

and the vacancy shall be filled by the executive, which shall appoint one trustee for a period of one year and the other trustee for a period of two years, computed in each case from the 1st day of January, 1957.

There is a further provision which states that subject to paragraph (a) every appointment made by the executive to fill a vacancy occurring by effluxion of time shall be an appointment for a period of two years from the occurrence of the vacancy, but an appointment made to fill a vacancy occurring from any other cause shall be an appointment for a period being the balance of the term for which the former holder of the vacant office was appointed, and a former trustee shall be eligible for appointment.

The trustees of the present sub-branch has asked for the Act to be amended in this form, and I can see no objection to it. If it will provide for the better working of the trust, I am sure that members will agree that the Act should be amended. Birdwood House is playing a very important part in the social activities of R.S.L. members in Geraldton, and also of visiting R.S.L. members; and if these small amendments will help the trust to function more efficiently, I think they should be passed. I move—

That the Bill be now read a second time.

On motion by Hon. C. H. Simpson, debate adjourned.

House adjourned at 8.59 p.m.

Legislative Assembly

Tuesday, 16th October, 1956.

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The SPEAKER took the Chair at 4.30 p.m., and read prayers.

PETITION—MARKETING OF POTATOES ACT.

Prayer for Repeal.

Mr. I. W. Manning presented a petition signed by 137 licensed potato growers in the Harvey electorate praying for the repeal of the Marketing of Potatoes Act, 1946-56, and such other relief as Parliament might think fit.

On motion of Mr. I. W. Manning resolved:

That the petition be received.

Question put and passed.

ASSENT TO BILLS.

Message from the Lieut.-Governor and Administrator received and read notifying assent to the following Bills:—

- 1, Gas Undertakings Act Amendment.
- 2, Criminal Code Amendment (No. 1).
- 3, Wheat Marketing Act Amendment.
- 4, Bills of Sale Act Amendment.
- 5, Agriculture Protection Board Act Amendment.
- 6, Licensing Act Amendment (No. 1).
- 7, Municipality of Fremantle Act Amendment.
- 8, Entertainments Tax Act Amendment.

QUESTIONS.

ROADS.

Eyre Highway, Condition and Rehabilitation.

Hon. L. THORN asked the Minister for Works:

(1) What is the present condition of the Eyre Highway?

(2) What expenditure does he estimate will be required to make this highway an "all weather road"?

(3) What expenditure is to be made on this highway during the current financial year?

(4) Will the amount given in answer to No. (3) be all from Main Roads Department funds, or will there be, in addition, any special Commonwealth Government assistance?

(5) How much, if any, did the Commonwealth specially contribute last financial year?

(6) Does he agree that the needs of defence demand a good "all weather" Eyre Highway?

(7) When does he anticipate the highway will reach an "all weather" state?

The MINISTER replied:

(1) The section in Western Australia has been reported from many sources to be good.

(2) In round figures, perhaps £3,000,000

(3) £32,200.

(4) No.

Main Roads Department funds	16,000
Commonwealth funds	16,200
Total	32,200

(5) £15,000.

(6) This is a matter for determination by the Commonwealth.

(7) This cannot be predicted.

HOUSING OF GOVERNMENT DEPARTMENTS.

(a) Child Welfare and Hospital Collection Service.

Mr. JOHNSON asked the Premier:

(1) As it is reported that the Child Welfare Department is to be transferred to the new State insurance building, is it proposed to transfer the hospital collection service to the building vacated by the Child Welfare Department?

(2) If so, is it proposed to use the present hospital collection service building for other Government office accommodation?

The PREMIER replied:

(1) Yes.

(2) The building at present occupied by the hospital collection service is the property of the Royal Perth Hospital. Its future use is still under consideration.

(b) Printing Office, Transfer and Use of Old Building.

Mr. JOHNSON asked the Premier:

(1) When is it anticipated that the Government Printing Office building will be transferred to the new building at Subiaco?

(2) When this move takes place, will the present Government Printing Office be used to accommodate other departmental staff?

The PREMIER replied:

(1) The lithographic section and the paper store will be transferred in approximately six months. The completion of the building will depend upon the availability of finance.

(2) Yes.

BETTING.

(a) Off-course Bookmakers' Turnovers.

Mr. CORNELL asked the Treasurer:

(1) What was the number of off-course bookmakers licensed by the Betting Control Board on the 30th June last?

(2) Of these bookmakers, what number, respectively, returned turnovers within each of the following categories—

Over £1,000,000;

between	£950,001 and	£1,000,000;
"	£850,001 and	£900,000;
"	£800,001 and	£850,000;
"	£775,001 and	£800,000;
"	£650,001 and	£775,000;
"	£625,001 and	£650,000;
"	£600,001 and	£625,000;
"	£575,001 and	£600,000;
"	£550,001 and	£575,000;
"	£525,001 and	£550,000;
"	£500,001 and	£525,000;
"	£475,001 and	£500,000;
"	£450,001 and	£475,000;
"	£425,001 and	£450,000;
"	£400,001 and	£425,000;
"	£375,001 and	£400,000;
"	£350,001 and	£375,000;
"	£325,001 and	£350,000;
"	£300,001 and	£325,000;
"	£275,001 and	£300,000;
"	£250,001 and	£275,000;
"	£225,001 and	£250,000;
"	£200,001 and	£225,000;
"	£175,001 and	£200,000;
"	£150,001 and	£175,000;
"	£125,001 and	£150,000;
"	£100,001 and	£125,000;
"	£90,001 and	£100,000;
"	£80,001 and	£90,000;
"	£70,001 and	£80,000;
"	£60,001 and	£70,000;
"	£50,001 and	£60,000;
"	£40,001 and	£50,000;

Less than £40,000?

The TREASURER replied:

(1) 210.

(2) Over £750,000	Nil
Over £300,000	5
£275,001-£300,000	1
£250,001-£275,000	4
£225,001-£250,000	1
£200,001-£225,000	3
£175,001-£200,000	2
£150,001-£175,000	9
£125,001-£150,000	6
£100,001-£125,000	21
£90,001-£100,000	9
£80,001-£90,000	12
£70,001-£80,000	16
£60,001-£70,000	12
£50,001-£60,000	13
£40,001-£50,000	14
*Less than £40,000	95

*Included in this figure are a number of bookmakers who operated for part of the year only.

(b) *On-course Bookmakers' Turnovers.*

Mr. CORNELL asked the Treasurer:

(1) What was the number of on course bookmakers licensed by the Betting Control Board on the 30th June last?

(2) Of these bookmakers, what number, respectively, returned turnovers within each of the following categories—

Over £1,000,000;

between	£950,001 and	£1,000,000;
"	£850,001 and	£900,000;
"	£800,001 and	£850,000;
"	£775,001 and	£800,000;
"	£650,001 and	£775,000;
"	£625,001 and	£650,000;
"	£600,001 and	£625,000;
"	£575,001 and	£600,000;
"	£550,001 and	£575,000;
"	£525,001 and	£550,000;
"	£500,001 and	£525,000;
"	£475,001 and	£500,000;
"	£450,001 and	£475,000;
"	£425,001 and	£450,000;
"	£400,001 and	£425,000;
"	£375,001 and	£400,000;
"	£350,001 and	£375,000;
"	£325,001 and	£350,000;
"	£300,001 and	£325,000;
"	£275,001 and	£300,000;
"	£250,001 and	£275,000;
"	£225,001 and	£250,000;
"	£200,001 and	£225,000;
"	£175,001 and	£200,000;
"	£150,001 and	£175,000;
"	£125,001 and	£150,000;
"	£100,001 and	£125,000;
"	£90,001 and	£100,000;
"	£80,001 and	£90,000;
"	£70,001 and	£80,000;
"	£60,001 and	£70,000;
"	£50,001 and	£60,000;
"	£40,001 and	£50,000;

less than £40,000?

The TREASURER replied:

(1) 116.

(2) Details of individual on-course bookmakers' turnovers are not available at Treasury as returns are collected by racing clubs, which collect the whole of the turnover tax from on-course bookmakers and remit 80 per cent. to the Treasury.

(c) *Winning Bets Tax, Allocations and Revenue.*

Mr. CORNELL asked the Treasurer:

(1) What amounts were received by—

(a) trotting clubs;

(b) racing clubs,

pursuant to the winning bets tax legislation during the last 12 months of its operation?

(2) What amounts were received by the Treasury from—

(a) trotting clubs;

(b) racing clubs,

during the same period?

The TREASURER replied:

	£
(1) (a) Trotting clubs	13,389
(b) Racing clubs	25,669
(2) (a) Trotting clubs	53,566
(b) Racing clubs	102,679

These figures are for the financial year 1954-55; the legislation continued until the 31st July, 1955.

(d) Totalisators, Turnover and Duty.

Mr. CORNELL asked the Treasurer:

(1) What were the amounts of totalisator turnover for—

(a) trotting meetings; and

(b) racing meetings

for the year ended the 30th June, 1956?

(2) What amounts were received by the Treasury in totalisator duty from—

(a) trotting meetings; and

(b) racing meetings

for the year ended the 30th June, 1956?

The TREASURER replied:

(1) (a) £1,194,653.

(b) £1,069,000.

(2) (a) £87,632.

(b) £75,588.

(e) Capacity of Bookmakers to Pay Tax.

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

(1) Did the Government examine the capacity of the on-course and off-course bookmakers to pay increased tax?

(2) If so, what is the Government's opinion of the maximum tax they can afford to pay, and how is such maximum assessed?

The TREASURER replied:

The decision of the Government was based on information available from various sources and is set out in the Bills now before the House to increase the turnover tax.

(f) Betting Control Board and Payouts on Winning Bets.

Mr. COURT (without notice) asked the Treasurer:

(1) Does the Betting Control Board or the Government receive and collate information regarding off-course and on-course bookmakers' payouts for winning bets?

(2) If so, what was the relative gross profit result—that is, excess of holdings over payouts on winning bets—of each class of bookmaker divided into groups of—

(a) under £100,000 turnover per annum;

(b) over £100,000 turnover per annum?

The TREASURER replied:

(1) No.

(2) Answered by No. (1).

LICENCE REVENUE.

Clubs, etc.

Mr. CORNELL asked the Minister for Justice:

What was the amount of revenue received from—

(a) Licensed clubs;

(b) other licences;

in each of the six financial years from the 30th June, 1951, to the 30th June, 1956, inclusive?

The MINISTER replied:

Year	Licensed Clubs	Other Licences
	£	£
1950-51	7,388	160,997
1951-52	9,249	197,606
1952-53	11,103	217,368
1953-54	12,914	239,066
1954-55	14,861	262,255
1955-56	17,017	278,070

LOAN FUNDS.

Total Available and Departmental Allocations.

Hon. D. BRAND asked the Treasurer:

(1) When will the total loan allocation be made to departments so as to enable them to finalise their programmes?

(2) What total of loan money has already been approved for the State, including the recent £2,000,000 made available by the Commonwealth Government?

The TREASURER replied:

(1) Shortly.

(2) £19,900,000, of which £3,000,000 is for Commonwealth-State housing projects.

CLAREMONT MENTAL HOSPITAL.

Overcrowding, Improvements, etc.

Mr. CROMMELIN asked the Minister for Health:

(1) Is he aware of the appalling overcrowded conditions of the patients at the Claremont Mental Hospital?

(2) If so, what steps are being taken to relieve this position?

(3) What steps are being taken to modernise and generally improve the old kitchen?

(4) What is being done in regard to more modern machinery and better accommodation in the laundry?

(5) Will any improvements be made in the immediate future in the serveries and bathrooms of the wards?

The MINISTER replied:

(1) There is considerable overcrowding at this hospital.

(2) (a) Two large wards of approximately 150 beds have been completed and opened during the last three years, costing approximately £250,000.

(b) A ward is now under construction at Whitby Falls to accommodate 62 patients—estimated cost, £100,000.

(c) At Lemnos another ward for 32 patients will be opened shortly—estimated cost, approximately £91,000.

(d) Negotiations are proceeding with the Commonwealth for further additions at Lemnos at an estimated cost of £226,000.

(e) An additional property has been purchased adjoining Greenplace to accommodate a number of female patients.

(f) Plans are being prepared for the conversion of a male detached ward at Claremont for female patients.

These provisions will relieve the overcrowding at Claremont, but the main consideration is the construction of a new hospital on a site at Guildford, negotiations for the purchase of which from private owners have been protracted but are now near finalisation. The main area, however, has been secured. Plans for a new hospital will follow the complete purchase of the site and the State's ability to build will be governed by the availability of loan funds.

(3) Sketch plans are being drawn for the remodelling of the kitchen area. Meantime, new stock pots and steamers will be installed.

(4) Sketch plans for a new dry cleaning unit have been drawn and approved and it is proposed to install additional modern machinery.

(5) Renovations of wards have been carried out over a number of years and as each ward is renovated, improvements are being made for the better serving of food and for improved bathroom facilities. The Public Works Department is being pressed for completion of certain of this work.

TRAFFIC.

(a) Installation of Lights, Claremont.

Mr. CROMMELIN asked the Minister for Transport:

(1) Have tenders been called for the supply of traffic lights on Stirling Highway and Queenslea Drive, Claremont?

(2) If the answer is in the affirmative, when will the lights be installed?

(3) If the answer is in the negative, will he advise when tenders will be called for the supply of these lights?

(4) How soon after tenders are called will lights be in working order?

The MINISTER replied:

Tenders have been called and equipment is due from England in January, 1957. It is anticipated that installation will be completed in February next.

(b) Lighting of Stirling Highway.

Mr. ROSS HUTCHINSON asked the Minister for Transport:

(1) Is he, or the National Safety Council, satisfied that the lighting of Stirling Highway is completely satisfactory as far as adequate safety precautions are concerned?

(2) If not, which are considered the more dangerous sections?

(3) Cannot some action be taken to reduce the element of danger in these sections?

The MINISTER replied:

(1) Street lighting, which is a function of the local authorities, could be improved upon—with advantage.

(2) and (3) It has not been established that the greater incidence of accidents at particular spots is due to inadequate lighting.

EDUCATION.

(a) Provision of Additional Classrooms.

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

(1) How many classrooms have been erected since the 30th June, 1956?

(2) How many more are in course of building now?

(3) How many more are there in respect of which tenders have been called; or which the Public Works Department has been instructed to proceed with building?

(4) In addition to those above mentioned, does he think there is any prospect of any further number being erected before the 1st February, 1957; and if so, how many?

The PREMIER (for the Minister for Education) replied:

(1) 29 rooms.

(2) 68.

(3) Tenders have been called for six.

(4) This will depend on finance available.

(b) Country Schools and Show Holidays.

Mr. EVANS asked the Minister for Education:

What holidays do country schools receive in lieu of the two days metropolitan schools are given on account of the Royal Show?

The PREMIER (for the Minister for Education) replied:

Country schools are entitled to two holidays per year for shows or other important local events.

LOCAL GOVERNMENT.

Administrative Costs to Revenue, Percentages.

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

Could he indicate the percentage ratio of administrative costs to revenue received by local government—municipal councils and road boards?

The MINISTER FOR HEALTH replied:

Latest complete figures available for the State are shown below. Little variation is likely in the 1955-56 year.

Municipalities for the financial year ended the 31st October, 1954.

General Account.

(a) Total revenue	£1,574,099
(b) Administrative expenses	£201,622
Percentage (b) to (a)	12.8

Electricity and Gas Undertakings.

(a) Total revenue	£278,987
(b) Administrative expenses	£23,622
Percentage (b) to (a)	8.4

Road boards for the financial year ended the 30th June, 1954.

General Account.

(a) Total revenue	£3,130,510
(b) Administrative expenses	£437,555
Percentage (b) to (a)	13.9

Electricity Undertakings.

(a) Total revenue	£187,271
(b) Administrative expenses	£16,546
Percentage (b) to (a)	8.8

HOSPITALS.

Wyalkatchem Additions, Financing.

Mr. CORNELL asked the Minister for Health:

Will he lay on the Table of the House the file dealing with the construction and the financing of the recent additions to the Wyalkatchem hospital?

The MINISTER replied:

Yes.

METROPOLITAN ABATTOIRS.

Slaughtering for Local Trade, Fees, etc.

Mr. NALDER asked the Minister for Agriculture:

(1) Is it correct that two different scales of net slaughtering fees exist at metropolitan abattoirs for slaughtering of live-stock for local trade?

(2) Is it a fact that two firms acquire inedible offals while in all other cases these are the property of the abattoirs?

(3) Can he give the reasons why the promises given to the meat trade that all charges and conditions would be uniform, have not been carried out?

The MINISTER replied:

(1) No.

(2) Yes, two firms purchase inedible offal from their own slaughtered stock.

(3) The Minister did not promise that all charges and conditions would be uniform. He gave an assurance that every endeavour would be made to ensure comparable trading conditions. Charges are uniform as defined under regulation.

EASTERN STATES RACING.

A.B.C. Broadcasts and Government Approach.

Mr. COURT asked the Premier:

(1) With reference to my question of the 11th October, 1956, regarding Eastern States racing broadcasts, is it correct that there are no interstate racing broadcasts by the A.B.C., except between Victoria and Tasmania, and for special events such as the Melbourne Cup?

(2) If so, what is the implication of his reference to the people of Western Australia being "entitled to the same service from the A.B.C. as is given by that organisation to people in other States"? Does this mean that he wants Western Australia to be on the same basis as Tasmania in reference to broadcasts?

The PREMIER replied:

A letter was sent to the A.B.C. on Thursday last asking for detailed information regarding interstate racing broadcasts to the various States.

WATER SUPPLIES.

Canning Vale Scheme Extensions.

Mr. WILD asked the Minister for Water Supplies:

On what date is it expected that work will commence on the extensions of the Canning Vale water scheme?

The MINISTER replied:

It is anticipated that this work will commence on or about the 15th November, 1956.

