No. 17.

Clause 31, page 23, line 14—Delete the words "return and auditor's report" and substitute the words "report and audited accounts".

No. 18.

Clause 32, page 23, line 35—Delete the figures "1943" and substitute the words "for the time being in force".

**The foregoing consequential amendments were agreed to, on motions by Mr. Ross Hutchinson (Chief Secretary).**

No. 19.

Clause 38, page 26, line 6—Delete the word "An" and substitute the words "Any promoter or".

Mr. ROSS HUTCHINSON: I move—

That the amendment made by the Council be agreed to.

The amendment will simply mean a slight variation in the opening words of the clause to bring in a promoter as well as an officer. The object of the amendment is to prevent a promoter from taking advantage of anything contained in the legislation.

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

*Report*

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

*House adjourned at 12.30 a.m. (Wednesday).*

# Legislative Council

Wednesday, the 1st November, 1961

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CONTENTS—*continued*



The PRESIDENT (The Hon. L. C. Diver) took the Chair at 4.30 p.m., and read prayers.

## BILLS (10): ASSENT

Message from the Governor received and read notifying assent to the following Bills:—

1. Gold Buyers Act Amendment Bill.
2. Public Moneys Investment Bill.
3. Fisheries Act Amendment Bill.
4. Stamp Act Amendment Bill.

5. Welfare and Assistance Bill.
6. Mining Act Amendment Bill.
7. Entertainments Tax and Assessment Acts Repeal Bill.
8. Bulk Handling Act Amendment Bill.
9. Railway Standardisation Agreement Bill.
10. Railways (Standard Gauge) Construction Bill.

## CRIMINAL CODE AMENDMENT BILL

*Message: Royal Assent*

Message from the Governor received and read notifying that he had reserved the Bill for the signification of Her Majesty's pleasure.

## QUESTIONS ON NOTICE

### TOTALISATOR AGENCY BOARD

*Extension to Country Districts*

1. The Hon. A. L. LOTON asked the Minister for Mines:

(1) Is it the intention of the Totalisator Agency Board to extend its operations to country districts?

(2) If the answer to No. (1) is "Yes," when and where will the first take-over take place?

*Percentage of Holdings Channelled to Racecourse Totalisator*

(3) What percentage of the total holdings of local metropolitan races is being channelled to the racecourse totalisator?

The Hon. A. F. GRIFFITH replied:

(1) Yes.

(2) This has not yet been decided.

(3) The percentage varies from race to race and day to day. However, the board is endeavouring to place as much of the money as is humanly possible on the on-course totalisator.

### TATES PRESS SERVICE

*Proportionate Costs Paid by Users*

2. The Hon. N. E. BAXTER asked the Minister for Local Government:

What proportion of the costs of service rendered by Tates Press is being paid by—

(a) Totalisator Agency Board;

(b) Western Australian Turf Club;

(c) Western Australian Trotting Association;

(d) Country bookmakers; and

(e) other interested parties, if any?

The Hon. L. A. LOGAN replied:

This information is considered to be confidential to the parties concerned. In addition it is also tied up with the matter of the cost of the race broadcast service. The T.A.B. is, however, by far the greatest contributor towards these costs.

The Hon. N. E. Baxter: Rats!

## QUESTION WITHOUT NOTICE

### TOTALISATOR AGENCY BOARD

*Percentage of Holdings Channelled to Racecourse Totalisator*

The Hon. A. L. LOTON asked the Minister for Mines:

Would he please refer part (3) of my question No. 1 on today's notice paper back to the proper authority because the reply made no mention of the question I asked? I asked for a percentage.

The Hon. A. F. GRIFFITH replied:

Yes.

## BILLS (2): INTRODUCTION AND FIRST READING

1. Industrial Arbitration Act Amendment Bill (No. 2).

Bill introduced, on motion by The Hon. G. E. Jeffery, and read a first time.

2. City of Fremantle and Town of East Fremantle Trust Funds Bill.

Bill introduced, on motion by The Hon. L. A. Logan (Minister for Local Government), and read a first time.

## CITY OF PERTH BY-LAW No. 65: DISALLOWANCE

*Motion*

**THE HON. F. J. S. WISE** (North) [4.43 p.m.]: I move—

That by-law No. 65 made by the City of Perth under the provisions of the Local Government Act, 1960, and the Town Planning and evelopment Act, 1928-1958, as published in the *Government Gazette* on the 10th October, 1961, and laid on the Table of the House on the 17th October, 1961, be and is hereby disallowed.

By-law No. 65 was tabled on the 17th October, together with by-laws Nos. 63 and 64. It is perhaps, unfortunate, that there is no avoidance of moving against the disallowance of all of a by-law and its implications, although there may be only certain objectionable features within it. This is a case of that kind; and I hope, in the stating of my case, to be able to justify

quite clearly that the unobjectionable features may be very quickly restored or reinstated.

The areas affected are those parts of the City of Perth area, in particular that part to be known as the central area, which is divided into several zones—zones 1 to 8, and zones 10 and 11. The two zones to which I wish to direct my remarks are zone 2 and zone 7. Members who have followed town planning know that within these zones are certain classifications; and within zone 2 are the very many classifications elaborated within the printed by-law.

Zone 7 relates to offices, shops, showrooms, and warehouses; and zone 2 relates to residential flats or a high density area. The area to which I wish to refer in some detail is the length of Beaufort Street from the city proper to Walcott Street. A good many years ago, and until comparative recent years, a considerable part of the long length of Beaufort Street was used for residential purposes varying from terrace like structures to single dwellings, duplex houses, and other variations of residences. Many of them are still in existence.

They were, in those days and until recent years, served by trams; and a lot of people lived in those areas—lived on the ribbon strip of Beaufort Street. However, changing development in more recent years has seen offices, shops, and business places of different kinds, and manufacturing business develop with the demolition of some places, and the adaptation of others by means of alterations and demolitions to make way for new structures and for the establishment of new businesses. On many old sites in the length of that street there will be found warehouses and professional offices, and all sorts of trading interests operating, and all fronting Beaufort Street.

So rapid has been the development that whether we like it or not a ribbon-like development in a business sense has taken place in the actual development of this street; and we have seen the replacement of the old structures and the projected replacement of structures into business premises. I would not like it to be thought for a moment that as a general principle in town planning I am advocating a ribbon-like or strip-like development as an objective or as a desirable feature; but in this case we are dealing with something that is almost an accomplished fact; and it is an area which it would be impossible to commence, at this stage, to level to the ground for the purpose of retaining contiguous areas that may be relieved from the implications in zone 2 or zone 7.

Indeed, I would go so far as to say it would not be very realistic to upset the particular development along this street at this stage. Today, I have studied at the offices of the Perth City Council—in the City Council Chambers—a plan associated with this by-law. It is very clearly set out in the plan that in the zoning of the areas abutting on to Beaufort Street the business strip is clearly shown hachured in blue; and in brown may be seen the smallish block of land towards the centre of this long street, the particular area which I will describe in a moment, and the area that is set aside and zoned for a high density residential area.

The particular area in dispute, to narrow it down, is the area lying between Bulwer Street and Lincoln Street. Half the area on the east side from Bulwer Street to Lincoln Street is for business purposes, is zoned as such, and is occupied as such. That is, from Bulwer Street northward, taking in the eastern side, from the garage on the corner, and Mr. Johnston's well-known factory in the garden. Adjoining it is a warehouse. Adjoining the warehouse are one or two very old residential buildings. Then there is a lot which was cleared for the purpose of car sales. Further on is an area which was the home of the late Dr. Wardell-Johnson, which is one of the areas in dispute in the case I am presenting.

So that although there appears, in this near vicinity, a large collection of business enterprises of different kinds, there are some vacant lots and some very dilapidated structures of houses. On the western side we have St. Alban's Church and the hall; a block of flats; a big vacant area with hoardings; a non-conforming building on the corner and, adjoining that, several cottages in a very dilapidated condition. Some of the cottages are quite uninhabitable, their condition is so bad.

At the other end of the section of Beaufort Street, business premises occur almost continuously from Walcott Street to Chatsworth Road. Some of the old houses I have mentioned are occupied by people of not very good repute. To sum it up, the area between Bulwer and Lincoln Streets—particularly on the eastern side, but on both sides—abounds with commercial sites of different sorts. So there is a relatively small area abutting on to Beaufort Street which has been zoned as a high density residential area, and the balance zoned for business purposes.

I would like to state the case of a few people whose properties are involved in the small compass of this long street. First of all I will deal with the case of a firm known as Piccadilly Motors. In brief, the history of the firm is as follows: In November, 1959, the firm purchased a property and commenced business as a second-hand car saleyard. In March, 1960, the Perth City Council advertised through the daily Press for objections to the zoning under the town planning scheme, and the firm lodged an objection in accordance with the council's requirements.

In February, 1961, the full Perth City Council of 24 members approved the zoning of the property as a commercial site. In March, 1961, the council's recommendations were referred to the Minister for Local Government for formal ratification. In June the Minister refused to accept the council's recommendation; and, since that time, although certain approaches and applications have been made, the position has been reached that the by-laws have been tabled governing the decisions of the Minister, and I am now moving for their disallowance.

I have today been furnished with correspondence which has passed between the firm, the Perth City Council, and the Minister. In the case of Piccadilly Motors, and in the case of Dr. Watson, I will quote later the decisions of the City Council. I examined the minute books at the City Council Chambers this morning and took the relevant figures of the voting on the different cases.

Dr. Watson, who owns and occupies premises on Lot 1 in this particular area on the corner of Lincoln Street, purchased the property in 1945. He practised there until 1954, when the practice was purchased by another doctor. The house was not sold with the practice, and he wished ultimately to use the site for commercial purposes.

In 1957 a Dr. Bellemore found the area unsuitable for residential purposes, the house being on a busy main road and the area quite unsuitable for children. He transferred the practice to a small adjoining house and went to live in another suburb. The house has since been used as a lodging house and the interest in it has been retained by Dr. Watson's wife, although it is intended for ultimate use for commercial purposes.

When the zoning by-laws were announced by the Perth City Council an appeal was made against this area in Beaufort Street and was lodged with the City Council, which agreed that the property should be zoned as a commercial area. I have the relevant papers and they will be tabled in order that the information may be available to all members. It will be seen that there is a copy of a letter which was sent to the council. It was subsequently learned by the doctor that the council's recommendation and decision had been overruled by the Minister and preparations were made for the by-law which I am discussing.

I understand from Dr. Watson that he was granted an interview by the Minister and he pointed out that the site was far too noisy and unsuitable for residential purposes in that region, that much less valuable land was available off Beaufort Street under the zoning scheme for high density purposes; and it was ludicrous, in his view, to anticipate that flats would be built on unsuitable and expensive land rather than suitable and less expensive land in very close proximity.

In the doctor's case, the final decision has been one of refusal to alter the ministerial decision. Subsequently the doctor wrote to the Minister and asked for reasons, and a copy of that letter is also in my possession. I propose to read the relevant part of that letter. The Minister wrote through Dr. Watson's solicitor to say—

> I have to advise that all objections to the zoning scheme were given full and careful consideration, and that my recommendation to the City of Perth that the particular area be classified as residential flats zone 2 is to remain. If at some future time after the zoning scheme has been gazetted, the owners wish to apply to the Perth City Council for an amendment to the zoning, they would be at liberty to do so.

I will deal with that aspect a little later.

The other case is that of Thorne and Murdock; they are people by the name of James Richard Thorne and Deane Clifton Murdock, who are the registered proprietors of land which is situated at the south-western corner of Beaufort Street and Lincoln Street. They requested that the land be zoned, or re-zoned, to business or light industry, and that reconsideration be given to the decision that it should be zoned for flats and residential purposes.

They pointed out in their communication to the Minister for Local Government that the zoning plan provided that the only portion of Beaufort Street not zoned for business premises was between Bulwer Street and Chatsworth Road. They further pointed out that the greater portion of Beaufort Street between Bulwer Street and Chatsworth Road was used for business premises, and submitted that the majority of the owners of the section mentioned would prefer all the area to be classified as business premises, and that such would be generally more suitable and consistent with the remainder of this section of Beaufort Street.

There has also been considerable correspondence in regard to this case, but it appears, from the communications that passed between the town clerk and the solicitors, in this case Parker and Parker, that the classification for residential flats, etc., zone 2, is unalterable. The areas that I have referred to—the three particular areas, Lots 1, 2, 3, and 4 on one side of the street, and the lot on the corner of Lincoln Street—have cost the owners many thousands of pounds, but they cannot use the properties for purposes for which in all cases they were ultimately intended; and in at least two cases for which they were immediately intended. They have a lot of idle capital—costly capital—and although, as I said a moment or two ago,

the area abounds in commercial enterprises, sites, and undertakings, these owners are renting premises far removed from the area and at considerable cost to themselves. It is certainly very uneconomic to them as owners because their properties are now zoned for a particular purpose, and one for which in at least two of the cases they were not so zoned at the time of the purchase of the properties.

On my examination of the documents submitted to me, and the documents of the City Council, there is no doubt that the case of Piccadilly Motors was sent to the City Council before the plan was finalised. It was considered by the City Council at a meeting on the 7th February, 1961, and the council decided, by 14 votes to three, that the zoning of Lots 3, 4, and 5 should be changed from zone 2 to zone 7. The City Council therefore supported overwhelmingly the idea that these should be business sites as against their being residential sites. In the case of Dr. Watson, Lot 1 was approved by the council, by 14 votes to 4, to be changed from zone 2 to zone 7.

It appears to me that there is an obvious trend and an indication in the council's thinking on this matter as to what should be a reasonable, logical and proper decision at this time in so far as the classification and zoning of that area is concerned.

From my reading of the minutes, which are public—because they were public meetings—it is obvious that the council's opinions would lie along the line of a complete recasting of a rather large area almost abutting on to the area, the subject of this motion, adjacent to Hyde Park and away from the main traffic artery; and for it to be definitely and positively a high density residential area of a very desirable kind. It would be handy to arterial roads and shopping areas, and away from the continuous noise of heavy traffic. I know what that is like. In my time I resided in Perth but I had to shift because of the continuous noise of traffic from one of our highways.

In this case we have, in my view, a positive solution to two things which appear to be at issue and contentious: the re-zoning of this small length of street into a business zone, and the arranging of a very large area of high density residential land available to us if the plan is completely recast in respect of that section. There is no doubt the area in close proximity to Hyde Park, not only on that side but also on the southern and south-western sides, lend themselves to a high density population.

The Hon. H. K. Watson: Are they zoned as high density at the moment, or merely as residential?

The Hon. F. J. S. WISE: They are zoned as high density, but judging from the trend of the discussion at the council it seems that by interlocking with the high density zone we could have small blocks zoned for other particular purposes to serve a high density community. I believe the thinking in respect of the whole area should be recast; and in fact we could take that portion right back almost into East Perth, towards the mosque and in that vicinity.

In looking at the correspondence, and at the sites, and after studying the plan and following it through with discussions at the City Council Chambers, I believe that the matter should not be a controversial one. The business development over the whole length, almost from the Weld Club to Walcott Street, is so well established that there is little chance of altering it; and we are faced with the position not of a regular area on either side of the street, but a very irregular area, with a small portion on the eastern side, and a larger portion on the western side reserved for residential purposes right in the midst of almost a continuous section wholly associated with business enterprises.

I believe that so much of this area has, without any qualification, been approved for business purposes that one could think of nothing, either in the present or anticipated growth of Perth on the north side, that could reasonably retard the pressure for business houses at all times along that artery. There are side streets at convenient points; there is complete access from that artery to areas on both sides to meet the high density need; but the fact remains that along the street itself—it being devoted in the main to business undertakings—nothing would be lost in town planning or its principles, but there could be a considerable gain in the support of the initial decisions of the Perth City Council for the area to be a business area and zoned for business sites.

I fully appreciate that the council had no alternative but to agree in the latter stages, as is shown by the correspondence, to by-law 65 being approved and passed; because for this small area in question, and perhaps one or two other small points, the council could not reasonably throw the lot overboard. So far the personal appeals have not met with approval, and as one who for a short while occupied the post of Minister for Town Planning, I was asked to bring the matter here on behalf of the citizens concerned. I was requested to state the case for them, and in all reasonableness, for the whole length of Beaufort Street which has graduated, gravitated, and gradually become what it is today—something which no matter what we may wish to do we would find it difficult to alter in respect of the parts already approved.

I hope the House will agree that this is a reasonable case for the small portion lying between Lincoln Street and Bulwer Street to be re-zoned, and for the by-law to be disallowed.

