,043*	386,043*
1955-56	49,612,406	51,443,237	1,830,831*	(a)
1956-57	54,330,934	56,243,302	1,912,368*	(a)

* Deficit.

† Surplus.

(a) Final Adjustments in respect of the years 1955-56 and 1956-57 will be made in 1957-58 and 1958-59.

(4) —

	Published Result as Percentage of Revenue.		Adjusted Result as Percentage of Revenue.	
	Surplus. per cent.	Deficit. per cent.	Surplus. per cent.	Deficit. per cent.
1947-48	1.99	0.49	....
1948-49	3.97	....	....
1949-50	0.09	....	0.09	....
1950-51	0.57	....	....	....
1951-52	1.74	....	0.42
1952-53	1.31	....	0.41
1953-54	0.24	....	0.18
1954-55	1.06	....	0.84
1955-56	3.69	....	....
1956-57	3.52	....	....

NATIVE WELFARE.*Introduction to Trades.*

Mr. GAFFY asked the Minister for Native Welfare:

(1) Is he aware that discussions are taking place, with the object of helping Northern Territory aborigines to be employed in trades, on a system similar to an apprenticeship?

(2) If so, will he have the possibility of a similar treatment for Western Australian natives examined?

(3) If he is not aware of the discussions, will he have an investigation made to examine the possibilities?

The MINISTER replied:

(1) No.

(2) Answered by No. (1).

(3) Yes.

For the information of the member for Canning, the Western Australian Government, through the Education Department, has built a top junior technical school at Derby to assist natives to obtain knowledge in various trades. A number of employers in the metropolitan area have been prepared to apprentice natives, but a modified apprenticeship may have advantages in the North-West.

RAILWAYS.

(a) Allocation of Revenue of Branch Lines.

Hon. A. F. WATTS asked the Minister representing the Minister for Railways:

(1) In view of the fact that the 1956 report of the Railway Commissioners shows the revenue to the undermentioned stations as—

	£
Fremantle	719,416
Albany	427,397
Geraldton	871,592
North Fremantle	2,162,578.

can he give an assurance that such amounts, although collected at the places mentioned, were allocated in assessing revenue of branch lines to the various lines from which the traffic came, or to which it went in the proportions relative to the length of those lines, or otherwise under any other method adopted?

(2) If not, how can the figures of revenue from such lines as given from time to time in answer to questions and otherwise be correct?

(3) If the figures are so allocated, what is the title of the officer of the Railway Department responsible for the collation and apportioning of such figures, where is his office, how long has he occupied the position, and how many other officers are employed under his supervision in the work involved?

The MINISTER FOR TRANSPORT replied:

(1) Revenue is apportioned to sections of rail over which goods are transported.

(2) Answered by No. (1).

(3) The Comptroller of Accounts and Audit is responsible to the commission for the preparation of the information.

(b) Possibility of Assurance respecting Allocation.

Hon. A. F. WATTS (without notice) asked the Minister representing the Minister for Railways:

As he did not give me any assurance in answer to my question that the amounts collected at the principal railway stations mentioned are allocated on any fair basis to the branch lines to which the traffic goes or from which it comes, may I assume that such an assurance is impossible?

The MINISTER FOR TRANSPORT replied:

I think the reason should be obvious and it should not be considered a discourtesy on my part, if I ask that this question be placed on the notice paper.

(c) Correct Reading of Question.

Hon. A. F. WATTS (without notice) asked the Minister representing the Minister for Railways:

As in my question I asked him for the assurance that I referred to, which question the Minister has requested I place on

the notice paper, and as he had due notice of the question, why does he now seek notice of my question seeking an assurance? Am I to assume that he did not read the question properly?

The MINISTER FOR TRANSPORT replied:

I do not know who is off-beam in connection with this by-play between the two of us! The question the hon. member refers to, for instance, has nothing whatever to do with the matter mentioned by the Leader of the Country Party in the last two questions. That question—No. 22 on the notice paper—was not mentioned in either case and, secondly, I can see nothing in the second section of Question No. 22 in connection with an assurance that I have given or that I was asked to give. Thirdly, I might observe—I think for the third time—that I am only representing the Minister for Railways in this Chamber and cannot be expected to know the details of the administration or answers to the questions. I do not mind being cross-examined on matters pertaining to my portfolios.

(d) Non-answering of Questions.

Hon. A. F. WATTS (without notice) asked the Minister representing the Minister for Railways:

Does he think he ought to give answers to questions which are not answers to the question, because Question No. 22 asked him for an assurance, and no such assurance was given or referred to?

The MINISTER FOR TRANSPORT replied:

As is, I think, patent to everybody, I am merely here representing the Minister for Railways and submitting his replies. That is why I am suggesting to the Leader of the Country Party that he addresses his questions to the Minister for Railways, and, on his behalf, I will supply answers in this Chamber.

(e) Payment for Diesel Locomotives.

Mr. CORNELL asked the Minister representing the Minister for Railways:

(1) Has payment been made in full for diesel locomotives?

(2) If not, how much is still owing to the manufacturers?

The MINISTER FOR TRANSPORT replied:

(1) Yes.

(2) Answered by No. (1).

(f) Rail Closures, Comprehensive Statement by Government.

Hon. D. BRAND (without notice) asked the Minister for Transport:

(1) To assist the better consideration of the rail discontinuance problem, and to remove doubts and inconsistencies

which exist, will he lay on the Table of the House on Tuesday a considered comprehensive statement by the Government on—

- (a) the exact arrangements in each of the areas affected for alternate transport, including road works, and the relative costs for each type of freight and passengers before and after discontinuance?
- (b) the cost of rail rehabilitation in each of the areas concerned, including a dissection of the principal headings of expenditure as against road and other expenditure involved in lieu?

(2) In presenting this information, will he include specific arrangements made with contractors and specific arrangements made, or under consideration, with Co-operative Bulk Handling Ltd.?

The MINISTER replied:

I am not aware of any inconsistencies which exist other than perhaps in the attitude of the Liberal Party last week as against its attitude last December. The information sought affects several departments which are not under my administration, namely, the Minister for Works being in charge of the Main Roads Department and the Minister for Railways in charge of the Railway Department. If they are agreeable to supplying the information, I shall see what steps can be taken in order to furnish it.

Finally, I wish to observe in connection with this question that, in my opinion, it is a pity the Leader of the Opposition did not seek this information prior to launching his abortive censure motion last week. Had he done so, then he might have had some idea of what he was talking about.

(g) Availability of Information.

Hon. D. BRAND (without notice) asked the Minister for Transport:

In view of his suggestion that I should have obtained the information previously, would the information have been available then? If so, will he make it available on Tuesday?

The MINISTER replied:

So far as the activities under my control are concerned, the answer to both parts of the question is "Yes". I shall consult my colleagues in respect of the balance with a view to supplying all the information which the hon. member seeks.

ALBANY REGIONAL HOSPITAL.

Population of Districts Served.

Mr. ROSS HUTCHINSON asked the Minister for Health:

(1) What are the local governing bodies with districts in the region for the proposed Albany regional hospital?

(2) What is the estimated population of that region?

(3) For what population will the proposed hospital at Albany cater?

(4) What was the population of the Albany municipality and the road districts of Albany, Denmark and Plantagenet in—

(a) 1945;

(b) 1957;

(c) estimated population in 1970?

The MINISTER replied:

(1) The new Albany hospital will serve as a major or regional hospital for a number of country hospitals in that part of the State. The policy is to divide the State into regions along the lines of the Commissioner of Health's report for 1950, already tabled in this House.

(2) and (3) The population of the region at present is approximately 33,350.

(4)—

	Albany Municipality.	Albany Road District.	Denmark Road District.	Plantagenet Road District.
Census 30-6-47	4,750	1,536	1,488	2,379
Census 30-6-54	8,265	2,253	1,908	3,988
Estimate 30-6-56	8,860	2,425	1,974	4,333

There are no census figures for 1945 and figures are not available for 1957 and 1970.

F. C. DEAN'S HOSPITALISATION.

Tabling of Files.

Mr. COURT asked the Minister for Justice:

Will he table all the files relating to the hospitalisation at Royal Perth Hospital—the 5th February, 1957—and other matters, including coroner's finding, in respect of Frances Christine Dean (deceased)?

The MINISTER replied:

Because of certain allegations which have been made but which are not connected with the hospitalisation at Royal Perth Hospital, I do not agree to table the files but I will arrange for the hon. member to peruse the files at my office should he so desire. Mr. Dean may at any time visit Dr. Anderson, the superintendent of the Royal Perth Hospital, and seek all the information he desires from him.

DISABLED PERSONS.

Assistance to Purchase Motor Vehicles.

Mr. HEARMAN asked the Treasurer:

(1) Is there any provision enabling sales tax on new motor-vehicles to be waived or reduced, in the case of permanently disabled persons who wish to make such a purchase?

(2) Has the State Government any scheme whereby permanently disabled persons may be assisted to purchase motor-vehicles?

The TREASURER replied:

(1) Sales tax is a matter of Federal legislation administered by the Commissioner of Taxation. I am advised there is no general provision for permanently disabled persons but there are certain exemptions for ex-servicemen who are totally and permanently incapacitated.