INDUSTRIAL ARBITRATION ACT AMENDMENT BILL.

Deferment of Debate.

Mr. COURT (without notice) asked the Premier:

In view of the Premiers' Conference convened for November and the nature of business to be discussed at such conference, is it the Government's intention to defer the debate on the Industrial Arbitration Act Amendment Bill until after the conference?

The PREMIER replied:

No.

BUDGET AND LOAN ESTIMATES.

Date of Presentation.

Hon. Sir ROSS McLARTY (without notice) asked the Treasurer:

Can he indicate when he proposes to bring down the Budget and the Loan Estimates?

The TREASURER replied:

I hope to present the Budget the week after next and the Loan Estimates should follow soon afterwards.

TOWN PLANNING ADVISORY COMMITTEE.

(a) Future of Committee.

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

In view of the fact that the Town Planning Advisory Committee has not been called together for over 10 months, is it the intention of the Government to disband the committee as being no longer necessary?

The MINISTER replied:

The hon. member is aware that it is not intended to call the committee together again and this was announced at the last meeting of the committee prior to the elections. The question of dealing with town planning is now in the hands of the Minister for Town Planning and it is not considered necessary that a fresh committee should be called together.

(b) Decision to Terminate.

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

At what meeting was the decision made known that there was to be no longer a committee? In explanation, I would remind the Minister that following the Bunbury by-election, it was explained there would be some delay before the next meeting.

The MINISTER replied:

The last meeting.

BILLS (3)—FIRST READING.

1. Land Act Amendment.

Introduced by the Minister for Lands.

2. Brands Act Amendment (No. 1).

3. Brands Act Amendment (No. 2).

Introduced by the Minister for Agriculture.

BILL—RURAL AND INDUSTRIES BANK ACT AMENDMENT.

Council's Amendments.

Schedule of two amendments made by the Council now considered.

In Committee.

Mr. Moir in the Chair; the Minister for Lands in charge of the Bill.

No. 1.

Clause 2, line 38—Insert before the word "of" in line 38 the passage "or by paragraph (c)."

The MINISTER FOR LANDS: It will be remembered that when the Rural and Industries Bank Act Amendment Bill was before this Chamber, a suggestion was

made—I believe by the member for Vasse—that the privileges and rights of officers of the bank in respect of the purchase of such requirements as a house or land and so on should be permitted to a commissioner of the bank.

The Bill was introduced in order to validate a certain position in connection with the commissioners who found themselves, through having undertaken housing loans with their own bank prior to becoming commissioners, automatically disqualified from the right to hold their positions as commissioners. The Bill was submitted to overcome that rather ridiculous situation and enable the commissioners to undertake normal business with their own bank rather than go elsewhere. During the discussion, the member for Vasse made it clear that, in his view, this privilege should be extended to the purchase of personal requirements and I agreed to have an appropriate amendment incorporated in the Bill in the Legislative Council. That has been done and I move—

That the amendment be agreed to.

Mr. BOVELL: I am pleased that the Government has agreed to the suggestions I submitted during the second reading debate. It was apparent that although the Bill was introduced to rectify an anomaly, once an officer had become a commissioner he was at a disadvantage compared with other members of the staff. Whilst I do not agree to this being a matter of Caesar appealing to Caesar, the amendments meet the position fully. I think I would have gone a little further and allowed additional consideration. The subsequent amendments carried by the Legislative Council, however, are agreeable to me and I support them.

I reiterate what I said on the second reading and that is that an officer of the bank who may have performed all of his service in country areas might ultimately be appointed a commissioner and then be transferred to Perth. He might not be in a position to purchase a home for himself in the city. These amendments will allow him, in such circumstances, to apply for an advance from his own bank and, upon the recommendation of the Minister to the Governor, the advance will be dealt with and approved if thought fit. I support this and the subsequent amendment.

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

No. 2.

Clause 2, page 3—Add after the word "loans" in line 42 the following passage:—

(c) by a person,

whether already appointed to the office of commissioner at the time of the making of the agreement, or appointed to that office

after that time and during the effectiveness of the agreement;

if

the agreement, is made with the approval of the Governor granted on the recommendation of the Minister, and is for a loan to the person on terms and conditions not more favourable to the person than would obtain were the agreement made by the commissioners with an officer of the bank, and is for a loan to the person to enable him to meet expenditure for his personal requirements, including expenditure for, or in connection with, building, purchasing, renovating, improving, adding to, furnishing, or equipping, a dwelling for use by the person, his family, and dependants, or for land for such a dwelling.

The MINISTER FOR LANDS: For the reasons already stated, I move—

That the amendment be agreed to.

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

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

BILL—EVIDENCE ACT AMENDMENT.

Council's Amendment.

Amendment made by the Council now considered.

In Committee.

Mr. Moir in the Chair; the Minister for Justice in charge of the Bill.

The CHAIRMAN: The Council's amendment is as follows—

Clause 3.

Page 2—Delete the words "in the Commonwealth of Australia or the Dominion of New Zealand" in lines 25 and 26.

The MINISTER FOR JUSTICE: By way of explanation, I point out that in the circumstances of the Bill proof of identity is usually given by a detective or some other member of the Police Force who was in court when the previous conviction was recorded. Under the Bill, identification is to be permitted by the use of fingerprints. The measure was to apply only to Australia and New Zealand. The amendment will mean an extension

so that not only Australia and New Zealand will be included but the whole of the Dominions of the Crown. I feel that the amendment is quite justified and I move—

That the amendment be agreed to.

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

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

BILL—PIG INDUSTRY COMPENSATION ACT AMENDMENT.

Second Reading.

THE MINISTER FOR AGRICULTURE (Hon. E. K. Hoar—Warren) [5.7] in moving the second reading said: The Act contains provision for the collection of stamp duty on the sale of pigs in order to provide a fund which can be used to compensate owners against loss caused by the various diseases to which pigs, from time to time, are subject. The Bill, in itself, is a proposal to increase the maximum stamp duty from 3s. 9d., as it is now, to 5s., although this does not necessarily mean that the 5s. will be charged. It also seeks to increase the market value of the pig from the amount of £15, at present laid down in the Act, to £24 because of the changes in monetary values and the change in the market value of pigs.

In order better to understand the position, a brief resume of the earlier legislation might be appropriate. For quite a long period in the history of the State there was no compensation fund or Act governing the collection of stamp duty for the purpose of paying compensation. It was not until 1942 that an Act was introduced for that purpose. As far back as 1939, so I have read in the records of the department, an effort was made to give some sort of protection, which is now evident in the existing Act, to pig producers and buyers of pigs or portions of pigs—carcasses and so on. The idea, however, did not receive any degree of support from the pig producers or from those associated with the industry; and I imagine that that lack of support or interest arose largely because of the fact that the pig population about that time was in a very healthy condition, and, as is the case in most instances where there is no reason to insure, nothing was done.

As a consequence, it was not until late in 1942 that it became evident that some sort of compensation scheme should be brought in by way of legislation. In fact, earlier in 1942 there existed among the buyers—not among the producers—a contributory scheme which was based on $\frac{1}{2}$ per cent. of the value of the pig on a value of £2. This sum was placed in a fund to provide compensation to buyers of pigs who had suffered loss through the

various diseases with which these animals are from time to time afflicted. But what made an Act of Parliament necessary was the tremendous outbreak of swine fever in 1942. It is thought that this was brought about largely as a result of the relaxation of quarantine laws. We know they were relaxed in a good many directions during the war years through circumstances over which most of us had no control; and this relaxation brought about the importation of pigmeat to this country. This eventually caused an outbreak of swine fever to such an extent that some 8,000 animals had to be destroyed in a matter of five or six weeks.

A serious situation did develop at that time which made all interests associated with the growing and selling of pigs unanimous that there should be some protective legislation. Towards the end of 1942, therefore, the Pig Industry Compensation Act, as we know it, came into being and it provided for a compensation fund to be lodged at the Treasury, and into this fund—the same then as it is today—all pig stamp duty moneys were paid and also all moneys obtained by way of penalties under the Act.

Mr. Ackland: Will you tell us what the credit in that fund is today?

The MINISTER FOR AGRICULTURE: Yes, I intended to do so in any case. It is £57,000, but I will come to that in a minute or two because I want to indicate that the purpose of the Bill is not to increase the fund but to maintain it as near as possible at the £50,000 mark which is considered to be desirable and proper under all circumstances.

Mr. Bovell: Has there been any agitation from pig breeders to increase the amount to £24?

The MINISTER FOR AGRICULTURE: There has been agitation from the Meat and Allied Trades Federation. The pig breeders themselves are considered to be owners and are subject to the fund, but I would say there has been no approach made to me—not that I am aware of at any rate—nor to the department from them, but the Meat and Allied Trades Federation has definitely set up a case which the departmental officers think is a reasonable one and, as a result, I am now explaining the Bill. I will deal with that matter when I get on a little further.

In the Act the stamp duty was limited to a maximum of 2s. 6d. on the sale of any one pig or carcass, and at the same time, for the purposes of compensation, that Act included a maximum value of £10 of which sum three-quarters would be paid to any owner of an animal who suffered loss as a result of disease. So, in 1942 it was recognised clearly by all

sections of the industry that a fund was necessary as an insurance against losses such as I have just mentioned. In 1951 there was a further amendment of the Act, which increased the amount of stamp duty from 2s. 6d. to 3s. 9d. and increased the amount of the market value which is placed in the Act, as a means of assessing what should be the maximum by way of payment, to £15. This was advocated strongly by the Farmers' Union and on account of its interest that organisation has been sending yearly statements giving all details of the transactions.

As I have explained, it was the Meat and Allied Trades Federation which was responsible for this Bill coming before the House. The measure proposes to increase both the contribution and the compensation payable along the lines I have mentioned; 5s. instead of 3s. 9d. in stamp duty and the maximum compensation for one diseased pig to three-quarters of £24, instead of three-quarters of £15. At the 31st August this year the fund stood at £57,621 and I suppose that members and the farmers who are subscribing to, and are responsible for the building up of, the fund might think that is a lot of money—which in fact it is—but we are not suggesting the increase from 3s. 9d. to 5s. in order to build up the fund.

We desire to retain the fund at about the present level and 3s. 9d. today, on the basis of 1d. per £ tax stamp, is equal to a pig at the value of £45, and we do not normally reach that figure. It is easily understandable that we do not have to charge any more than we are now in order to maintain the fund at its present level, but there could come a day when the value of pigs changed so considerably or the money value of the £ so changed that that amount of money might not be sufficient to meet the requirements of that day and maintain the fund at the £50,000 mark. Therefore, if the amendment is agreed to, there will be a discretionary power to use the provision, but it will not be used unless necessity arises.

Mr. Hearman: Has the fund built up steadily?

The MINISTER FOR AGRICULTURE: It has increased by a fair amount each year.

Mr. Bovell: Then why not leave the amount at 3s. 9d.?

The MINISTER FOR AGRICULTURE: If we do that the fund might become depleted to such an extent that something should be done about it, and there would not be the legislative power enabling us to increase the amount.

Mr. Bovell: The power could be obtained.

THE MINISTER FOR AGRICULTURE: If we are to increase the marketable value of a pig from £15 to £24, it is not unreasonable to suggest that we should also increase the maximum stamp duty but, I repeat, it is not the intention to use this power at the present time. As I have explained, an emergency could occur or the value of pigs could be so reduced that 1d. per £ would not be nearly sufficient to maintain the fund, and even though there is anything from 1d. to 3d. allowed to be charged in the Act if we charged a maximum of 3d. on the basis of getting a maximum amount of 3s. 9d., the market value of the pig would be something like £17 on the basis of 3d. If we allow more elasticity to increase the 3s. 9d. to 5s., there will not be any reason, particularly in view of the price of pigs today, to increase the fund or the charges.

This is just a precautionary measure which the department and I believe is a safe and proper step to take without placing any further burden on the pig producer, certainly not at the present time. It must be remembered that when people in the meat and allied trades go to market to buy pigs, they will be influenced by the amount of compensation which they, as owners, could receive, and if they feel that the maximum allowed under the Act is as low as it would be if we do not agree to this measure, there will be a tendency for them to bid a lower price in order to insure themselves against any loss through disease if the animal is killed and possibly condemned.

Mr. Ackland: A very small percentage of pigs are sold as choppers and they are the only ones that would bring over that price.

THE MINISTER FOR AGRICULTURE: Choppers are reaching close to the top price. The top price today, based on 350lb. is £37 10s. A baconer at 200lb. is £24 12s., porkers at 150lb. £24 7s. 6d., and so on. We do not want to put the person who buys pigs in the position of feeling that he must bid lower in order to protect himself, because that would not do the producer any good.

The maximum allowed under this measure will not be used, so far as we can see, in the foreseeable future, but the protection will be there for buyers of pigs for slaughter and an encouragement to bid fair prices and so give the producer what he is entitled to receive. Without that assurance we think the buyer is likely to work in reverse in regard to the price he bids. In order to guard against any contingency that may arise through losses due to disease in the future, I think this measure is well worthy of the consideration of members. I move—

That the Bill be now read a second time.

On motion by Mr. Bovell, debate adjourned.

BILL—POLICE ACT AMENDMENT.

Second Reading.

THE MINISTER FOR POLICE (Hon. J. J. Brady—Guildford-Midland) [5.25] in moving the second reading said: The purpose of this small but important Bill is to make it an offence to carry a lethal weapon in this State without lawful excuse. If agreed to, the measure would have the effect of labelling every person who, without lawful excuse, carries one of the specified weapons, as an idle and disorderly person within the meaning of the Act and on conviction would render him liable to imprisonment for a maximum term of six months.

Over recent years there has been an alarming increase in the incidence of carrying lethal, offensive and/or concealable weapons. In Victoria, New South Wales and South Australia legislation already exists forbidding anyone to carry offensive weapons, while in this State there is no effective means of dealing with a person found to be armed with a cosh, knife, knuckleduster, sharpened chain or other similar weapon. Since December, 1954, eleven persons have been knifed in this State, three with fatal consequences.

It is appreciated that many people may carry a penknife for cutting tobacco, peeling fruit and so on, but it is another matter to explain the reason for carrying a spring-bladed or other type of knife or a sharpened chain. It is a well-known fact that many Europeans are accustomed to carrying knives in their own countries for use during brawls and it is considered most desirable that such people be informed on arrival that it is an offence to carry a knife or any other weapon in this country.

In more recent times we have experienced the growth of what are known as "bodge" and "leatherie" cults, consisting of exuberant but irresponsible youths, some of whom have formed themselves into rival cliques and are known to the police to have been armed with knives, sharpened chains, coshes and other offensive instruments. Some minor clashes have come to the notice of the police but it is also felt that other acts of violence and acts of brutality involving the use of some of the weapons mentioned, have occurred, but that such cases are seldom reported as these people usually prefer to deal with the matter outside the hands of the police. It is not desired to see the number of such instances multiplied.

Only last month two young men made headline news as "anti-bodgies" when, armed with knuckle-duster, hosepipe and hammer, they decided they would clean up the bodgies at a suburban eating establishment. Had a fracas developed, it is not pleasant to think of the injuries and damage that could have been caused by the use of such weapons. Fortunately the

men were arrested and received short gaol sentences for disorderly conduct. Despite the occasional case that comes before the courts, the police have found it very difficult to deal with the problem generally. During latter years there has been a steady growth in the number of persons arming themselves with weapons of some sort, and this tendency has not been confined to criminals. It is felt that if this Bill becomes law, many such irresponsible youths and other persons will think twice about arming themselves, as it will give the police a more effective means of dealing with the problem.

Under the existing law in regard to burglary, the offensive weapon must be found at the time of the committal of the offence and although the Act also provides for dealing with the carrying of a weapon it appears that it cannot be applied if the offender has visible means of support, with the result that offending bodgie types and other criminals cannot be dealt with, as most of them are usually employed. This is an essential measure that will enable a growing problem to be dealt with before it reaches more serious proportions.

So that the memory of members may be refreshed in regard to the instances that I have already referred to, I have here some extracts taken from newspapers in recent times, all of which refer to individuals who carry offensive and lethal weapons. I intend merely to quote the headlines and a few of the remarks that appear underneath them and the first is dated the 2nd June, 1956, being taken from "The West Australian". It reads as follows:—

Bodgie Violence is Problem in Perth.

Perth Police are finding it difficult to deal with bodgie acts of violence and bloodshed—although they know that in certain areas near the city the cosh, the knife and the bicycle chain are used freely.

The next one, also taken from "The West Australian" and dated the 28th September, 1956, is as follows:—

Knife drawn in Row over 2s.

A new Australian drew a knife during a Barrack-st. fight over 2s., the Perth Police Court was told yesterday.

On the 22nd September, 1956, the following appeared in the "Daily News"—

Anti-Bodgies Alarm Drive-in Patrons.

Two men armed with a knuckleduster, a length of hosepipe and a hammer terrorised the patrons of a Nedlands supper bar early today.

The next article, which appeared in "The West Australian," is dated the 6th October, 1956, and it reads—

Youth (20) had Knuckle-Duster.

An unlicensed, sawn-off air rifle and a knuckleduster were found in the possession of a youth who appeared in the Perth Police Court yesterday.

Also, even as late as last week, on the 10th of this month, the following appeared in "The West Australian":—

Man Stabs Girl (15) in Back.

A 15-year-old girl was stabbed in the back by an unknown man in Dane-st., Victoria Park, last night.

After reading those headlines and the short newspaper items, I think members will appreciate that the time has arrived when the police should be granted more power to deal with these people who carry lethal and offensive weapons with a view to ascertaining whether they have lawful means to do so, and if not, the police, by this proposed amendment to the Act, will be able to deal with these people as idle and disorderly persons.

Hon. J. B. Sleeman: An ordinary penknife will not come within this provision, will it?