**THE HON. L. A. LOGAN** (Midland—Minister for Local Government) [5.14 p.m.]: I sincerely hope that the House will not agree to the motion moved by Mr. Wise. I think it may be as well to remind members that in 1955 the Perth City Council promulgated by-laws which were signed by the late Hon. Gilbert Fraser, and later placed on the Table of this House.

The motion moved by the late Mr. Hearn for the disallowance of the zoning by-laws of the City of Perth was carried in this House. One of the main reasons given at the time for their disallowance was that the ratepayers and the residents of the City of Perth had not been given an opportunity to study all the ramifications of those by-laws, and it was considered that the people concerned should be given that opportunity.

The same thing cannot be said of the by-law now under consideration. Ever since I became Minister for Local Government I have been in charge of town planning and I have continually received appeals from people residing in the Perth City Council district, where the council might have refused a building permit because a project had not complied with the building scheme of the council.

But the Perth City Council did not have a zoning scheme for inspection. It kept one under the counter, and by this subterfuge tried to get away with it. I informed the Perth City Council that I did not intend to dismiss any appeals until the council placed the zoning scheme on the counter, and made it law. So, in July, 1960, the Perth City Council advertised that it intended to bring in the three zoning by-laws under consideration. A period of three months was given for the lodging of objections. Public meetings were held in the three areas concerned, and the people had an opportunity to consider what was intended by such a zoning scheme.

This zoning scheme was initially put forward by the Town Planning Committee of the Perth City Council, after it had gone into all the ramifications of zoning and had studied the effect of the scheme. At the expiration of three months the objections were considered by that Town Planning Committee, and its recommendations were passed on by the Perth City Council to the Town Planning Department which made a further study of the zoning scheme. The department forwarded the details and its comments to me. I studied all the objections, and I personally inspected every site which was affected in the three zones. I inspected some of the sites on two or three occasions. I interviewed the people concerned, and I also discussed these matters with the Perth City Council.

The Perth City Council did not inform Mr. Wise this morning that the deputation from that council consisting of five members immediately withdrew their appeal in regard to the Piccadilly Motors site, when I referred to one particular matter at that deputation. I know these details were not recorded. I regret that Mr. Wise was not informed of the position.

I wrote to the Perth City Council and gave my decision on all the objections which had been received. The council then wrote to all the people whose objections had not been upheld, and gave them a further two months in which to review the cases and to make further representations if they so desired. Some of them did and they came back to me subsequently.

As a result of the deputation from the Perth City Council, I again inspected the areas in respect of which the objections were not upheld. At this stage I would point out that objections in other areas of the Perth City Council, such as Victoria Park and Carlisle, have also not been upheld. It is remarkable that the Perth City Council should only take up the case of the three blocks in question, and not in respect of other blocks where objections were not upheld. I know one property-owner in William Street who was affected more harshly by this zoning scheme than were some of the firms. Because she was a woman and did not make strong representations, the Perth City Council did not do anything about the matter.

At the end of two months I wrote to the Perth City Council and gave my final decisions. The text had to be altered to suit the zoning, because it was not correct. The text was corrected and I appended my signature to the document. It was passed through Executive Council and was laid on the Table of the House.

It is as well for us to consider what the Perth City Council did at the meeting I referred to. If we look at the area intended to be zoned we will find that it consists of a fairly solid block with Walcott Street and Chatsworth Road on one side, and with Lincoln Street and Bulwer Street on the other to a little over halfway to Chatsworth Road, which is near St. Albans Avenue. There is a flat residential area on that side.

Let us consider the position of the three blocks mentioned by Mr. Wise. The site of Piccadilly Motors is on a vacant open block with a semi-detached house which had been used for an office. Had Piccadilly Motors continued in business, it would have been permitted to operate as a second-hand car establishment because it had non-conforming use rights. But Piccadilly Motors has gone out of business. It was a commercial enterprise formerly but it has ceased operations.

The next block concerned is the one on which Dr. Watson's residence is located. We were not altering the zoning except to reclassify it as a flat residential area, and

there could still be a single residential on it. The third case concerned Mr. Thorn. This land consisted of a vacant block.

We are not altering the zoning. If a block of land in that area had such a wonderful commercial value it would have been used as such long before this. All that this block has been used for is the erection of signs and hoardings. It is ridiculous to say that those blocks ought to be zoned as commercial, when in fact one was commercial, but the business concerned had gone out of existence; another was a vacant block which could have been used up to the time of zoning as a commercial block, but was not so used; and the third was a block on which there is a house which is used as a residence.

It will be seen that we are endeavouring to hold this land as residential, in an attempt to stop ribbon development which Mr. Wise says is a very good move under town planning. The opportunity was there, and this was the right time to take it. If we look at the area opposite the Piccadilly Motors site we find there is a very nice block of flats on it, known as Lincoln flats, which are fully occupied. There is in addition quite a nice open space with a church and a church hall erected thereon. What can be better sited opposite a flat residential zone?

On top of that it is essential to build up the inner city population, so that commercial enterprises in that area can continue to exist. It should be noted that this area would be close to a reserve, which is an essential requirement to people living in flats and residences.

I repeat that in this area the former commercial enterprise on one side of it has gone out of existence. Just north of St. Albans Avenue there is a double shop, which is vacant. What the Perth City Council did was to make Dr. Watson's block into a commercial area; the Piccadilly Motors site into a commercial block; and Mr. Thorn's block into a commercial area. But what did it do to the rest of the blocks nearby? It did nothing.

We would have this set of circumstances: From Gunzburg's store to Lincoln Street would be a flat residential zone, and on the corner a commercial block; a semi-detached house would be on a flat residential block; Piccadilly Motors would be on a commercial block; two houses would be on a flat residential block; and the rest of the blocks would be classified as commercial. That was the intention of the Perth City Council; it had no regard for any blocks in the area, except the three concerned. That cannot be called town planning. Had the Perth City Council ruled that this area ought not to be a flat residential area, but a commercial area, it might have been a different matter; but it did not.

The Hon. F. J. S. Wise: It was thinking about that.

The Hon. L. A. LOGAN: It was not thinking about that at all. These recommendations were put before the Town Planning Committee which considered all the ramifications before they were submitted to the Town Planning Department. The latter supported the Town Planning Committee of the City Council. Subsequently I supported the views of both those bodies, because I considered they were right.

The Hon. H. K. Watson: You did not support them on the proposition which you have criticised.

The Hon. L. A. LOGAN: I supported the Town Planning Committee of the City Council and the Town Planning Department. They recommended this type of zone.

The Hon. H. K. Watson: The selfsame committee which put up the other document you have before you.

The Hon. L. A. LOGAN: No. This was what the Perth City Council did without thought as to the need for proper zoning. It was going to insert three blocks as commercial among a flat residential area. I think I did the right thing, as Minister for Town Planning, in upholding the Town Planning Committee and the Town Planning Department. I did that after I had made three inspections of the area affected. I travel past it twice a day on the way to my office, and I have been doing so for the past two and a half years. So, I ought to know something about that district.

By classifying these blocks as commercial, the only type of business they are suitable for would be a service station or a second-hand car dealer. I must point out that between the Civic Hotel and the Museum there are already 12 second-hand car establishments, as well as 11 service stations. All of them are located within two miles of each other. An attempt to break this ribbon development had to be made at some time, and this was an opportunity to do so.

It is too silly for words to say that it was wrong for me as Minister to write to Dr. Watson at the expiration of the time for lodging an appeal indicating that he had the right to apply for an alteration of this zoning, and not to write to Mr. Thorn in the same vein. Any type of zoning can be altered. No zoning scheme is final for ever an anon. Dr. Watson saw me, and we discussed the ramifications of his case, after which I wrote him a letter. I did not think it was necessary to write to everybody concerned to tell them about their rights.

If a person is not satisfied with the zoning of his land, he can write to the local authority concerned. If the local authority considers there is some justification in the request it asks the Minister for preliminary approval. If the Minister, after considering the matter in conjunction with

the Town Planning Department, is satisfied with the position he gives a preliminary approval.

The scheme is then advertised, and is open for inspection for three months. At the expiration of that time, any objections lodged are heard by the local authority. The matter is then passed on to the Town Planning Department, and subsequently to the Minister. This procedure applies to all zoning schemes. Because I told one person that he could apply for a variation, and did not tell another, does not mean that the scheme is unalterable.

*[Resolved: That motions be continued.]*

The Hon. L. A. LOGAN: I do not think I need add much except to say that if this by-law is disallowed we will be back to the position where there is no zoning in the city block. If this was so important to these three people, the areas of Victoria Park-Carlisle and North Perth-Floreat Park-Wembley are just as important. Many objections have not been upheld with regard to people in those areas. I object to these individuals putting on the pressure while the others are left out in the cold.

The Hon. H. K. Watson: I do not think that is any argument.

The Hon. L. A. LOGAN: It is an argument. I would like to refer to something that happened in regard to this particular aspect but I do not think it is right I should mention it in the House. However I assure members it is one I do not appreciate and one which Mr. Wise would not have appreciated when he was Minister for Town Planning. The situation in the Victoria Park-Carlisle area has become chaotic because of the disallowance in 1955 of the regulation appertaining thereto.

Unfortunately because of the disallowance of that regulation, people wanting to start a light industry were told by the Perth City Council to go to the Carlisle area. This they did and in the meantime residences were being built nearby. When it was desired to correctly zone the district it was not possible.

There were also many in the Wembley Park area who had their objections overruled by me as Minister although some of them had been accepted by the Perth City Council—not by the Town Planning Committee but by the Perth City Council itself. Therefore, in the interests of good planning and nothing more, I ask that we stop a ribbon development; but that we do not upset the present zoning, where we have access to a very good reserve and where the population will be built up to maintain the interests of the businesses already established in the area. I ask the House to oppose this motion.

**THE HON. J. G. HISLOP** (Metropolitan) [5.33 p.m.]: I do not think any of us should get heated about this matter.

The Hon. L. A. Logan: I am not heated.

The Hon. J. G. HISLOP: It is not a question of tracing the history of this business and deciding who were right and who were wrong in their appeals. It is a question which reverts to what the Minister referred to just before he resumed his seat: What is sound planning?

I think we must look at Beaufort Street and see what the effect would be on the present planning in regard to residential sites facing Bulwer Street in the area to which attention has been drawn by Mr. Wise. This land because of the ribbon development in Beaufort Street has become expensive, and expensive land is not land on which to build flats. It would be very much better to buy land of a much cheaper type, somewhat divorced from Bulwer Street, and replan the whole area to establish a high density residential area. That high density residential area will require shops of all varieties to supply the needs of those living in that community.

It seems that this small section, simply because it was not fortunate enough to have sold its properties to commercial interests, has now to face the fact that the land and property must be reserved for residential purposes.

I cannot really imagine anyone wanting to live in a place facing a highway like Bulwer Street. I know, having lived facing highways, what the noise is and how tiresome it can be.

The Hon. F. R. H. Lavery: I know. I am doing it now.

The Hon. L. A. Logan: There are many flats on every highway.

The Hon. J. G. HISLOP: I know, but I would not countenance them on other highways any more than I would in the area under discussion. But the roads we are contemplating in future, of limited access, will be a better means of planning the city than we have had; but we must put up with what we have and do the best we can in the circumstances.

From Bulwer Street to the east there is a very dilapidated series of houses which are transformed into stores for Gunzburg's wines. From there to the next street, as pointed out by Mr. Wise, there are a number of houses which are more or less ready for demolition. It is in this area that it is intended to build these residential sites. If that is the plan, it is up to the Perth City Council to buy those sites and buy sufficient behind them to convert the area into a proper residential site.

These places are not going to be sold purely on the basis that they must be residential, because flats could not be built on one of those frontages, most of which are only 50 ft. That is the lowest limit in connection with the building of flats. Certainly a high density area could not be established. Speaking of high density areas, the Perth City Council has

a high density rate and people are limited to that rate. If a high density residential area is to be established, a considerable portion of the land around the buildings will have to be purchased also.

We sold a property in Mount Street and the sydnicate had to conform with the high density rate. We were reduced to 50 bachelor flats because only 50 people were allowed on the land which had a frontage of 100 feet and a depth of 80 feet. If this sort of flat is to be erected, at least two sites would have to be purchased in addition to land behind, in order to ensure that the correct depth would be available. Even in that minimum space there would be very little room for parking, and those concerned would be looking for parking space in the streets. Therefore, these residential sites must be made available in the areas between Bulwer Street and East Perth and in the other direction towards Hyde Park; not on the highways.

I cannot for a moment believe that good residential sites will be established in the area under discussion. There would not be more than about 10 residential blocks available near Piccadilly Motors and certainly not a very large number of people could be accommodated. Adverting to our Mount Street land: if bachelor flats had not been planned, but flats to accommodate two people, we could have erected only 25 flats because it is permissible to accommodate only 50 people in that area. If we had made units to accommodate four, we would have been able to erect only about 12 or 13. We were not able to overcome the density rate which the Perth City Council demands. Accordingly, if a residential zone were to be established in Bulwer Street, a much deeper area would be required than is envisaged in this plan.

It seems rather ludicrous when it is realised that even at present those who are fortunate enough to be in the commercial zone are rapidly planning to increase the number of business sites in the area. I think that almost opposite Vincent Street, where it enters Beaufort Street, there are two shops in the course of construction. When they are built, they will complete an almost continuous ribbon—

The Hon. L. A. Logan: Where about did you say?

The Hon. J. G. HISLOP: Opposite Vincent Street.

The Hon. L. A. Logan: Down the other end?

The Hon. J. G. HISLOP: About 200 yards from the area we are discussing.

The Hon. L. A. Logan: There are two empty shops there now.

The Hon. J. G. HISLOP: There will always be a certain number of empty shops, because people are always moving in and out of them, particularly the smaller business people. I am not worrying much about what has happened in the past. I want the Minister to think whether this is sound planning.

Personally, I believe sound planning would be to realise that Beaufort Street is a ribbon strip of commercial shops and establish the residential area off the highways. I would be happier if the whole area were regarded as a commercial zone. I am sure that if that were done, a much better type of residential area would be established. There is not sufficient land available in Beaufort Street to establish high density population flats.

The Hon. L. A. Logan: Yes, there is.

The Hon. J. G. HISLOP: And we must consider the population density as laid down by the Perth City Council when determining these zones. I would ask the Minister not to feel that we are opposing any action he may have taken in the past or any action the Perth City Council may have taken. Under the present plan I can see that this area will remain a blank area for quite a period, because, if it is classed as residential, no-one will want to buy it.

The Hon. L. A. Logan: There are some very nice flats at Lincoln Street now.

The Hon. J. G. HISLOP: Yes; but visualise that area on the east side near Piccadilly Motors. No-one is going to want that as a residential site. If it is to be made a residential site, the Perth City Council should purchase the whole area and then develop it as a residential site. I would have no objection to that at all; but the present plan is quite wrong. I do not believe there is enough land to make a suitable residential site.

The Hon. L. A. Logan: The land goes back.

The Hon. J. G. HISLOP: Those back areas would also have to be purchased, but who would want to buy them one by one until they had a sufficient area to build a decent residential block? Recently I joined another syndicate but before we bought any land we made a plan of the area we would require. We then bought it all at once. We would not have bought it piecemeal, hoping that the person next to the land we had bought would be agreeable to sell us his land. If that occurs, the moment syndicate A decides to build in one area, Mr. B next door doubles the price of his land.

Nobody is fool enough to do that sort of thing today, because the value of the area would be enhanced at once. If a person wishes to acquire a residential area, the only thing for him to do is to resume it; and that is what is contemplated in the by-law. The Minister would be well advised to regard the whole of this area as a business and commercial site.

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

Ayes—13.

| | |
|---|---|
| Hon. G. Bennetts | Hon. F. R. H. Lavery |
| Hon. E. M. Davies | Hon. R. Thompson |
| Hon. J. J. Garrigan | Hon. H. K. Watson |
| Hon. W. R. Hall | Hon. W. F. Willesee |
| Hon. J. G. Hislop | Hon. F. J. S. Wise |
| Hon. R. F. Hutchison | Hon. J. D. Teahan |
| Hon. G. E. Jeffery | *(Teller.)* |

Noes—12.

| | |
|---|---|
| Hon. C. R. Abbey | Hon. G. C. MacKinnon |
| Hon. N. E. Baxter | Hon. R. C. Mattiske |
| Hon. A. F. Griffith | Hon. C. H. Simpson |
| Hon. A. R. Jones | Hon. S. T. J. Thompson |
| Hon. L. A. Logan | Hon. J. M. Thomson |
| Hon. A. L. Loton | Hon. J. Cunningham |
| | *(Teller.)* |

Pairs.

| Ayes. | Noes. |
|---|---|
| Hon. H. C. Strickland | Hon. F. D. Willmott |
| Hon. E. M. Heenan | Hon. J. Murray |

**Majority for—1.**

**Question thus passed.**

## BUILDING CONTROL

*Motion*

**THE HON. G. E. JEFFERY** (Suburban) [5.49 p.m.]: I move—

> That in the opinion of this House the Government should treat as urgent and introduce legislation immediately to exercise a reasonable degree of control over the erection of Government, semi-government and private buildings adjacent to Parliament House and Kings Park, such control to embody maximum height restriction, appearance, colour and texture of materials of exterior construction.
>
> This House is also of the opinion that the legislation should provide for a committee to be established, having the necessary power to make decisions which would be subject to appeal, but only to the Parliament of Western Australia, and comprising representatives of the Government, the Town Planning Board and the Perth City Council, together with representatives of other public bodies which in the opinion of the Government should be represented.
>
> This House also desires that these opinions be forwarded to the Legislative Assembly and its concurrence requested.