(2) No.

JARRAHDALÉ HOSPITAL.

Sale of Equipment.

Hon. Sir ROSS McLARTY asked the Minister for Health:

(1) What was the total amount received for equipment sold at the Jarrahdale hospital?

(2) Does he consider that the prices received were in keeping with the value of the equipment sold?

(3) Would not some of the equipment have been useful to certain hospitals throughout the State?

(4) If so, why was it not used for such purpose?

The MINISTER replied:

(1) £257.

(2) Yes.

(3) and (4) The entire furniture and equipment was culled by the hospital matron and departmental officers. All useful items were either transferred to the Jarrahdale nursing post or returned to the Medical Department, from where they will be issued to other hospitals as required. Only those items having no practical transfer value were sold.

RADIO RECEPTION.

Position at Kellerberrin.

Mr. CORNELL asked the Minister for Works:

(1) Is the State Electricity Commission aware—

(a) of the poor radio reception being experienced in Kellerberrin at the present time, and

(b) that the standard of radio reception in Kellerberrin is a good deal worse now than when the town electricity supply was direct current?

(2) If so, does the commission consider the poor reception referred to is attributable to transformers or other equipment owned by it?

The MINISTER replied:

(1) (a) No.

(b) No.

(2) No. A.C. areas are generally better than d.c. areas.

EXPORTS.

Live Sheep to Malaya.

Mr. COURT (without notice) asked the Premier:

(1) Is the report in this morning's issue of "The West Australian" of a hold-up or boycott of the Western Australian live sheep trade to Singapore and Malaya correct?

(2) If so, what are the reasons and what is the likely outcome?

(3) Is not the price factor likely to become more marked as our land settlement and consolidation programmes proceed?

The PREMIER replied:

The export of commodities, including livestock, is largely dependent on overseas prices being profitable to the exporters.

In the lamb industry, export of lambs does not take place until the local market is fully supplied and then lambs are exported to Great Britain.

The Singapore trade in sheep is conducted on a similar basis.

LEGISLATIVE ASSEMBLY.

Answers to Questions.

Hon. A. F. WATTS (without notice) asked the Premier:

Is it still the practice of the Government to have answers to questions approved by the Premier? If so, did he approve of the answer to the question I asked of the Minister for Railways today as to the revenue of certain railway stations?

The PREMIER replied:

The general practice is for all suggested answers to pass through the Premier's hands. On Thursdays, as the hon. member could well understand, it is not possible for me to investigate closely the suggested answers. I did see the answer to the question mentioned and to that extent it had my approval.

BASIC WAGE.

June Quarter Rise.

Mr. COURT (without notice) asked the Premier:

(1) Can he give details—preferably by commodities—of how the Perth 3s. cost of living rise for the June quarter is made up?

(2) Can he explain the mystery of this rise in a period of fierce competition and bargaining?

The PREMIER replied:

Information in connection with the first part of the question is being obtained and will be available early next week. I had better read the second part of the question which was put forward by the hon. member very quickly, because I think some

members might not have comprehended that portion. The second question asked by the member for Nedlands reads as follows:—

Can he explain the mystery of this rise in a period of fierce competition and bargaining?

I am not aware that this claim or allegation is based upon sound foundation.

Mr. Court: Apparently you do not do the shopping!

BETTING CONTROL ACT.

Segregation of Turnover Tax.

Mr. JAMIESON (without notice) asked the Minister for Police:

The answer to the question I asked on Tuesday, the 16th July, 1957, relating to the turnover tax on local racing and trotting events, accounts for only 94.5 per cent. of the total turnover on events run in this State under the Betting Control Act. Can he give details of what the other 5.5 per cent. is composed of?

The MINISTER replied:

I wish to thank the hon. member for giving me notification of this question. His original question referred to betting on Western Australian events run under the Betting Control Act, which accounts for 94.5 per cent. of total "on course" turnover. The remaining 5.5 per cent. represents "on course" investments on Eastern States events.

CHAMBERLAIN INDUSTRIES.

Bid for New Funds.

Hon. D. BRAND (without notice) asked the Premier:

On the 22nd June, 1957, under the heading of "Tractor Co. To Bid for New Funds," the following appeared in "The West Australian":—

Chamberlain Industries Ltd. may raise £280,000 in first mortgage debentures if the consent of the State Government can be obtained.

Can he advise if this matter is being considered, and, if so, what progress has been made and what action will be necessary by the Government if this becomes lawful?

The PREMIER replied:

These proposals have not yet been submitted to Cabinet for consideration, but probably will be in the next few days.

ADDRESS-IN-REPLY.

Fifth Day.

Debate resumed from the previous day.

MR. JOHNSON (Leederville) [2.46]: It is not my intention to speak very long on the Address-in-reply on this occasion and I wish to deal solely with two subjects

which I hope will prove of interest to all members and particularly to members on the other side of the Chamber.

The first matter is one of great interest to people in the country. One of my constituents had a desire to learn more about diesel engineering with the idea of improving his knowledge and thereby his earning capacity in the diesel engine field. I think his idea was not unrelated to earth moving machinery and various types of diesel engine practice. Towards this end he made inquiries as a result of an advertisement by a firm called Tractor Trading Services, which offered training in diesel engineering by correspondence. I feel that the way in which he was treated by that firm is one that should be put before the members of this House so that they can assist and advise anybody else who has dealings with this particular firm which offered something that appeared to be of value.

One is prone to believe that the quality of the training given by a firm such as this is likely to be reflected in the manner in which it deals with its customers and, whilst I make no comment on the engineering content of the claim—not being an engineer—or on its ability to teach by correspondence, I do wish to direct my comment entirely to the manner in which it has dealt with its customer. My constituent answered the firm's advertisement on the 19th July last year and received a postcard in reply saying that its representative would call. It may not have been July, as the postmark is difficult to read.

The first letter from the people belonging to the firm, who are domiciled in New South Wales, was dated the 10th January and, excluding what a lot would call ado, it says, "We will have our field representative call on you to discuss this fully with you and your wife, if you are married." The field representative called and, after a discussion, the man concerned signed an application to take this form of instruction, and he paid £5 to the field representative. Under date the 8th February he received a further letter from another man whose title is "Placement Advisory Service" saying, with a good deal of ado, "We will strive to make our relationship pleasant and mutually satisfactory." On the 11th he got another letter under the same heading from the training director stating—

I welcome you as a member of the tractor and equipment training programme . . . The subject manuals to get you started are already in the mail . . . The instruction department as a team will guide you through every step . . . If I can help you in any way, just let me know.

On the 12th there was a letter from another man on the same paper. He was the controller. This letter stated—

You may take advantage of the £10 discount for cash payment if a total of £155 reaches this office within 30 days

from the date of your enrolment . . . If you have any questions regarding your account, be sure to direct your inquiry to me and I assure you it will receive prompt attention.

On the 13th there was another letter from the vice-president—

The entire organisation of Tractor Training Service is happy to have you in this organisation . . . We are enclosing a Tractor Training Service lapel button which will certify you as one of our organisation, and as a man who has something special "on the ball" to start with, and whose intentions are to assure his future in this tremendous field.

We hope you will wear this lapel button with pride and in keeping with the principles and precepts of a Tractor Training Service man.

At about that time my constituent wrote to them to say—

I wish to advise that I will be unable to continue with the tractor training course as previously arranged. I have commitments to meet which were unforeseen when I filled in application. My firm is cutting down expenses and all my overtime has been stopped making it financially impossible for me to continue. Is it possible to defer course to a later date, if not I will have to ask you to terminate course indefinitely.

Having made some mention of all the ado that went on prior to that letter, I wish to draw attention to the immediate change in tone. Prior to receiving this letter, he had been in receipt of five letters from four different persons in the establishment. On the 22nd this one came from the vice-president—

We were very much surprised and disappointed to receive your letter advising that it was necessary to terminate your training programme . . .

We ask you to reread that option and you will note there is a minimum fee of £65 or the registration fee of £45 plus £10 per month each month, or part of a month, since you enrolled. In your case this would amount to £65. Subtracting the amount you have paid leaves a balance of £60 which we must have, and in one lump sum, on or before the 8th April or you will have gone into another month.

This man had paid them £5 and had received only the books from them, and had sent them straight back. As will be noticed from the time factor, he would not have had time to do anything but, at the most, to open them and send them back. He took no training from the

organisation and he got no value from it; and they start there on £65 for nothing. On the 11th March they wrote—

We were sorry to receive your letter advising that you still feel you must terminate your contract and cancel your training.

We call your attention to the contract you signed at the time you enrolled. Please look on the face of the contract and you will note under the clause "I further agree" that this contract accepted by you will not be subject to cancellation except as provided for under the terms of the termination option. Now I ask you to go further and read the termination option.

We hope you will reconsider and decide to go ahead and complete your training. If you do not, we will expect your termination remittance by return mail.

On the 26th April they wrote—

The state of your account has reached such a point that the next step is to give it to our agency for collection.