The MINISTER FOR POLICE: An ordinary penknife would not be regarded as a lethal weapon unless it was used as such by the person wielding it. If the police considered that a penknife had been used as a lethal weapon, they would certainly interrogate the person who used it as such to ascertain whether he had lawful authority to do so. If he could prove that he did, the person carrying the penknife would receive the benefit of the doubt. I move—

That the Bill be now read a second time.

On motion by Hon. A. F. Watts, debate adjourned.

BILL—BETTING CONTROL ACT AMENDMENT.

Message.

Message from the Lieut.-Governor and Administrator received and read recommending appropriation for the purposes of the Bill.

Second Reading.

Debate resumed from the 9th October.

HON. SIR ROSS McLARTY (Murray) [5.34]: When introducing this Bill the Treasurer made a brief explanation compared to that which he made on the Book-makers Betting Tax Amendment Bill. He had much to say on that measure and I propose to follow suit on this one. I suppose all members have received a great deal of correspondence in relation to this legislation. I certainly have and, in fact, I have received much more than I could read. I know that the proposals in the Bill outlined by the Treasurer have caused great concern to racing and trotting clubs both in the metropolitan area and in the country.

My knowledge of practical betting is very limited indeed. I seldom honour a racecourse or a trotting-course with my presence. On the few occasions I do at-

tend I have a small bet, but I have not that practical knowledge of betting which perhaps some members in this House possess. At this stage I think it is the desire of members to see that justice is done to all sections concerned with this particular sport. Each section has submitted its case on why additional taxes should not be imposed upon it and the racing and trotting clubs tell us very plainly that unless they can receive an increased amount from the betting tax, racing and trotting will be seriously affected in this State.

In his speech, the Treasurer said that the legislation is largely in the nature of an experiment. That was true when it was first introduced. The Treasurer said then that it would be experimental legislation. Since its introduction, however, there is no doubt that off-course betting has substantially increased and I presume that more betting shops will be established in various parts of the State as the demand for them increases.

Mr. Heal: What makes the Leader of the Opposition think that off-course betting has increased?

Hon. Sir ROSS McLARTY: If the member for West Perth looks at the turnover figures, he will see for himself that there has been a considerable increase in off-course betting.

Mr. Heal: Do you know what the turnover was before s.p. betting was legalised?

Hon. Sir ROSS McLARTY: No, and neither does the member for West Perth. I can only be guided by the published figures and they indicate that there has been a substantial increase in s.p. betting as a result of s.p. shops being legalised. I suppose there will be a demand, in various parts of the State, for the establishment of more betting shops. I think it can be said that such a state of affairs is likely to happen.

We have had this system in operation for just over a year. The Treasurer said that it has operated with a reasonable degree of success. Of course, there are different opinions on that and among those who differ from the Treasurer is the Premier of New South Wales. I note that on the 5th October, 1956, he was reported in the Press as having said—

It was most unlikely that legalised off-course betting would be introduced in New South Wales, the Premier, Mr. Cahill, said today. The New South Wales Government has studied the off-course betting system in Western Australia and New Zealand and neither seems satisfactory, Mr. Cahill said. In Western Australia attendances have dropped since legalised off-course betting was introduced there, he added.

Dealing with the drop in attendances at racing and trotting meetings, I have been informed that s.p. operators claim that decreased attendances have not been caused as a result of the operations of off-course s.p. betting, but that economic conditions have been a factor in this regard. It was also claimed by them that many more people have turned their attention to other classes of sport. For instance, they mentioned golf. I know that many more people are playing golf and I believe there are larger attendances at football matches of recent times. Of course, there are tennis and other classes of sport to be taken into consideration.

The Treasurer: It is a pity that more young people do not turn their attention to cricket.

Hon. Sir ROSS McLARTY: Yes, it is. I am all with the Treasurer in regard to that. Large numbers of new Australians have also entered the State and they take a great interest in soccer. I know that large crowds attend these soccer matches and that the attendances are increasing. So I suppose there is something to be said for the claim that s.p. betting shops are not wholly responsible for the decreased attendances at racing and trotting meetings throughout the State. However, it also appears that racing and trotting clubs do not share the Treasurer's view that legalised off-course betting has met with a degree of success. They rigidly maintain that it is because of off-course s.p. betting that attendances on the racecourses and on the trotting-courses have been considerably reduced.

I think the Treasurer agreed that because of the effect of off-course s.p. betting, the attendances at racing and trotting meetings have been affected in the metropolitan area. I would have thought that a more adverse effect would have been felt by racing and trotting clubs in the country areas. In the country there is a flat rate charge for admission to the racecourses or the trotting-courses. People have to travel much longer distances to attend the racecourse, and other expenses are involved. Country clubs have intimated to me that they are facing a very difficult situation and they doubt, in some cases, whether they will be able to continue with their racing fixtures.

Naturally, I take notice of what I am told in this regard because in the country districts particularly—perhaps I should not say "particularly" because it applies to racing and trotting generally throughout the State—the men who are associated with the sport and who are members of the respective club committees are serving office because of their love of the sport. I think that statement can be considered to be correct. I know that in the clubs in the country with which I have had some association, the committee members give up a great deal of voluntary time to the sport, for which they receive no reward

Mr. Oldfield: How can you regard racing as a sport? I think it is a racket.

Hon. Sir ROSS McLARTY: Of course, those men do not receive any reward for their services and they carry on their duties because of their keenness for the sport. All clubs are extremely disappointed over the amount the Government proposes to grant them from the turnover tax. I am glad to hear that the Treasurer will not take this Bill into Committee until Thursday next.

The Treasurer: The tax assessment Bill will be held over until next Thursday, but the one before us will be dealt with today.

Hon. Sir ROSS McLARTY: I am not opposing this Bill. There can be no objection to it as long as the tax assessment Bill is held over. If the Bill were defeated, it could result in a disservice to racing and trotting clubs, and they would get nothing extra from the Government at all. I have no option but to support it. The Bill includes a definition of on-course and off-course bookmakers, and also makes provision for a tax to be collected on what are known as commissions. The latter will cause some resentment.

When introducing the Bill the Treasurer indicated difficulty had already been experienced in collecting this tax, the reason being that when a large bet is made and a considerable portion is laid off with other operators, the tax has already been paid in the first instance. I can understand the resentment in regard to the tax on commission.

Mr. Rodoreda: How did you come to understand that?

Hon. Sir ROSS McLARTY: As explained by the Treasurer, it is claimed that taxation has already been paid when the bet is first laid. The Bill makes provision to take into account this factor. I shall refer to percentages that are paid to the clubs and make a comparison with what happens in the other States. In Western Australia the Government pays to the racing clubs 7.88 per cent. of the tax collected, while the Government retains 92.12 per cent.

The Treasurer: Which tax?

Hon. Sir ROSS McLARTY: The betting turnover tax. In addition, I understand the clubs receive £75,588 from the tote. Of course, there are amusement and other taxes which benefit the Government. Making a comparison between Western Australia and the other States for the year ended the 30th June, 1955, in South Australia the amount retained by the Treasury was £550,897 or 55 per cent.; the amount of £371,065 was paid to the clubs and this represented 45 per cent. In the case of Tasmania, £75,460 was retained

by the Treasury which represents 33 per cent.; the clubs received £160,463 or 67 per cent. of the tax. I am given figures to show that the population of Tasmania is 330,000 while that of Western Australia is 660,000. This will give a comparison in the amount of taxes which I have just read out. I would draw attention to the tremendous difference between the percentage of tax provided for clubs by the Governments in South Australia and Tasmania compared with the amount provided by the Government in Western Australia. I am told that despite the fact that the W.A. Turf Club received £25,446 from the betting tax, its position deteriorated to the extent of £18,000.

There is criticism of both the racing and trotting clubs with regard to the amount of money they have laid by as reserves. When one goes into the actual facts, the position does not appear to be as bright as those offering the criticism might make out. In the case of the W.A. Turf Club it has £30,000 in Commonwealth bonds. Like many others who have invested in Commonwealth bonds, if the club wanted to realise on that asset today its holdings would have to be sold far below par value, particularly those bonds which pay 3½ and 3¼ per cent. interest. I have been told that the club has a very substantial overdraft with the bank. It obtains the overdraft because it is able to put by certain reserves. I have also been told that if the clubs do not receive a greater proportion of the tax collected, they will find it extremely difficult to carry on.

Among much of the correspondence which I have received on this matter is a letter from the Fremantle Trotting Club which says that its position is very difficult and it is sustaining a substantial loss. In attributing reasons for the decreased attendances at races in this State the Treasurer said that economic factors play a vital part, yet in the other States there are increased attendances at racing and trotting meetings.

Mr. Heal: Last year the A.J.C. lost £10,000.

Hon. Sir ROSS McLARTY: I believe it did. Some very wet days were experienced, and that resulted in reduced attendances.

The Treasurer: Some very hot Saturdays were also struck.

Hon. Sir ROSS McLARTY: Such a condition might also make a difference to the attendances. This Bill decides the percentages of the taxes that are to go to the clubs. I would make this appeal to the Treasurer: This is an important matter to the clubs and I would ask him to hold over the Committee stages of this Bill until next Thursday. The Treasurer nods his head in agreement, and I am very grateful to him for that. He will be asked

to allocate a considerably greater proportion of the taxes to the clubs than is proposed under the Bill. I know that he has increased the allocation from 20 to 40 per cent. of the taxes. That appears to be a substantial increase. Even so, I am informed by the clubs that this will not enable them to carry on successfully. It appears that the Treasurer will have to give serious consideration to the amount which the clubs are to receive.

I prefer to leave my general remarks till the tax assessment Bill is dealt with and respecting which the Treasurer has already given full details so that every member of the public may understand them. When that Bill is dealt with further, we can examine his proposals more thoroughly. We would be critical of the Bill in its present form. I am not suggesting that the Treasurer should increase the tax but that he should give greater consideration to the racing clubs. After all, racing can be termed an industry today, and in that I include trotting. A large number of people are employed in it and its ramifications are widespread.

The Treasurer: Some people have facetiously referred to it as the stable industry.

Hon. Sir ROSS McLARTY: They are people with a much quicker wit than I have. It does create a great deal of employment on account of its widespread ramifications, now that racing is accepted as part of our way of living. If we were to introduce amendments to kill the sport or seriously affect it, that would not be in the best interests of sport generally. The Treasurer said that clubs should do more to encourage patronage from the public. I would ask him: In what direction could this be done? An attempt was made by introducing the system of free admissions to the leger. I am told it was not too successful although every effort was made to encourage people to go to the course. I do not know in what direction the clubs can give further encouragement to their patrons.

The Minister for Transport: It is obvious you do not go to the races very often.

Hon. Sir ROSS McLARTY: I said earlier on that I do not attend the races very often. In order to attract patronage, country racing clubs pay either the whole or a very substantial portion of the freight for the horses that are racing. I know that the W.A.T.C. and the W.A. Trotting Association are anxious to make further improvements or to provide additional amenities for their people, but under present circumstances are not able to do so. They tell me very definitely that under the proposals in the Bill, if it be agreed to, they will be in a still more serious position. After hearing them, I am quite prepared to believe that what they say is factual. I will reserve the rest of my remarks until we discuss the next measure. I support the second reading.

MR. CORNELL (Mt. Marshall) [6.21: May I, with your indulgence, Sir, preface my remarks by offering my congratulations to you on your elevation to the Speakership? An absence in the early part of the session with a bronchial emphasis prevented me from being here to proffer my congratulations on that occasion, and I do so now. I know that you would like me to confine my remarks to the Bill, and I am of too generous a disposition to do other than agree with you in that respect.

The SPEAKER: Hear, hear!

The Minister for Transport: Order!

Mr. CORNELL: As this Bill relates to horse-racing, may I say that, despite the brief interruption in your training recently, I trust that you will finish the course full of running and, provided there is no change in the stable at the end of the race, you will see your course clear to enter for a further event; that, unlike your predecessor, who was always a bit "toe-y" at the barrier, you will feel inclined to do that.

When this measure was first before the House, it was stated by those who sponsored it that its prime purpose was to correct the then unsatisfactory position, and that the revenue that the licensing of s.p. operators would bring in was a secondary consideration. It was said that s.p. betting and its concomitant evils had become a floating kidney in the body of Western Australia, and that the measure would correct that position to the betterment of racing generally.

I think we all agree that the s.p. betting shops are well kept and well conducted; but the registration of s.p. shops has, to my mind, made it a little more difficult for those controlling the sport of racing to keep it, shall we say in common parlance, clean. Previously, when the connections of a horse were brought before the stewards and inquiries were made into its performance, it was not legitimate for the connections to adduce evidence that they had backed the horse s.p.

It was then not unknown for fictitious bets to be made with course bookmakers, and false tickets to be provided as evidence that the horse had been legitimately backed. If those tactics were proved to be correct at that time, the appropriate racing authority could satisfactorily discipline the offending bookmaker. Now, with s.p. betting legalised, this aspect is to a degree intensified; and a recent case in Perth in which an s.p. bookmaker was fined for not recording a bet, and thereby evading turnover tax, would seem to prove that.

The Minister for Works: That is not quite the true position. He was not fined for evading turnover tax.

Mr. CORNELL: He was fined for non-recording of a bet.

The Minister for Works: Actually he paid more turnover tax than if he had not made the alteration.

Mr. CORNELL: That is so. The point I am making is that there were grave doubts whether the bet was actually made.

The Minister for Works: That is different from what you said.

Mr. CORNELL: The controlling authority had no means of disciplining that book-maker. It could merely report the circumstances to the Betting Control Board which could deal with the man in any way it thought fit. On this occasion the man was cautioned.

Mr. Oldfield: The racing and trotting authorities don't take cognisance of the fact that a man backs a horse off the course.

Mr. CORNELL: I think that now that s.p. betting is legalised, they would have to take some cognisance of the fact.

Mr. Oldfield: They don't.

Mr. CORNELL: They do!

Mr. Oldfield: No, they don't!

Mr. CORNELL: I do not propose to enter into a "they do-they don't" contest with the hon. member. I am saying that they do. Whilst the question of revenue at that stage of the measure may have been incidental, it certainly looms large now in the financial considerations of this particular Treasurer, and will do so with regard to some future Treasurer, and it is something which cannot easily be ignored. According to the figures supplied by the Treasurer for the 12 months, the turnover on betting in this State was £24,000,000, of which off-course operators held £17,000,000. The totalisator figures for New Zealand, after some years of operation, were in the vicinity of £21,000,000. As the population of New Zealand is roughly three times that of Western Australia, our figure is somewhat staggering.

Mr. Heal: That could be taken to prove that a lot of illegal betting is going on in New Zealand.

Mr. CORNELL: When we take into consideration that in addition to that sum of £17,000,000 there has been placed on the course the sum of £7,000,000, and there has been another £15,000,000 spent by the community annually in booze, we must find in those figures a cause for some concern that such a colossal amount is spent in this State in those two avenues.

The Minister for Transport: That £24,000,000 is probably really something less than £5,000,000. It is revolving.

Mr. CORNELL: I will go part of the way with the Minister. The fact remains that it was expended. We will never know exactly what the figure is. The sum of £24,000,000 was the gross turnover. I am not prepared to say that £5,000,000 was the actual figure, and I think the Minister was drawing a long bow. However, I do

not want the Minister and myself to indulge in the pleantries in which the member for Mt. Lawley and I were engaging a few moments ago.

The Treasurer: Part of the total spent on booze causes a certain amount of revolving.

The Minister for Health: Anyhow, none of that money is lost.

Mr. CORNELL: I do not know. When this legislation was introduced, it was forecast that it would be damaging to the sports of trotting and racing in this State. I think it is agreed that that has happened; but it has occurred a good deal quicker than was forecast, and both racing bodies in Western Australia have experienced a very adverse financial result during the racing year just completed. The W.A. Trotting Association reports a substantial loss and the W.A. Turf Club had to make inroads into its reserves in order to get by. The W.A.T.C. has expressed considerable alarm at the adverse movement in its financial position, and the W.A. Trotting Association incurred a loss of £9,000.

Both totalisator turnovers and the admission charges are down by roughly one-third according to the latest figures supplied by the W.A.T.C. That decline has continued in the three months that have elapsed since the close of the racing year. Country trotting clubs have experienced their worst year since the war. The number of trotting meetings proposed to be conducted by the North-Eastern Districts Trotting Council, which is in the area I represent, is 24 for the current year. Two years ago it was 42, and that was the figure for three successive seasons.

The Treasurer: There would be scarcely any off-course betting, would there?

Mr. CORNELL: I do not assert that the incidence of s.p. betting has brought about that result. That amount of money held by s.p. operators in respect of country trotting events is negligible. I cannot quote figures in respect of country racing events; but I know, by checking, that the amount held by s.p. operators in respect of country trotting meetings amounts to practically nothing. Country trotting clubs are to a degree dependent for their financial success on subsidies received from the W.A. Trotting Association, and down the years the sum has amounted to £1,000 per council per annum. Last year the clubs received £500, and this year it is contemplated that there will be a further reduction.

Country trotting clubs have not the expense, nor have they the revenue of the parent organisation. The subsidy they receive from the parent body resulted in financial stability for them; and if the subsidy is cut off, some of them will undoubtedly cease to race. Some have already reached that stage. Two clubs in

the North-Eastern Districts Trotting Council dropped out during the last racing season.