I must apologise for moving this motion so late in the session, but actually I have been waiting since about the beginning of the session for information to confirm certain things I had been told. The final information I received yesterday morning.

I must express my appreciation of the service and assistance given to me by the American Vice-Consul in Perth (Mr. Backe), and of the Sydney office of the United States Foreign Affairs Office.

I think that every member is aware of what is occurring in the City of Perth. Certain developments have taken place in the area between Parliament House and the river, and I can see that in a short space of time the foresight shown by those who fought to establish Parliament House on this eminence, will be nullified; because Parliament House, to my mind, will be surrounded by a brick or concrete wall of flat dwellings, predominantly, and some office buildings, perhaps.

The picture that is developing in Perth is similar to what has occurred in Sydney during the last five years since the building restrictions were eased. In Sydney, buildings were restricted to a height of 150 feet, but with the lifting of the restriction flats have been erected all over the harbour foreshore.

As a matter of fact if one journeys up Sydney Harbour now, Sydney looks something like a man's bottom jaw that is full of broken and uneven teeth: there are flat buildings of all sizes and shapes—mostly ugly, and seldom does one building have any relationship to the adjoining one. As a result, the people who reside on Sydney Harbour have been built out of their own heritage; and in the same way multi-storey flats are going up in close proximity to each other in Perth so that our river views will be lost.

Parliament House belongs to the people of Western Australia; and this motion is not moved as a matter of personal interest. I have no personal interest in it, and I have no interest in it so far as any other present member of Parliament is concerned; but it is the sort of motion that might have some value to those who follow us and inherit the City of Perth. I do not think it will press too harshly on any individual at the moment. We should all agree to it because those who follow on will be able to say that we had at least some courage and foresight regarding the planning of the city.

I regret that Colonel Light did not come to Perth in the first place instead of settling in Adelaide, because had he done so we would have had a better laid out city.

Parliament House was built on this site so that it would look over the city; and I can see, by what is happening in Malcolm Street and at the top of Mount Street, and what was attempted in Mounts Bay Road at the foot of Jacob's Ladder, that the time is not too far distant, if the present state of affairs is allowed to continue, when the people of Perth will not be able to see Parliament House or Kings Park from the city.

I say that, because each succeeding building will, to my mind, attempt to get a better view than the previous one; and to do that it will have to be built higher than the one next door; and we will have a lot of uneven flat buildings, each seeking to command a better view than the one immediately adjoining it. I was told as late as today—I have not had a chance to

check the accuracy of this information—that what I know applies in Washington, in America, also applies at The Hague in Holland, regarding the regulation of building heights and other features mentioned in the motion.

Perhaps my motion does not go far enough, because, in the ultimate, Parliament might have to take a further look at this problem and say that people who wish to build near national or public buildings shall conform to certain conditions.

I envisage the day when Perth will build a new museum and art gallery, and in years to come—not too many years ahead, I hope—a decent opera house; and I maintain that when these places are built we will have to take steps to see that where they are erected a certain standard is maintained.

In order to realise the effect that the different buildings are having on the approach to the city, one has only to travel along the freeway. If one does that, one can see what has already taken place; and to my mind it is a tragedy.

The architect who designed Parliament House told me that what has already taken place has destroyed some of the things that he planned for. I am talking about the parking area of Parliament House which was designed to reflect the lights of the city. Members will recall that at this moment the lights are still reflected there, but much of the effect has gone.

It is nice to be the possessor of an artistic temperament—but frankly I am not—because if one is one can realise the importance of this place being established where it is; because it can be viewed from the City of Perth as was intended in the first instance.

The American legislation is very simple, and I have the complete information here. It might be best for me to table it, but if the Minister thinks otherwise, I will meet him in what he thinks should be done. The complete documents can become the property of the Local Government Department or the Town Planning Department; and in them there are maps of the City of Washington which, incidentally, has much in common with the City of Perth. Washington is situated on the Potomac River, and adjacent to it are the Capitol and other prominent Government buildings.

The complete schedules are here. According to the level of the land surrounding a public building, so is the height of the building varied. It is only by looking at the schedules in conjunction with the maps that we can get a true appreciation of the picture.

Early in the century the Americans realised that something had to be done, and the district of Columbia brought in zoning regulations which were apparently unsatisfactory. However, in June, 1958, Congress passed an Act which delegated certain powers to the Commissioners of Columbia; and only yesterday morning I received from the United States revised information which is as modern as it can be. It is revised up until the 4th August, 1961.

The legislation provides that anyone who wishes to erect a building in the national capital must submit his plan to the district commissioners who submit it to a committee known as the Commission of Fine Arts which has power to determine the height, colour, and architecture of each building so that it conforms to the general pattern and is not out of place. The commission, for the same reason, can also decide on the exterior colouring.

I will read the section of the Code; and let me say it might be a good idea if our Government were to send some of our parliamentary draftsmen to America to learn something of the English language. I like the simplicity of the language in this Code; and when I read it, members will agree that it is much easier to read than are our statutes and therefore is more easily understood by all and sundry. I shall now read from the United States Code, 1958 Edition, Title 40, section 121, as follows:—

> Regulation of height, design, and construction of private and semi-public buildings adjacent to public buildings and grounds; building permits.
>
> In view of the provisions of the Constitution respecting the establishment of the seat of the National Government, the duties it imposed upon Congress in connection therewith, and the solicitude shown and the efforts exerted by President Washington in the planning and development of the Capital City, it is hereby declared that such development should proceed along the lines of good order, good taste, and with due regard to the public interests involved, and a reasonable degree of control should be exercised over the architecture of private or semi-public buildings adjacent to public buildings and grounds of major importance. To this end, hereafter when application is made for permit for the erection or alteration of any building, any portion of which is to front or abut upon the grounds of the Capitol, the grounds of the White House, the portion of Pennsylvania Avenue extending from the Capitol to the White House, Lafayette Park, Rock Creek Park, the Zoological Park, the Rock Creek and Potomac Parkway, Potomac Park, the Mall Park System and public buildings adjacent thereto, or abutting upon any street bordering any of the said grounds or parks, the plans therefor so far as they relate to height and appearance, colour, and texture of the materials of exterior construction, shall be submitted by the Commissioners of the District of Columbia to the Commission of Fine

Arts; and the said Commission shall report promptly to said Commissioners its recommendations, including such changes, if any, as in its judgment are necessary to prevent reasonably avoidable impairment of the public values belonging to such public building or park; and said Commissioners shall take such action as shall, in their judgment, effect reasonable compliance with such recommendation: *Provided*, That if the said Commission of Fine Arts fails to report its approval or disapproval of such plans within thirty days, its approval thereof shall be assumed and a permit may be issued.

I think that is simple drafting and the Government could move along similar lines. The Minister and I have had private discussions on the matter and I think he will probably agree with me in regard to my thoughts on this question, but perhaps not with the text of my motion.

The reason I drafted the motion along the lines as moved, is that the proposal would be that the commission would be charged with the responsibility of carrying out the legislation. I think it is a fair proposition that the three bodies I have mentioned should be represented on the commission, together with representatives of architects and others—and at the moment, I cannot think who they would be—who have a professional knowledge of the requirements of developing this end of Perth in an orderly manner.

The provision for an appeal to Parliament is most necessary. In the future I can visualise complaints being lodged; and the Minister of the day—whoever he may be—would be under terrific pressure for an easement of the rules that may be laid down. It is only fair that Parliament should assume the responsibility of making the decision whether the appeal should be allowed or disallowed. That would be the best way and, at the same time, with the constitution of this commission, it would bring about the stability of purpose we are trying to achieve.

I am conscious, of course, that for a commission of this nature to be a success, the residents of the City of Perth would need to have an appreciation and a knowledge of what the commission was trying to do for the betterment and the good of the citizens of Perth. If such an appreciation of the work of the commission was not developed it would stagnate. During the last three months many people have asked what is happening at this end of the city. Questions have been asked in this House about the buildings that are being erected; and, to my mind, one building under construction looks like a pencil case standing on end. Its proposed height is 118 ft. from the ground floor to the top of the building. The only height restriction on buildings that is imposed in the City of Perth is in respect of an area on Mounts Bay Road in the vicinity of Cliff Street. In this area certain allotments are subject to a height restriction for any proposed building of not more than 70 feet above low water mark at Fremantle.

The Hon. L. A. Logan: Yes, that is correct; 70 feet above low water mark.

The Hon. G. E. JEFFERY: If we continue to talk about this undesirable development that is going on, by the time it is brought before Parliament more buildings will have been erected in the area.

When I look out of the windows of Parliament House today and see a crane perched on a vacant block near the entrance of King's Park, I can only assume that a commencement has been made to erect a multi-storey block of flats at the end of Bellevue Terrace, close to the Edith Cowan memorial. That will be an even taller building because the foundations of the ground floor will be on a higher level again and, when it is completed, it will not present a very pleasing sight.

To get a full realisation of what this area will look like in a few years one has only to visit the capital cities in the Eastern States of Australia. The buildings that are being erected in Sydney are an outstanding example of what could lie ahead of the City of Perth. The tall buildings in Sydney form two concrete walls on either side of the harbour and they block off all the area adjacent to the harbour.

The notes I have here would be of help to the Town Planning Department and the Government itself to draw up suitable legislation. I think it is most necessary that in this session of Parliament we should do something about the matter; and, although I know that legislation prepared in haste is often poor legislation, if we could at least prevent other buildings from being started until the Government could review the situation, we would achieve something. I will be pleased to hand the complete folio that I have in my possession to the Minister for Town Planning for the information of himself and his Government in the sincere hope that they will act along the lines set out in the motion.

**THE HON. R. F. HUTCHISON** (Suburban) [6.6 p.m.]: I support the motion moved by Mr. Jeffery, and commend him for bringing this matter forward. I can well recall a meeting of the Perth City Council, at which we were told by the Town Clerk of Melbourne that in the planning of our city we had behind us the benefit of 50 years of experience in other capital cities. This was at a time when a party from the Eastern States was visiting Perth investigating our town planning development.

I can confirm all that Mr. Jeffery has said about Washington. I was visiting that city at the time the apple blossom festival was being held. Washington is a lovely city and the festival presented a beautiful sight. It struck me as being one of the most beautiful cities in America. It highlights, to a marked degree, the skyscrapers of New York together with all its blocks of flats. Therefore, I thought I would like to tell Mr. Jeffery that he is on sound ground in bringing a motion such as this before the House.

Whilst I was in Washington I asked various people why they had not followed what has been going on in Los Angeles, and I was told of the circumstances which led to their decision not to follow suit. It contrasts greatly with the trend that is being followed in Europe. The land there is becoming a forest of huge flats; there are miles of them. They are even building on public land and parks.

It seems to me that this tendency to build large blocks of flats has got completely out of hand. I noticed this right through Europe. Therefore, I can never forget what the Town Clerk of Melbourne said when he was here; namely, that we had a great opportunity in Perth to develop our city along proper lines if we had men wise enough in the affairs of local government and town planning to take charge so that we could take full advantage of our opportunities and benefit from all the mistakes that had been made in other parts of Australia over the past 50 years. The results of those mistakes can be seen in Melbourne when we realise what is now being attempted in that city.

**THE HON. J. G. HISLOP** (Metropolitan) [6.8 p.m.]: I think there is a great deal of wisdom in this motion. Obviously, every one of us desires to preserve the beauty of our city. I draw attention to the fact that there is one organisation in Melbourne which does excellent work; and the formation of such an organisation should be encouraged in Perth. This body is known as the City Development Association. I think that is the proper name for it, although I am speaking without my notes. I received these notes from Melbourne and from them I gleaned that the association has a keen interest in the future of its city. Its members watch very carefully everything that is done and they offer advice to, and have interviews with, the department and the Melbourne City Council in relation to any works that are proposed in the City of Melbourne.

Almost every big business, or any business of any repute, either contributes to the funds of this association, or helps in some other way, and some of the really big names in Victoria are actively associated with the executive or the association.

The Hon. A. L. Loton: It is more or less an advisory committee.

The Hon. J. G. HISLOP: Yes; it acts purely in an advisory capacity. I am quite willing to supply the Minister with the information I have on the association, but it is quite easy to obtain. About two years ago I took the opportunity of meeting the secretary of this association in Melbourne and he told me of the various plans the association had in mind. It was quite well known to him what buildings in the city were contemplated and I was staggered even then to learn of the immensity of money—something like £60,000,000—that was to be invested in buildings within the space of five years in the city block.

It was only when I returned to Melbourne recently that I realised how true was this estimate of expenditure on building. Yet he told me of the difficulties which even that association met, because when any organisation—whether it be a Government department or a city council—made a decision of any kind on a building within the City of Melbourne and the association made representation against such a proposal, it met with a wall of defence. I understand that in recent times that wall has been broken down considerably and it is now realised that the average citizen of the city has a responsibility upon himself to watch, with great care, the future development of his city and its growth. I believe that when any legislation, such as that mooted by Mr. Jeffery, is contemplated, the Minister might also take into account the formation, without any legislation, of a city development association such as that which operates in Melbourne.

I am quite certain that there are many men with wide vision in this city who would be only too willing to give some of their time, and perhaps some of their money, to ensuring that the beauty of this city is preserved.

*Sitting suspended from 6.13 to 7.30 p.m.*

**THE HON. A. L. LOTON** (South) [7.30 p.m.]: I heartily support the motion moved by Mr. Jeffery. I wonder whether the conversation he and I had one day in the southern portion of the building perhaps was the germ of this motion. We were standing on the lobby side of the southern portion of the building and I said to Mr. Jeffery, "See this building here, George? It is blocking that wonderful view we have looking towards Canning Bridge." Mr. Jeffery replied, "It seems to me that the whole of our view is going to be blocked out."

I then took it upon myself to ask the Minister for Local Government a question on this matter on the 15th August, 1961. The question was as follows:—

(1) What is the proposed height of the flat building being erected for Melford Syndicate on Lot 47, Mount Street?

(2) Is there any by-law restricting the height of buildings in the City of Perth?

(3) If there is no by-law in existence restricting height, particularly where it could affect the skyline of King's Park, Parliament House and its surroundings, will he endeavour to have the Perth City Council promulgate such a by-law?

The Minister replied—

(1) From ground floor to top of building—118 feet.

After having looked at the building, I should say it will be every inch of 118 feet; and it is certainly a blot on the landscape. The Minister's reply continued—

(2) The only height restriction in the City of Perth is in respect of an area on Mounts Bay Road in the vicinity of Cliff Street, where certain allotments are subject to restriction on building to a height of not more than 70 feet above low-water mark, Fremantle.

That is in the area at the foot of Jacob's Ladder. The answer to No. (3) was—

(3) Yes. Representations have already been made to the Perth City Council by the Metropolitan Region Planning Authority.

I wonder what happened as a result of the representations made by the Metropoliton Region Planning Authority. Have the necessary steps been taken in this matter? It would not appear so, because a new building is now going up at the corner of Bellevue Terrace and Cliff Street. I understand it will be possible from the top of that building to view Fremantle. There appears to be no limit to what the Perth City Council will do in certain areas in relation to the restriction of heights of buildings; but it does not seem to cause it a great deal of concern so long as certain people are not affected.

If one stands outside Parliament House and looks down on South Perth it is evident that if a series of buildings of the type of the Melford building are built, the whole view from this area—which includes Parliament Place and Havelock Street—will be cut off. If the Minister speaks tonight I hope he will give us an indication as to how he feels about this motion, because it seems to me that it is very necessary to act quickly in this matter. I support Mr. Jeffery in his move; and I am happy to think I might have had something to do with the motion now before the House.