That was the first time they showed the consideration that they were speaking about in the five letters that came before his attempt to cancel the contract. They said—

For your sake, we frankly dislike to do this. After all, collection agencies do have a way of getting the money. However, in the end it costs you more and it is both embarrassing and unpleasant.

For these reasons we are making one more appeal to you for payment and asking for the assurance that the payments will be made regularly until your account is paid in full.

Unless a payment is received within 14 days, you will compel us to assign your account for collection.

On the 10th May there was a further letter which, after some ado, stated this—

This letter is written in a friendly spirit of helpfulness in the hope that you will co-operate in ironing out your difficulties. It sometimes happens that students do not fully realise that an obligation of this kind is collectable and that it will be collected as the contract is just as binding as it would be for any other purchase . . .

I am allowing this offer to stand over for a few days longer, but if you do not accept this, then there just isn't anything else I can do, and your account will have to be sent to the collectors.

I have the final letter here in reply to some correspondence I sent. I realise that this man signed a contract and possibly there is a legal right for the parties to try to collect money from him for value which the man has not accepted.

Mr. Nalder: Did he know the amount he had to pay when he signed the contract?

Mr. JOHNSON: It is conceivable he did; I imagine he probably did. The man concerned was working a good deal of overtime at the time and he tells me he thought he could, out of his overtime, pay for the course and improve himself. Unfortunately, the firm for which he was working got into some financial difficulties—as a matter of interest, it was a private bus company—and found it necessary to cut out all overtime. This man had previously been working fairly regular overtime, and the cutting out of this work had an effect on his resources. He was not in a position to meet these commitments.

He did the only honourable thing that he could have done; and I think every hon. member here would have done the same. He wrote and told these people he could not complete his contract and he returned to them all they had sent him. He got no value from them. He was prepared to lose his £5 and regard that as bad luck. But these people were not prepared to treat him in the same decent, honourable, normal, sensible way. From the manner in which they phrase their letters, I would say they have gone to considerable trouble to acquire a smooth finish and to put things in the nicest possible way—the iron hand in the velvet glove. They have adopted a course of trying to squeeze any possible money out of him.

If they were to take steps such as are envisaged here, there is no doubt they could bankrupt the man concerned. The benefit to themselves would be small; of that I am sure. But I feel that people who would treat a potential customer in such a manner are probably not effective or efficient in their training. If they have no feeling for humanity, I cannot see how they can be good engineers. Furthermore, if they have no feeling for humanity, I would say it is utterly impossible for them to be good teachers. They are trying to set themselves up as teachers of engineering.

I bring that matter forward as I think it is of particular interest to folk who, with the idea of becoming efficient in the handling of diesel machinery in the form of farm tractors and so on, might render themselves vulnerable to the approaches of these people. As I said at the outset, I have no knowledge of their ability as engineers or teachers; but I have knowledge of the manner in which they run their business, from numbers of letters signed by them, and I feel justified in

drawing the inference that they are probably not much chop. The name of the firm is "The Tractor Training Service" of 99 Liverpool-st., Sydney, and I give the warning for what it is worth.

Another subject with which I wish to deal is one that I have touched on in a number of ways almost every session since I have been here, and I refer to the question of Government accounts. In the interval between last session and this one, the Institute of Chartered Accountants held a research school at Yanchep and it was addressed by the Deputy Leader of the Opposition on the question of Government accounts. He very kindly made a copy of his comments available and I would be remiss if I did not say how pleased I am to find somebody else also trying to achieve something to improve the Government accounts.

After going through his commentary, I propose to read from page 9 a passage against which I marked "Good," because it is worth placing on record that on occasions I can agree with the member for Nedlands.

The Minister for Native Welfare: An instance of the lion lying down with the lamb.

Mr. JOHNSON: I am not going to say that I agree with everything the member for Nedlands said, but I do agree with part of it, and that is perhaps a little unusual.

Mr. Court: I appreciate that quite a lot.

Mr. JOHNSON: This is a question in which I think all members of Parliament should take an interest and I hope that the endeavours of the hon. member, coupled with my own small efforts, will enlarge the circle of interest, with better results and that we will achieve a greater degree of understanding on this subject. The paragraph against which I have marked "Good" reads as follows:—

It could be fairly said that Government accounting aims more at accounting for cash than measuring efficiency. If we could arrive at a position where the attention of the Government, Parliament, Press and public is focussed on the degree of true performance compared with pre-determined approaches and functions, we would go a long way to achieving an assessment of efficiency as against a mere cash summary.

On page 11 he says—

The fault lies not with any particular Government but with all Governments over many years and the members of Parliament. Members collectively only need to insist on a full and proper consideration of Government accounts and be prepared to spend the necessary time on analysis, questions and debate and the matter would be quickly restored to its proper place.

I would like to query the word "quickly", but am prepared to agree with some of the hopes expressed in that passage. I believe it would be of assistance to all members—and I hope to the member for Nedlands in particular—if I indulge in some degree of criticism of this paper at the present juncture. I know that the paper was designed to arouse comment, and I think this is one place—as well as within the confines of the chartered institute—where comment is warranted. I will not comment with any intention of being destructive but in an endeavour to arouse further interest and point a signpost in the direction where further research could be done with immediate profit to all concerned.

First of all, I wish to call to notice once again the 18th report of the general committee on public accounts of the Parliament of the Commonwealth issued in 1954 and entitled "The Form and Contents of the Financial Documents Presented to the Parliament," where, under the subheading of "The Budget Speech, the Estimates of Receipts and Expenditure and Appropriation Bills", there is a passage to which I desire to refer. This is Part I and as far as I am aware, Part II has not yet been issued, but I have asked for a copy of it if, and when, it is published.

The reading of this particular report, which deals with another Parliament, can be a direct guide to our thinking in relation to the Parliament of Western Australia, because it deals not only with the documents and the manner and method of presentation, but also with that important point, the right, in a democracy, of the representatives of the people in districts that are not represented by Ministers, to speak and ventilate grievances and exercise their rights in regard to any subject at all. It deals with the accepted right of a member of Parliament to utilise occasions such as the debate on the Address-in-reply, the general debate on the Estimates and on the Supply Bills—and in the Commonwealth Parliament what is known as grievance day—to ventilate any subject. It would be a great pity if in improving our interest in Government accounting, we negated any of the democratic rights of back benchers or Opposition members, and that point is important and is discussed at some length in this 18th report.

The answer to the requirement of a greater interest in finance by members of Parliament and their constituents is one that is to be sought in such a manner that it does not do away with those democratic rights, and I would remark in passing that I believe we, in Western Australia, should amend our Standing Orders in such a way as to permit debate on the adjournment of the House, in a manner

somewhat similar to that of the Commonwealth Parliament, so that immediate grievances of various localities could be brought up through their members at that time.

The Commonwealth practice of grievance day—which I think is one in every four private members' days—is another very useful idea, and I feel that if we could introduce such safeguards to our democratic rights, we could ask the Chairman of Committees, who in particular is the man who rules most of our financial debates, to insist that debate on financial matters be kept close to the subject. That appears to be a direction in which parliamentary practice will have to move whether we like it or not, if members are to fulfil what is required of them in taking a real and active part in the examination of the accounts.

I feel that the criticism of the Government accounts made by the member for Nedlands reveals very clearly the attitude of frustration that meets everybody who first tries to find out just what the Government accounts mean; I can certainly sympathise with that point of view because I felt it myself, very strongly, when I first tried and I, too, sat in Opposition.

The frustration arises partly from the form of the accounts which differ from commercial accounting, with which we are familiar, and I think it could be overcome by a realisation that the purpose of Government accounting is different from that of commercial accounting. Once that point is fully grasped, the pattern underlying Government accounts becomes a little clearer. When I say that the pattern becomes a little clearer, I do not mean to imply that the details are any easier to get; but at least the intention becomes a little clearer. I think that the comments made by the member for Nedlands could have been, or would have been, a little more constructive had he become seized with the difference in intention of Government accounts as opposed to commercial accounts.

Mr. COURT: I tried to convey that I acknowledged the difference, but what I was groping—and frankly, I was groping—to find was some means whereby I could get some interpretation instead of a purely cash statement. It is interesting to note that in America they have just amended their laws calling on the Government to do just that. How they will succeed is another question.

The Minister for Transport: A very pretty speech!

Mr. JOHNSON: How they will succeed is a very interesting question because I fancy that calling on a Government to do something, and succeeding in the objective, are quite often different matters.

Hon. D. BRAND: How do you know?

The Minister for Transport: Experience of the Liberals when in office.

Mr. Court: They have to do all their accounting on an accrual basis in the future, which is a departure.

Mr. JOHNSON: While I realise the attraction of an accrual basis for accounting, I feel that it would be no more than a rough statement of the situation because all one can do, in judging the accrual income of a Government, is to draw a graph of past experience and extend it into the future, and it will still be only an intelligent guess. While it would be quite easy to list the actual amounts owing by the Government to its suppliers, the accrued wages due, the expected accruals of debts and to have the data drawn in the form of a graph and extended, I think the net result would be to project into the future something that would be so little different from cash statements as to have no further value, except possibly in the first year in which the change took place.