The decision to reduce licence fees of s.p. bookmakers from £500 to £100 in the metropolitan area, and from £150 to £50 in the country, thereby depriving State revenue of nearly £50,000, is to me rather difficult to follow. The fee paid by an enclosure bookmaker at trotting meetings is £30 per meeting. Last season there were 39 meetings at Gloucester Park and, I think, 12 at Fremantle. If a bookmaker fielded at only 60 per cent. of these meetings, his outlay in respect of licence fees for the year would have been £930; and I feel that 60 per cent. is a good deal less than the average.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. CORNELL: Prior to the tea suspension I was pointing out that the course bookmaker registered with the W.A. Trotting Association, if he operated at only 60 per cent. of the meetings conducted by that body during any year, would pay to the association, for last year at any rate, a licensing fee of £930. On the same basis a leger bookmaker licensed with the W.A. Trotting Association would have paid £465 for the privilege of operating at 60 per cent. of the trotting meetings conducted during the last racing year. In addition, course bookmakers pay 3d. stamp duty on every ticket issued, whereas their opposite numbers in the shops pay only 1d. I do not propose to labour the point because I realise that there are certain circumstances connected with it. For instance, the shop operator would write a number of smaller bets, many more than the man on the course.

Mr. Rodoreda: They also have a lot of other expenses.

Mr. CORNELL: As the member for Pilbara has indicated, s.p. bookmakers have a number of other overhead charges which are not applicable to course operators; and in that respect I quite agree with him. But surely some reductions and some economies could be practised in what to my mind is a very expensive set-up in some betting shops! Surely some reduction in the hours in which betting shops should remain open could be effected!

It is a farcical situation that betting shops have to remain open for periods during which no business can be transacted. Overheads such as wages and so on still have to be met even though no business is being transacted during that period. I think with a more sensible approach we could evolve some system whereby betting shops would not be required to remain open for the very long hours which they have to do under the present circumstances. In that way, some reduction in the cost of operation could result.

However, to get back to the vexed question of licensing fees, the Treasurer has indicated that the increase in several sets of governmental charges are, as he says, inescapable and will surely have to be implemented. In view of the State's parlous financial position, can it forego the £50,000 per annum which will be the case because of the virtual abolition of licensing fees paid by s.p. bookmakers? I urge the Treasurer to reconsider this particular point because I think he may have been ill-advised in granting that very considerable concession at a time when the State is scraping the bottom of the revenue barrel to carry on.

It is proposed, under this legislation and the Bill that goes with it, to increase the turnover tax from 1½ flat to 2 per cent., subject to certain reservations. That is a flat rate irrespective of the turnover handled by particular bookmakers and, to my knowledge, is opposed to all known tenets of taxation. If it were applied to the income tax field, although it might be readily acceptable to some classes of taxpayers, it would be subjected to the fiercest criticism, on account of its blatant inequality.

A statement which was circulated amongst members of this Chamber today by a firm of public accountants, with whose professional ethics I do not thoroughly agree, leaves much to be desired because they advance the argument that as turnover increases so the tax should decrease. They have graduated it on a sliding scale which unquestionably slides in favour of the tall poppies in the s.p. game, ten of whom, according to the figures supplied this evening, on a minimum handle £3,000,000 per annum.

Dealing with the sum handled by those ten apostles of s.p. betting in Western Australia, I asked the Treasurer certain questions with the idea of informing myself and other members of the position. The Treasurer—a wily old bird—gave me a rather cagey reply. However, the answer given to the question proves that ten bookmakers, at the very minimum, handle £3,000,000 per annum. It is obvious that the ten gentlemen in question do channel a considerable amount of s.p. betting into their coffers, thereby creating, in my view, a vested interest which is unique in the history of this State.

One large operator is either a liar or a skite because, on his own admission, his turnover is about £1,000,000. The replies to my questions this evening do not confirm that assertion. This enormous figure that is in the hands of a favoured few would not be favourably regarded by any political party and if there have been rumblings in a Victorian cemetery recently, it is probably the remains of the late John Wren turning over for having been born 50 years too soon!

A contemplated amendment to the Licensing Act, which was introduced by the Minister for Justice in this House last

week, proposes to increase licensing fees payable by publicans and others in that trade from 6 per cent. on net purchases to 8½ per cent. According to my calculations—my arithmetic is not quite as good as that of the member for Kalgoorlie—6 per cent. on net purchases in the liquor trade is equivalent to roughly 1.3 per cent. on turnover.

Thus the publican has always paid on turnover more than the bookmaker. The proposed increase will make the tax approximately 2 per cent. on turnover in the liquor trade and thus the publican, who has paid a little more in the past than his bookmaking counterpart, will in the future, by this legislation and the contemplated amendment to the Licensing Act, pay virtually the same.

The reason for the increase, given by the Minister for Justice—and one cannot argue with it—is that it places the licence fees in the liquor trade in this State on the same basis as those applicable in the standard States, which was probably requested by the Grants Commission. But as the standard States have no comparable betting tax legislation, a comparison in that respect is not possible. The Government of New South Wales recently licensed the celebrated one-armed bandits and did give some thought to the licensing of s.p. shops. But on reflection, and no doubt having in their minds the words of that well-known hymn, said, "One step enough for me."

The other evening the Treasurer was rather critical of what he described as the stinking fish attitude of the W.A. Trotting Association. He said that the association was never satisfied. Of course, if we were all satisfied, we would probably not be in this House. History has proved down the years that no one is ever satisfied. I think Solomon had a wife who was not satisfied and the extent of her dissatisfaction was that he slept with his father-in-law! Perhaps the W.A. Trotting Association has reason to be dissatisfied, and the fact that they have possibly been a little vociferous in expressing that dissatisfaction does not make their case any the worse. Their argument, and it is a good one, and it is now being advanced by the W.A.T.C., is that, seeing they provide the wherewithal which enables the betting fraternity to operate, presumably at a profit—

Hon. J. B. Sleeman: I thought the punter did that.

Mr. CORNELL: I have yet to find him, but there may be that rare bird. But as the clubs provide the wherewithal which enables the betting fraternity to operate at a profit, they should receive something commensurate to enable them to carry on at a reasonable standard of efficiency. After all, the W.A. Trotting Association is a responsible body and, among other well-known people who have been entertained at Gloucester Park by the association was

Her Majesty the Queen. I think on reflection the Treasurer will admit that he might have been a little harsh in his criticism of the committee of the W.A. Trotting Association.

In my view, and in conclusion, it is essential that the trotting and racing clubs should receive more income from the turnover tax than they are doing. I do not propose to make any suggestions to the Treasurer as to what increase in their contribution should take place. I think that the amount which he proposes to give them in respect to the s.p. side of the operations could be stepped up, but I have no argument with him in retaining the whole of the turnover tax with respect to Eastern States racing.

As far as the turnover tax applicable to Western Australian racing and trotting events is concerned, I do not think more money should go back to the clubs which have commitments to maintain the sport that makes it possible for the s.p. men and others to operate. If this is not done, I am afraid that in the near future the activities of the s.p. operators and of s.p. betting generally will ring-bark the racing and trotting clubs to such an extent as to reduce them to a rotten stick. I support the second reading with reservations.

MR. WILD (Dale) [7.46]: It is with some reluctance that I am going to support this measure, because I feel that both the W.A.T.C. and the W.A. Trotting Association have received a very poor deal. I am surprised to think that the Treasurer and the Minister for Works who, like myself, frequently visits our racecourses, do not recognise the difficulties these two bodies are now up against following the introduction of s.p. betting.

The other evening the Treasurer indicated, when he spoke to this measure, that economic conditions probably had something to do with that decline. That may be so. His assertion could be quite as good as mine, but we cannot get away from the fact that whilst the number of people attending the races and trots has decreased, the turnover in s.p. shops has gone up. I do not see, therefore, how one can possibly line up with this the assertion that economic conditions have brought about the decline in the number of people and the amount of money being invested on the two major courses and the subsidiary courses in Western Australia.

When the parent Bill was introduced in this Chamber, I gathered that it was not introduced with the idea of being a taxing measure—although, of course, I suppose that was ancillary to it—but with the idea of bringing something into the Treasury that we did not have before. If we look at the speeches made by the Treasurer and the then Minister for Police—Hon. H. H. Styants—when that measure was introduced, we find that they both

gave a very clear indication that their main object in bringing the measure down was to clean up the mess that had been apparent for years in Western Australia relative to s.p. betting.

I intend to read one or two excerpts from the speeches made by these two gentlemen in support of my contention. When Mr. Styants introduced the measure on the 9th of November, 1954, this is what he had to say —

I suggest we make a realistic approach to this problem and see if we cannot legalise it and place it on a better footing than it is at the present time. I know there will be those who will say later on that it will undermine the morals and morale of the people in this State if we legalise s.p. betting. I would draw attention to the fact, however, that s.p. betting is going on in great volume in this State now, and it is being carried on under conditions that can only be described as unsavoury.

When referring to Tasmania he had this to say —

I think it is to the credit of Tasmania that they should have recognised years ago that there was a strong public demand for s.p. betting which warranted their doing the honourable thing by legislating to legalise and control it.

His final sentence reads —

This is a genuine attempt by the Government to put the question of s.p. betting on a much higher and better footing.

We then find that during the course of his remarks the Treasurer had this to say when referring to the problem of gambling or no gambling —

In order that those who are bookmakers shall operate upon well defined principles, and in order that those who do business with them might be protected and might get a reasonable deal for their money, as far as that is possible in betting on racecourses, and in order that racing and trotting clubs, which basically provide the sport of racing and trotting, might get some financial assistance from the operations of these s.p. bookmakers.

Then he finally said —

We should say to ourselves that the choice we have at the moment is between a Bill that will legalise these operations—one that will strictly control them and keep them strictly under supervision—and the prevailing system of widespread illegal s.p. betting operations with no control, with no supervision and with those who indulge in it, and must break the law, being left to the discretion of the local policeman.

So I think it was in the minds of both the Treasurer and the Government at the time this legislation was introduced to overcome an impasse that had been in existence for many years, and the question of how much money they were able to wring out of the bettor, both the s.p. and the man who bets on the course, was, in the main, only a secondary consideration. In observing what has transpired since the parent Act was introduced over a year ago, those of us who have been associated with on-course operations as punters know very well that slowly, and bit by bit, both the racing clubs and the trotting clubs are reaching a point—and the day is not far distant—when it will be impossible for them to carry on.

They have tried all sorts of innovations to attract punters. In the trotting world both the parent body and the Fremantle club have tried Friday night trots to see if they could get hold of the pay packet before the bettors went to the racecourses on the following Saturday. They have improved the bar and other facilities; they have introduced topflight jockeys from the Eastern States and all the rest of it, but the hard cold facts are that slowly the number of people who have been paying to go through the turnstiles has been growing less and less, and the result is that when they do get inside, these fewer people invest less and less in the totalisator. I submit—and I think the facts prove this—that in order to attract people to attend races or trots, we must provide good stakes. How are we going to provide good stakes with decreasing attendances? I do not know how it can be done.

If one looks at some of the efforts made to arrest that drift, one can see that that contention is not far wide of the mark. When we have topflight jockeys brought to Western Australia from the Eastern States to ride in invitation races, we find a crowd of people as large as one would see at a Perth Cup race. That equally applies to the trots when the trotting club brings over trotters from the Eastern States for the interdominion races. People will attend these events if they contain a top-grade programme. However, we are reaching a stage when neither the W.A.T.C. nor the W.A. Trotting Association can afford to provide big stakes.

It is interesting to compare the stakes offering here with those in vogue in South Australia. I think they are comparable because both States are about on a par with regard to population. I had a look at last Saturday week's programme and I saw that in Western Australia the largest stake we paid was £350. I admit it is the off-season at the moment but, taking a line through, we find that that is what is paid at the big courses as against Belmont and Helena Vale. Yet when we look at

the figures for South Australia we find that the smallest race in South Australia has a stake of £600.

If we then turn to the country clubs we find the comparison is also very much in favour of South Australia. It clearly indicates the paucity of the stakes offered here. Let us take the last meeting at Northam, for example. It was held two or three weeks ago and I see that the stake for the Northam Cup was £260. But every other race was to the value of £70. In South Australia there is a small place, which I am sure the Treasurer would know, called Strathalbyn, which is probably a quarter of the size of Northam but which has a hinterland similar to Northam. It has little or nothing in the way of industry; it consists of a bit of dairying country and a few sheep.

When we look at the figures for the races there, we find that the smallest stake offered was £105 and for four of the main races £150 was provided. This again indicates that the stakes in South Australia are twice those offered here. If good stake money is offered, it must obviously make for cleaner racing. Today it is extremely difficult for anybody to race a horse for under £10 a week. The training fees range between £5 10s. and £6 10s. a week to which, of course, must be added the amount of the farrier's fees, which has risen from 5s. to £1. There are also the nomination fee of 30s. to £2, acceptance fees, losing jockeys' fees, transport to and from the course, and quite a number of other incidental expenses, so that it is difficult to race today for under £10 a week. That being the case, I would ask those members who are interested in racing or trotting if they can tell me how many horses there are in Western Australia that win more than two races in any one racing year.

Mr. Andrew: That applies anywhere.

Mr. WILD: If that is so, it is all the more reason why we should do something about the stakes here. In the Eastern States the stakes offered range up to as much as £600 and if owners can win two races there, they would be immeasurably better off than anybody racing horses in Western Australia. If a man is interested solely for the sport of it—and there are still quite a number of such people who race horses—it would be virtually impossible for him to pay his way with the stakes offered at the moment.

Mr. Andrew: They don't rely on stakes but on betting.

Mr. WILD: Unless the man is a heavy gambler, he has no opportunity of making the game pay. It has been looked upon as the sport of kings for generations, and I know there are still a number of people who go out to race their horses for the love of the sport; their investment is a modest £10 or so but they race them in the hope of being able to win one or two events and so keep their horses going.

When we get down to these low stakes we more or less denude ourselves of owners prepared to race on that basis and consequently the inevitable corollary to it must be to bring in connivance. Over the years that has always been with us in racing. When we have low stakes the obvious thing is for an owner to say to himself, "I am going to pull up my horses in the hope of getting better prices," and even though he may win only two races in the one year, he hopes that by betting transactions he will balance his budget.

Mr. Andrew: How long has this been going on?

Mr. WILD: As long as racing has been racing, and certainly as long as I have been associated with it. One has then to say, "What can the clubs do?" The other evening, by way of interjection, the Leader of the Opposition asked the Treasurer what he would do. He, like others in this Chamber, was not able to give the answer, and, if my memory serves me rightly, he said "I do not know." They have tried all sorts of innovations including the free legger. They have tried bringing over jockeys from the Eastern States and have improved the amenities around the course.

What can be done to attract people to the course unless good horses are racing? But good horses will race only if there are worth-while stakes for which they can compete. When one compares the treatment meted out to the course bookmaker as against the s.p. operator, one finds it really becomes staggering. We have the people providing the sport being penalised to pay something extra.

The course operator, if he turns over £50,000 a year or more, is going to move up from 1½ per cent. to 1½ per cent. and, on the other hand, the s.p. operator in the metropolitan area who is able to bet on more races than the course man, is now to have his licence fee reduced from £500 to £100, even though his tax is going up to 2 per cent. I am very certain that if this sees the light of day, the man who was turning over, as an s.p. operator, between £1,000 and £1,500 per week, is going to be no worse off under the increased tax.

Mr. Andrew: You are a bad mathematician.

Mr. WILD: No, I am not. I happen to know one particular man whose turnover was something over £1,000 a week and it will make a difference to him of £14 a year, because I saw his figures for last year. His licence goes down from £500 to £100. He paid just over £600 tax last year and the difference, in being lifted to 2 per cent., means a net loss to him, if he has the same betting figures in the forthcoming year, of £14. This is a sport patronised by people in all walks of life.

As regards trotting, it has provided a pastime, particularly for people in the lower income group, seeing that they have been able to go to the trots with their

wives and spend a very pleasant evening for a small amount of money. However, now when one goes to trotting meetings, either at Gloucester Park or at Fremantle, one can nearly fire a gun without any danger of hitting anyone.

I now come back to the point that I am absolutely certain that if we are genuine in our attempts to keep racing and trotting on an even keel; if we want to keep this sport in its right perspective; if we want to enjoy a pleasant afternoon or evening, meet our friends and perhaps have a drink or two, we must see that the amount of money given to these clubs is sufficient to enable them to have good stakes which, in turn, will provide better racing. If this is done, I am certain more people will attend these two particular sports.

It is my intention to support the second reading of this measure, but I am going to place an amendment on the notice paper tonight and I foreshadow it to the Treasurer. I feel that the racing and trotting clubs should get at least all the turnover tax from within their own show. That is most essential. If we are going to keep them on an even keel, we have to give them more. Therefore, it is my intention to move an amendment whereby both racing and trotting clubs in this State will retain all the tax from within the course and also a modicum of what is being operated on outside. I support the second reading.

MR. BOVELL (Vasse) [8.7]: In introducing this measure the Treasurer made very few remarks. He confined the major portion of his speech dealing with the introduction of the two betting Bills to the measure to amend the Bookmakers Betting Tax Act, 1954. However, in my opinion, the main principle of this legislation is incorporated in the measure which we are now discussing. I feel that over many years the Western Australian Turf Club and the W.A. Trotting Association have provided amenities for all sections of the community.

Like the Leader of the Opposition I do not frequent the racecourse or trotting meetings on many occasions, but when I do I spend a very pleasant day or evening. The existence of these organisations is now being threatened, and I feel the Treasurer should give further consideration to this measure, which deals with the percentages which these organisations are to receive. The Bill now under discussion provides the means to increase the percentage of on-course to 40 per cent.

During his speech, the member for Dale stated that he intends to move an amendment to allow the Western Australian Turf Club and the W.A. Trotting Association to receive the full amount of tax raised on course betting. I wholeheartedly support this proposal but would go further particularly in regard to the percentage of tax on off-course betting.

The measure later states that the clubs shall receive 10 per cent. of the tax on off-course betting in Western Australia. I would ask the Treasurer to give consideration to raising this amount to 20 per cent. to the W.A.T.C. and the W.A. Trotting Association.