**THE HON. A. R. JONES** (Midland) [7.34 p.m.]: I wish to say only a very few words. In the first place, I would like to commend Mr. Jeffery for bringing this motion forward. I concur heartily in what he said. I have always believed in keeping for the people that which should be theirs. To block off the view of the city from the heights around Parliament House, or the surrounding areas, would be unforgivable; and if we do not take some action quickly in the matter I cannot imagine where it is likely to end, particularly if architects like Krantz and others have their way in their desire to build flats or other commercial buildings.

The name of Krantz is the one that comes readily to mind because he was instrumental in drawing up the plans for the flats which were to be constructed on the foreshore just near Jacob's Ladder. Others could be equally keen. I hope the Minister will take this matter up with Cabinet at the earliest opportunity, if the motion passes this House—as I feel it will. Some action should be taken before the session comes to an end.

**Debate adjourned, on motion by The Hon. L. A. Logan (Minister for Local Government).**

## CITY OF PERTH PARKING FACILITIES ACT AMENDMENT BILL

*Receipt and First Reading*

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

## TRAFFIC ACT AMENDMENT BILL

*Receipt and First Reading*

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

*Second Reading*

**THE HON. L. A. LOGAN** (Midland—Minister for Local Government) [7.38 p.m.]: I move—

That the Bill be now read a second time.

Section 4 of the Traffic Act, 1919-1960, is the definitions section, and clause 2 provides some brief but important amendments to the definitions of "taxi-car" and "private taxi-car". Paragraph (d) of section 8 of the Act limits the number of licenses which may be issued in respect of taxi-cars within the metropolitan area as defined by the Act, to one license for every 600 of the population, as estimated or declared by the Government Statistician.

The intention of the amendment to this section, appearing within clause 3 of the Bill, is to increase this figure to 700. There is one taxi to about 584 of the metropolitan population, and this Government does not intend to issue further licenses when the metropolitan population increases to the 1 to 600 ratio. The amendment provides a protection for the future, having regard to the provisions of paragraph (d) which

shall not be construed to require the cancellation of, or the refusal to renew any taxi-car license which has been issued prior to its coming into operation.

There is the exception that, notwithstanding this, when the circumstances of an application for a taxi-car license are, in the opinion of the Commissioner of Police, such as to warrant it, the commissioner may, in his absolute discretion, issue not more than one taxi-car license in any month, under such circumstances.

Subsection 2 (c) of section 14 of the Act sets out the directions in which the Commissioner of Main Roads shall set apart and apply the moneys paid to him in respect of metropolitan vehicle licences, and transfer and registration fees. The Auditor-General has reported a flaw in the present statute, and the repealing of subparagraphs (i) and (ii) of paragraph (e) of subsection (2c) of section 14, and their re-enactment, as proposed in this Bill, is directed towards rectifying the matter.

The amendments passed during the 1959 session of Parliament provided that these fees, after deducting the sum of £120,000 for costs of collection and administration, should be distributed on the basis of one-half to metropolitan local authorities, and one-half to the Commissioner of Main Roads. That was the intention of the 1959 amendment, and distribution has been carried out on that basis.

However, the Auditor-General points out—having regard to section 34 (2) of the Main Roads Act—that, after deducting the said £120,000 for administration, etc., a sum equivalent to 22½ per cent. of the balance should have been paid to the Main Roads Contribution Trust Account before distributing the balance between local authorities and the Main Roads Department.

Not deducting the 22½ per cent. from the resultant figure has, according to the Auditor-General, resulted in an over-payment to metropolitan local authorities. In accordance with advice obtained from the Crown Law Department, the amendment to section 14 of the Act will regularise the actions taken, and this amendment will be supported by a complementary amendment to section 34 of the Main Roads Act.

Section 16 of the Act deals with the transfer of vehicle licenses, and subsection (1) (a) provides that the person who becomes the owner of a vehicle shall, immediately on becoming the owner, apply to the licensing authority for the transfer of the license to him, and pay the prescribed fee. Paragraph (b) of that subsection sets out the penalties in respect of persons failing to observe those conditions.

Clause 5 of the Bill provides further that a person convicted by the court of an offence in that regard shall be ordered to pay the prescribed fee, whether a penalty is imposed or not, and the order may be enforced as though the amount of the fee were a penalty imposed.

Section 47 is the regulation-making section, and subparagraph (y) of paragraph (i) of subsection (1) makes provision for regulations for the placing, erection or installation on roads or footpaths, of traffic signs, lights and directions, for the control and direction of traffic—both vehicular and pedestrian, and including the driving of animals—for the marking of roads or footpaths for the control and direction of traffic; for the regulation and prohibition of traffic in relation to the signs, lights, and directions; and to authorise the Commissioner of Main Roads, or other person, to exercise any of those powers.

The amendment to this section, as introduced by clause 6, enlarges its scope to the prohibition or restriction of the parking or standing of vehicles, or vehicles of a specified class or classes, at all, or at specified times, and also to the removal of any existing signs, lights or directions, however or by whomever placed, erected, installed or marked.

The inclusion of a further subsection (2a) makes the application of such matters retrospective. The amendment seeks to legalise the various parking and standing prohibitions merely by the erection of a sign as a guide to motorists.

**Debate adjourned, on motion by The Hon. G. E. Jeffery.**

## BILLS (3): RECEIPT AND FIRST READING

1. Builders' Registration Act Amendment Bill.
2. Administration Act Amendment Bill.
3. Death Duties (Taxing) Act Amendment Bill.

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

## IRON ORE (TALLERING PEAK) AGREEMENT BILL

*Second Reading*

**THE HON. A. F. GRIFFITH** (Suburban—Minister for Mines) [7.47 p.m.]: I move—

That the Bill be now read a second time.

I move the second reading of this Bill in order to seek the ratification of an agreement entered into between the Government and Western Mining Corporation Ltd. concerning the exploration and development of the Tallering Peak iron ore deposit. The State Government decided to call tenders for the mining and export of ore from Tallering Peak, as is widely known. This became a practical proposition because of the removal by the Commonwealth Government of the export restrictions on iron ore.

The deposit of good-grade ore at Tallering Peak has been established, by the department's diamond drilling, to approximate 2,000,000 tons. Of the six tenders received, that submitted by Western Mining Corporation offered the best prospect of successful development, from the State's point of view. Furthermore, it offered the best return to the Government in royalty and permanent installations. The agreement embodies the full terms of the agreement entered into.

It has been agreed that the company must prove the deposit, by prospecting and drilling, within six months. Having established the proposition to be an economic one, there would be an obligation on the part of the company to arrange marketing contracts within a further period of three months, or such extended time as the Minister considered necessary, taking all circumstances into consideration.

The company will be required to provide, at its own cost, and maintain a railway and appurtenances from Tallering to Mullewa—this to be equipped with two diesel engines and trucks sufficient to transport 10,000 tons of ore weekly to Geraldton. The railway—that is, the line and the rolling-stock—becomes the property of the Government upon the expiration of the lease.

The company will be required to pay the Railways Department a freight rate of 11s. 9d. per ton. This charge is based on direct costs at the time of the execution of the agreement, and will be subject to adjustment from time to time, to take into account any rise or fall in direct railway costs.

A further requirement is the construction of an approved fixed conveyor-system on a stock-pile area to be provided by the Government at Geraldton Harbour. This system will need to be capable of loading 500 tons of ore per hour on to ships. The conveyor-system also becomes the property of the Government on the expiration of the lease.

The lease area is 2,799 square miles and will be subject to a lease rental of £2 10s. per square mile, over the total area. There is further provision for a fee of £200 for a temporary reserve, and royalty payments as follows:—

(a) 6s. per dry weight ton on the first 2,000,000 tons of ore recovered and sold.

(b) 6s. per dry weight ton on all further ore recovered by open-cut mining methods.

(c) 1s. 6d. per dry weight ton on all ore recovered by other than open-cut methods.

(d) 1s. 6d. per dry weight ton on all concentrates derived by upgrading iron ore and sold.

(e) At such rate as is, from time to time, prescribed by regulation on all iron pyrites recovered and sold. At present, under the Mining Act, this is 1s. per ton. Pyrite is likely to occur only at considerable depth.

(f) To pay a wharfage charge of 3s. 6d. per ton, or such other charge as may, from time to time, be agreed upon.

The terms of the agreement ensure that it will be obligatory upon the Government to grant the mineral lease of the Tallering deposit, and the temporary reserve over a further area for prospecting for more ore. The company is hopeful of locating additional ore deposits within the reserve, which could permit it to continue operating for much longer than the five-year period. Concerning the freight rate, previously referred to, I should let members know that the Government is to provide crews to operate the ore trains from Tallering to Geraldton, and also to maintain the locomotives and rolling-stock, and recondition the Mullewa general section of the railway line to enable it to carry the ore trains, and to maintain that line accordingly.

The cost of acquisition of such land as will be required for the railway line will be met jointly by the State and the company, in respect of which the company will receive a five-year lease. The acquisition of this land is not expected to entail any substantial expenditure, as a goodly proportion of the route is likely to traverse Crown land. The railway project will necessitate the introduction of an authorising Bill for construction.

The State and the company have agreed to share jointly expenses incurred under certain sections of the Public Works Act, relating to alterations to roads, streets, bridges, sewers, etc., consequent upon the construction of the railway from Tallering to Mullewa. A five-year lease of a stock-pile area at Geraldton harbour is to be granted the company.

There is an important provision that, upon the expiration of the five-year railway and stock-pile leases, and when the railway and conveyor plant have become Government property, the company will be permitted to transport up to 500,000 tons of ore per annum, and load to ships under similar rail freight terms, added to which will be a charge of 3d. per ton for use of the conveyor. The company has high hopes in the future of the area, and looks to the exploration of the reserved area being the means of locating additional ore supplies which would enable it to continue producing even after the main Tallering deposit had been exhausted.

The agreement may be terminated in the event of the company's work in the first six months being unsuccessful in the matter of proving the existence of an economic body of exportable ore, or in the event of the company being unable to enter into contracts for the sale of the 2,000,000 tons of ore.

Western Mining Corporation Ltd. is hopeful of unearthing other iron ore bodies of various grades which could, if necessary, be upgraded and exported, in addition to the 2,000,000 tons estimated to exist at Tallering. Such development would maintain an industry of considerable employment value to the State, maintain a source of direct revenue to the Treasury, and establish an important Australian industry with a valuable export trade.

It has been estimated that the capital cost of plant and equipment will be £500,000 to mine 500,000 tons per annum at Tallering. The construction of the railway, together with provision of engines and wagons, and installation of port equipment, has been estimated at £1,100,000. The establishment of a small township will eventuate with the employment of about 75 men. Considerable outlay on the exploratory operations will involve the company in substantial expense in respect of drilling, geological and geophysical work, and preparations for mining.

It would be remiss of me were I to conclude the explanation of this Bill before expressing some words of appreciation of the Western Mining Corporation Limited. This corporation has been a substantial employer of labour for many years in this State. It has operated the fine Central Norseman Goldmine at Norseman, the Goldmines of Kalgoorlie at Boulder, the Great Western Goldmine at Bullfinch, the talc mine at Three Springs, and, more recently, the bauxite project. This company has achieved much on behalf of our outback areas and has set a fine record in connection with the provision of modern amenities for its employees; and there can be little doubt but that its wide experience in mining activities in this State has been a potent factor in enabling its submission of the most successful tender for this project.

The agreement is considered to be a very good one from the State's point of view. The Government is committed to little expenditure. Should the project succeed, the port of Geraldton and the surrounding hinterland will benefit through the construction of another land-backed berth; and while there have been indications that such additional facilities are likely to be needed within the next few years, the successful culmination of this project will constitute a particular assurance of their provision. The company lost no time, after the execution of the agreement, in transporting several drilling plants to the deposits; and, as a result, exploratory work is now in full swing. Early results of these further investigations in the Tallering area have been encouraging.

Since acceptance of the tender in August last, the company has been extremely active, and its record of operations to date, is as follows:—

(1) A camp has been established at the deposit, comprising 27 wages men and six staff men.

(2) Four diamond drills are engaged working two shafts, three of these being of a 1,000 ft. depth capacity and one 3,000 ft. In addition, one truck-mounted percussion drill is also operating.

(3) The company has surface mapped four iron ore lenses in close detail, and has found three to be of high grade ore and one a large low-grade ore body.

(4) 1,500 ft. of diamond drilling and 1,500 ft. percussion drilling has been completed.

(5) The company has commenced a survey of the railway line, and has had the route of same, and environs of the ore body, photographed by Adastra Aviation and they will now produce contour maps.

(6) The company has equipped a laboratory at Kalgoorlie to conduct beneficiation tests on the low grade ore body and is assaying all drill cores, and undertaking friability tests on the ore at that centre. Results of operations to date, are regarded by the company as satisfactory.

I think, in the circumstances, that is an understatement by the company. In commending this Bill to members, I am hopeful of its early passage through the House. The agreement is a very important one indeed, and has prospects of developing into a long-range programme of iron ore mining in that part of the State.

I did think the Bill to authorise the construction of the railway line may have been left until next year, but a short time ago the company in its communications to me said it was doing so well it hoped the Government would introduce during this current session of Parliament the Bill to authorise the construction of the railway line; and I will shortly ask the House to deal with that particular Bill.

It can be said that this measure represents a commencement of iron ore development in Western Australia, even though the Tallering Peak deposit is small in comparison with other iron ore deposits that are being developed in Western Australia. I give the highest commendation to the Western Mining Company for the way it has tackled the problem. I wish it the greatest success and hope it will be able to fulfil the agreement in its complete terms, particularly so that it will not have to go beyond the six months' distinguishing period and beyond the three month period to arrange shipment of iron ore to its customers overseas.

The benefits that will accrue to the Geraldton area are quite obvious; and, as I said, and repeat, it is the hope and expectation of the company that, rather than enter into this as a project to export 2,000,000 tons of iron ore and call it a day, it will expand it to a long-range project which could last for some 10 or 15 years.

**THE HON. A. R. JONES** (Midland) [8.0 p.m.]: I propose to say a few words with regard to this Bill. I am pleased that activities such as these have become possible, and I trust that all the exploration work which is going on will have favourable results. The Minister said that instead of marketing 2,000,000 tons of ore over five years, it might be possible for the industry to keep going for 10 or 15 years. Having spoken with men who know that country, I believe that is possible, because they feel that other deposits are to be found in the area.

Once an area such as this is opened up and men are engaged in the industry, in their spare time the men have opportunities for exploring the surrounding countryside. The jeep is a very useful vehicle for this purpose, many miles of countryside can be explored, and it is quite possible that other minerals will be found. There will be an outlet for iron ore deposits, which we trust exist in sufficient quantity and quality; and we hope also that other minerals will be found.

I know that the Geraldton people are looking forward to this project being the forerunner of the discovery of other mineral deposits. Local authorities will do everything to help this industry. I hope that the Western Mining Corporation will be given every opportunity to develop the ore and to make good what we believe is one of our great State assets.

**THE HON. C. H. SIMPSON** (Midland) [8.3 p.m.]: Like Mr. Jones, I am very pleased that this project has taken shape and that there is a definite agreement between the Government and Western Mining Corporation to exploit this particular deposit of iron ore. I am sure it will be of benefit to the State and more particularly the district of Geraldton; and also to Mullewa, which is adjacent.

I was in business fairly close to Tallering Peak for approximately 25 years. I went into the area on two occasions, but there was not very much to be seen. It was just a hill like any other, and it was rough breakaway country. I knew there was reputed to be high-grade deposits of iron ore at Tallering Peak, and when later I became a parliamentarian I made it my business to see the Mines Department and check up on the stories I had heard about the amount of iron ore in the district and the quality of the grade.

I found that the stories were very much exaggerated. However, there was no question at that time that there was a fairly large body of ore—not a large deposit compared with other known deposits in the State, but nevertheless a fairly substantial body. Assays which had been taken at that time indicated the ore was of fairly high grade.

At the time there was a Commonwealth embargo on the export of iron ore. As this was a relatively small deposit and would involve transportation costs to convey it to the port for shipment, there was no immediate interest in the deposit. However, later on there were inquiries made and if members refer to *Hansard* they will find that in connection with the inquiries into deposits at Koolyanobbing I made the suggestion that these deposits at Tallering Peak, which were much closer to the seaboard than the Koolyanobbing deposits, might receive consideration.

A survey was made of the deposits and the figure, which had previously been estimated to be roughly 1,000,000 tons, was revealed to be somewhere around 4,000,000 tons, as far as could be ascertained by the surface survey.

As Mr. Jones pointed out, when deposits are opened up and proved advantageous it often happens that the body of ore proves to be larger and of better quality than appeared from the original survey.