One of the points of great interest in relation to Government accounting is the fact that it is on a cash basis. The derivation is an historical one when Governments collected their taxes in cash which was put into different chests. The war chest was a particular chest in which the finance for war was placed and the colloquial sayings related to war chests are derived from that. Government accounting in the British field, and in at least one of the States speaks of transfers not between departments but between chests. That saying still exists in certain places because in those days the money was actually collected and placed in a chest and when a payment was made, the money was taken from the particular box and paid in silver, gold, or copper or whatever coin was in use at that time. It was actually a physical cash payment.

Part of the difficulty in relating the liquidity of the Government to the current position is that the Government's assets are something which are indefinable and beyond the fact that one knows the yield of taxes is likely to be such and such, it lasts only until the next meeting of Parliament when the rate of taxes can be changed either up or down, and new taxes can be introduced. To try to create a balance-sheet which would show the past and future debts of a State as opposed to its assets, is almost impossible. Theoretically, we in Western Australia, being a sovereign Government, could commandeer, by passing a law in this Chamber, all the goods and chattels of everybody in Western Australia without paying any compensation.

That does not apply to the Commonwealth Government which is bound by the law of the Constitution wherein it has to pay fair compensation. But theoretically we, in Western Australia, could pass a law to take anything. That is not practical

politics but that theoretical point lies behind the possibility of creating a State balance-sheet and to create a State balance-sheet, one would have to take into account that very imponderable matter, the state of political opinion. It would depend on the political outlook of the civil servants drawing up a series of balance-sheets and what they thought the future looked like. It might even depend on whether a particular civil servant had an ulcer or not. In looking at its full possibilities, one realises that it is completely unsupportable and in itself ridiculous.

Mr. Bovell: Of course, you could go further and say that all the land was vested in the Crown and that the reigning monarch had the right to assume control of all land. The Land Act vests all land in the Crown.

Mr. JOHNSON: That is much the same as I was saying. Under the Constitution and acting through the advice of Parliament, the Crown can do just that. It can take all minerals and, in fact, there is nothing it could not take except those matters covered by the Federal Government. We could not acquire its property because of the Constitution; but we could acquire all property that does not belong to the Commonwealth Government, without the payment of compensation, if we passed the necessary laws in this House. I am not going to discuss the likelihood of that happening, because it would be completely ridiculous.

Mr. Bovell: You should have said, "In this Parliament" and not "In this House."

Mr. JOHNSON: Yes. I was projecting my mind to the future when this House is the whole of Parliament, as it should be.

Mr. Court: I do not think I was advocating, in that paper, bringing in all the assets of the State. The main thing I was aiming at was accounting on an accrual basis of liabilities and receivables.

Mr. JOHNSON: I realise that. I was merely trying to point out that it had difficulties and I was trying to emphasise that beyond the cash statements that are given now, I feel that it is not a change in the statement that is required. We can make a suitable criticism of Government accounts from a cash statement quite readily, but I feel—and I join with the member for Nedlands in this—that if we are going to take an intelligent part in such criticism, we need to have a lot more information than we get.

Of course, I am not prepared to say what information we do want, because that is something about which I am not quite certain. Once again, I would like to advocate, if possible, the appointment of some body in the nature of the Commonwealth Joint Committee on Public Accounts to deal with some similar subjects. For instance, there appears to be a need for some degree of examination of

the real value which we, as a Parliament, get for the money we authorise as expenditure. There is no doubt that the Auditor General certifies that the money is spent in accordance with the authority granted and that now and then he queries whether some authorities are correct.

I can recall, for instance, joining with the member for Fremantle in severely criticising the Government of the day because a certain sum of money was expended in connection with cement sales and which was not accounted for to the satisfaction of the Auditor General. The lack of the accounting for this expenditure to the satisfaction of the Auditor General continued until after a change in Government when it was authorised by an item in an estimate and the problem was overcome very easily in a manner which at that time was open to question. It was passed, however, with only slight comment.

The situation is the same once again, but I fancy that we could improve the Auditor General's report by reducing its bulk or by asking the Auditor General to produce, apart from his main report, a short list of all the criticisms he has made of public accounts as is done in the certificates issued by auditors of private companies. I am of the opinion that in this direction there is quite a good deal that could be done. The member for Nedlands commented on matters referred to as "contingencies" in many of our Government accounts. I think the word "contingencies" covers a very wide field, and additional information is often desirable when it is used. I would mention that the same type of concertina phrase is used in commercial accounting quite a lot and it is impossible for any member of the public to know what is covered by the words that appear in many commercial and banking accounts. About the latter, of course, I have a good deal of knowledge and there is no doubt that they reveal absolutely nothing.

One can obtain less information from a bank's balance sheet and statement of accounts than can be obtained from Government accounts. That is one place where an improvement could be made with great advantage to the public. If one wants to know what is going on in a bank one has to study the figures issued by the Government Statistician in the Year Book. One will not get any information from a bank's statements which are issued to shareholders and the general public.

The member for Nedlands criticised the principle of trust funds not being invested in the manner that trust funds held by outside people are invested. With regard to that, the manner of thinking should be the same as that adopted by banks in handling the trust funds of their

customers. On the question of trust funds, the Government, in its relations with the public, stands in exactly the same position as banks do in relation to their customers. A bank receives deposits from its customers but it does not lend that money to anybody. The bank remains accountable for the total amount of money received from its customers.

It has been proved, by experience, that never do all the depositors want to draw their money out at the one time, and the fact that experience has shown that additional money is bound to come in, permits the bank to use some of the money value credited to the accounts of its depositors to back the money it lends to other people. Similarly, what the Government terms "trust funds" are, in effect, bank accounts held on behalf of outside bodies and the people generally, the Government which is in office at that time acting very much in the nature of a bank. If that attitude is adopted towards trust funds, then the Government will be less likely to be criticised. The situation is a very real one.

I would like to commend the Auditor General's comment on page 18 of his report. It is here that we realise what an amazing indifference is shown to his comments. The report is punctuated with such observations that it is doubtful whether they strike the desired note in the minds of members. I might say, Treasurers, because on the subject of the sale of cement which I mentioned earlier, the Treasurer of the day took no noticeable interest in the comments of members who made them.

Even when the member for Fremantle interviewed the State Governor with the idea that he might be able to exercise certain power to have some notice taken of the Auditor General's report, the effect of that interview was that the hon. member was informed that he should bring the matter before Parliament, before which body he had already ventilated his criticism and had been knocked back. The way a Premier has of taking no notice of a comment that he does not want to take notice of, is indeed hard.

The Premier: That also applies in reverse.

Mr. JOHNSON: The final point that could be made on this subject is the desire of the member for Nedlands to examine, in effect, the Government's liquidity or financial stability; I am not quite sure which is the better term to use. The question is whether a Government can become insolvent. It has quite a degree of theoretical interest and some practical interest.

We know, for instance, what happened in Germany when that country had a runaway inflation after the 1914-18 war, and that is the way it got itself out of

debt. I do not think it would be accurate to say that at any stage the German Government was insolvent. That Government got out of its financial difficulties by what can only be regarded as a dishonourable act.

It seems to me that a Government finds itself in the position that it is impossible for it to become insolvent. We, as a State, being subject to the vagaries of Federal Treasurers, could get into a period of temporary difficulty. If the Treasurer were to withhold our share of the taxation collections or the promised amount of the loan collection deliveries, we could get into very real strife and be temporarily in what I would call financial constipation, for the use of a better word. We would be in very real trouble but we could not become insolvent. Accordingly I think the inquiry the member for Nedlands is seeking is one that cannot be necessary; I do not think it exists.

Mr. Court: It all depends what you mean by insolvent. In general business terms, a man is insolvent when he cannot pay his debts. Often he has tons of assets on paper but is not able to pay his debts and is therefore insolvent. The Government could get into that state of affairs.

Mr. JOHNSON: Perhaps it could temporarily, but I feel it could only do so as the result of deliberate action, and deliberate intent, on the part of the Federal Treasurer in withholding the normal payments for an excessive period, and at the same time preventing the Commonwealth Bank—which is the Federal Government's privately-owned bank—making available the necessary overdraft to the State.

It is a situation which I feel is unlikely to occur. It is, however, theoretically feasible. I do not feel that this is an inquiry worth pursuing unless there is very real evidence that the Government of the day is near to the situation to which I have referred, and unless it is indicated that the Federal Government proposes to apply pressure to put the State Government into worse financial straits. That I think is the total amount of comment I wish to make with respect to that matter. I trust it is helpful. I trust it may arouse a little more debate on the subject of Government accounts, and that a few more people will take an interest in this matter.

Mr. Court: I appreciate the trouble to which you have gone with that paper, but I fear it is not going to be very widely read.

Mr. JOHNSON: I could go into it in considerably greater detail but I think the matter is more a personal one between the member for Nedlands and myself. There is another aspect on which I wish to touch and that arises from the speech

by the member for Narrogin when dealing with Government accounts. The hon. member produced a great number of figures and, while I am not in any way criticising the accuracy of those figures, I do wish to bring to his notice the difference between Government accounting and commercial accounting. The difference lies in the fact that included in the cost structure of Government accounting is interest on capital. In all Government accounting, any capital that is applied to the production of income is subject to interest at Government rates. If the situation were a commercial one, that would not accrue. The only amount on which interest would enter into consideration would be on borrowed money and not on ordinary capital.