We know from figures already quoted by members that the off-course betting at trotting meetings is very small by comparison with off-course betting on the meetings held by the W.A.T.C. During postwar years, racing and trotting as a sport has extended quite considerably throughout the country districts of Western Australia. In the South-West particularly a number of trotting clubs have been established in postwar years and they have relied on the generosity of the W.A. Trotting Association for funds to enable them to carry on.

Last year because of adverse financial conditions the association's funds were not available to country clubs to assist them in their operations. In the main all work in connection with the organisation and conduct of racing and trotting clubs in country areas is done in an honorary capacity. Without the service of those interested, it would not be possible for these clubs to exist. Now with the discontinuance of financial assistance from the parent organisations, a number of these clubs are faced with the possibility of going out of existence, and for that reason I believe the Treasurer should give earnest consideration to an increase of the percentages of the betting tax paid to the parent organisations.

In addition to providing a very worthwhile sport, the Western Australian Turf Club and the W.A. Trotting Association create a great measure of employment throughout Western Australia. We have the stud breeding of horses and this is quite an extensive business in the rural districts of this State. There are also all the other people concerned with employment within the sport. In addition to being a sport, it is an industry which provides a very considerable work force in the community.

Mention has been made of the decrease in stakes and this is a very dangerous feature in relation to the breeding, racing and training of horses. I know in my particular district there are quite a number of prominent breeders who supply blood stock. I am thinking of Mrs. A. M. R. Bunbury. Her stud has provided Perth Cup, Derby and Railway Stakes winners and so on, and we also have the stud of E. R. C. Roberts, of Capel, and others throughout the lower South-West districts. It is also, of course, quite an industry in the Murray electorate which is represented in this Chamber by the Leader of the Opposition.

I believe, that when he was speaking on the Bill to amend the Bookmakers Betting Tax Act, 1954, the Treasurer did a disservice to those responsible for the administration, especially of the W.A. Trotting Association. By way of interjection I reminded the Treasurer that the W.A. Trotting Association, during the war years, was responsible for raising a considerable amount for charitable and patriotic purposes. If my memory serves me correctly, somewhere in the vicinity of £100,000 was provided by the executive of that association for charitable purposes during those years.

As a member of the R.A.A.F., I was associated with the initial training of most air crew members in Western Australia, and I know that on several occasions the executive of the W.A. Trotting Association made Gloucester Park available for the conduct of inter-unit sports of the Air Force in Western Australia. We had some magnificent displays of athletics there and I want to say now, as I did then as an officer of the Air Force, that I much appreciate the co-operation of the executive of the trotting association at that time.

In addition, we must remember that the W.A. Trotting Association has turned an area, which was formerly a quagmire, into a most pleasant park. This is a feature of Australian sport, not only Western Australian. We have led the way in trotting in Australia, and I do feel that the Treasurer, in his comments the other evening, was not entirely fair to the management of that association.

At the present time racing in other Australian States is experiencing a boom period while we, in Western Australia, are threatened with extinction. What is going to be the position if, through financial difficulties, the Western Australian Turf Club and the W.A. Trotting Association—this, of course, will mean that all the clubs in the country areas will go with them—go out of existence? We will then have to rely on Eastern States racing for any betting we may wish to do.

In my opinion, it is the Government's responsibility to see that the sport of racing and trotting is maintained on a high level. I believe that at the moment both these organisations are conducting their affairs with credit to themselves, and that what they are doing reflects credit on the whole of Western Australia. I understand that early next year we are to have the interdominion trotting championships at Gloucester Park. Such meetings bring thousands of pounds to Western Australia, and without the facility to conduct them we would lose valuable income.

As a country representative, it is mainly my concern to allow this sport to continue in rural areas. At the moment

country clubs are experiencing great difficulty in financing their meetings. The number of races has had to be reduced and now the Busselton racing club has had to reduce the number of its meetings because it has not been able to finance the provision of sufficient stakes to encourage worth-while fields. If the parent organisations are denied an adequate income to conduct their affairs properly, the whole of racing and trotting in the State will either deteriorate to such an extent that it will not be worth while, or it will be completely wiped out. I cannot believe that it is the Government's desire that these things should happen.

The Minister for Health: I shall greatly miss the Quindalup Cup this year.

Mr. BOVELL: Unfortunately this year that little club has had to go out of existence because of lack of funds. It has been my pleasure and privilege to entertain the Minister for Health for the past 10 years at the pleasant little race meeting at which the Quindalup Cup was run, and the Minister has, on a number of occasions, been invited to present the cup. Here is an instance—and for this reason I welcome the interjection of the Minister—of a small country club which has existed, with the exception of the war years, for as long as I can remember, going out of existence—temporarily anyhow—because of lack of funds.

This substantiates my argument that it is necessary for these organisations to receive a higher percentage of the betting tax. I believe that the amendment foreshadowed by the member for Dale will assist materially in maintaining the status quo of racing and trotting in Western Australia. I feel that we should go further and double the present proposal of 10 per cent. to 20 per cent. with respect to off-course betting.

When measures were introduced last year to legalise starting-price betting, the House was given the impression—I gained this impression anyhow—that they were not tax-raising measures. The idea of legalising starting-price betting was to eradicate a sore which the Government contended had grown up within the community in respect of illegal betting. Now, this session, the Government, having been returned to power, immediately comes forward and introduces a measure to get more funds for the State Treasury. I have no real argument in that regard provided the finances of the organisations which are fostering the sport in Western Australia are placed on a sound and satisfactory financial basis.

We in this Parliament control the W.A. Trotting Association, anyhow, by rigid legislation which can come up for discussion at any time. During my 10 years in this Chamber, I have not on any occasion heard any real criticism, which has been substantiated, of the organisers and

administrators of both the West Australian Turf Club and the W.A. Trotting Association. Therefore, I implore the Treasurer to give further consideration to the matter.

In recent weeks we have seen published in the daily Press what the committees of the W.A.T.C. and the W.A. Trotting Association think of the measure. They have courteously told us of the financial difficulties with which they are faced. I hope that, after hearing the discussion on the measure, the Treasurer will agree that it is imperative to—

- (1) maintain the existing high standard of racing and trotting in Western Australia;
- (2) see that adequate funds are provided for this purpose; and
- (3) ensure that the sport in the country areas, especially, is allowed to continue.

Trotting and racing clubs, in addition to providing amenities for country residents, supply, especially in holiday centres, an added attraction for tourists; and we must, of course, encourage the tourist traffic in Western Australia. This is another matter altogether from the one before us, and I know that you, Mr. Speaker, would not allow me to discuss it, but racing and trotting do provide an amenity for holiday-makers and tourists, as has been indicated by the Minister for Health tonight. I trust that the Treasurer will see the wisdom of increasing the percentage to these organisations. I ask him to give serious consideration to that aspect.

THE MINISTER FOR WORKS (Hon. J. T. Tonkin—Melville) [8.26]: I intend to address myself briefly to the Bill and I wish, later, to make some remarks about the proposed taxes to be levied. I shall, therefore, defer what I have to say in that direction until the other measure is under consideration. I feel that I ought to endeavour to correct some of the misconceptions that members appear to have with regard to off-course betting and the effect it is supposed to have on racing. Some people blame off-course betting completely for the falling off in attendances, and the Leader of the Opposition blames it for the increase in betting. I do not think that either of those beliefs is correct.

It is strange that in Tasmania, where off-course betting has been in operation for many years, the volume of betting is actually decreasing; particularly in the shops off the course. Yet, in South Australia where off-course betting operates to only a very limited extent, there is an increase in the volume of betting. If it is sound to blame the increase in betting in Western Australia on the fact that we now have licensed betting shops, then conversely we would have to say that because

of the absence of such shops in South Australia there would not be an increase in the volume of betting.

But what is the situation? I have before me the report of the South Australian Betting Control Board for the year ended the 30th June, 1956. So this is right up to date. This is what the report has to say about the volume of betting—

Bets made with bookmakers amounted to £30,018,756 while totalisator investments were £2,266,685, a total of £32,285,441, which is higher than in the previous year. This is an increase of £4,290,713 or 15.32 per cent. over 1954-55. Bookmakers' holdings were £4,356,408 or 16.98 per cent. higher, but totalisator investments were £65,695 or 2.82 per cent. lower.

Members know that although there is off-course betting in South Australia, it is only in one district and to a very limited extent, so it cannot be blamed for the large increase in the volume of betting there, but it is blamed here, with no proof or evidence but only a straight-out assumption that it is so. In Tasmania the opposite is the case. Members know that in that State off-course betting has been licensed for years, and if it were true that it would continue to flourish at the expense of on-course betting, one would expect a continual growth in the volume of betting in Tasmania.

In this regard, I quote from the Auditor General's report in that State for the year ended the 30th June, 1955. It sets out a table of figures indicating that the volume of betting on racing for 1954 was £2,210,500. For 1955 it was £2,202,517. The volume in regard to trotting for 1954 was £2,240,761 and for 1955 only £1,952,526. On coursing for 1954 it was £2,379,223 and for 1955 £2,267,461. On betting premises it was £4,831,904 for 1954 and £4,405,079 for 1955, or a falling off of over £400,000.

The grand totals were for 1954 £11,662,388 and for 1955 £10,827,583, or a falling-off of approximately £800,000, and that is a State where off-course betting has been licensed for years. If the arguments of members opposite were correct one would expect this off-course betting to continue to have a serious effect on racing with a corresponding building up of the volume of betting off-course, but the opposite is the fact.

Hon. D. Brand: Do not the s.p. shops close there on Saturday afternoons.

THE MINISTER FOR WORKS: They do, but they have done so all the way through and so the circumstances are common for each year and can be disregarded for the sake of this argument.

Mr. Court: But they are not common to this State.

THE MINISTER FOR WORKS: No.

Mr. Court: Were the figures you quoted for the 30th June, 1955?

The MINISTER FOR WORKS: Yes, in regard to Tasmania, but in the case of South Australia I quoted a report for June, 1956, which is right up to date.

Mr. Court: Have you related the betting per head in South Australia to those figures?

The MINISTER FOR WORKS: I will have something to say about that on the other Bill. Let us now look at the attendances. Representatives of the W.A. Trotting Association have been more voluble than representatives of the W.A.T.C. in this connection. I think both bodies blame off-course betting for the situation they are in, but the trotting authorities appear to place all the blame on off-course betting and none anywhere else.

Let us see whether that is justified. Actually the attendances on trotting courses in this State fell to a greater extent between 1953 and 1954 than they did between 1955 and 1956. There was no legalised off-course betting in 1953-1954 and yet the attendances fell by a greater amount. The figures for attendances at trotting meetings were: 1953, 314,000 and 1954, 265,000, a falling-off of 49,000 in the year, with no legalised off-course betting.

In 1955 the attendances were 256,000 and in 1956, 223,000, a falling-off of 33,000; 33,000 during the year when off-course betting has been operating as against a 49,000 drop when it was not operating. The trend, in fact, has continued over a number of years. We did not have several thousand unemployed in 1953-54, but we have them in 1955-56. The economic conditions in this State are not nearly as good now—from the point of view of employment and money in the pockets of the people—as they were in 1953-54, yet the falling-off in attendances in the last year has not been so great.

The position in regard to the W.A.T.C. is not quite so clear. In 1951 attendances were 246,000 and in 1952, 242,000. In 1953 they fell to 231,000 and the downward trend has been on all the time. In 1954 the figure fell to 226,000 and in 1955 to 221,000. There is not a year in which there has been a lift. The trend has been downward every year and it is admitted that for 1955-56 there has been a substantial drop from 221,000 to 156,000, although, of course, there was one less race meeting in that year than is normally the case.

Members know that during that year there were several particularly hot days when one could not blame people for staying away. The downward trend has been there since 1951 and I repeat that, in regard to trotting, there was a greater falling-off in attendances between 1953 and 1954 than between 1955 and 1956.

Mr. Wild: If the weather had anything to do with it—

The MINISTER FOR WORKS: It could have, and it is a change to hear anyone blaming the weather rather than off-course betting.

Mr. Wild: Two or three years ago there were several nights when they had to abandon the trots, and that would account for the decrease.

The MINISTER FOR WORKS: Another strange thing about betting throughout Australia is that in South Australia the number of bets made is reducing although the volume of betting is increasing, so that the size of the bet is increasing each year, roughly from 3s. 6d. to 4s. per year. The size of the betting amount is creeping up in South Australia and one can only speculate as to the cause. The position suggests that there are fewer of the poorer people going to races and therefore the attendances are dropping, but that those who have more of this world's goods are continuing to go and therefore the average size of the bet is greater.

The average size of the bet last year in South Australia, on-course, was £2 and off-course it was about 16s., indicating the difference between the type of person who bets off-course and the type betting on-course. Off-course we must be getting a large number of very small investments, and so the average bet does not reach £1, whereas on-course the size of the average bet is increasing yearly and has now reached £2, resulting in a greater volume of betting. In Tasmania, where off-course betting has been in operation for many years, the volume of betting is reducing, especially in the shops off-course. That seems to upset the argument of those who claim that off-course betting is responsible for building up such betting to the detriment of the racecourses.

Mr. Court: You will admit that the Tasmanian shops are not open during the vital afternoon period.

The MINISTER FOR WORKS: But they were not last year, or the year before, and so that does not account for a falling-off of £400,000 in off-course betting between last year and this year.

Mr. Court: No, but it accounts for the different state of affairs as between Tasmania, South Australia and Western Australia.

The MINISTER FOR WORKS: Not necessarily. If the hon. member examines the figures he will find that the Tasmanian people are more interested in mainland races than in their own, whereas in South Australia they are more interested in their own races and there is not the volume of betting there on Eastern States races that is to be found in Tasmania.

Mr. Wild: They have not the facilities in South Australia.

The MINISTER FOR WORKS: They have, on the racecourses, which they do use to a very substantial degree.

Mr. Wild: But you could not compare that with 200-odd betting shops.

The MINISTER FOR WORKS: Could we not? Look at the figures! The hon. member will be surprised at the amount of betting that is carried out in South Australia on interstate events. It is all set out clearly in the report—I have no intention of reading it all now—and is completely analysed in regard to the percentage of bets to turnover and the percentage in relation to Eastern States events, and so on. It is true that there is not more than about £700,000 of betting a year in the premises.

The great bulk of the betting in South Australia—the betting which pays tax—is on the courses; but do not run away with the idea that in those places where there are no licensed betting shops, there is no off-course betting. There is not a place in Australia where there is not off-course betting in some form or other. The only difference is that these figures for South Australia do not by any means show the total volume of betting taking place in that State. I have seen it for myself in Adelaide, around the street corners on a Saturday morning, with bookmakers taking wagers from punters and not paying any turnover tax on the business. That is not shown in these returns but it is something that has to be taken into consideration.

The purpose of the Government's legislation was to correct a set of circumstances which was a blot upon our existence. There were many towns in this State where off-course betting was being carried on openly and which was making no contribution to the revenue of the State or to the racing clubs, and no Government would do anything about it.

Take Collie, for example, which is one town that comes readily to mind. On any Saturday one could see the bookmakers lined up in the main street, with their radios and their blackboards, laying the odds with immunity, and no Government took any action against them. Then we had the farcical situation in the metropolitan area where men, doing the same thing, were fined for obstructing traffic although they were operating in a vacant block of land where nobody was passing through.

That was a situation which obtained here for years and it was absolutely ridiculous. The Government, by its legislation, endeavoured to correct that state of affairs and to obtain revenue and also to make some contribution to the racing and trotting clubs. Unfortunately, we have struck a year during which the Government itself is seriously short of money; where it is obliged to increase charges in order to get more revenue. Although it

would like to give handsome assistance to the clubs, it must have regard to its own requirements and it is not easy to give away to somebody else that which one requires oneself.

The proposals in this Bill immediately under discussion are confined practically to the proportions which will go to the clubs and to some minor alterations of the Act, but the other Bill, which shortly will be under discussion, is the one on which I am sure most argument will take place because it is in that measure that the rates which are proposed to be levied are set out, and I propose to have something to say on that when it comes up for discussion.

Mr. Bovell: But this is the more important Bill.

The MINISTER FOR WORKS: They are both important Bills, but I would be out of order in talking about the tax rates on this Bill even although the hon. member is trying to force me to refer to them.

Mr. Court: Is there any reason why the Government gives such a small proportion of the total tax raised to the clubs in comparison with that given to the clubs in the other States?

The MINISTER FOR WORKS: I thought I explained that. What the member for Nedlands has to keep in mind is that the amount of money we propose to give the clubs is much greater than the McLarty-Watts Government gave them. There is this difference: The McLarty-Watts Government took it from the punters and took none from the bookmakers. It gave a proportion of what it took from the punters to the clubs.

Hon. Sir Ross McLarty: Are the clubs happier with the set-up under your Government or the set-up under our Government?

The MINISTER FOR WORKS: I would like to ask them that question quietly, because I have not heard them say; but as they are to get about twice as much money under this proposal as they would under the Leader of the Opposition's proposal, I think they would be happy with the set-up under this Government.

Hon. Sir Ross McLarty: They do not appear to be.

The MINISTER FOR WORKS: Well, they are strange people! I repeat that it must be kept well in mind that the amount of money which is being made available is from money obtained from bookmakers; whereas the previous Government raised the money from the punters and, in my view—I cannot prove it, and I would not attempt to, but I hold the view nevertheless—what started the downward trend in racecourse attendances was the imposition of the winning bets tax.

Mr. Wild: Is not the money that is coming from the bookmakers, the punters' money?

THE MINISTER FOR WORKS: Yes, and it was before under the hon. member's Government. The punters not only lost their money to the bookmakers, but also to the Government in tax. Now, however, they do not have to pay tax on their losses to the Government. That was their position, however, under the proposal implemented by the McLarty-Watts Government. In South Australia there is a combination of the two systems. There is a winning bets tax and a turnover tax, so South Australia believes in making the punter pay twice and the bookmaker once.

Mr. Wild: South Australia gives a lot more money to the clubs to enable them to provide a good programme.