The Hon. A. F. Griffith: And just the reverse could happen, too, sometimes.

The Hon. C. H. SIMPSON: That is so; but I think sufficient work has been done on this deposit to indicate there is a very sizeable deposit of ore and of sufficiently high grade to warrant its being shipped. The project will no doubt be of benefit to the district. The peak is about 35 miles from Mullewa, the nearest railway point; and a line is planned to be built by the company from the deposit to connect up with the Mullewa-Geraldton line.

The Government has undertaken to develop the port in order to take ships of 10,000 tons. That will be a distinct advantage to Geraldton. As members of the district know, pressure has been brought on the Government from time to time to develop Geraldton Harbour to take heavier ships than it has taken in the past. A certain amount of deepening and widening of the channel will be necessary, and this project provides the opportunity for that to be done. All in all, I am delighted that this agreement has been entered into, and I am sure it will be very beneficial to the district as a whole and to that particular locality.

**Debate adjourned, on motion by The Hon. H. C. Strickland (Leader of the Opposition).**

## SUPERANNUATION AND FAMILY BENEFITS ACT AMENDMENT BILL

*Receipt and First Reading*

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

*Second Reading*

**THE HON. A. F. GRIFFITH** (Suburban—Minister for Mines) [8.9 p.m.]: I move—

That the Bill be now read a second time.

This Bill contains two important amendments to the Act, and a third provision, which I shall explain forthwith, which provides for the payment of the fund share of a retirement pension to be made as from the date of ceasing duty, on reaching the elected retiring age; or after that date where periods of final leave extend beyond the elected retiring age.

That was the intention of the amendment introduced last session, but the wording of that section of last session's amending Bill provided that if a contributor had reached his elected retiring age and had ceased duty, he would receive the fund portion of his pension from the elected retiring age. The current amendment to section 59 of the Act rectifies the position.

There have been amendments to the British National Insurance Scheme involving staff employed in the office of the Western Australian Government agency in London. These recent amendments would place an obligation on members of the London office to pay an additional contribution to the national scheme.

Furthermore, the Western Australian Government, as the employer, would be required to pay to the British Government the required employer's subsidy. The members of the staff to which I refer are contributors to the State fund.

Under existing provisions of the Act, contributors may, on retirement, accept certain alternatives by way of benefits. A contributor not wishing to accept a full pension for the total number of units contributed may accept a pension for a lesser number of units, together with a refund of contributions in respect of units surrendered.

Alternatively, a contributor may surrender all pension benefits in preference to receiving a down payment representing a refund of all contributions made.

Now there is a provision in the National Insurance Act for exemption from the further contribution previously mentioned when an employee is a contributor for an equivalent pension income outside the scope of the national scheme.

Unfortunately, the alternative benefits available under the State scheme preclude that scheme from being an accepted equivalent pension scheme. Otherwise, the State scheme would be considered satisfactory for exemption purposes.

The problem has been made the subject of negotiations with the British authorities, as a result of which—and with the concurrence of the staff affected—an amendment is introduced under the provisions of this Bill to negative the surrender of units provision in respect of the London office staff, where that provision would reduce the retirement pension benefit below the amount of equivalent pension required under the National Insurance Act of the United Kingdom. The number of minimum pension units required for the exemption is approximately three.

The final amendment to the Bill is in respect of provident account subsidies. There are a relatively small number of persons employed under the Public Service Act who are unacceptable as contributors for superannuation because of some slight physical defect.

These officers are required to make provision for benefits on retirement by contributing to the Provident Account established under the Superannuation Act.

Under existing provisions, their benefit entitlement is restricted to a refund of such provisions, plus interest.

Arising out of representations made by the Joint Superannuation Committee, the Government decided to adopt the Commonwealth practice of making an employer-subsidy to the fund in respect of these contributions, in the ratio of £2 for every £1 contributed by the employee. Consequently, when such an employee retires, he receives payment equivalent to three times his personal contributions, including interest thereon.

Members will be interested to know that similar payments will be made to the widow or—if the employee is a widower and leaves children under the age of 16—to the children, in the event of the employee's death before retirement.

However, in the event of resignation, discharge or dismissal of the employee, or should he die leaving no dependants, only the actual contributions made by the employee, plus interest thereon, will be paid to the personal representative.

This Bill fixes the required contribution to the account at 1s. in the pound of gross salary. The main provision in this regard is contained in the new division (3) of part VA.

A reason why the respective provisions in the Bill regarding this matter appear quite lengthy is to be found in the fact that two of the three divisions in part VA relating to the provident account have been re-enacted from the existing provisions. This was necessary in order to provide for the State subsidisation of the benefit to the persons mentioned.

**Debate adjourned, on motion by The Hon. J. D. Teahan.**

## MAIN ROADS ACT AMENDMENT BILL

*Second Reading*

**THE HON. L. A. LOGAN** (Midland—Minister for Local Government) [8.15 p.m.]: I move—

That the Bill be now read a second time.

This proposal is to amend the Main Roads Act to meet the requirements of the Auditor-General. After meeting administration costs of £120,000, all metropolitan

traffic fees are being distributed between the Main Roads Department and metropolitan local authorities on a 50-50 basis. That was the Government's intention when the traffic Act was amended in 1959.

The Auditor-General has pointed out that section 34 of the Main Roads Act still requires that a sum equivalent to 22½ per cent. of the net balance of traffic fees should be paid into the Main Roads Contribution Trust Account, and the balance remaining after such appropriation should be distributed between local authorities and the Main Roads Department. Such an arrangement was not intended to continue after 1959, and the amending Bill rectifies the statutory inconsistency.

I think it would be realised that there would be a squeal from local authorities if they were to be paid only the 50 per cent. and 22½ per cent. was taken out of it. This was never intended, and the amendment is to correct an anomaly to which attention has been drawn by the Auditor-General.

**THE HON. W. F. WILLESEE** (North) [8.17 p.m.]: This Bill is to bring into conformity ideas that were proposed under an amendment to the Traffic Act in 1959. The Auditor-General has drawn attention to the anomaly and the Bill simply rectifies the position.

**Question put and passed.**

**Bill read a second time.**

*In Committee, etc.*

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

*Third Reading*

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

## PUBLIC WORKS ACT AMENDMENT BILL

*Second Reading*

Debate resumed from the 31st October.

**THE HON. F. J. S. WISE** (North) [8.20 p.m.]: This rather short Bill is designed to amend the Public Works Act by adding a new part with a sub heading "Electricity." If one reads the Public Works Act as it stands one wonders why there is a need for this Bill; because the parent act is so broad in its expression and by its intention, that one would think this position was amply covered.

For example, in section 2 of the principal act it clearly states—

> "Public work" and "work" mean and include:—
>
> (1) Every work which His Majesty, or the Governor, or the Government of Western Australia, or any Minister of the Crown, or any local authority is authorised to undertake under this or any other Act.

The Bill before us is for the sole purpose of ensuring that electricity undertakings undertaken by the Government are fully authorised, quite apart from any authority vested in the State Electricity Act. But one would think, on reading the definition of "public work," that there was ample coverage, particularly when one realises the full ambit of the works which the Public Works Act authorises, such as roads, bridges, wharves, harbours, railways, and everything imaginable.

I would think on this occasion the Government is not running any risk at all, and it is slightly different to its attitude on other legislation we have dealt with recently. We amended the Land Act, and that very important section of it dealing with Class "A" reserves, by mentioning it in the schedule to a Bill. I will never get over that situation.

The principle in this measure is to ensure that the new part VA, dealing with electricity, gives to the Governor the full authority to undertake all works associated with electricity where the State Electricity Commission has neither the vested authority nor the wish to enter the field. As a principle I think it is an excellent one, particularly having regard for the well-being of the public in remote localities, in small settlement areas, and in areas where it is so difficult even to have a concessionaire operate.

The Minister, in introducing the Bill, mentioned the circumstances obtaining at Wyndham where the old town is at the foot of the Bastion, over a mile from the meat works, and yet not reticulated from it, and the new town, three miles away, wanting some lighting or power system.

A Bill such as this will give to the Government the authority to aid a local governing body in every particular without that body entering into agreements which would be very difficult for it to carry out. In addition, this Bill, tying in as it does with section 33 of the State Electricity Act, and also giving an authority in regard to construction, will amply cover all circumstances that could be anticipated where small districts were disadvantageously circumstanced. I support the Bill.

**Question put and passed.**

**Bill read a second time.**

*In Committee*

The Chairman of Committees (The Hon. W. R. Hall) in the Chair; The Hon. L. A. Logan (Minister for Local Government) in charge of the Bill.

**Clause 1 put and passed.**

**Clause 2: Section 1 amended—**

The Hon. A. L. LOTON: I have a query with reference to page 3 of the Bill. I would like the Minister to explain why.

under this Act, before the Minister can do any of the work mentioned, he must obtain the sanction of the commission. With nearly all Acts the Minister is paramount to any commission. Why is the position changed in this instance?

The CHAIRMAN (The Hon. W. R. Hall): That should be dealt with on clause 3.

The Hon. A. L. LOTON: I am sorry. I thought it came under this clause.

**Clause put and passed.**

**Clause 3: Part VA added—**

The Hon. A. L. LOTON: The remarks I have just made should have applied to this clause. Can the Minister give me the information I seek?

The Hon. L. A. LOGAN: This will not mean that the commission will dictate to the Government; but it is to make sure that the Minister will not allow anything to be done in areas which rightly should be covered by the commission. This is merely to ensure that there is co-operation between the Minister and the commission before any work is contemplated.

The Hon. F. J. S. WISE: I do not think it is intended that the word "consent" shall mean "approval" but rather with the commission's sanction or understanding.

The Hon. L. A. Logan: Co-operation between the two.

The Hon. F. J. S. WISE: As the Minister has pointed out it means that the commission shall concur in any Government move for any new undertaking.

**Clause put and passed.**

**Title put and passed.**

*Report*

**Bill reported without amendment, and the report adopted.**

*Third Reading*

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

## BANANA INDUSTRY COMPENSATION TRUST FUND BILL

*Receipt and First Reading*

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

*Second Reading*

**THE HON. L. A. LOGAN** (Midland—Minister for Local Government) [8.32 p.m.]: I move—

That the Bill be now read a second time.

This is a Bill for an Act to establish a trust fund for the payment of compensation to growers of bananas, in the event of loss. Clause 41 of the Bill states that the Act shall remain in force for a period of seven years after its coming into operation—and no longer. The interpretations in clause 5 clearly define particular words. Part II of the Bill makes provision for the constitution of a Banana Industry Compensation Committee, which is to be a body corporate consisting of three members, as set out in subclause 2 of clause 7.

The term of tenure of office of a person appointed to an office of member of the committee expires by effluxion of time on the expiration of a period of three years, commencing on the date specified in the notice of appointment published in the *Government Gazette* as the commencing date of that term.

The Governor may fill a vacancy in the office of a member that occurs otherwise than by the retirement of a member on the expiration of the term of his office, but the person appointed to fill the vacancy shall hold office only for the unexpired portion of the term of office of the member in whose place he is appointed.

There is a provision in clause 11 for deputies, and clause 12 covers remuneration and expenses of members and deputies. The convening of meetings is set out in clause 13, and the remainder of part II deals with committee proceedings.

A banana industry compensation trust fund is to be established under part III of the Bill. The committee shall control the fund, and the fund may be operated upon and administered for the purposes in such manner as, from time to time, the Treasurer approves and is hereby authorised to approve. The fund shall consist of:—

(a) All moneys received by or for the committee for contributions in respect of bananas marketed, which moneys the committee shall pay to the Fund;

(b) All moneys received from the Treasurer under the provisions of section 23 of this Act;

(c) Moneys advanced by the Treasurer under the authority of section 18 of this Act;

(d) The amount of all penalties recovered in respect of offences against this Act; and—

(e) Any other moneys paid to the committee under this Act for payment to the fund.

The Treasurer may make advances to the fund to meet a deficiency, under the provisions of clause 18. This clause also provides for investment of moneys not immediately required.

Clause 19 refers to contributions to the fund and states that every grower shall, in every year, contribute to the fund in relation to the bananas produced by him for sale, and the amount of the contribution shall be assessed in relation to the

amount of money payable to the grower by the wholesaler who has obtained or received bananas from that grower for sale or export.

Under clause 19 (2) the rate of the contribution to be made by growers shall be the sum of two shillings in respect of every case of bananas sold or exported for sale by the wholesaler or, where bananas are in a container of greater or less capacity than a case, such sum in respect to that container greater or less than two shillings as shall be respectively proportionate to the quantity of bananas in that container which exceeds or, as the case may be, is less than the quantity contained in a case.

Clause 20 provides that a wholesaler who obtains or receives bananas from a grower for sale or export, and is liable to make to the grower any payment, or to account to the grower for any moneys in respect of bananas so obtained or received by him, shall deduct out of the moneys payable by him to the grower, or held by him to the credit of the grower, and pay to the committee the amount of the contribution for which the grower is then liable under section 19.

The acknowledgment by the committee of the payment by the wholesaler shall be a complete discharge to the wholesaler as against the grower. Failure by the wholesaler to deduct contributions would be an offence. That is in clause 21.

The amount of all contributions deducted by a wholesaler is a debt owing by him to the committee until paid to the committee, and until such time as the amount of the contribution for which the grower is liable is received by the committee from the wholesaler or from the grower himself, the amount of the contribution is a debt owing by the grower to the committee, and is recoverable.

In the event of excess contributions being made, they are to remain in the fund to the credit of the grower. The Treasurer, out of moneys appropriated by Parliament for the purpose, shall contribute to the fund an amount equal to 50 per cent. of the moneys received by or for the committee in respect of contributions payable pursuant to the provisions of section 19 of this Act.

Part IV deals with banana industry compensation. The first charge against moneys standing to the credit of the fund are the costs of administration and remuneration and travelling and other expenses payable to members of the committee, or their deputies. The remaining moneys of the fund may be used for the payment to growers of compensation, subject in every case to the approval of the Minister.

Under clause 25 compensation will be payable to growers in respect of the whole or portion of losses suffered by them, while engaged in producing bananas for sale, as the result of cyclones, storms or floods, or of any natural cause, pest or disease which, in the opinion of the Minister, constitutes a serious threat to the existence of the banana growing industry.

The compensation payable to a grower will be in respect of either or both total loss and partial loss, based on the acreage, and calculated to the nearest one-tenth of an acre of the land of that grower on which the destruction of bananas in the course of production by him occurs.

The amount of compensation payable shall be assessed in relation to the number of cases of bananas ascertained and determined on a weighted average production basis; meaning the quantity of bananas expressed in cases per acre of land of the grower ascertained by dividing the total number of cases of bananas produced on that land during the period of five years immediately preceding the date of the loss suffered, by the aggregate of the number of acres of that land utilised to produce the total number of cases of bananas during that period. Compensation shall be payable at the rate of 20s. per case where total loss occurs, and *pro rata* where partial loss occurs.

In cases where no satisfactory records exist, the committee may assess the amount of compensation payable in a manner and on a basis to be prescribed by regulations, or, pending the approval of regulations, on an assessment basis at the absolute discretion of the committee, but not greater than that specified in subsection (3) of section 25.

Provision has been made under section 26 for the extent of loss to be assessed by agreement between a person representing the growers, nominated for the purpose by a majority of the growers, and an officer of the department appointed for that purpose by the director; and in default of agreement, some competent and impartial person nominated and appointed for the purpose by the Minister shall assess and determine the extent of the destruction.

Clause 27 sets out the amount of compensation payable. Total loss is deemed to have been suffered if the area is not less than a quarter of an acre and the destruction is not less than 75 per cent. of the bananas in course of production on that portion of the land.

The extent of partial loss is to be assessed and determined in accordance with section 26 of the Act on an average basis in relation to the number of acres of the grower's land on which the destruction occurred. Should such area be less than an acre, then the extent of the destruction shall be so assessed and determined proportionately in relation to one acre. No compensation shall be payable if the area is less than one-quarter of an acre. Both total and partial losses will be taken into account in payment of compensation.

When a grower becomes entitled to compensation in respect of any partial loss, only 80 per cent. of that loss shall be

assessed for compensation. No compensation will be paid in respect of the other 20 per cent., which shall be borne by the grower.

The compensation for bananas not fully bunched or ready for commercial production will be payable in accordance with the schedule, but the amount shall not exceed the rate of £200 per acre of the land on which the bananas destroyed were in course of growth. Claims for compensation must be made within 30 days, otherwise ministerial authorisation is required.