In Government accounting it is on total capital prior to striking a profit or loss. The Government accounts do pay a dividend to the Treasury at the Government rate of interest on the amount of capital. That rate of interest, which has varied over the years from 2½ per cent. up to, I believe, nearly 4 per cent., is quite a real one. The Government accounts are mainly collected on undertakings which in themselves are more or less Government utilities and the dividend rate on that account would in itself be quite reasonable.

The railways accounts that have been before us of late are a fair example of that. In Table 6 is shown the position of the trade of the railways prior to interest, as well as the net result showing that until a fairly recent year—I think it was 1951, though I am not sure of the year—the railways had paid a dividend to the Treasury in all but two years. That, I think, was in the first year of the railways and the third.

The reason I have mentioned this is that I feel the hon. member, with his commercial background, has overlooked this aspect. His criticism was strong, far stronger than it was entitled to be, because he has overlooked this question of a dividend being payable, which amounts to something like 3 to 4 per cent.

Mr. W. A. Manning: A good argument for not closing the railways.

Mr. JOHNSON: My word it is, but I would point out that there is a story behind it. In those years the railways were actually having a fairly good time as far as cash was concerned. Somebody raised the argument with the then Treasurer and asked why he charged interest on capital before disclosing the return. The Treasurer replied, "If I did that, everybody in the country would be on me for a reduction in freight rates. Accordingly, I publish the accounts after the interest on capital so that people will think I am making a loss while, in fact, I am making a fair profit." That is a situation which to some extent is desirable. There is a real difference between

commercial accounting, even in the State trading concerns, and Government accounting, and it amounts to something like 3½ per cent.

Mr. W. A. Manning: Is it borrowed money or capital?

Mr. JOHNSON: It is borrowed money to the extent that it is borrowed by the trading concern from the Government, which after all is the owner of the trading concern. It is taken out of one pocket and put into another. It would not be borrowed money unless one called money that went from a parent company to a subsidiary, borrowed money. If the hon. member thought of interest on capital in a State trading concern being taken from a subsidiary back to the Treasury, it would be more accurate.

I bring the matter up because I am concerned with accuracy and honesty, if I might use that word, in relation to these Government accounts. I do not feel that they are matters for party political argument. We are all concerned in getting the best we can out of this State for the people of the State. If we could do these things and get an understanding of what they mean, and be more accurate so that we understand what everybody is talking about; and if we do not split straws over accounting details, I think we would be able to spend our time in more constructive criticism which would be of value to Parliament which, after all, pays our salaries.

MR. I. W. MANNING (Harvey) [3.40]: I desire to speak of several matters, one of which mainly affects my electorate. I am pleased that the Minister for Works is in his seat because much of what I have to say is directed to him. One of the real and major problems is drainage. The area to which I wish to refer is the Boyanup district. At this time of the year a great deal of water lies around and it cannot get away. That has a very drastic effect on pastures and also creates a number of difficulties in regard to pasture development and other forms of development in that portion of the State. The water also has a very drastic effect on roads. At this time of the year many of them become unusable; many others look as if they need to be drained.

There is no doubt that any work on the lower reaches of several of the brooks and drains affecting the Boyanup-Elgin district would have a very beneficial effect on the whole of that farming area. I am very hopeful that the Minister for Works can see his way clear to approve of some work being done in this regard around Boyanup so as to secure an improvement in the drainage problem. Any improvement would be of considerable help to the district and would result in the improvement of pastures and other forms of development.

At Cookernup there is another major problem. The Public Works Department is charging land owners a drainage rate which in itself is a burden, yet the farmers are receiving very little benefit from such payment. In fact, in one portion of the district some farmers are even suffering very extensive damage through flooding. Therefore, the urgency of the need to effect some improvement is very apparent to anyone who is prepared to make an inspection. The solution of this problem would not require any major expenditure.

This condition is caused by silting and some obstruction of the Harvey main drain downstream from the affected area, when the big flow of water in the river is backed up. In one stretch of the country the water is bounded by levees. The water backs up, breaks the levees and then very considerable damage is done to an extensive area, with the result that it completely ruins the pasture and upsets all farming operations on the land affected. The farmers are put to very considerable expense and loss in consequence.

I hope the Minister will realise that while his department is collecting a drainage rate from these people, for which the department is supposed to give them some benefit, they are receiving no benefit at all but are suffering considerable damage. As I say, the solution to the problem would not involve the Government in great expenditure. The improvement involves the deepening and widening of the Harvey main drain through a particular stretch of country. If that is done I believe the relief would be very speedy indeed. As the Minister has been approached on this matter for several years, it is up to him to do something about the matter before next winter.

Sitting suspended from 3.45 to 4.4 p.m.

Mr. I. W. MANNING: I was going on to say I was pleased with the progress that is being made with the raising of the Wellington Weir. I note with interest that the Public Works Department proposes to use some of the water from the increased storage for irrigation on the fringes of the existing Collie irrigation district. For a long time we believed that the water would be used for irrigation in the Boyanup-Capel area, but it seems now that the Government has made up its mind that any increased supplies of water will be used to extend the existing Collie irrigation scheme.

My point in mentioning this is to say to the Minister that I hope he will give No. 1 priority to a sprinkler irrigation system for the Benger swamp because I believe such a system could provide a great increase in production there, and this would mean increased revenue from that small area. Some 500 acres of potatoes are grown in the Benger swamp, and I suppose the average crop would be five to six tons per acre. It has been proved that when favourable

rains have been received during the growing period, a crop of 10 to 12 tons per acre can easily be produced. So, with the provision of sprinkler irrigation, we could immediately double the average crop.

Such a scheme would also greatly overcome the possibility of flooding which usually takes place late in the season—in the last two weeks of the growing period. Sprinkler irrigation would permit the swamp to be planted at least two weeks earlier and this would overcome the problem of the likelihood of wet weather at the end of the season.

The provision of irrigation, too, would permit the planting of a much larger area than at present. As I mentioned, an area of 500 acres is planted now, but, of course, there is a number of high spots—quite good land—around the fringes of the swamp which at the moment are too dry for potato growing. With the provision of irrigation, these areas could be brought into production. So we could have an area of something like 800 acres planted there. With the increased acreage and the increased production, we should see the output of the swamp trebled, and we could easily see the value of that production going to some £200,000 per annum, which would be a great contribution to the economy of the State.

During the session of Parliament last year, we discussed the contentious subject of potatoes, and we learned that a number of licensed potato growers defected from the marketing system by sending their crop to the Eastern States. I said at the time that the Potato Marketing Board failed to rise to the occasion and that it could have prevented the breakaway had it handled the matter in a diplomatic and realistic manner. Many of these growers, as a result of their action, were delicensed or had their licences reduced. Many of them, however, went on and planted their usual crop.

This presented another problem for the board but in this instance it rose to the occasion, having foreseen a grave problem when harvesting time came around. With the exception of a few growers who were the ringleaders in the previous trouble, all the growers were reinstated, some of them getting back their full licences while others received reduced licences. In this instance, I commend the board for its action in overcoming what could have been a very serious problem.

I desire now to comment on the new form of motor-driver's licence. Country residents are required to post their licences to the Police Department in Perth and that necessitates the purchasing of a 10s. postal note, on which there is a duty of 6d., as well as a 4d. stamp, which adds another 10d. to the cost of the licence, apart from the considerable inconvenience caused to the motorist by having to go through all this formality. I would be interested to know the purpose behind this centralised

arrangement, because the previous system had a great deal of merit in that the local police could keep a close check on all the motorists in the district concerned.

Of course, the Police Traffic Branch in Perth could have no idea of who were the people forwarding licences for renewal. The new system might have some merit if a driver's licence was issued for life as he would only have to send it in once, but what good purpose is served by the new system is something I cannot understand and it has caused considerable unfavourable comment in rural areas.

Next, I desire to deal with the question of a supply of electricity to the Eaton and Australind areas. Residents of Eaton have for a long time sought to have electricity made available to them and I notice that the Minister has indicated, in answer to a question I asked, that he requires some 75 homes suitably situated before he will link them up with the power. Eaton and Australind are practically new areas as regards home building. Although Australind is a very old settled area, there is a great deal of building going on there at present and many newcomers are buying land and building homes there.

Australind is in close proximity to Bunbury and workers in Bunbury could live there. It is also a good spot for retired people to live and I believe the provision of electricity to those two areas would be a very good move indeed and would assist in the development of the districts concerned. It is well known that lack of electricity has a retarding effect on development and particularly on the building of homes. Both Eaton and Australind have been retarded in their development in this way. If electricity were made available to those areas, the building rate and general development would be stepped up immediately and I would be grateful if the Minister would take those points into consideration when he receives requests for the supply of electricity to those areas.

MR. O'BRIEN (Murchison) [4.15]: I take this opportunity of ventilating my views on matters pertaining to the Murchison area but wish first to join the Premier and other members in congratulating the member for Greenough on attaining the position of Leader of the Opposition. I congratulate also other members opposite who now hold distinguished offices in the Opposition. I have the honour of sitting behind the Premier and Ministers of a good Labour Government—a Government that has at heart the interests of the whole State.