THE MINISTER FOR WORKS: It certainly does, and there is a lot to be said for its system. I wish we were in a position to make more money available to the clubs so that they could raise the stakes and improve the standard of racing. That would be all to the good. Many people get their living from racing in various ways. I think it would be a good thing if we could place the racing clubs in a sound financial position so that they would have few worries about being able to continue, but it would be an extraordinary state of affairs if a Government, which has plenty of financial worries of its own, were to place sporting clubs in a position where they had no worries.

Hon. D. Brand: To what extent would your Government have to advance more money so that clubs would have no worries?

THE MINISTER FOR WORKS: We are giving them some money—

Hon. D. Brand: I mean what they ask for.

THE MINISTER FOR WORKS: No Government is in a position to provide for clubs all they want, nor is it likely to be. What the Government has endeavoured to do is to increase the amount of money made available to the clubs and the Treasurer has given an undertaking that he will not take this Bill into Committee but will hold it and hear what the clubs have to say on their own behalf when their representatives come to see him on Thursday next.

However, uppermost in his mind must always be the fact that he is particularly short of revenue, as all members know. Otherwise there would be no justification for his asking Parliament, as he has had to do, to increase charges on the public in various ways. But what would be the use of increasing charges upon the people and then giving the money away to somebody else? That is the strong factor in considering this question. I believe that after twelve months' experience of legalised off-course betting, there would be few

fair people who would deny that considerable improvement has been effected in the s.p. betting world compared to that which previously obtained.

I am not claiming that the system is perfect now by any means. I am not claiming that it has not had repercussions in some directions, but I refuse to admit that it is completely responsible for decreased racecourse attendances or is responsible for the increase in the volume of betting because of the illustrations I have quoted in connection with Tasmania and South Australia. So if we are to have a fair and reasonable consideration of this question, we have to get those false ideas out of our heads and make a realistic approach to the situation in an endeavour to find out what the facts are and not be pushed around by people who refuse to look at the facts but just fasten on to an idea and push it for all it is worth.

MR. COURT (Nedlands) [8.55]: I would like to speak on the Bill because I opposed very strongly the introduction of the original measure. As this is an amendment to the original legislation and we have now had experience of the legal s.p. betting system for over 12 months, this is an appropriate time to review one's approach to the problem. At the time I expressed the view that if we legalised off-course betting, we would create in the community a privileged group which, with the effluxion of time, would increase its power and influence in this community.

If the pressure of the last few weeks is any indication and, going back a few months, if the pressures that were experienced during the last general election are any indication, my estimate of what would result was an understatement because we have seen an extraordinary situation arise in this community. We have had the situation of the Government introducing a measure to increase the tax on betting to a very minor degree and to adjust, also to a minor degree, the amount of money to be paid to the people who make racing and trotting possible.

The Minister for Transport: You are using the word "minor" very loosely. The tax is going to cost the bookmakers many thousands of pounds a year.

Mr. COURT: Maybe it is, but they are playing for very big stakes.

The Minister for Transport: In and out.

Mr. COURT: Any business which has a very high turnover has a large amount of money coming in and going out. These people are only traders in their own way. Instead of buying and selling goods, they handle money. If a punter wins they pay him; but if he loses, they keep his money and more often than not they keep it.

The Minister for Works: Have you any idea of what percentage they keep?

Mr. COURT: That is what I tried to find out from the Treasurer. The Minister has rather anticipated a part of my speech. Seeing he has raised this point I will deal with it now. I asked the Treasurer whether the Betting Control Board or the Government knows the amount of gross profit these off-course bookmakers make. I define gross profit as the amount of money that remains after the winning bets have been paid from the holdings. The Treasurer replied "No" to both my questions and, frankly, that rather staggered me because I would have thought that the Government would have knowledge on that particular point.

Hon. D. Brand: Has the Minister for Works the information?

The Minister for Works: Yes, bookmakers are the same the world over.

Mr. COURT: I would be glad if the Minister could advise me of the margin of profit that is available to off-course bookmakers.

The Minister for Works: It is a question of getting facts, and the facts are that the inquiry in South Australia showed the figure to be 4 per cent.

Mr. COURT: Is the Minister speaking of net or gross profit?

The Minister for Works: Gross profit.

Mr. COURT: I do not think that the Minister really believes that their gross margin of profit is only 4 per cent. It is an extraordinary state of affairs if that is correct. I speak as a layman because I know far less about betting than the Minister. Betting is not one of my hobbies. I enjoy having a bet on the racecourse occasionally, but very rarely. One can only go on the ordinary figures of simple arithmetic that are available, and I took the trouble to make extractions from the newspapers over a period of weeks, although I got almost giddy in the process.

For example, I have taken last Saturday's figures. The official starting prices quoted for seven gallops and seven trots are less than the straight-out prices paid by the tote. Perhaps the Deputy Premier can explain that one away. I know this: Before the public participate in the tote at all, the unseen hand takes out 13½ per cent., some of which goes to the Government and some of which goes to the people who operate the tote. It is a strange thing if the margin is 4 per cent. gross, as the Minister for Works claims, that the tote can take out 13½ per cent. and still pay a straight-out price higher than the officially declared starting price.

It is rather interesting to note that if I had 5s. on every winner at the races on Saturday, I would have won £14 7s. 6d. betting at the official starting price; but at the straight-out price on the tote I would have received £18 13s. 6d. To put the Minister's mind at rest, I did take

off from these straight-out figures published for the tote, the 5s. I would have invested on each race. In my ignorance when I first struck the figures, I omitted to do that.

The disparity was so great that I retraced my steps. Had I made the same investment at the trots, my winnings would have been £8 12s. 6d. on the official starting price, but I would have won £10 19s. had I confined myself to the tote, realising that the tote grabbed 13½ per cent. before it started to give me my share of the remainder.

The Minister for Works: What you are inferring is that the bookmakers must make more than 13½ per cent.?

Mr. COURT: I am not going to be so bold as to say that, because I do not know.

The Minister for Works: That is the way you are arguing.

Mr. COURT: There is a very strong prima facie case that the percentage is something over 10. It is rather significant that when the original Bill was before this House, we received overtures from the most extraordinary quarters and a certain amount of information was then fed into us by some people opposing the Bill and by others who supported it. They were not all church people opposing the Bill; there were some racing people and some betting people opposing it as well. Of course, there were others who supported it strongly. I kept a careful note of the information that was given me on that occasion.

It was claimed then that the figures of gross return to a good bookmaker who knew his book and did not bet extravagantly or rashly, was something over 15 per cent. Somewhere along the line there has been a change in the affairs. We also know that at that time it was fairly general practice for discounts to be given. Certain people handled money purely on behalf of other bookmakers and they received a fairly well recognised percentage. There were people in industrial establishments who collected money on behalf of bookmakers and they were paid a percentage on the gross amount handed over to the bookmaker. The bookmaker carried all the risks and carried the odds.

I find it very hard to reconcile the Government's attitude towards this measure and its defence of the bookmaking system, with its attitude towards the Profiteering and Unfair Trading Prevention Bill. It is a rather strange state of affairs. Certain members of the Government get some fiendish delight by referring to me, the member for Nedlands, as being the spokesman for big business. Somehow or other, that tag was placed on me early in my career in this House.

The Minister for Works: It becomes so obvious at times.

Mr. COURT: Maybe it is. If the Minister gets any satisfaction in saying that, I do not anger very easily, and if it gives him some amusement, it certainly does not annoy me or worry me in the least. One could quite easily say about some people on the opposite side of this House that they become the spokesmen for the big "bookies".

The Minister for Works: You cannot say that with any justification.

Mr. COURT: It is just as fair for me to say that as it is for the hon. member to say that I am the spokesman for big business. Frankly, if I had any choice between the two titles, I would prefer to be labelled as the spokesman for big business than the spokesman for the big "bookies". That is fair comment.

As far as the clubs are concerned, as long as I can remember there has been criticism about the way they conduct their affairs. I have heard people making the comment as to what action the clubs should take to attract patronage. Racing comes and goes; we see it flourish in the Eastern States and we see it in periods of less buoyancy. They must accept changes like any ordinary business. I think that in the main we can say that the people who run the racing and trotting clubs, to the best of my knowledge in an honorary and voluntary capacity, have done a good job over the years.

Mr. O'Brien: We have listened to that all night. How about the poor punter?

Mr. COURT: I have not got round to the poor punter yet.

Hon. D. Brand: The member for Murchison speaks so feelingly. What s.p. book-making shop did he patronise?

Mr. COURT: In spite of the interjection by the member for Murchison, I still say that those people have done a good job. It amazes me that they continue to give it the time and energy they do in the face of the criticism they receive. It is a fairly tough game, and it cannot always be pleasant on the bodies controlling racing.

Mr. Rodoreda: How do you know that they have done a good job?

Mr. COURT: It might surprise the hon. member that I, for some 20 years, went to more race meetings in this State than probably any other member of this House.

The Treasurer: No wonder you are one of the wealthiest men in this State.

Mr. COURT: I wish that were true. I can say this: I probably went to more race meetings than any other person in this State and bet less during that period.

The Treasurer: Were you not blowing your own trumpet?

Mr. COURT: That is the position. I can inform the Treasurer, seeing that he was not Minister for Child Welfare at

that time, that because I was so young on one occasion I had trouble with the Child Welfare Department on account of playing in the band! I have watched racing over the years and I pay a tribute to what those in control have done.

Mr. Rodoreda: Have you watched it over the last four or five years?

Mr. COURT: Yes.

Mr. Rodoreda: From Nedlands?

Mr. COURT: No. I have paid my occasional visits to the racecourse and enjoyed it. I make no secret of that fact. In view of the fact that we accept racing in this community, it should be the policy of the legislature to make it possible for those people to conduct racing under the very best circumstances and the very best conditions. The owner who races for the fun of the game is the one who should be encouraged because it is he who produces the better-bred animal and it is he who lifts the standard of racing. There is no doubt that if there are a couple of outstanding horses running, the public go to the racecourse to see them. They like to see good animals. There is glamour associated with certain horses in the racing game. They, more than any other single factor, attract attendances to the meetings.

I was amazed to find so much criticism by the starting-price bookmakers of the two organisations that make racing possible. Thinking of a quick comparison, it is rather like a man in the hat business, trying to sell hats on the one hand, and, on the other hand, joining a society which tells people not to wear a hat because that will make them go bald. I say that because it seems to me logical that if the races and the trots do not prosper, the very reason for the existence of these starting-price bookmakers disappears. It would appear to me as a matter of commonsense sound judgment on their part to see that the racing and trotting associations are prosperous, but, for some reason or other, it seems to be the done thing for the starting-price bookmakers to attack these people who make their existence possible.

For my part, I think it is the duty of the Government to protect the West Australian Turf Club and the W.A. Trotting Association from these people. One of the arguments advanced by the s.p. bookmakers against the trotting association and against the bookmakers who are on the course, is the fact that the s.p. man is not in the same position to regulate his bets as is the man on the course. After some tedious research in going through the newspapers for about five months, I find that during that period there were 128 horses which won and had firmed in the betting and in that identical period only 17 horses which had won and lengthened in price.

It has been claimed very forcibly to me, and I suppose to other members of the Opposition, that the s.p. bookmaker runs a

terrific risk in spite of this aspect. I should imagine that the ratio of 128 to 17 is not a bad one, and I cannot see he runs a risk. The man who runs the risk is the man who is on the course. In further support of representations for better consideration for the West Australian Turf Club and the W.A. Trotting Association, I want to refer to the current figures in respect of s.p. bookmaking as against the course figures for this current season.

The months of August and September, 1955, showed that on the course the amount of betting was £70,772 per meeting for local races, £7,075 per meeting for Eastern States races on the course and £14,974 for the totalisator. If we take the same period for this year, we find that the West Australian Turf Club figures for on-course betting had dropped to £63,272 for local racing, £6,367 for Eastern States racing and the totalisator was down to £13,199.

If we move over to the off-course section, we find that for the identical periods the figures from racing—I mean the gallops—are as follows:—For August and September, 1955, on local racing the average was £124,687 per meeting. The same period for this year—August and September—averaged £131,315, an increase of some £7,000 per meeting. I may mention that the divisor I used in the case of 1955 was eight and for 1956 it was nine, because there were eight and nine meetings respectively in those periods. The Eastern States betting, possibly due to broadcasting, has shown a decline in 1956 as against 1955, for the figures were £101,738 per meeting in 1955—I refer to off-course betting on Eastern States races—and for the current period £96,948 per meeting.

If we turn to the trots, we find that during the months of August and September in 1955—they were only able to have five race days—on-course betting was £47,630 per meeting and £23,605 for the totalisator. In both cases they are down this year with £38,526 per meeting for the bookmakers and £19,958 for the totalisator. It is interesting to note that during the same period the off-course betting on the trots increased from £40,714 per meeting to £50,430 per meeting. I think these figures clearly indicate, in spite of what the Minister for Works said, that there has been a drift of the betting money to the s.p. shops.

The Treasurer: Would that not possibly be accounted for by the fact that there would be more licences for off-course bookmakers in August and September of this year than for August and September of last year?

Mr. COURT: It could be.

The Treasurer: I think so.

Mr. COURT: I think the Treasurer was fair enough to make some concession to the trotting people and the turf club that

the s.p. bookmaker did in some degree—an indefinable degree—affect the attendances at the course. But the fact remains that there is a greater sum of money being wagered overall during these two months than there was last year in spite of any retrogression that may have taken place in our economic conditions. There is yet another Bill to be debated on this particular subject, and I propose to leave any further remarks until then.

MR. HEARMAN (Blackwood) [9.18]: I do not propose to speak very long. It is my intention to support the second reading because I think it is desirable that the racing-clubs should be given more than they have got as a result of the establishment of off-course betting. The whole argument seems to me to be revolving around the question as to who is deserving of the most consideration. The racing-clubs have produced figures which indicate that the attendances at race meetings have fallen off and I do not think that contention has been seriously challenged by anybody on the Government side.

On the other hand, it is contended that the present increase in tax is the maximum that the s.p. operators can stand. In fact, it has been argued it is more than they can stand. It seems to me we are confronted with two conflicting interests. I do not profess to have a great knowledge of either racing or bookmaking. Personally, since I have been a member of this House, I have not taken advantage of the opportunity given to members to attend either trotting or race-meetings. I have never been assisted politically by the bookmakers so I can at least claim that I am not likely to lean to either side. The question before the House seems to me to be: Who is the more deserving of consideration in this matter—the racing clubs or the s.p. bookmakers? Frankly, I have no hesitation in saying that my sympathies are with the racing clubs, and with them I include the trotting clubs.

During the debate on the introduction of the measure last year to legalise starting-price bookmaking I was, I think, one of the few members of the Opposition who did not speak. I voted against the measure, and I noted some of the objections and fears that were expressed at the time by those who were opposed to the Bill. It seemed to me that the Government was apparently satisfied that the proposals put forward would not have a deleterious effect on racing clubs and racing generally. I hardly think that any Government would bring down legislation of that nature, knowing it was going to have a detrimental effect on racing. In fact, I believe it was thought by the Government at that time that it would not have any bad effect on racing.

It does seem to me that the experience over 12 months indicates that the clubs have suffered. The Government also appears to agree with that contention, to

some extent at any rate, judging by the nature of the proposals. I feel, however, that the clubs are the ones that are morally entitled to the first and prior consideration in this matter. After all, they do provide the racing and the incentive for breeders and all other people who are associated with the sport, to continue. Trotters and gallopers are bred in the country.

The sport is not confined to Perth. There are also clubs in the country. I know that in Bridgetown, in my own electorate, the trotting club started off auspiciously and did a lot of work towards improving the trotting ground, which is termed the greater sports ground. There is also a small breeding industry in that district which has been quite successful. Latterly, however, the club appears to have gone into something of a decline and that, as the member for Vasse explained rather more fully than I intend to, is to some extent due to the fact that the parent body in Perth has not been able to give it the necessary support.

It seems to me that the problem before the House is: Do we want to see the off-course bookmakers kept in business under terms which are reasonably satisfactory to them at the expense of the racing clubs; or should we endeavour to maintain the racing clubs in a satisfactory manner, possibly at the expense of the starting-price bookmaker? I feel that morally the responsibility of the House is to ensure that the racing clubs fare reasonably well.

Various conflicting figures have been put forward as to the amount of tax that can be levied on the bookmakers and so on. Just how accurate these figures are I do not know. They have obviously been produced to lead to a certain conclusion. In fact, one might almost suggest that they have been worked backwards. I find it difficult to accept the idea that it is necessary to maintain the turnover tax as low as it is when I know that before the days of licensed bookmaking, commissions of up to 10 per cent. were paid—2s. in the £—all over the place to people to collect bets on behalf of bookmakers. If it was good enough to pay 2s. in the £, then I ask myself whether the present tax is going to be so hard on off-course bookmakers as to be, more or less, a crippling blow to them. Personally, I think they could stand more.

The Minister for Health: What do you suggest, 5 per cent.?

Mr. HEARMAN: I am not suggesting a figure. I explained that I do not consider myself particularly well informed on this matter. I certainly would not regard myself as an authority on it, but I do find the figure of 4 per cent. quoted by the Minister for Works as being the profit of the licensed bookmaker, rather in conflict with the figure of 10 per cent. that was paid in the days of illegal off-course operations. It is not as though the illegal

operators had no expenses. After all, from time to time, they did "go off" as I think the expression was, and they had other expenses as well. In addition, they used to tangle with the Taxation Department every now and again.

Then again, I know that there are certain expenses required by law, and I think the House agrees that they should be incurred by these people. But I do wonder why the Government also appears to be prepared to sanction such a large decrease in the licensing fees. Furthermore, that decrease would appear to be loaded rather in favour of the operators in the metropolitan area, and therefore the bigger men. After all, they are getting a reduction from £500 to £100 and the men in the country are to come down from £150 to £50.