The provisions regarding payment of compensation require that when, in any year during the period of seven years immediately following the coming into operation of this Act, growers suffer loss by reason of destruction of bananas and compensation is payable, the following conditions shall apply: If all the claims for compensation are claims for partial loss only, they shall be paid out of the fund to the extent to which the money in the fund is sufficient therefor. If that money is not sufficient to pay all those claims in full, then they shall be paid *pro rata* according to the amount of money in the fund, and the total amount of compensation payable.

When the claims for compensation comprise both claims for partial loss and claims for total loss, the claims for partial loss shall be paid out of such amount of money in the fund as bears to the total amount of money in the fund the same ratio as the aggregate acreage in respect of which the claims for partial loss are made bears to the total acreage in respect of which all the claims are made, and the balance of the money in the fund shall be available for, and applied towards payment of the claims for total loss.

The money so available for payment of claims for partial loss shall be applied in payment of those claims to the extent to which that money is sufficient therefor. If that money is not sufficient to pay all those claims in full, then they shall be paid *pro rata* according to the amount of the money so available and the total amount of the claims for partial loss.

The balance of the money available for payment of claims for partial loss remaining after payment of all those claims in full shall be available for, and applied towards payment of the claims for total loss.

The money available for payment of claims for total loss shall be applied in payment of those claims to the extent to which that money is sufficient therefor, and if that money is not sufficient to pay all those claims in full, then the amount of the deficiency shall be paid by the Treasurer out of the Public Account. That money is in addition to the 50 per cent. subsidy.

When the claims for compensation are claims for total loss only, they shall be paid out of the fund to the extent to which the money in the fund is sufficient therefor, and if that money is not sufficient to pay all those claims in full, then the amount of the deficiency shall be paid by the Treasurer out of Public Account.

Some of the miscellaneous provisions under part V enable the appointment of a secretary by the director. Clause 31 provides a penalty for obstructing or hindering officers, and clause 32 places obligation on every grower to furnish an annual return to the committee.

Clause 33 deals further with returns, and clause 34 empowers any member and the secretary of the committee, and any inspector or officer appointed under the Act, and authorised in writing, to inspect books, accounts, etc., of any grower or wholesaler relating to the business of banana growing carried out by him.

Clause 35 provides for the proper keeping of books and accounts by the committee; and clause 36 deals with audits, and makes provision that at least once in every year, the committee shall furnish to the Minister a report of its transactions, and a true copy of the accounts so audited.

Clauses 37, 38 and 39 deal with the general penalty, *prima facie* evidence in certain matters, and proceedings for offences against the Act, respectively. Provision is made in clause 40 for the making of regulations under the headings as set out and clearly defined.

**Debate adjourned, on motion by The Hon. W. F. Willesee.**

## KWINANA-MUNDIJONG-JARRAHDALE RAILWAY BILL

*Second Reading*

Debate resumed from the 31st October.

**THE HON. E. M. DAVIES** (West) [8.45 p.m.]: This is a small but important Bill for an Act to authorise the construction of a railway from Kwinana to Jarrahdale through Mundijong. It is consequential on the alumina agreement.

The Minister explained in his second reading speech that the Bill will take effect on a date to be proclaimed and that the railway is referred to in two sections; firstly, the Kwinana-Mundijong section, and secondly, the Mundijong-Jarrahdale section and that the positioning of the crushing plant has had a bearing on the decision. In his speech the Minister said—

> The Kwinana-Mundijong section is the section on which the commissioner based the estimates for the per-ton mile rate for the line taken out over that approximate distance. Apart from the difference in distance, the type of terrain between Mundijong and Jarrahdale differs in character from that between Kwinana and Mundijong. New rates will be negotiated with the company, if necessary.

The separation of the two sections of the railway has been made in the Bill to permit negotiations continuing with respect to the Mundijong-Jarrahdale section, while the Kwinana-Mundijong section is being attended to. This latter section will come into effect as soon as possible, on the issue of a proclamation after the Government is satisfied that the company has conformed with the requirements under the agreement.

The Minister also stated that the passing of the Bill will authorise the construction of the Mundijong-Jarrahdale section to proceed on completion of further negotiation.

In my opinion the following are the main points in connection with the Bill:—

1. The early passing of this Bill will benefit the railway system because of its use of the line.
2. It will assist the early stages of the alumina project.
3. The company is committed to use the line for 30 years to the exclusion of any other form of transport for its bauxite.
4. The railway gauge would be 3 ft. 6 in., tying in with the main 3 ft. 6 in. line. I understand there is a provision in the agreement for a wider gauge if necessary.

The Minister has been good enough to table a plan showing the route of the railway commencing from Spearwood and utilising the existing railway reserves from Spearwood to a point crossing Shallcross Road and turning right then and proceeding down to Churchill Avenue. This area, or quite a large portion of it, is in the green belt and for quite a number of years now there has been a great deal of argument advanced in connection with the subdivision of the five-acre blocks. I am wondering whether the Minister can tell us anything about that because although this is not dealing with this Bill, the map has been tabled and I think it is an important matter for some of the people in the district. I hope that when the Minister is replying he will be able to enlighten us.

**THE HON. H. C. STRICKLAND** (North —Leader of the Opposition) [8.50 p.m.]: I was absent from the city when the Minister introduced the Bill yesterday, but I had the same thoughts in mind as Mr. Davies in connection with landowners. Mr. Griffith has introduced quite a number of Bills in the last few weeks in connection with railways which, of course, are going to transgress several hundred private properties.

I remember that in 1957 when I, as Minister for Railways, introduced a Bill here to authorise the building of the Midland Junction-Welshpool railway, Mr. Griffith took me to task for some two hours, worrying about whether the people whose land the railway was to transgress, would be paid before the railway was constructed. If I remember correctly he said, "I will bitterly fight this Government and any other Government unless the people whose land is being resumed are paid for that land before the project is proceeded with" or words to that effect. So I am wondering if the Minister in these days has the same bitterness in his soul which he had in those days towards the then Minister for Railways who was endeavouring to improve the transport facilities.

So I join with Mr. Davies and ask the Minister whether he is certain that those people about whom he was so worried in 1957—the landowners whose land is going to be disturbed—will be compensated for their land without having to wait so that they will be able to utilise their money for some other purpose as he desired they should in 1957.

I support the Bill because it is an advance. It is an industrial railway and something which is absolutely necessary. But it just crossed my mind that I had to listen for two hours to the Minister's castigation. How different it is when the Government has a constructive and helpful Opposition, one that it knows is behind it and not fighting it; one which it knows will not throw Bills out of the window, which, of course, we cannot do. It will be interesting to hear the Minister's views on the matters raised by Mr. Davies because the construction of several railways has been approved during this session.

**THE HON. A. F. GRIFFITH** (Suburban —Minister for Mines) [8.54 p.m.]: I want to thank the two honourable members for the support they have given to this Bill. Mr. Strickland should have been here last night—

The Hon. H. C. Strickland: I was in Carnarvon, as you know.

The Hon. A. F. GRIFFITH: Yes, I know. I was just saying the honourable member should have been here last night when we dealt so extensively with the painters' legislation, a lot of discussion having taken place in regard to builders' registration.

The PRESIDENT (The Hon. L. C. Diver): Order! The Minister had better confine his remarks to the Bill.

The Hon. A. F. GRIFFITH: Yes I am going to get on to that.

The Hon. H. C. Strickland: I will read about it.

The Hon. A. F. GRIFFITH: You know what took place last night, Mr. President; and I realise that situations change. As far as the Welshpool-Bassendean line was concerned, I consider I was right at the time to uphold the difficulties of the people I represented and I would still do so from this seat if I could possibly help in any way. I cannot tell Mr. Strickland the

exact route of this railway because some still has to be surveyed. As Mr. Davies said, it goes through a portion of the green belt. I think the honourable member—

*Point of Order*

The Hon. E. M. DAVIES: I did not have the right map. It is for that reason I have raised this Point of Order. Nevertheless, I would like the Minister to make inquiries and ascertain whether this railway will do the same.

The Hon. A. F. GRIFFITH: I was trying to indicate to the honourable member by holding up this map that he had been given the wrong one.

*Debate Resumed*

The Hon. A. F. GRIFFITH: Some of this land has still to be surveyed and some will follow the existing route. In respect of the subdivision of five-acre lots in this area, or any other area, I have no idea as to the answer. It is a matter for the local authority and the Minister for Town Planning. However, it is the policy in this area and other areas that the Town Planning Board does not allow subdivisions under five acres. What the attitude on this occasion will be I cannot say at this time.

**Question put and passed.**

**Bill read a second time.**

*In Committee, etc.*

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

*Third Reading*

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

## COMPANIES BILL

*Second Reading*

Debate resumed from the 26th October.

**THE HON. W. F. WILLESEE** (North) [9.0 p.m.]: This uniform Companies Bill has been under consideration in different spheres for something like 25 years; and considerable research over the last two and a half years has gone into the measure. As evidence of the amount of thought that has gone into the Bill, I point out that at about this time last year a Companies Bill of about the same size as this was dealt with; and now, within 12 months, it is necessary to rewrite the legislation because so many alterations have been found necessary.

I do not claim to have had time even to read the Bill, let alone study it, but I have looked at it, and my first reaction was that the measure is poorly indexed. The Bill comprises some 476 pages, split into 12 major parts, and I would have thought it would be better indexed than it is. The Minister, when introducing the Bill, had this to say—

> The general approach of the Ministers to this matter has been, firstly, to simplify the requirements of the legislation with the object of facilitating operations of legitimate business; and, secondly, to strengthen the provisions aimed at fraudulent and undesirable practices and those designed to safeguard the investing public.
>
> These two objectives are, to a degree, irreconcilable, but it is believed that the streamlined procedure of the legislation will be of great benefit to the community and that the strengthening of the provisions relating to disclosure and prevention of fraud will not interfere unduly with the operations of legitimate business.

That is the most important statement, and I highlight it by quoting from a report in *The West Australian* of the 8th February last. Under the heading, "Trust Chiefs Gaoled" it states—

> New York, Tuesday: A Philadelphia District Court judge last night sent seven executives of some of America's biggest electrical firms to prison on Federal anti-trust charges.
>
> They had appeared on charges dealing with price-fixing and bid-rigging in one of the biggest anti-trust cases in American history.
>
> The gaol terms were imposed with fines totalling more than $800,000 (£357,000) against nearly two dozen companies and more than $100,000 (£45,000) against 36 individuals.
>
> The first men sent to gaol were three General Electric Company executives and two from the Westinghouse Electric Corp.—the nation's two biggest electrical equipment manufacturers.
>
> The others were from Cutter-Hammer, Milwaukee, and the Clark-Controller Co., Cleveland.
>
> A total of 48 individuals and 32 corporations pleaded either guilty or "no defence" to violations of the Sherman Anti-Trust Act in submitting rigged bids in the sale of heavy electrical equipment over the past five years.
>
> The indictments involve a gross annual business of $2,000,000,000 (£892,000,000) for equipment used to generate, transmit and distribute electric power to virtually every home in America.
>
> Judge Cullen Ganey called the conspiracy a shocking indictment of a vast segment of the U.S. economy. The defendants mocked the image of America's free-enterprise system.

I mention that as showing the importance of the provisions dealing with this aspect in the Bill. We in Australia, and in Western Australia particularly, can be forewarned in respect of such happenings.

At page 9 of the Bill we find the definition of "director" as follows:—

> "director" includes any person occupying the position of director of a corporation by whatever name called and includes a person in accordance with whose directions or instructions the directors of a corporation are accustomed to act;

I thought this measure would contain a definition of a director. No such defintion appeared in the old Act; and it is difficult to define a director's duties; what happens in regard to the appointment of a director; and what his qualifications may be. In *Australian Secretarial Practice* by Yorston & Fortescue at page 339, we find the following:—

> The position of directors was clearly indicated in the Brazilian Rubber Plantations case in which the learned judge stated—
>
> > "A director's duty has been laid down as requiring him to act with such care as is reasonably to be expected from him, having regard to his knowledge and experience. He is, I think, not bound to bring any special qualification to his office. He may undertake the management of a rubber company in complete ignorance of everything connected with rubber, without incurring responsibility for the mistakes which may result from such ignorance; while if he is acquainted with the rubber business he must give the company the advantage of his knowledge when transacting the company's business. He is not, I think, bound to take any definite part in the conduct of the company's business; but, so far as he does undertake it, he must use reasonable care in its despatch. Such reasonable care must, I think, be measured by the care an ordinary man might be expected to take in the same circumstances on his own behalf. He is clearly, I think, not responsible for damages occasioned by errors of judgment."

On page 341 the following appears:—

> Although appointed by the shareholders, "the directors are not servants to obey directions given by the shareholders and individuals; they are not agents appointed by and bound to serve the shareholders as their principals. They are persons who may, by the regulations, be entrusted with the control of the business, and if so entrusted, they can be dispossessed from that control only by the statutory majority which can alter the articles."

Clause 120 of the Bill provides for the dismissal of a director by ordinary resolution. I notice that the term "auditor" is not mentioned at all, yet on turning to the clauses dealing with auditors, one finds that serious penalties are provided, indicating that an auditor has terrific responsibilities with respect to public accounting and disclosure of information.

Generally speaking, a certain amount of information has to be disclosed by law; that is, in accordance with the Companies Act. It might be interesting if I quote from *Analysis and Interpretation of Financial and Operating Statements* by Sir Alexander Fitzgerald, where, at page 8 under the heading "Accounting Standards," he says—

> In accounting, the term standard is used in several senses. The sense in which it is used here is that of a model or pattern to which accounting practices, accounting records or accounting statements should conform and by reference to which their suitability, acceptability or degree of excellence may be judged.
>
> Such standards are sometimes imposed by law, as, for example, in the provisions of Companies Acts which deal with the form and content of company balance sheets and profit and loss statements issued to shareholders.
>
> They may be based on accounting conventions, that is to say, they may consist of practices generally followed as a result of tacit understanding amongst accountants.
>
> They may be set up by express advocacy by a body of informed opinion within the accountancy profession, such as an accountancy institute whose pronouncements and recommendations are generally regarded as authoritative.
>
> Thus an accounting standard may be either a convention of accounting or a practical application of an accounting doctrine. In this sense we may speak of standards of accounting practice in any of the aspects of accounting—routine operations of collecting and sorting data, recording in accounts, or preparation of accounting statements; we may judge the quality of accounting statements by reference to standards of form, arrangement, clarity, disclosure, consistency and the like.
>
> It is important to realise that conventions of accounting, though rarely expressed in set terms, are universally or almost universally followed by accountants; that accounting doctrines are accepted in practice by the large majority of accountants, including many who do not necessarily agree that they are either wise or theoretically justifiable; and that accounting standards, whilst they are probably observed in the long run by the majority, are not necessarily accepted by any individual accountant and are frequently not reached in practice

either because of their rejection as standards or because of lack of technical skill.

Standards imposed by law are, of course, observed in the great majority of cases, whether they are acceptable or not; but these standards are usually minimum standards and often fall below standards generally accepted and used by skilled accountants of good standing.

The provisions in the measure indicate the importance of auditors in connection with public accounting and company accounting.

It might be mentioned in passing that the question of the auditor's statement brings up the matter of values. Only recently I heard discussed the question of an auditor placing his signature on an auditor's statement, and it was pointed out that it was clearly understood that if the figures were conservative, as a result of policy, the auditor was not called upon to certify the values as they appeared in the balance sheet.

In clause 94 there is an alteration with regard to advertising in respect of lost share certificates. This is a simplification of what is in the old Act; and I think the new method is a good one inasmuch as it will simplify the procedure and will make it cheaper for a person who has lost a share certificate to obtain a new one.

The procedure with regard to the transfer of shares has been simplified and appears to me to conform more to what has been done for some time on the Stock Exchange.

The over-all question of the penalties in the Act would require a lot of study, but I have heard some comparisons which, to me, do not seem to strike the right rhythm. In clause 161, under the abbreviated heading, "Accounts to be kept," a penalty of three months or £100 is provided. Under clause 303, if proper accounts are not kept, a penalty of one year or £200 is provided. It seems to me that there is very little difference between the two, yet there is a big difference in the penalties.

Clause 166 deals with the disclosure of the auditor's remuneration. This is a case where a percentage of shareholders call upon the company to disclose the remuneration received by the auditor, and the penalty for non-disclosure is £500. The next clause—clause 167—deals with the powers and duties to report on accounts, which means in effect that if an auditor is obstructed in any way by any officer of the company in regard to disclosing information, the penalty prescribed is £50. To my lay mind I would think that the obstruction of the duties of an auditor should incur a greater penalty than the failure to disclose his remuneration.