Hon. D. Brand: Is there any other kind of Labour Government?

Mr. O'BRIEN: Money lost is little lost but honour lost is much lost and heart lost is all lost. This Government, despite the disabilities existing due to various causes, has faced up to its responsibility

and has progressed as much as could be expected in view of the meagre finance available to it from the Commonwealth.

Mr. Bovell: The present Government has had more finance from the Commonwealth Government than has any previous Government in the history of this State.

Mr. O'BRIEN: It has spent the money received from the Commonwealth Government wisely and I would like to say, for a start, that the Minister for Health, who is widely known as the Prime Minister of the outback, has done a marvellous job.

Hon. D. Brand: Hear, hear!

Mr. O'BRIEN: He has done a great job not only in my electorate but also throughout the State.

Mr. Roberts: Are you after a hospital?

Mr. O'BRIEN: No. I have one of the best hospitals in the State in my electorate at Meekatharra, thanks to the Labour Government and the Minister for Health. With regard to the Minister for Works, I say that never previously in the history of the State has the Water Supply Department done so much in such a short time—

Hon. D. Brand: In such a long time.

Mr. O'BRIEN: At Mt. Magnet, where goldmining is at present thriving and where the water position was acute under previous Governments, which absolutely ignored the needs of the people of the district in that regard, there is today an adequate water supply, thanks to the Minister representing that department. Such a water supply is necessary because it encourages decentralisation and it helps to hold the people in the outback, particularly the miners who work in the bowels of the earth and whose families stay outback with them. Today, because of the assistance rendered by the State Government, particularly through the State Housing Commission, there are some beautiful homes in Mt. Magnet. They have nice gardens and what used to be a drought-stricken area is now a pleasure to visit.

The Public Works Department has also been active throughout the Murchison area and Government buildings which had never received a coat of oil or paint for years have been renovated over the last three years. They have been given a coat of oil or paint to preserve them and necessary renovations, which were overdue when I entered Parliament in 1952, have now been carried out—they should have been started in 1947.

Mr. Roberts: Who was the Minister prior to 1947?

Mr. O'BRIEN: The Premier at that time was the present member for Murray.

Mr. Roberts: I said prior to 1947.

Mr. O'BRIEN: Roads in my district have received a good deal of attention and extra grants have been necessary. This is the case all over the State and has been brought about because of the growth of population. Road boards throughout the district have received their share and everything possible is being done to improve the outback roads.

Mr. W. A. Manning: How do you get so much for so few?

Mr. Ross Hutchinson: What do you think about the discontinuance of the railways.

Mr. O'BRIEN: I will discuss railways in a moment. I was pleased to see that during this session Bills will be introduced to amend the Mine Workers' Relief Act and the Coal Mine Workers (Pensions) Act. When one thinks of what these miners do for the State, one realises that they deserve a good pension if they contract any of the diseases caused through working in the industry. Perhaps those diseases are not so prevalent today as they were a few years ago because of aluminium therapy treatment and up-to-date mining methods, brought about by the progressiveness of the mine-owners and the unions concerned and it is to be hoped that silicosis and other mining diseases will be even less prevalent in the future.

In addition, I notice that the figures for the first nine months of this year show that our exports exceeded imports by £24,700,000 compared with an adverse trade balance of £14,500,000 for the same period of last year. Exports of wool and wheat contributed £34,000,000 to this improvement. Also, financial assistance amounting to approximately £300,000 has been made available to established industries during the past year.

Before discussing the question of our railways, I wish to mention the goldmining industry. Only recently, in the "Daily News" of the 17th instant there was a paragraph headed "Million More in W.A. Gold." It reads—

Gold worth £1,017,846 was produced in W.A. last month. It totalled 65,142 fine ounces, most of which went to Perth Royal Mint. The June production figures supplied by the Mines Department today bring the State's total production to 58,584,291 fine ounces worth £395,971,889.

That is a fine achievement for any State.

The Minister for Mines: It is a wonderful industry.

Mr. O'BRIEN: It is, and if it receives the assistance due to it, the industry will go on and prosper. No doubt members have recently seen in the Press references to the Day Dawn drilling programme and good progress is now being made in that respect. The Day Dawn mine, known as the Fingal mine, produced a million ounces of gold from a million tons of ore. This is only one

of the many mines which could be put into production if the necessary finance were made available by the Commonwealth Government. I suppose that in time to come the Commonwealth will furnish aid to the goldmining industry in this State.

The Minister for Mines: The State is carrying out all the drilling that is being done in Western Australia at present at its own expense.

Mr. O'BRIEN: I understand that that is so, with the exception that drilling is being carried out on some mines on a £ for £ basis. At Mt. Magnet we have the famous Hill 50 gold mine, over which an option was taken some considerable time ago. At that juncture I prophesied that this mine would come into production sooner or later. I am proud to say that the option of £40,000 taken over the Eclipse Hill 50 mine has been exercised, and the four shareholders participated in the return of £40,000 for this mine.

For my part, I was sure that this would happen because I knew that the ore at grass there would have been valued approximately at £60,000 to £70,000. Accordingly, the vendors will receive their fair share. This means that another mine will be in operation at Boogardie, not far distant from the present Hill 50 goldmine. This will mean more men being employed and more people in the outback to open up the country. It will also mean greater decentralisation despite the fact that there is a continual draw to the cities. Time and again we see members rise to their feet and say, "Decentralisation! That is what we want." But we find that in order to achieve this, we must first have a sympathetic Government, a good Labour Government, such as that which we have at present.

Mr. Hearman: You'll get on!

Mr. O'BRIEN: How easy it would be if we could receive the assistance to which this State is entitled from the Commonwealth Government; it would be much easier if we could obtain the necessary financial assistance.

Hon. D. Brand: I often wish that now.

Mr. O'BRIEN: Despite that fact, I have tried time and again to impress this matter on the Mines Department. I know it is very hard for that department to take the necessary action because of the limited finance available. The prospector I have in mind has been known to me all my life and he will now receive some small assistance at Meekatharra to commence what is known as the Chesterton mine. I feel sure that this mine will eventually prove successful. At the present time we have not drilled in this area, but I understand that as soon as money is available, and as soon as a suitable site is selected, the Meekatharra area to which I have referred will be drilled. I am confident that success will be achieved.

At Agnew—and this is startling news—Cock and Trundle have decided to bore the Rajah goldmine; and indeed one of the Government drills is working there at the present time. The drill I have just mentioned is operating on a £ for £ basis of assistance. Cock and Trundle intend to bore the Rajah because they are confident that there is a big ore body there which will prove successful. These people have endeavoured to get this mine into operation for quite a few years. They have worked it in a small way and now they intend to prove the ore body and thus enable a large company to purchase the mine. At Sandstone, in what is known as the Black Range district, the Government drill is drilling the Aroya goldmine. This mine produced many ounces of gold in the past and employed many hundreds of men. There is no reason at all why it should not be successful, because it is the opinion of all the old pioneers and prospectors in that district that the bore in its present site should prove a great success. I sincerely hope that an ore body of good value is discovered. There is no reason why it should not be if the opinions of the old pioneers and prospectors are correct. I wish them every success.

At Ora Banda, in the Menzies district some 35 miles north of Kalgoorlie, we find from last evening's and this morning's papers that a rich crushing has been put through. What is more important is that this is a soft lode formation which could be worked rather cheaply if they were able to get the necessary water supply. The area is known to be dry and it is necessary to secure water from the Water Supply Department. I understand that every assistance will be given to Ora Banda to enable it to progress and so build up further the gold production of this State. If we follow the map, we will see that the auriferous country runs right throughout this State from the north-west corner to the south-east. It runs from Pilbara to Marble Bar and thus down to Norseman. It is one continual belt of auriferous country. Even though it is not outcropping in certain places, I venture to suggest that in time it will do so in other areas. Unfortunately, so far as the goldmining industry is concerned, conditions at Wiluna and Laverton are very dull.

The Minister for Health: There is always a possibility.

Mr. O'BRIEN: There certainly is. I have a fair amount of experience in prospecting and mining and it appears to me that Laverton in particular is one of the most likely areas where a large body of ore could be produced at depth and where rich values could be obtained because of its iron ore. A mine called the Gladiator produced many ounces of gold and employed a large number of men. In this ironstone lode formation we obtained gold not only over the plates but we also found equal values in the sands. That is the difference

between a quartz body and an ironstone body. The famous Hill 50 is in ironstone country and we find that equal values are in the sands or, in other words, in the fines.

Goldmining warrants special reference in view of its function as a basis of international currency. The price of gold is varied only at long intervals. In inflationary times, such as the present, goldmining tends to be severely depressed by rising costs pressing against a fixed gold price. On the other hand, gold exports are of great value to Australia.

Mr. Evans: Hear, hear!