The Minister for Works: It was done to remove an anomaly.

Mr. HEARMAN: I do not know whether it has removed an anomaly or created additional ones. The point is that there has been a substantial reduction in all licence fees. I do not know what anomaly it was necessary to correct by reducing the fees. I can understand that there could have been an adjustment between the fees to correct anomalies, but why the Government should reduce all fees to correct them, I do not know.

The Minister for Works: You had a situation where the bookmaker in the metropolitan area with a turnover not exceeding £50,000 was paying £500, and the man with a turnover exceeding £500,000 was paying the same amount. Do not say you think that should not be corrected.

Mr. HEARMAN: There are other means of correcting it.

The Minister for Works: We thought we had found the means.

Mr. HEARMAN: The Minister is now starting to develop an argument almost the other way. If it was fair to ask a man with a turnover of £50,000 to pay a fee of £500, we might have asked the man with a substantially larger turnover to pay more.

The Treasurer: We are, through the increased tax.

Mr. HEARMAN: That is common to them all.

Mr. Heal: The bigger man pays more tax than the small man.

Mr. HEARMAN: Yes, and he is entitled to. Surely the Minister is not going to argue that he should not. If there was an anomaly, I could understand how there could be an adjustment on a turnover basis. There might be a way of adjusting this matter of fees, but I cannot see that by a wholesale reduction all round

we necessarily adjust the anomaly. We could adjust the anomaly by increasing some of the fees. I do not know that the indications are that the fees are so high that that cannot be done, although I realise that there is a limit to which we can tax the starting-price operator—the off-course operator—without introducing some undesirable features.

I realise that if we tax him too high we will possibly start a lot of illegal operators, but the indications are that we have not yet got to that stage because I believe there have been very few prosecutions for illegal operations off-course. Although I am not expected to be particularly well informed on these matters, so far as I know there has not been a great deal of illegal off-course betting. It seems to me that one of the indications of our reaching saturation point with this particular form of taxation, would be an increase in the number of illegal off-course operations. So far, the indications are that that has not arisen, although it was one of the fears expressed during last year's debate. I am not convinced that the off-course operator cannot afford to pay more and I do not think it is logical to suggest reducing the fees in order to remove anomalies. That is not the only way in which to remove them.

Personally, I do not believe the off-course operators are at saturation point in regard to taxation and I am convinced that the W.A.T.C. and W.A. Trotting Association are suffering considerable disabilities. If the Government is to keep faith with the intention expressed last year, which was to see that the W.A.T.C. and the W.A. Trotting Association were not put at a disadvantage by this legislation, it should ensure that the position of those bodies is maintained and protected. So far as I know it has not been argued that those clubs are not managing their affairs in a proper and reasonable manner. Of course, if they were given a tremendously big hand-out, it could lead to inefficiency.

In New Zealand the clubs receive much more revenue from off-course operations than is the case here but I do not know that the indications there are that the money they get has been mis-spent or wrongly handled. I do not think that would occur here, either. In my view the clubs have established a case for greater assistance. The Treasurer made some remark about the W.A. Trotting Association crying stinking fish, and so on. If he had explained to us why he made that remark, it might have carried more weight, but merely to make abusive or derogatory statements about such an organisation is not a convincing argument. I think the Treasurer should justify his statement a little more. We have an obligation to protect the interests of these clubs. Although

I support the second reading, I think the measure should go much further than it does.

MR. OLDFIELD (Mt. Lawley) [9.34]: The thought paramount in my mind is that the debate has taken an amazing turn, because one point completely overlooked so far is that all the money involved originates with the mug punter, no matter what is said about how much should be taken from the bookmakers and handed to the clubs and how much should be retained by the Government. We must realise that any form of taxation should take from the source only what that source can stand. Bearing in mind the amount of money involved in betting turnover, I feel that, after only 12 months' experience of this legislation, it is not possible for anyone to decide what is the perfect amount to take from this industry by way of taxation.

Earlier in the debate the Minister for Transport suggested that out of the grand turnover of £25,000,000 only £5,000,000 would be actual cash which could be won or lost, and the member for Mt. Marshall spoke along the same lines, to the extent of agreeing that the figure would be only about £5,000,000. It must be possible to get from somewhere figures showing the actual amount of money won or lost on the racecourses and in the betting shops. We cannot tax the bookmaker, either on or off the course, to an extent greater than the amount it is possible for him to win. In like manner it is not possible to tax the totalisator more than it can afford to pay, without reducing the dividends to such an extent that it would be no longer attractive to the investor.

Throughout the years the operation of the totalisators has proved satisfactory to all concerned, though, of course, the Government takes the lion's share while the racing or trotting club is considered secondly, and the totalisator company thirdly. When the original measure was before the House I was opposed to it and I am still opposed to the legislation in principle because I am opposed to betting in principle. However, it is now law and we must judge the case presented to us at this stage.

It has always seemed to me to be highly illogical that we should allow only two sports—racing and trotting—to be bolstered up by gambling, while all other forms of gambling are considered highly illegal. In the Eastern States dog racing is legal and the Western Australian professional footracing league, I understand, wishes to have bookmakers at its meetings. That body claims that that is the only way in which to attract people to attend the sport. It therefore seems to me that it is not the racing or trotting but the betting on those events which is the sport.

If we chopped out the totalisator tomorrow and abolished the bookmakers, there would still be illegal off-course bookmaking and possibly some illegal betting on the course, such as now takes place at log-chopping competitions and so on, but the attendance would probably drop by 90 per cent. At present we allow betting, which to my mind is immoral, on racing and trotting but will not allow other sporting bodies to subsidise their sports by gambling, nor will we allow our clubs to subsidise themselves by means of the gambling machines known as one-armed bandits.

In spite of that, we are asked to continue to allow the racing and trotting bodies to bolster their sport by an illegal and immoral means. Surely we cannot have it both ways! Gambling must be either right or wrong, from a Christian standpoint. We cannot say that it is right to bet on horse-racing or trotting but wrong to bet on any other form of sport. If we allow betting on racing, we should allow betting on football and I am sure the East Perth Football Club—or any other of them—could do with a few shillings from that source.

Mr. Evans: There is nothing wrong with two-up.

Mr. Hearman: Not that you are aware of.

Mr. OLDFIELD: Furthermore, in recent months I, like other members, have been unable to go to my mail box outside the Chamber without receiving letters from somebody who is wanting something out of the s.p. turnover. From the letters that have been written, it is apparent that racing has been carrying on for the last two years only in the hope that the Government will give these people some extra money in the future.

Mr. Heal: It has become a socialised sport.

Mr. OLDFIELD: Bookmakers, too, have been concerned about what is likely to happen to them. I can remember, before the Betting Control Act became law and the Bill was before this House, course bookmakers were very much opposed to it and said that if it were passed, they would be unable to compete. They even went so far as to say that it was playing into the hands of the W.A. Trotting Association whose idea was eventually to abolish bookmakers in favour of totalisators. They said that the Bill was a move to abolish bookmakers from the course.

However, I notice that they are still there and each year they renew their licences for a further 12 months. No matter what tax is put on the course bookmaker, he will pass it on. He is a businessman and he operates like a totalisator. When further charges are placed upon him, he reduces his odds accordingly. I

believe that in England they call them turf accountants or turf commissioners but here we call them bookmakers.

The Minister for Works: How does the s.p. bookmaker reduce his odds accordingly?

Hon. A. F. Watts: He did not mention the s.p. bookmakers.

Mr. OLDFIELD: I was talking of the course bookmakers and I made that quite clear. He reduces his odds to meet whatever outgoings he has.

Mr. Lapham: That is all right in theory but it does not work out in practice.

Mr. OLDFIELD: Yes, it does. They know their turnover over a period and they reduce their odds to meet their outgoings. Some could be described as gamblers but the good bookmakers do not gamble and could be called turf accountants. They have been in existence for many years; they are still there and will be there for many more years enjoying a standard of living much higher than that enjoyed by the member for North Perth.

Mr. Hall: What would be wrong with having a phone service so that they could get their turnover?

Mr. OLDFIELD: I am not worrying about that angle at this stage. If further charges are imposed on a course bookmaker he reduces his odds to meet the extra outgoings, provided that such extra charges are not so great as to make the price unattractive to the public. The member for Nedlands pointed out, from last Saturday's racing and trotting results, that if a punter had patronised the tote and picked all the winners—it has not been done yet, but I suppose it could be done—he would have obtained a greater reward for his outlay than if he had patronised the bookmaker. I think he set out to prove that although the tote took 13 per cent., bookmakers were getting more.

That does not always work out, however, and if one analyses the position one realises that the totalisator people always take their bite of 13 per cent. before any dividend is declared. We all know that if every person on the racecourse backed the winner on the tote, and no other horse was backed, the tote would pay out only 4s. and the punter would lose 1s. out of his 5s. But if every person on the racecourse backed the winner with a course bookmakers, and backed no other horse in the race—of course, the odds would be at least 10 to 1 on or 20 to 1 on because it would be an odds-on favourite—the course bookmaker must lose.

One need not be an Einstein to work that out and if, at a race meeting, the seven favourites won, the tote would still retain its 13 per cent. but no bookmaker would have a profitable meeting under such circumstances, no matter how clever he might be—that is, provided he was bookmaking and not punting. So I feel that

we should not be too hasty in any decisions we make because we might kill the goose which lays the golden eggs.

On the other hand, we do not want to jeopardise the future of racing and trotting until we are in a position to know just what this industry can stand by way of taxation, because whatever money we take from it comes from the punter and, after all, the punter has only a certain amount to spend.

Recently we have heard a good deal about the drop in attendances at race meetings. This has happened right throughout Australia and it is obvious that the prevailing economic conditions are having their effect, the same as they are in regard to hire purchase for household appliances. People in all businesses today are complaining that operations have slackened off because of the economic conditions. Racing being a luxury, so to speak, it is only natural that the working people cannot afford to attend the race meetings and throw their money away, which is really what happens. We know that some people are foolish enough to try to win, but the successful ones are very rare.

I do not think the racing and trotting clubs have been as active as they might have been in endeavouring to attract patronage to their meetings. In the past it was sometimes impossible to get on the train to go to the headquarters racecourse; it was even difficult to hire a taxi. People were fighting to stand up on the trains and during those boom periods conditions on the racecourses were not as attractive as they could have been. Little improvement has been made to them since then, especially as regards catering.

Those of us who go to the races from time to time have seen the unsatisfactory conditions which exist there, particularly at the bars. We all know that if a person goes to get a cup of tea and a sandwich, the tea which is served has been made at 12 o'clock and brewed and boiled and still served up till 3 or 4 o'clock in the afternoon. The sandwiches, too, must have been made on the Wednesday prior to the Saturday's meeting. That is factual, and people have been complaining about it for years. While that sort of thing is going on, the racing clubs can hardly expect people to go to the races unless they are ardent and inherent gamblers. Those who go only for a day out like their meals to be served in a decent manner, and so in this regard alone the W.A.T.C. could be criticised for being a little over-ambitious during that boom period.

In the immediate postwar years it undertook to develop racing but I think it did so on a scale which the people in this State could not afford. Had the W.A.T.C. imposed a levy to create a building fund, I am certain that it could have built a very attractive racecourse equal to

any in Australia. Horse-racing was originally conducted at Belmont Park. Prior to that there was another racecourse at Riverton. In my opinion, it is rather an expensive luxury to have four racecourses in a community the size of ours. I am certain it is something that this community cannot afford.

If the Western Australian Turf Club had been content to restrict its racing fixtures to the Belmont racecourse and to headquarters and if it had developed those two courses to a high degree instead of embarking on the ambitious scheme that it did, it might not have found itself in the position it is in today. Also, the W.A. Trotting Association was extremely generous in trying to foster trotting in the country, but it was probably over-ambitious in its endeavours.

When I saw the registrations of racehorses and trotting horses in this State, I was amazed that a population of 600,000 people could keep so many thoroughbreds in racing trim when one considers that it costs approximately £5 a week to keep a racehorse or a trotter in training and, in addition to this expense must be added the jockey's fee, starting fees, etc. This is a tremendous expense for anyone who desires to own a horse and who follows this sport.

Therefore, when we consider the provisions of this Bill and the one that is to follow, we should have regard to the fact that racing clubs are not altogether free from criticism for the position they now find themselves in. I also think we should have some regard to the fact that there are far too many racehorses and trotting horses registered in Western Australia. Furthermore, I feel that there are far too many people trying to get an easy living from racing and trotting instead of its being regarded purely as a sport because under the Act it is permitted to exist as such. Those are the problems which are uppermost in my mind and I trust that members of this House will have regard to these matters when the Bill is considered in Committee. I support the second reading.

HON. A. F. WATTS (Stirling) [1954]: Every member knows that when the parent Act was before Parliament I did my best to obtain its defeat. I remember saying at that time that the effect of legalising s.p. betting shops would be to give people the idea of making much more use of the betting facilities than they would if they had remained illegal because making the shops legal gave them an air of respectability and therefore the net result would be that the amount of betting conducted in s.p. betting shops would increase rather than diminish or remain as it was.

After hearing all the arguments that have taken place in this House this evening, I am perfectly certain that such a

result has been achieved in the last 15 months and is the major cause of the trouble which is facing the racing clubs and the W.A. Trotting Association at the present time. My attitude to the parent Act now is this: It was passed according to the methods with which we are accustomed to deal with the laws of this State and having been passed in that manner, so long as it continues—which in its present shape will be to the end of 1957—all those who are governed by it are entitled to a fair deal, and so we proceed to consider this amending Bill not in the light of the desirability of having s.p. betting shops—because I think they are still undesirable for the reasons I gave two years ago—but because the law exists and it is our duty to assist in its proper administration while it remains on the statute book.

Therefore, it would be fair to say that I support the second reading of this measure only because if I did not do so, I should be depriving the racing clubs and the W.A. Trotting Association of the extra money the Bill proposes to give them, assuming, as I do assume, that the estimates offered by the Treasurer in the course of his speech are reasonably accurate. Otherwise, so far as I am concerned, there would be no virtue in this amendment. My only reason for being concerned, even in that aspect, is that I feel that if there were not in operation efficient racing clubs and a trotting association to provide the facilities which enable these betting shops to carry on their industry, they would be unable to function and this law would fall down except in so far as the shops could carry on from the racing events conducted in the Eastern States of the Commonwealth.

However, if the same results occur there, as the result of legislation at any time, that seem to have been taking place here in the last 15 months, it would appear, as I mentioned 15 months ago, that racing fixtures will cease to exist altogether. So it is quite obvious that if they are worth maintaining for the conduct of a sport and if the clubs are well-worth maintaining, we have to ensure that those who enjoy the sport away from the course make some contribution towards the upkeep of the clubs. That is the position, and that is why contributions from the winning bets tax are made for the assistance of the W.A.T.C. and the W.A. Trotting Association.

My present position is that I am going to vote for the second reading of this measure because it proposes to give further assistance to those organisations, but I am not at all satisfied that, in the net result, it is going to be sufficient assistance. I really feel that the depreciation of business as the result of the legalisation of s.p. betting is considerably greater than that outlined by the Treasurer although I am going to admit that I thought he was very fair

in his approach to the subject so far as the racing clubs are concerned. However, I still think that, in justice, a greater contribution should be made to them. For the time being, I propose to leave it at that.

I have been astounded, however, at the proposal to decrease licence fees so very substantially, in the metropolitan area particularly. Before I go on with that argument, I might say that I was somewhat surprised to ascertain some time ago that the licence fee being paid by a bookmaker in a country centre, whose turnover was no more than £30,000 a year, was £300; whereas the licence fee being paid by the largest bookmaker in the metropolitan area, whose turnover would be 20 times that sum, was £500. As the situation is in regard to the first-named bookmaker, the reduction of his licence fee to £50 and the increase of the turnover tax to 2 per cent. will actually save him £25, because on a turnover of £30,000 he will pay £225 more in turnover tax and £250 less in licence fee.

That, I would suggest, is an extraordinary position when one considers that the intent of this measure is to increase the turnover tax. As I understand there are a number of country centres where the turnover of the local bookmaker is no greater than the figure I have mentioned, there will be quite a number of cases where that will occur. But in the metropolitan area there will have to be a turnover of very nearly £60,000 before a bookmaker pays any increased tax at all, as the increased tax almost up to that figure will be set off by the reduction of the licence fee by £400.

I must confess that I am quite unable to understand why there should be this arbitrary change in the system of licence fees. Assuming for a moment that I do not object to the reduction of the licence fee in the metropolitan area to £100, I would then say that I feel that the licence fee in every country centre of £50 is utterly unjust because in that case the licence fee to be paid by the largest turnover in the metropolitan area—which is something over £700,000, if my memory serves me right—would be £100; and the licence fee of the country bookmaker, with a turnover of about one-twentieth of the sum, would be half, namely, £50. I fail to observe what substantial measure of justice there is in that.

In my view, the Government should give consideration to a system of licence fees which has a higher maximum and a lower minimum than is at present suggested and that the graduation between the two should be determined by the turnover in graduated steps. That would be a fair and reasonable method of approaching the matter and probably, if my calculations are in any way accurate, would absolve the Government from giving up the £58,000 to which the Treasurer referred in regard to these

licence fees—that is to say, from giving up the whole of it. He will at least be able to rescue from the wreck some part of it.

The Minister for Transport: Isn't it a fact that licence fees in most cases are on a flat basis?

Hon. A. F. WATTS: If the Minister can tell me that a licence fee of £300 on a turnover of £30,000 is comparable with a fee of £500 on a turnover of £700,000 and is, in his opinion, a system worth having, I shall be very surprised.

The Minister for Works: That is why it was wiped out.