The Hon. H. K. Watson: The penalty of £50 is a continuing penalty.

The Hon. W. F. WILLESEE: Clause 234 deals with the statement of the company's affairs which shall be submitted to a liquidator. For the default of that provision the penalty is imprisonment for three months, or £500, or both.

Clause 117 relates to undischarged bankrupts acting as directors of any company, and the penalty for a default in respect of this provision is imprisonment for six months, or £500, or both. However, in clause 122, which gives power to restrain certain persons from managing companies, such as a convicted person, the penalty prescribed is imprisonment for six months, or £200, or both.

Under clause 178 power is given to require information as to those persons interested in shares or debentures; and if the information is not given, or is given falsely or recklessly, the penalty is imprisonment for six months, or £500, or both. If one compares that with clause 303 where a liability is incurred when proper accounts are not kept, it will be seen that the penalty is imprisonment for one year, or a fine of £200.

I have no comment to make other than to draw attention to that which, to me, is a startling differentiation in the small number of items I have mentioned. No doubt the many conferences that have been held to discuss this uniform Companies Bill have had good reasons for the decisions they have made. However, to me, they do not conform with the type of legislation which we pass in Western Australia which has a continuing and more even effect in so far as the imposition of penalties is concerned.

The Hon. H. K. Watson: It is a little similar to the traffic court.

The Hon. W. F. WILLESEE: I have been advised that, generally speaking, this Bill is much more comprehensive than the old Act. A quick glance through it indicates that it is still an important piece of legislation, as well as being very lengthy. My thoughts in regard to it would be to express the hope that table A will link up with some of the provisions of the Stock Exchange so that those companies listed on the Stock Exchange do not have to alter their articles and thereby incur unnecessary expense. No doubt that thought would have to be given consideration, but I have not been able to confirm that.

Clause 160 of the Bill has been the subject of some comment and I believe the Attorney-General has indicated that he had personal reservations on this clause, and he thought that, quite possibly, when amendments were made to the legislation this would be one of the clauses that would be amended. I do not intend to delay the House with my comments much longer because they could not alter the situation as it stands. In fact, when I saw the Minister at the time he handed me the notes on this measure, I expressed the hope that

we could have a little longer to study the Bill. However, it would probably mean several months, and entail a speech of several hours.

In dealing with a uniform piece of legislation such as this, we cannot do much more than to accept it on trial knowing full well that various amendments will come forward as a result of its application to commerce during the first twelve months of its operation. Everything has to have a beginning and if this legislation is a success —in the same way as uniform taxation is accepted—it must be accepted on that basis.

My own reaction on reading the Bill was that I felt that we, in Western Australia, would not be as well off with this uniform Bill. We are still so very different from other States of Australia, and we still have so much more individualism in this State which has a high percentage of area and a small percentage of people.

I consider that it is possible that this uniform legislation, with all its uniformity, may not be as much of an advantage to us as would appear on the surface. However, that is only my opinion on the issue and, with those remarks, I support the Bill.

**THE HON. H. K. WATSON** (Metropolitan) [9.22 p.m.]: In recent days I have reached the stage where I thought I would have to shed some of my activities. I had considered retiring from Parliament and confining myself to directorships, but after reading this Bill of 476 pages and noticing that on almost every page the poor old director is liable to a fine of £1,000 or two years' imprisonment, I have changed my mind and I think the more prudent course for me to follow would be to remain in Parliament and relinquish my directorships.

The Hon. A. F. Griffith: Subject, of course, to the electors.

The Hon. H. K. WATSON: That is always a proviso. For the benefit of the younger members of the House whilst on that point, I might remind them of a very old saying of the late Mr. William Morris Hughes, which was: "You can make as many mistakes as you like in Parliament, so long as you don't make the mistake of retiring from Parliament".

I have waded through this tome of 476 pages and have studied it to the best of my ability in the short time available and, in doing so, I confess I have had to obey this month's celebrated injunction to mankind generally from His Royal Highness, the Duke of Edinburgh. Since a full and intelligent discussion of this monumental Bill requires a matter of days or even weeks, rather than hours, my contribution to the debate will, of necessity, be of a very cursory nature. Nevertheless, I desire to advance some comment on it for the serious consideration of this House.

The first point is that it was only last Thursday that we received this Bill and I would respectfully suggest to the Minister that if the Bill is to be proceeded with; if it is to go through Committee in the very near future, then, at least, in order to give the House further time to consider the Bill and its implications, the adoption of the Committee's report could well be delayed for, say, a fortnight, so that if it were then a question of recommittal for any amendment that may be necessary or desirable, it would only be a matter of a few minutes for the Bill to be finalised. By adopting that process, I suggest to the Minister that it would be for the convenience of the House. It is one thing to go to a Bill knowing full well what one is looking for, but it is another thing to pick up such a complex volume of this size and, in the course of a few days, or few weeks, fully understand and comprehend all its implications.

The Minister has indicated to us that the Bill is a non-party measure; that it is the product of many months of work by the Attorneys-General of the various States, and their various officers; and that the proposal is that this Bill shall be introduced in all States and passed in all of them. In moving the second reading of the Bill the Minister said—

> All State Ministers concerned intend to introduce Bills into their respective Parliaments presently. The Bill has already come to Parliament in Queensland and in Victoria, and on the 23rd October will be presented in the New South Wales Parliament, the intention being that those Bills be enacted before the middle of next year, this being dependent on the legislative programmes of the Governments involved and the sitting times of Parliaments.

The clear implication in those remarks is, in my opinion, this: That the other States are not going to pass this Bill blindly and hastily. I submit that neither should we. The Bill has not yet made its appearance in Queensland, South Australia, or Tasmania.

The Hon. A. F. Griffith: It has made its appearance in Queensland, Victoria, and New South Wales.

The Hon. H. K. WATSON: If my understanding, according to the latest information I have received, is correct—and I am subject to correction—there is a distinct possibility that this Bill which has been introduced in the Victorian and New South Wales Parliaments, will be amended before it is passed. That is merely the information so far as I have been able to gather it this afternoon.

That is one of the reasons why I suggested it would be to the advantage of this House if the adoption of the Committee's report were delayed as much as possible so that, before the House rises,

we would have at least another fortnight to study it with the possibility of ascertaining whether New South Wales or Victoria had passed or was likely to pass the legislation, or whether it was being amended during the present session of Parliament on its original introduction.

That, to me, is quite an important consideration because, after all is said and done, although the Attorneys-General and their officers agreed that they should try their luck with this Bill in their respective Parliaments, the fact remains that Parliament has to pass this legislation; and, so far as this State is concerned, it is the Parliament of Western Australia in general, and this House in particular, to which the people look for the protection of their legitimate business interests.

On the question of uniformity there is room for a difference of opinion as to its advantages and disadvantages. I would not like it to be thought that I am opposing the Bill, because I am not. On the whole it is a good Bill. However, uniformity is not necessarily required or desirable in all matters. So far as this Bill is concerned I would suggest that, in respect to an Eastern States company or an Eastern States share-broker issuing a prospectus, it would be of considerable benefit to him. In drawing up his prospectus he intends to circulate it throughout the whole of Australia and at a glance he knows what the requirements are in each State.

To that extent, uniformity is desirable, but, on the other hand, I suggest that the citizens of Western Australia will not be too happy to know that, in the interests of uniformity, it will, in the future, cost £20 to register the smallest company as against a £2 registration fee today; and also, to know that for a special resolution, the filing fee for which today is 5s., will, in the interests of uniformity, cost £2 in the future. They will also not be too happy to know that the filing fee of the annual return, which costs 5s. today, will, in the future, cost £2, and that other ordinary documents which are required—not which one desires to submit, but which one is compelled to submit, to the registrar—instead of costing a fee of 5s. as is prescribed now, will, in the future, cost £1.

For example, at the moment, when a company has a change in its directorate, nothing happens until the annual return, when the Registrar of Companies is notified. Today one has no need for a register of directors. Under this uniform Bill, however, there will have to be a register of directors, of all managers and all secretaries and, whenever there is a change, notification has to be made under the legislation, for which there is a filing fee of £1 as against 5s. for every such document today.

The Hon. A. R. Jones: Why should that be necessary?

The Hon. H. K. WATSON: That is suggested to us in the interests of uniformity. The lower group of figures which I read to the House are the figures which are in our existing Companies Act. The other figures are contained in the schedule to the uniform Bill.

The Hon. A. F. Griffith: What year and scale of fees are we operating on now?

The Hon. H. K. WATSON: They were amended a few years ago.

The Hon. A. F. Griffith: We are still on the 1893 scale of fees.

The Hon. H. K. WATSON: I would not say that. It is cold comfort to Western Australian companies that in the interests of uniformity a proprietary company must, or will under this measure, disclose and register at the companies office its balance sheet and its profit and loss account. To my mind that is most unfortunate for Western Australia. Proprietary companies have been formed on the faith and credit that, provided they complied with the obligations of proprietary companies, they would not have to lodge their balance sheets and accounts.

But now we will find the subsidiary companies of many companies having to lodge their balance sheets and accounts at the court at the risk—at the serious business risk—of disclosing their affairs to business competitors. It is cold comfort to the proprietary companies, to family companies, that in respect to their exercising their discretion not to appoint an auditor the performance through which they have to go under the uniform Act is rather more irksome than the performance through which they go under the existing Act.

Speaking very feelingly as a company secretary, I would say it is no comfort to a company secretary to know that whereas for many years past he has merely signed a certificate that the balance sheets and accounts were correct, he will now be required to sign a statutory declaration, and so on. As one who is interested in seeing Eastern States capital introduced in this State I would say it is no comfort, in the interests of uniformity, to see that we are putting up a real obstacle to any proprietary company, or any one-man company—as we may describe them—arranging that Eastern States companies take over his business.

I suggest the Minister for Industrial Development have a look at the particular provisions of this Bill relating to takeovers, because in so far as takeovers have occurred here they have been greatly to the benefit of Western Australia. We will find a one-man company has been taken over by a big corporation of the Eastern States which has been followed by the introduction of anything up to £500,000 in new plant, new buildings and so on; and in addition to that the proceeds of the sale which the vendor has received has also circulated in Western Australia.

But as I read the takeover provisions in this uniform Bill no prospective buyer would be interested in buying a business in Western Australia.

The Hon. A. F. Griffith: If you have uniformity would not your complaint be constant through the whole of the country? There would be no takeovers anywhere.

The Hon. H. K. WATSON: What benefit is that to Western Australia?

The Hon. A. F. Griffith: That is if you are correct.

The Hon. H. K. WATSON: I am looking at this matter from Western Australia's angle. If there were a one-man company in the Eastern States the disability would be there also. But my concern is with Western Australia.

The Hon. A. F. Griffith: So is mine.

The Hon. H. K. WATSON: I would leave this thought with the House: That it would be very unfortunate—and very wrong—if, in the interests of uniformity, we were prevailed upon to pass this Bill and thus disorganise the commercial community of Western Australia, only to find that in the other States the corresponding Bills never reached the statute book; or that they ultimately reached the statute book in an unrecognisable condition. At this moment from inquiries I have made that is a distinct possibility.

I suggest it is no answer to say, "Let us pass the Bill now and amend it later on in the next Parliament." I suggest the safe and proper course is to amend the Bill now to suit the best interests of Western Australia. Let us amend it now, and then, if we find the amendments we have made are not beneficial but are inimical to the best interests of uniformity, let us pull them out next year. I suggest it is putting the cart before the horse to say, "Pass the Bill and then make suitable amendments next year." I say we should make what appear to be suitable amendments now.

The Hon. A. F. Griffith: In your opinion.

The Hon. H. K. WATSON: Then, if that is an obstacle to uniformity, let us retrace our steps. I do not think we should pass this Bill on the blind, as it were. It may well be that the fees I have mentioned should, in the interests of uniformity, be reduced. As Mr. Jones said: Why should we have to pay these high fees? because they do appear to have been taken from the highest schedule in Australia. Those responsible have apparently taken the highest and said, "We will make this uniform."

So I suggest, although this is a big Bill, if there are provisions in it which appear to be contrary to the best interests of Western Australia, we should amend the Bill accordingly; because after all Western Australia does play a pretty small part in the scheme of things so far as uniformity is concerned. If the Bill were passed I for my part would like to see a proviso in the opening clauses of it—the clauses which provide for a proclamation. We have been told it will not be proclaimed until it is passed by all of the States; but I would like to see a proviso in clause 2 that the proclamation shall not issue until such time as a Bill in these terms has been in fact passed by the other States.

*Sitting suspended from 9.45 to 10.2 p.m.*

As I was saying before the suspension, there is much to be said for uniformity of basic principles; but I can see neither the wisdom nor the necessity for slavish uniformity in detail. Our existing Companies Act of 1943, which has been amended from time to time, is a good Act; and if I may say so, has been very ably administered by our capable efficient, and courteous Registrar of Companies in this State. Let us bear that in mind. Our Western Australian Act is much more modern than the Acts in some of the other States.

The Minister offered, as one of his reasons for the adoption of this Bill, that it was streamlined. My idea of a streamlined Bill is this document which I have in my possession, which is the Victorian Companies Act of 1958. It is only a few years old. Victoria did, in fact, streamline its Companies Act in 1958. But when we compare that Act with this Bill I think we will agree that there is not much streamlining in our heavy document.

The Hon. A. F. Griffith: How does the paper and the type compare with the Victorian Act? Is there any difference?

The Hon. H. K. WATSON: No; I should say there is no difference. We find that our 1943 Act contained 414 pages. This Bill contains 476 pages. The ninth schedule of this Bill now runs into nine pages against two pages in our present Act.

With great respect to the Minister I would suggest it is a misuse of words to say this Bill is streamlined. But here is one way in which its contents could be partially streamlined, and be made more readily findable. This was a point which was referred to by Mr. Willesee in his speech. He said there is no real index to the Bill. There is a preamble which is divided into parts. Our present Companies Act is in Volume VII of the Reprinted Acts. Immediately following the Companies Act is the Government Railways Act; and that is followed by the Licensing Act. If we look at the preliminary pages of those Acts we find there are synopses. We find every section conveniently set out in front of each Act and a number of headings as to what it is all about.

If this Bill contained a similar synopsis it would assist one to find what one was looking for. As it is, as Mr. Willesee indicated, the Bill at the moment—even to a man who knows what he is looking for—is not a readily readable document.

Mr. Willesee referred to the Minister's explanation that one of the objects of the Bill was to facilitate the operations of legitimate business. It is difficult to find any particular provision in the Bill where the operations of legitimate businesses are facilitated. I think business concerns will be hampered and cramped considerably more than they are at the present time. We can all applaud the desire, as the Minister said, to strengthen provisions aimed at preventing fraudulent and undesirable practices, and those designed to safeguard the investing public. But I would suggest that all the hamstringing in the world of legitimate business will not stop the confidence trickster parting a gullible investing public from its money.

I think it is 250 years since the South Sea Bubble, and I do not think human nature has changed very much since then. It is an extraordinary thing that we will always find the person who, from gullibility, greed, or ignorance will always be prepared to listen to the confidence trickster who offers him 15 per cent. or 20 per cent., or 30 per cent. It never seems to occur to him that if a man had a 30 per cent. proposition he would not be hawking it around. When you are on a good thing, stick to it.

The Hon. F. J. S. Wise: Like Mortein.

The Hon. H. K. WATSON: Of all the onerous conditions of this Bill, as compared with the existing Companies Act, I should say that proprietary companies will feel the strongest blast—proprietary companies which, in the past, have been exempt from lodging balance sheets and accounts at the office of the registrar. They are now being divided into two classes of companies. We have proprietary companies and exempt proprietary companies. The exempt proprietary company will still continue to be exempt from lodging and disclosing its balance sheets and accounts with the registrar; but a proprietary company, as distinct from an exempt proprietary company, will not. Explaining the position, the Minister said this—

> The difference means that the holding of shares in an exempt proprietary company by a company which is itself an exempt proprietary company will not cause the first-mentioned company to lose its status as an exempt proprietary company.

The Minister explained that the definition provides as follows:—

> That a share in a proprietary company will be deemed to be owned by a public company if any beneficial interest in the share is held directly or indirectly by a public company, or if any beneficial interest in the share is held directly or indirectly by a proprietary company, beneficial interest in a share in which is held otherwise than by a natural person.

I am sure that is quite clear to all members of the House. But there is one point on which I would like the Minister to give me an explanation when he replies to the debate; and it is in connection with his interpretation of an exempt proprietary company.