Mr. O'BRIEN: Gold is acceptable as hard currency anywhere and in any amount. Production is independent of seasons and is often the means of developing remote districts in which there is otherwise little inducement to begin settlement. Gold mineralisation extends over great areas, so production is a matter of economics and, under favourable conditions, can be extended. It is urged, therefore, that special consideration be given in the current difficult conditions to maintaining gold production from mines now operating and promoting further search for and equipment of new, large rich mines which could operate economically even at the present price of gold and cost ratio.

I am quite convinced that we will secure decentralisation in this State quickly by giving the goldmining industry further assistance. Decentralisation should be fostered in every shape and form, and I am of the opinion that to assist in attaining decentralisation, Ministers should endeavour to visit, whenever possible, remote areas. I invite any Minister at any time to visit the Murchison and the towns located there. I am pleased to inform the House that His Excellency the Governor, Sir Charles Gairdner and Lady Gairdner, are to visit the Murchison from the 30th July to the 28th August.

The SPEAKER: Have you a Message there?

Mr. O'BRIEN: Yes, I have a Message from the Governor to the effect that during his visit he will cover 1,859 miles.

Mr. Oldfield: Is he travelling by rail?

Mr. O'BRIEN: I was pleased to receive a letter from His Excellency, informing me of this tour, which will cover the Eastern Goldfields, the Murchison, the Lower Gascoyne, and the Greenough and Moore electorates.

Hon. D. Brand: He is going through the cream of the country in Greenough.

Mr. O'BRIEN: I trust he will see plenty of gold in the Murchison.

Mr. Ross Hutchinson: Are you going to get on to those railways?

Mr. O'BRIEN: Unfortunately, through compulsion, I have two railways—the Meekatharra-Wiluna and the Malcolm-Laverton—which are to be discontinued. At the present time the Wiluna line is running, but on the 5th August it will be discontinued. The Malcolm-Laverton line has been discontinued.

Mr. Ross Hutchinson: Do you think they should be discontinued?

Mr. O'BRIEN: I have spoken on this matter before, but there is very little that a private member can do.

Mr. Ross Hutchinson: Yes, you are right.

Mr. O'BRIEN: It is because of the Liberal Government in another place.

Hon. Sir Ross McLarty: No.

Mr. O'BRIEN: Let us go back to 1948 when a motion was before this Chamber. What do we find? We find that a number of railway lines were grouped for discontinuance. The then member for Mt. Magnet was ill in 1948 and unable to attend Parliament. The member for Murchison at the time was the late W. M. Marshall, who spoke in opposition to the proposed motion which was introduced by the Minister for Railways who is now Senator Seward, a member of the Federal Parliament.

Hon. D. Brand: Did he introduce a motion for closing lines?

Mr. O'BRIEN: Yes, as Minister for Railways.

Hon. D. Brand: That was a Bill!

Mr. O'BRIEN: Yes, I think it was. There was a list of lines to be closed.

Hon. D. Brand: Where?

Mr. O'BRIEN: The list is as follows:—

	Miles.
Mt. Magnet-Sandstone	93
Jingymia-Bonnie Rock	60
Warralackin-Southern Cross	52
Malcolm-Laverton	64
Toodyay-Clackline	14
Mundaring-Mundaring Weir	5
Midland Junction-Karragullen	21
Pinjarra-Narrogin	95
Margaret River-Flinders Bay	30
Wonnerup-Nannup	39
Pemberton-Northcliffe	22
Denmark-Nornalup	35
Katanning-Pingrup	39
Lake Grace-Hyden	58
Port Hedland-Marble Bar	114
Hopetoun-Ravensthorpe	34

Despite the fact that all of those lines were listed, only the Mt. Magnet-Black Range railway to Sandstone was discontinued.

The Minister for Health: And Marble Bar.

Mr. O'BRIEN: Some members of the Country Party are not in their seats at the moment, but I cannot help that. In that Parliament in 1948 we had the member for Irwin-Moore, the present member for Moore, who is absent at the moment. We had the member for Sussex, the present member for Vasse. The member for Greenough was there and also the member for Swan. Amongst the others who were present were the member for Williams-Narrogin and the member for Geraldton, but the latter was not the present member. There was the member for Albany, and he was not the present member, and the member for Mt. Marshall who is not the present member for that electorate. There was also the member for Murray-Wellington who is now the member for Murray. Others present at the time were the members for Wagin, York and Katanning. The member for Katanning then was not the same person as the member for Katanning today. Now there are quite a number of men who are interested in rail closures today who were not interested in them, as far as the Murchison was concerned, in 1948.

Mr. Ross Hutchinson: Do you think they should have left the line alone?

Mr. O'BRIEN: I definitely do. As I previously stated, we are boring the Aroya goldmine, which could prove a bonanza.

Mr. Ross Hutchinson: What do you think about closing all the lines now?

Hon. D. Brand: Who is right and who is wrong?

Mr. O'BRIEN: When we think of what should have been done, why was it not done?

The Minister for Works: They got cold feet.

Mr. O'BRIEN: This is a question which members of the Opposition must ask themselves.

Hon. D. Brand: Do you think we should have proceeded with the closure of all the lines?

Mr. Ross Hutchinson: What do you think of the closures of the lines now?

Mr. O'BRIEN: So much for the railways. With regard to education, I had the honour of a visit by the Minister for Education to the Murchison district—and this is something members of the Opposition lack, perhaps, namely, education. Nevertheless, we must give credit where credit is due. The Minister visited the Murchison; and what an improvement there has been!

Hon. D. Brand: What happened?

Mr. O'BRIEN: Many improvements, which had become necessary because the goldmining industry is taking on a new lease of life, have been effected. At Big Bell the progress is still satisfactory and I venture to say that we will again see that town become prosperous. It may take some time for it to develop to that stage, and it might take a while to convince people of the golden opportunities that remain in the goldmining industry.

There is one thing I would like the Minister for Education to do and that is this: Despite the fact that we have many thousands of children to cater for in the metropolitan area, some consideration should be given to the North Kalgoorlie school because it is surrounded with loose gravel which in the winter becomes boggy and in the summer, due to the extreme heat, is dusty. I would like the Minister to give sympathetic consideration to this matter and to arrange for a metalised or bituminised strip to be provided. What it should be, is for the Public Service inspector to decide.

I have just put forward a few facts concerning my electorate and I believe in being fair. I am proud to be here occupying a seat behind a progressive Labour Government, and I sincerely trust that, with the assistance given to the goldmining industry, we will progress towards decentralisation.

MR. HEARMAN (Blackwood) [4.56]: This week I have been seeking information on the proposed charcoal iron industry in the South-West. I find that many people express all sorts of opinions about the proposal, and a great many of the opinions are not founded on the best information. What seems to be occupying the minds of a good many people is the question of the financial success that might attend such a venture. It seems to me that this is a point on which some assurances could be forthcoming. Naturally, whether it is to be a Government-sponsored industry or one financed and run by private enterprise, the question of its ultimate success is one that everyone is interested in.

The figures that the Premier gave me on the opening day, in answer to a question as to the costs of production at Wundowie and the comparative costs of the coking of pig iron in Australia, rather indicate that to produce a ton of charcoal iron is costing £3 4s. 11d. more than the capital city price for B.H.P. iron today. I am aware that there is a large overseas market for pig iron and this demand, I think, is brought about by a world shortage of steel. Naturally, while this shortage exists it is possible to sell pig iron satisfactorily overseas. What exercises my mind is: How long is this world position likely to last; and when will we get to the stage where the overseas price comes back to somewhere near our cost of production?

Whilst there has, I think, been a shortage of steel ever since World War II, this shortage, like others, is gradually being overcome. Considerable efforts are being made in other countries—and, significantly in countries of low labour costs—to overhaul this shortage. I understand that India is developing a steel industry which, if it is not already larger than the industry in Australia, will reach those proportions in the future.

The Minister for Industrial Development: You are confusing steel with charcoal iron.

Mr. HEARMAN: No, not at all. I believe that iron is the raw material from which steel is made. There is a connection between the two. If we are short of iron, we will be short of steel; and the reverse is true.

The Minister for Industrial Development: But they are two entirely different processes. There is steel made in the ordinary manner, and there is charcoal iron.

Mr. HEARMAN: Yes, but I think there is a relationship between the two.

The Minister for Industrial Development: Not much from a demand point of view.

Mr. HEARMAN: I think steel can be made from iron, can it not?

The Minister for Industrial Development: You do not get my point.

Mr. HEARMAN: I think the two go hand in hand. Obviously, any increase in the steel industry will bring with it an increase in the production of iron. After all, iron ore is the raw material. I just wonder how long the present world state of affairs will continue, because I would like to feel that any industry started in the South-West, was in a position to stand on its own feet in the export market, not only during the existing favourable, should I say, conditions, but for any indeterminate future period.

It is significant to me that B.H.P., which is generally accepted as being an efficient company so far as its technical processes are concerned, does not appear to be interested in the production of charcoal iron. So far as I can gather, the cost of producing iron by the charcoal process not only in Australia but also in Sweden is greater than by the coke smelting process, although the quality of the iron may be better.

That leads me to ask myself whether at this juncture the Government is fully justified in engaging in the process of charcoal iron smelting—as it is endeavouring to do in the South-West—when it seems likely,

from answers to questions I asked yesterday, that we may be on the verge of solving all the problems associated with the use of Collie coal for pig iron production.