Hon. A. F. WATTS: I admit that a system that provides for half of the licence fee instead of one-twentieth of the turnover is equally bad, so I am suggesting some other system which would have much to commend it and probably avoid the Treasurer having to throw away the whole of the £58,000 to which he referred as the result of the proposed alteration of the licence fees.

Incidentally, I cannot understand his even contemplating that in view of the other Bill introduced the same evening by the Minister for Justice, which expected him to grasp £120,000 in licence fees in another direction. I do not think the two proposals are compatible at all. If there is need for money on the one hand, then there is need for it on the other, and I suggest to the hon. gentleman that he might at least go after it and try to get some of it back. Did I understand the Minister for Works to say that the gross profit on turnover was 4 per cent.?

The Minister for Works: No, I said less than 4 per cent., and my information was taken from the report of the Betting Control Board presented to the South Australian Parliament.

Hon. A. F. WATTS: I hope my mathematics are not bad. I have received a letter today, though it is not addressed to me by name—it is in the nature of a circular and I suppose every other member has received one. It comes from C. P. Bird & Associates, who are well known as public accountants and taxation specialists in the city. They refer to a survey of the affairs of s.p. bookmakers and they say they have been divided into four groups. The first group deals with a holding of £50,000 to £75,000; the second with a holding of £75,000 to £100,000; the third with a holding of £100,000 to £200,000 and the fourth deals with holdings of over £200,000. They then proceed to give the gross profit of groups Nos. 1, 2, 3 and 4 which, of course, will be on an average basis. There are 34 registered under Group 1; 28 under Group 2; 37 under Group 3 and 40 under Group 4.

I do not want to fall foul of too great mathematical calculations, so I will turn to Group 2 which deals with those of £75,000 to £100,000 turnover, the gross

profit on which is an average of £9,216. If we take the turnover as £100,000, we find that constitutes 9 per cent. If we take it as £75,000, it is considerably more. We will take it at the maximum figure in order to be fair. The next one is that dealing with a turnover from £100,000 to £200,000. Here again we will take the figure of £200,000 and on a gross profit of £14,048 it would give an average of 7 per cent. So that, as this literature is apparently issued for, or on behalf of, and as the result of, investigation into the affairs of starting-price bookmakers, it is obvious that the figures quoted by the Minister for Works do not hold water in at least 65 cases in Western Australia.

The Minister for Works: We must have more efficient bookmakers in this State than they have in South Australia.

Hon. A. F. WATTS: I could not help the Minister at all in that regard. I happened to hear his remarks and I saw the figures quoted in this circular. They appear to be made by reputable people, and I cannot deny their authenticity.

The Minister for Works: Does the hon. member accept those figures?

Hon. A. F. WATTS: I can do very little else.

The Minister for Works: If you accept those, you cannot argue for an increase in the turnover tax.

Hon. A. F. WATTS: Have I asked for any increase? I have dealt with everything else but that aspect. I was merely engaged in demonstrating to the Minister that the figures he gave do not hold water in those two groups in this State. I cannot analyse the other groups because I cannot determine any figure to work on seeing that the turnover would vary too much between the individuals. Without taking any more time of the House, I think I have made myself clear with respect to the major issues and I support the second reading.

THE TREASURER (Hon. A. R. G. Hawke—Northam—in reply) [10.12]: At the outset, I might state that the member for Mt. Lawley said something which was very important indeed in connection with our consideration of the problem with which most speakers have been concerned this afternoon and tonight. He pointed out that racing and trotting clubs in the State enjoy a monopoly of the legal right to carry on gambling in their activities. I suggest that legal right is not only of great importance to the racing and trotting clubs, but is indeed their life-blood.

One speaker during this debate was inclined to describe racing and trotting as an industry. I suppose that if we agreed to allow a certain amount of licence in our thinking about how the game should be described, we could go that far. However, I am not intending to be mealy-mouthed about the racing and trotting game. I think that basically they are

organised large-scale gambling bazaars. Anyone who knows the situation at all well would agree that without the legal right to allow gambling to be indulged in on a large-scale basis, the trotting and racing clubs would not exist. They would disappear, and disappear very quickly.

Therefore it should be recognised immediately that Parliament has given the racing and trotting clubs a very valuable advantage in extending to them the right to indulge in legalised gambling on the racing and trotting courses. The member for Mr. Lawley pointed out with every justification that there are in Western Australia a number of other sporting organisations which, in point of merit, would have a claim at least equal to that of the racing clubs in regard to the right to conduct gambling on the courses, but all of whom have so far been denied the right.

Consequently it seems to me that those who are associated with the running and management of racing and trotting clubs ought to take their minds back to this fundamental advantage which they enjoy and which was given to them by Parliament in past years. I agree with some speakers who said that there are associated with the management of both the racing and trotting clubs and as members or supporters of racing and trotting clubs men who are greatly attached to horse-racing.

Hon. D. Brand: They enjoy this right the world over wherever trotting and race meetings are held.

The TREASURER: That was not the point. The point I was discussing was that of all the sporting clubs in this State, only racing and trotting clubs have this great advantage of the legal right to conduct gambling activities at meetings. In some other States and in some other countries the right goes beyond the racing and trotting clubs. The Leader of the Opposition quoted the remarks of the Premier for New South Wales in regard to the suggestion which was put to him to the effect that off-course betting should be legalised in New South Wales. The reply of Mr. Cahill was that he did not intend to take any steps in that direction. Yet several members of this House know that gambling is legal in New South Wales in other sports besides racing and trotting. I understand that gambling is legal in dog-racing and tin-hare racing, and possibly in other sporting activities there. However, that is by the way.

It was said by the member for Nedlands that these two Bills proposed to increase the existing turnover tax to a minor degree. We have heard adjectives such as "puny" and "meagre" applied to the proposed increase in the tax. The increase proposed in the turnover tax for off-course bookmakers is 60 per cent. The member for

Nedlands is an expert on figures. I think he would agree that the proposed increase in the tax of 60 per cent. is not minor and therefore is not puny or meagre.

Mr. Court: Is that 60 per cent. after allowing for a reduction in fees?

The TREASURER: If one took the two together, it is admitted that in respect of bookmakers with small turnovers the net increase in total payments by them is not very great; but if one took into consideration the bookmakers with bigger turnovers, then the proposed increase from 1½ to 2 per cent. is very substantial indeed, even allowing for the proposed reduction in the licence fees.

Mr. Ross Hutchinson: The Treasurer might have regard to the fact that the initial 1½ per cent. was a percentage difficult to assess.

The TREASURER: That has exactly no bearing at all—

Mr. Ross Hutchinson: It has.

The TREASURER: —on the rate of percentage increase which is proposed in this legislation.

Mr. Ross Hutchinson: It could. So the initial one was quite wrong.

The TREASURER: It could; but I would say that the proposed increase in this legislation on the existing rate of tax is 60 per cent., which is neither minor, nor meagre, nor puny. It is a substantial increase. The member for Nedlands talked rather generally about pressures which had been exercised or attempted to be exercised both in connection with the original legislation and also with this proposed amending legislation. The pressures have come from more than one direction.

We have all had enough political experience to know that whenever legislation comes before Parliament which is likely to affect detrimentally any section in the community pressures develop. The member for Nedlands knows only too well of the tremendous pressures which developed in this State recently and still exist in regard to the Profiteering and Unfair Trading Prevention Bill. He knows that leading businessmen's organisations in this State and leading businessmen have gone on strike in one direction because of the introduction into Parliament of that legislation by the Government.

Mr. Court: The pressure was not missing from bookmakers in the last general election.

The TREASURER: I would not say that.

Mr. Court: We were on the receiving end.

The TREASURER: The member for Nedlands might have been on the receiving end, but I heard from his opponent in the Nedlands contest in the last election that his opponent was on the receiving end.

We have heard some members argue that the proposed increase in the tax will not bear heavily upon the bigger bookmakers. I have no sympathy for the bigger bookmakers; if I could lessen their profits, I would. However, one very important fact which should not be overlooked in connection with the bigger bookmakers is that they handle what is known as the hot money in the racing and trotting games. The hot money, as I understand it, is the money which is more or less stable inspired.

It is money which comes in large quantities for a particular horse in a particular race; and in handling most of this hot money, the large bookmakers of course take probably a greater risk than do the smaller bookmakers who, if they receive this money, cannot afford to hold it and consequently reinvest it with the bigger man. In any event, the bigger bookmaker under this proposed 60 per cent. increase in the turnover tax will make a considerably greater contribution to the revenue of this State and to the revenues of the racing and trotting clubs.

Another point which appears to have been overlooked by some critics—it is a very important point—is that this tax operates on gross total turnover. Any tax which operates on gross total turnover is a severe type of tax. No one believes that bookmakers retain all the money which is wagered with them. Obviously some of the punters back winners all the time. There is never a race in which the bookmakers win all the money that is wagered. There might occasionally be a time when a 100 to one chance comes home; but in 99 cases out of 100, bookmakers have quite a pay-out to meet. I suppose in 50 per cent. of the races which are decided they would have a fairly substantial pay-out which they have to meet from their gross income.

In addition to the turnover tax, bookmakers have to meet substantial other expenses, including income tax, which I imagine is a charge in connection with their business which they did not have to meet in the old unregistered days. So anyone who simply runs away with the free and easy idea that bookmakers are making thousands of pounds every Saturday is a person who does not know very much about the business of bookmaking, or he is a person who deliberately seeks to misrepresent the situation to the public. I would say that "The West Australian" is particularly guilty on that last count.

It has been argued with some degree of justification that the licensing of off-course bookmakers has had some detrimental effect upon attendances at racecourses, and therefore some detrimental effect upon the finances of racing and trotting clubs. However, on the part of some members and some of the outside critics, there has been a strong tendency to sweep away altogether, or greatly to minimise, the effect upon racing and trotting over the last two years of economic conditions. For instance, the president of the W.A. Trotting Association has said that the whole of the loss of patronage and the whole of the reduction in totalisator turnover in connection with trotting has been due to the licensing of off-course bookmakers.

It stands to reason that when economic conditions harden in any community, the luxury games—and racing and trotting are luxury games—are sure to suffer, and would be among the first to suffer. The member for Nedlands the other evening in his argument against the Profiteering and Unfair Trading Prevention Bill quoted from newspaper reports about reductions in profits to firms engaged in essential activities.

He showed us that the profits earned by these firms during the last 12 months were so much less than the previous 12 months. He even quoted some firms which during the last year showed a loss as against a reasonable profit in the previous 12 months. Surely if business firms engaged in essential or semi-essential activities are suffering reductions in profits, or even in odd instances suffering losses, then the racing game and trotting game under economic conditions of this character are certain to feel the effect!

I should think, too, that the great expansion of the hire-purchase business would have some detrimental effect upon racing and trotting. We know that over the last year or two it has been easy for people on comparatively small incomes—and, indeed, on small incomes—to involve themselves beyond their resources with the hire-purchase firms. It is common-sense to think that where families have become thus heavily involved and the husband and wife were previously in the habit of going to racing and trotting meetings, they would have to give the racing and trotting away; and I am sure that has happened in quite a number of instances.

Personally, I should hope that the W.A. Trotting Association would develop some realism about the situation. I think that privately it has done so. I am inclined to think that the issuing of public statements by the association from time to time blaming, 100 per cent., the licensing of off-course bookmakers for the loss of patronage at trotting meetings and the

loss of totalisator turnover, is simply an attitude adopted for the purpose of trying to discredit the off-course licensing of bookmakers; and possibly, in addition, it is an effort by the president of the W.A. Trotting Association to try to persuade the Government to give his association a much bigger share of the money obtained from the turnover tax than it is receiving at the present time.

However, I say quite frankly that neither the W.A. Trotting Association nor the W.A.T.C. would lose anything by being realistic; by being fair and reasonable in their summing up and description of the factors which have played a part in reducing the patronage and business at racing and trotting meetings. I say without any reservation at all that the Government cannot give any guarantee of financial stability to racing and trotting clubs. It is not the business of a Government, as I understand it, to give any such guarantee. There are many much more deserving and worthy causes in the community than racing and trotting. So it will be necessary for the racing and trotting clubs, particularly the bigger ones in the metropolitan area, to do something more on their own account.

I am not saying that the Government is not prepared to give some further consideration to the possibility of making additional help available to the racing and trotting clubs. But it is not good enough for them to think that the Government should give them guarantees of financial stability; it is not good enough for them to develop an attitude of mind which leads them to believe that the Government all the time is prepared to come along and make available to them finance sufficient to meet what they consider to be their wants.

Mr. Court: I do not think anyone would disagree with you there. I think that what they are seeking is a fair return from what comes out of their particular enterprise.

The TREASURER: That might be so, too, but that will be discussed further when representatives of the W.A. Turf Club and W.A. Trotting Association wait upon me on Thursday morning.

I think that to some extent the racing clubs and the trotting clubs did cry stinking fish for a long period after the licensing of off-course bookmakers first came into operation, and I am absolutely certain that one of the turf writers for "The West Australian" newspaper did racing and trotting a great deal of harm because almost day after day he cried stinking fish in the column which he wrote in "The West Australian".

When a business concern is losing trade, it does not buy a full page, or even half a page, of space in "The West Australian"

or in any other newspaper and advertise the fact to the world. If Boans or Foy's or any other big city stores found their business was going down, they would not buy a full page, or half a page in any newspaper and advertise the fact to the world. That is the last thing they would think of doing. Even the member for Bunbury would not do that.

Mr. Roberts: You do not know!

The TREASURER: These firms would probably do the very opposite. They would probably buy two full pages and boom their business up, in an endeavour to encourage more people into their stores in order to sell more goods and step up their turnover. It was a great pity that this turf writer for "The West Australian", almost day after day, cried stinking fish in the column which he was writing. Obviously when people wrote in the newspaper, almost day after day, claiming that patronage at the racing and trotting meetings was falling off, it gave the trotting and racing game a poor advertisement. Nothing fails like failure, just as nothing succeeds like success.

It seems to me that we are now commencing the best season of the year for racing and trotting, inasmuch as the weather now is good; and from now on for a few months it will continue to be good. This ought to be the time when those charged with the management of racing and trotting meetings should set to work, as far as it is possible for them to do so, to develop a better and more optimistic outlook in regard to racing and trotting.

It has been said that the racing and trotting clubs have done everything possible to attract more people to their meetings; that there is nothing more they can possibly do. I am no expert on this question, and so do not presume to say that they should do more. However, I have noticed in recent weeks, that, whereas in Melbourne there have been eight races on a Saturday—and sometimes even more—in Perth we have been having six. I do not know whether the running of a race means a loss or a gain, to the racing club, but I should think it would represent a gain.

Mr. Court: Don't they have seven?

The TREASURER: Some days they have seven.

Hon. Sir Ross McLarty: You would expect to have more horses in Melbourne.

The TREASURER: Certainly; but when I discussed the question of the number of horses with officials of the W.A. Turf Club, they told me there were plenty of horses. If there are plenty of horses, it is up to the owners and trainers to co-operate with the club to ensure that a

sufficient number nominate for each meeting to enable at least seven races to be run each Saturday, and possibly eight on some Saturdays. As I have said, I am not sure whether the running of an additional race over and above six would mean a gain or a loss to the club; but I think it would mean a gain. There are possibly other ways whereby more people might be attracted to the racecourses.

As I said, when introducing this measure, there could be a good deal of argument for and against the value of racing to the community. I think we would be foolish to take it for granted that racing is beneficial to the community; and if the whole of the pros and cons be sorted out, racing might be found to be more detrimental than beneficial. However, we gain nothing by searching into that question. Racing and trotting exist, and a considerable number of people in the community are interested in them from one angle or another, and therefore we accept the situation, to that extent, as we find it.

I quite agree that the racing and trotting clubs provide the basis upon which off-course bookmakers operate, at least to the extent of the money which they handle on races carried out in this State. There is a good and logical argument to be put forward as to why the racing and trotting clubs should receive a fairly substantial share of the turnover tax obtained from off-course bookmakers on turnover which they have received from punters in respect of races decided in this State.

In conclusion, I express appreciation to all members who have spoken for their approach to the Bill. By and large I feel that the measure has been approached in a reasonable spirit. As the Leader of the Opposition said, it has been agreed to hold the Committee stage over until Thursday afternoon next so that that stage may be dealt with after the W.A.T.C. and W.A. Trotting Association representatives have put forward whatever additional information they may wish to in connection with the matter. They have waited on members of the Government on more than one occasion this year and have put forward a case, and later supplemented the case initially put forward by them. However, there is not the slightest objection to meeting them again in order that they might have an opportunity of putting forward any additional information which they might now have in their possession.

Question put and passed.

Bill read a second time.

House adjourned at 10.45 p.m.

Legislative Council

Wednesday, 17th October, 1956.

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The PRESIDENT took the Chair at 4.30 p.m., and read prayers.

QUESTIONS.

R.A.A.F. STATION, PEARCE.

Extension of Water Main.

Hon. N. E. BAXTER asked the Chief Secretary:

Will he lay on the Table of the House the file of correspondence with the Commonwealth Minister for Air, concerning an extension of the metropolitan water main system to the R.A.A.F. station at Pearce?

The CHIEF SECRETARY replied:

Yes, for one week.

LICENSING ACT AMENDMENT BILL (No. 2).

"Cremation" Ceremony.

Hon. N. E. BAXTER (without notice) asked the Chief Secretary:

In view of the fact that the Licensing Act Amendment Bill (No. 2) became deceased last night, would it not have been a nice gesture on his part if he had allowed me, as father of the measure, to officiate at the cremation ceremony of the Bill?

The CHIEF SECRETARY replied:

I did not know that the hon. member was prepared to officiate, and I did not want a position to arise where the Bill would go to another place with a title only. I consequently took the action which I thought necessary in the circumstances.

BILLS (2)—THIRD READING.

1, Health Act Amendment.

Passed.

2, Corneal and Tissue Grafting.

Returned to the Assembly with amendments.