In view of the fact that a report is expected from the German firm of Lurgi Gesellschaft in October, it seems to me that the Government might be well advised to consider holding its hand on any final decision, at least until the subject matter of the report is known. After all, if it should happen that it is possible to use our coal to produce a satisfactory pig iron at a lower cost, it seems to me that that process should be considered, particularly in view of the fact that we have, apparently, considerable quantities of coal at Collie, which could and should be cheaply produced.

Because of the economic difficulties that appear to be associated with the production of charcoal iron, before any decision is made we should have a look at the report from the German experts to see what the alternative might be regarding the use of Collie coal. There are certain other questions that I have been asked in connection with this matter and to which I cannot produce the answers. So I think it would be as well if the Minister could clear up some of those points.

For instance, last week there was a meeting of the South-West ward of the Road Board Association and the delegates there were addressed by Mr. Fernie. I was not present at the meeting, so I cannot say from my own knowledge exactly what Mr. Fernie said, but I understand a point arose about the transport of charcoal. The same questions were put to the Minister at Donnybrook and, as a result of the answers given by Mr. Fernie, some of the road board members discussed the matter with me and asked me what the problems were. Mr. Fernie gave them to understand that there were some difficulties in regard to spontaneous combustion and the transport and storage of the retorted charcoal.

I know the Minister told the people of Donnybrook that he thought any problems that arose could be overcome and in his reply to me he said much the same thing. I asked him—

What work is going on or has been carried out to ascertain the best way to prevent spontaneous combustion in retorted charcoal in transit or storage?

His reply was—

After 10 years of experience with handling bulk charcoal, Wundowie has the knowledge to provide for any difficulties that might exist but there is definitely no danger in handling well conditioned charcoal.

The Minister for Industrial Development: That is correct.

Mr. HEARMAN: I am not suggesting that it is not correct, but it does not say, in as many words, that the problems have been overcome.

The Minister for Industrial Development: But there has not been any problem.

Mr. HEARMAN: Apparently that is not correct, because there have been problems in the Eastern States and elsewhere.

The Minister for Industrial Development: It is one known to you and not to the people handling the charcoal.

Mr. HEARMAN: My information is a little different from that, and I think the Minister knows where mine comes from. Also, Mr. Fernie was not conclusive on these points so far as the Road Board Association was concerned. The other reason why I would like to see some process adopted, if possible, for the establishment of an iron industry which could keep down costs, is that it seems to me that one difficulty in the South-West is that there will be another 150 miles of rail haulage from Koolyanobbing as opposed to Wundowie. If this concept of a number of retorts distributed throughout the South-West is ultimately adopted, additional costs for charcoal will also be involved. I also wonder what the ultimate costs of production for a plant such as that in the South-West will be as compared with the costs at Wundowie.

What I would like to see is a process developed which will enable us to use the extensive deposits that already exist in the South-West at Willow Springs. There are also other deposits that could be used for the industry in the South-West because, although the quality of the ore might not be as good, the transport costs would obviously be very much less. It seems to me that it would be desirable if possible to establish the industry on a cost basis which would enable it to use some of these poorer quality ores—it will ultimately be forced to do that. After all, although the 70,000,000 tons of ore at Koolyanobbing sounds a lot, when we realise that today B.H.P. is using some 4,000,000 tons a year, we can appreciate that the 70,000,000 tons will be cut out in 17 or 18 years.

The Minister for Industrial Development: In America they are transporting iron ore over 1,000 miles and making it pay.

Mr. HEARMAN: That may be so, but are they doing it with charcoal?

The Minister for Industrial Development: Yes, there is some charcoal production.

Mr. HEARMAN: And they are transporting the ore over 1,000 miles?

The Minister for Industrial Development: Yes.

Mr. HEARMAN: If that could be done with our industry, there would be some prospect for it. But is the Minister prepared to say that our industry can be made as efficient as that?

The Minister for Industrial Development: I do not see any reason why not.

Mr. HEARMAN: Unfortunately, the Americans appear to be able to get the cost of production appreciably below ours. If we could adopt a comparable set up in this State to that which exists in most American industries, I think our costs of production would be appreciably reduced. If the Government is prepared to tackle the problem along those lines, it will be a good thing. There are all sorts of practices adopted by American industry which lead to lower costs of production, and those practices do not exist in this country. If the Government were really prepared to tackle the question along those lines, I think not only I, but also a great many other people, would be interested.

I would like to hear a little more from the Minister on that particular aspect when he replies to the questions raised in this debate, because if we tackle the question of high production costs in Australia, it will be a welcome step forward. I think a great many sections of the community, including some of the better informed trade unions, will welcome it. I say this because there is no doubt Australian industry does tend to price itself out of the world's markets.

Then again, I would like to hear the Minister's views on the question of the use of some of the iron ore reserves that exist in the South-West because, as I have pointed out, although the 70,000,000 tons at Koolyanobbing sounds a lot, even by Australian production standards, it does not provide us with an indefinite reserve. I believe that in Red China today there is a steel industry which uses some 3,000,000 tons a year as opposed to the 2,000,000 tons in Australia and the Chinese Government has a plan for doubling that figure every four years. If that is to be the standard on which ore is to be utilised throughout the world, I would suggest that our own reserves are such that we will have to face up to the fact of using ores of lower quality.

Mr. Roberts: Isn't there supposed to be a deposit at Nannup?

Mr. HEARMAN: Yes, I have heard people who profess to have a specialised knowledge say that the ore at Willow Springs, or Nannup, is of a good commercial quality, although it is not to be compared with the ore at Koolyanobbing. However, the distance that it has to be transported is so much less, and that is

the reason why I would like to see all the possibilities of coke smelting from our own Collie coal investigated. If anything can be done to cut down the cost of pig iron production, it should be done before anything definite is decided about the charcoal iron process. I think the Government should investigate thoroughly the possibilities of coke smelting because that seems to me to be the process in which private industry would be more interested.

I would prefer to see the money for such works as this coming from private industry rather than from the Government because there are many other avenues in which the Government could spend money if it had any spare cash. I believe it should be a matter of policy for the Government to encourage to the utmost the investment of private capital in industry in Western Australia in order to enable it to carry out all those other jobs which Governments do and which they cannot reasonably expect private capital to carry out in Western Australia.

The Government provides water schemes and requirements like that, because we do not have water companies such as they do in other parts of the world. This places a heavy demand on loan funds, a demand which we never seem to be able to meet. As a matter of policy, I believe it should be the function of the Government not to spend loan funds or other moneys on these types of projects but the Government should do the necessary research work to encourage the investment of private capital in these ventures.

For that reason I think that any decision in connection with the establishment of an iron industry in the South-West should be delayed at least until such time as the full possibilities of the use of Collie coal for iron smelting are known. It appears from the answers that the Minister gave me yesterday that the reports are promising. He told us that there are no technical obstacles and I was pleased to hear that because I am one of those who has always felt that, as regards the quality of Collie coal, it is sufficiently good for many more uses to be made of it than have been found up to date.

The Minister for Industrial Development: The export market that exists is for charcoal-produced pig iron and not for coke-produced pig iron. There is no overseas market for coke-produced steel.

Mr. HEARMAN: The Minister can reveal all those things in his reply.

The Minister for Industrial Development: I wanted to put you straight because you are on the wrong track.

Mr. HEARMAN: It seems that the ultimate aim should be towards an integrated iron and steel industry.

The Minister for Industrial Development: B.H.P. has a steel works and is supposed to be engaged on that work. That is why it was given the deposits.

Mr. HEARMAN: That is true and I think that firm prefers the coke smelting process. Regardless of whether it is a steel industry or merely one to produce pig iron, I would prefer to see private capital invested rather than Government funds.

Mr. Rhatigan: Speak up! We cannot hear you!

Mr. HEARMAN: I said that I would prefer to see private capital invested because it would be most desirable. If a report on the progress that has been made with the research into the use of Collie coal for retorting purposes could be made available by the Government—and no doubt the Government would make it available to private interests—it may be that not merely a pig iron industry, but an integrated steel industry could be established in the South-West. That is a more desirable objective than to sponsor an industry that would confine itself to the production of pig iron.

The Government could at least, I suggest, keep the public informed on the possibility of the use of Collie coal in such an industry and indicate what steps it intends taking, or what steps it has already taken, in its endeavour to bring about the establishment of an integrated steel industry in the South-West. I will certainly be interested to hear from the Minister what steps, if any, the Government proposes to take in that direction. The general opinion is held that, in view of the decline in the demand for Collie coal, such a project would benefit considerably other interests in the South-West.

I am well aware that in an industry of that nature, depending on coal produced from the Collie coalfields, inevitably it would rely on the capacity of Collie to produce a cheaper coal for its economic prospects, and I believe that such achievement is possible in that field. Until such time as that problem has been dealt with, I consider the prospects of encouraging private capital into this State to be invested in any industry that would be dependent upon coal produced from the Collie coalfields, are appreciably diminished.

On motion by the Minister for Works, debate adjourned.

House adjourned at 5.18 p.m.