If I can explain myself as to the nature of the query, and if the Minister can explain his answer to the satisfaction of the House, we will at least have got somewhere in the interests of clarity. My point is this: Am I correct in understanding that if there is a proprietary company at the base of a chain of proprietary companies, the shares of which company at the base are held by another exempt proprietary company, the shares of which are held by another exempt proprietary company, the shares of which are held by another exempt proprietary company, the shares of which are held by individuals, is the company at the bottom of the chain still an exempt proprietary company within the meaning of the Act?

There seems to be a difference of opinion among those who have examined this particular clause as to what is meant by "an exempt proprietary company", and just where the chain ends; whether it is confined to a chain of three proprietary companies, with the last one having its shares held by natural persons; or is it immaterial how many companies are in the chain so long as the shares in the last one are held by natural persons.

The Hon. A. F. Griffith: I am advised that the answer to your question is "No."

The Hon. H. K. WATSON: It wants more than a "No" answer; it wants an explanation, I suggest, as to when the chain does finish; because if it does not apply to the whole chain we are going to have an extraordinary position. We will find that the bottom company ceases to be an exempt company, through action not of its own right back in the chain.

The Hon. A. F. Griffith: I will have to get the technical answer to it. It is a little longer than "No."

The Hon. H. K. WATSON: I am pleased to hear that. As I have said, proprietary companies which are not exempt proprietary companies will, under this legislation, have to publish their balance sheets; and in so far as such proprietary companies are subsidiaries of a public company that seems to me to be not only dangerous from the question of protection of business, but also unnecessary, because the public company itself is required to lodge firstly its own balance sheet and, with it, a consolidated balance sheet of all its subsidiaries or, alternatively, the balance sheets of its subsidiaries. So the ramifications of the parent company are disclosed with the parent company's return, and it seems to me unnecessary and unwarranted and an embarrassing duplication to require the subsidiary also to lodge its return.

Another provision in the Bill is that a company will be able to alter its memorandum much more readily than it can under the existing Act. Under the existing Act a company, if it desires to alter its memorandum, has to pass a special resolution and then petition the court to sanction the alteration. Under this Bill the position is reversed; all the company need do is pass a special resolution and then that stands, with this exception: That any dissatisfied member may go to the court and ask the court to override the resolution. That, to my mind, is quite a substantial improvement, but one which could readily have been put into the existing Act by a one-page amending Bill.

I turn now to a few other points, some of which are not particularly important, but irksome, and others which I consider of first-rate importance and which have struck me in dealing with the Bill. Under the eighth schedule, on page 460, a certificate has to be furnished by the director or the secretary saying, *inter alia*, "having made an inspection of the share register ..... transfers have (have not) been registered since the date of the last annual return." I would like the Minister to explain what that means. Does it mean that in future the annual return lodged by a company has to show how many transfers have been registered during the year? Also, what are the meanings of the words "have" and "have not"? Does that mean the company has to list its transfers and also the transfers which it has on hand and unregistered? It is not clear to me, and if the Minister will let me have the information when he replies I will be obliged.

The Hon. A. F. Griffith: Next to the "have" and "have not" there is a little asterisk, and the person has to strike out that which is not applicable.

The Hon. H. K. WATSON: Yes, but I want it explained because it is not intelligible to me at the moment. I would like to know which is and which is not applicable, and what is the purpose of the whole of paragraph (b).

Then we come to the ninth schedule which sets out nine pages of requirements upon a company in respect of its balance sheet and profit and loss account. I would suggest to the House that while all these provisions might be eminently satisfactory in respect of a public company—a large public company or even a small public company—so far as exempt proprietary companies are concerned—the small one-man family company with a farm or a few investments, or with a butcher's shop, a bakery, or something like that—the requirements of the ninth schedule ought not to apply, and certainly not to the extent set out in the schedule.

In respect of unit trusts, which in recent years have achieved a very large importance throughout Australia in the investments in public companies, we find that they are to be denied the opportunity of participating in an election of directors. That stems from the rather laudable principle that inasmuch as unit trusts managed to gather a very large block of shares over the years they could swamp an election of directors against many individuals and, as I say, on such a view that is a prohibition not without merit.

However, we find this position arising today, and I will give an extreme illustration to demonstrate the point: Assume there is a company registered on the Stock Exchange in which a unit trust holds 60 per cent. of the shares, and an overseas American company owns 40 per cent. of the shares. Under this Bill we will deprive the unit trust from voting, and as a result the American company, which has bought 40 per cent of the shares, takes over control: in other words, the voting control of the company is placed in the hands of a minority of American shareholders.

I have given an extreme illustration, but the principle which I have mentioned, and the possibility which I have indicated, is becoming very real. It seems to me that the question, although it is one really requiring the attention of our brothers in the Eastern States, is a very vital one and one which wants to be looked at.

I would also mention a very minor point in one sense but a very irritating one in another—I refer to the proposal in regard to the signing of declarations. Under this Bill a company secretary will have to go to the trouble of running around looking for a commissioner for declarations, and go to the stamp office to get a 1s. stamp on a declaration. At present we have a very long-standing practice of allowing a company secretary to sign a certificate, and the penalty for signing a false certificate is just as severe as it is for signing a false statutory declaration. Under this Bill a person who signs a false certificate can get two years, a fine of £500, or both. I suggest, therefore, we might consider the secretary's convenience to some extent and allow the provisions of the existing Act to remain.

There is another provision in the Western Australian Act—and I think it is peculiar to our Western Australian Act—which relates to this question: That any Eastern States company carrying on business in Western Australia, or any Eastern States company having Western Australian members, shall be required to have a register of members in Western Australia, so that any person in this State may have his shareholding in that company registered in this State, and not registered on its Melbourne, Sydney, or Adelaide register, as the case may be.

That is very desirable for two reasons. It is very desirable for the advantage of our State Treasury. It is equally desirable for the personal convenience of the shareholder. By having a Western Australian register it means that any transfers to and fro from time to time occurring on that register are liable to Western

Australian stamp duty. If the shares are on the Eastern States register they are not liable to Western Australian stamp duty. They are liable to Victorian, New South Wales, or Queensland stamp duty, as the case may be.

So by having a Western Australian register it is of considerable benefit to our State Treasury. Likewise on the question of probate duty, if the share is on the State register, then the full probate duty goes to the State of Western Australia without any arguments set off or anything else. For the convenience of the shareholder, and particularly on the death of a shareholder, we find that a person having his shares on the Western Australian register is saved the fuss and bother and expense of having his shares transferred from the deceased's name into his own, the trustee's name.

For that reason, we have for 30 years, to my knowledge, had a section in the Western Australian Act, that every company having a Western Australian member, should have a register of shares in Western Australia. That was all right 20 years ago or even 10 years ago, when shares were the principal method of investing. Today, however, we know, that in addition to investing in shares, one can also invest in notes, bonds, and deposits; registered unsecured notes, registered secured notes, debentures, and so on. In the same way as we have a share register for shares in Perth, so I feel this Bill should provide that a similar principal should follow through with respect to debentures, registered unsecured notes, and so on.

I have referred to the take-over provisions of the Bill. When we come to clause 84 and the succeeding clauses, we find what will have to be done in connection with any take-over. It provides for the offeror corporation doing all sorts of things set out in the tenth schedule, and it provides for the offeree corporation doing all sorts of things: preparing prospectuses, statements, assurances, and goodness knows what.

Although that may be quite in order when it is being applied to a take-over such as the one we witnessed only last week, of say the Adelaide Steamship Co. Ltd., and Howard Smith Ltd. competing to take over the Melbourne Steamship Co. Ltd. I have no complaint about the application of the provisions to a take-over like that, because the whole of these provisions as I see them are designed to stop manipulation on the Stock Exchange.

As it stands, the clause is quite general. It is not merely confined to companies on the Stock Exchange. As I read it, it applies to the selling out of any limited company. That being so, if it is a question of a one-man company here doing a deal with an Australia-wide company which wants to commence business in Perth, and to use his company as a base from which to carry on its activities, these provisions are hopeless, because in a deal such as I have mentioned, the invariable way of doing it —the only way of doing it—is to sit across a table and talk it out man to man.

I have seen some of the negotiations where one-man companies—and substantial one-man companies—have been taken over; where the amounts involved have been very substantial. But it would never be possible to carry out the scheme according to this. The Eastern States company simply would not bother commencing negotiations. If its manager comes over here and spends a couple of days talking over the table with his prospective vendor it is a different proposition altogether. I certainly feel these provisions should exempt an exempt proprietary company.

As an example, let us consider a cartage company at Roebourne or some similar place, which happens to be a limited company; and we then have the Western Mining Corporation which finds it convenient to buy him out. That is a deal which would normally be fixed in half-a-day by the manager of Western Mining going and seeing the proprietor, buying his shares, giving him a cheque and finishing the whole thing.

Under this Bill the Western Mining Corporation must prepare a prospectus before it can offer to take him over. That would never do for a big industry like that. All these provisions for a take-over scheme should be limited to public companies; or at any rate they should not include exempt public companies.

Section 433 of our present Western Australian Companies Act provides that whenever a new incorporated company is formed by reconstruction upon the basis of a sale by the liquidator of a pre-existing company to the new company, it shall be lawful for the Treasurer in his discretion to exempt from *ad valorem* stamp duty wholly or partially any instrument whereby the assets of the pre-existing company are transferred to the new company. That is a provision which has existed in our Western Australian Companies Act for as long as I can remember. It is purely a discretionary clause which gives the Treasurer power to exempt a company from stamp duty when it is reorganised.

That provision has not been repeated in this uniform Bill. I understand the reason why it has not been repeated is that one of the principles on which the Bill has been drawn is that being a companies Bill it should not refer to stamp duty. That principle as you may gather from previous statements I have made in this House, Mr. President, is one with which I agree—that the Companies Act is one which should deal with companies, and that stamp duties should be dealt with in the Stamp Act. I make no complaint about that phase. But I suggest that having been eliminated for that reason we

ought reasonably to expect an amendment to the Stamp Act transferring this particular section from the Companies Act to the Stamp Act.

I would urge the Minister to have a look at that question, because that is the law today and, in my opinion, there is every good reason why it should continue to be the law. I agree that the Stamp Act is the proper Act in which it should be inserted.

That is all I desire to say at the moment. I understand in any event it is not intended that this Act shall be proclaimed until well into next year. Indeed, I understand it is intended to proclaim this Act along with a uniform business names Act, and that the last mentioned Act will not even be introduced until next session.

So I cannot help feeling that on the whole inasmuch as the business names Bill is not going to be introduced until next session, no harm will be done by deferring this Bill until next session, when we could deal with both of them at the same time. It is not sound parliamentary practice for us to pass this Bill without an alteration, and for us to trust to luck, or to the whim or caprice of seven Attorneys-General in the future as to whether it will ever be amended.

**THE HON. G. C. MacKINNON** (South-West) [10.44 p.m.]: I know little or nothing about company law, but there is a particular aspect of this Bill on which I would like to make a comment or two. The aspect to which I refer is the uniform nature of this legislation. This is not the first Bill we have had this session which introduces legislation on a uniform basis throughout all the States of Australia. I wonder how far this principle is to be extended. At heart I suppose I am a Federalist rather than a unificationist. But it strikes me that if this goes on much further we might just as well give up all our ideas of Federation and cling to unification.

The Hon. A. F. Griffith: What do you base that argument on?

The Hon. G. C. MacKINNON: It seems to be spreading. We have uniform divorce laws and uniform civil aviation laws. So if we want to give these powers to the Federal Government let us do so.

The Hon. A. F. Griffith: Are we?

The Hon. G. C. MacKINNON: We are doing the next best thing. We are introducing a Bill, after collaboration with all the States, so as to obtain uniformity, and we are more or less obliged not to amend it; and I cannot see any particular advantage in it.

The Hon. H. K. Watson: Like civil aviation.

The Hon. G. C. MacKINNON: We have the classic example in America of Nevada which apparently was a poor State, but it gained advantage out of having a different set of divorce laws from those of any other State in America. It could well be that a different companies Act could work to the benefit of Western Australia by giving advantages to companies to set up their headquarters here. I do not know if this would be so, but at the same time I do not believe in the principle of enacting uniform legislation throughout the State. I cannot subscribe to the view that in essence it is a very good thing.

The Hon. H. C. Strickland: There is uniform taxation.

The Hon. G. C. MacKINNON: That was taken over by the Federal Government. If we want that Government to take over the Companies Act, let us give it to them, or hold a referendum about the matter. If we want to give them rights over air navigation, let us give them to the Commonwealth. It seems to me that we are developing the habit of being pledged to this idea of uniformity.

We are separate sovereign States and we should not be frightened if there is a little difference between the various States, but this idea of asking central authorities to work out a Bill for the purpose of each State introducing uniform legislation seems to be definitely on the increase.

I do not think it is a healthy tendency. The natural reaction of a member who is not well-informed, say, on company law will be that the legislation has been looked at by the Attorneys-General of Australia, and we are pledged to pass uniform legislation. However, if we had our own Act, we would study it.

The Hon. A. F. Griffith: You have got your own Act.

The Hon. G. C. MacKINNON: This will not be as much our own Act as the one under which we operate at the present moment.

The Hon. A. F. Griffith: It does not have to be word for word with the legislation of the other States.

The Hon. G. C. MacKINNON: I agree that an amendment can be put into it here and there.

The Hon. A. F. Griffith: You can put in 100 if you want them.

The Hon. G. C. MacKINNON: It is known as the Uniform Companies Act; and if what the Minister says is right it should not be known as the Uniform Companies Act. The point I wish to make is that it is not a healthy course for a sovereign State to pursue. I hope I have made my point clear.

**THE HON. A. F. GRIFFITH** (Suburban —Minister for Mines) [10.48 p.m.]: There have been three speeches on this measure in reply to my second reading speech and of course one of them—that made by Mr.

Watson—was made after a study of many years of the particular subject upon which he addressed the House.

I do not propose for one second to try to match my knowledge on company law with that of the honourable member, because I could not. He said the Bill was only introduced into the House last Thursday, and that is perfectly true. I suppose the volumes of *Hansard* would show that from time to time I have complained about Bills being introduced and dealt with in a hurry. We all do that sort of thing and say there is not sufficient time to study this or that Bill.

The Hon. H. C. Strickland: It depends which side you are on.

The Hon. A. F. GRIFFITH: The honourable member said it; but I subscribe to that statement—it depends which side you are on. In addition, from my experience as a Minister, I have found out that perhaps one should be more tolerant of the things one was not prepared to tolerate as a private member. If that is held against me at a future time, I do not mind because it is the truth.

The difficulties when sitting on this side of the House in dealing with legislation manifest themselves greatly when one has to handle 60, 80 or 100 Bills in each session. This Bill is a particularly difficult one and contains 384 clauses and 476 pages.

The Bill was introduced into the Legislative Assembly on the 10th October, and that is very nearly a month ago. Initially it was introduced into the Legislative Assembly a year ago, but because there were some complicated amendments necessary, it was not possible to proceed with the measure at that time, and it had to be withdrawn.

As I understand the situation, the deliberations of the States have been going on between their Attorneys-General and the Commonwealth Attorney-General for a long time. I am informed they have, from time to time, and all the time, called in the best possible advice there is in the country to obtain opinions to assist the Ministers in the preparation of this particular Bill. I am not suggesting at this point of time that the measure is perfect, but I do suggest that it reaches closer to that point which the State Ministers and the Federal Minister have been seeking—that is a nearer standard of uniformity.

In reply to Mr. MacKinnon, uniformity does not mean that every State with this particular Bill dots every "i" and crosses every "t" in exactly the same way. Each State merely agrees on a principle of uniformity, and there may be a considerable difference in some of the provisions of the legislation as between State and State.

Victoria, New South Wales and Queensland have introduced legislation; and I am informed that South Australia and Tasmania are in course of preparing legislation for introduction. So far as the introduction of the Bill in Victoria is concerned, I noticed that one or two particular provisions came under fire when Mr. Rylah, Attorney-General of Victoria, introduced the Bill in that State.

This Bill is akin to the Local Government Bill in respect of the method employed. An endeavour is being made to get it on to our statute book so as to make some progress. In regard to the Local Government Bill, we were beseeched to make a start and get that on to our statute book, although it was not going to be proclaimed in the year it was introduced. It was said to us, and I think rightly, "Get it on to the statute book and we will then have an opportunity, if the necessity arises, to have amending legislation introduced".

The measure now before us passed through the Legislative Assembly without amendment. It has made that much progress up to the present time, so why turn round and say we are not going to pass it here—that we are going to have no further truck with it? If that is done, next year we will have to start all over again.

Mr. Watson told us that it is understood—and I believe it is understood—that the Bill will not be proclaimed until roughly a year's time. There will be another session of Parliament between now and November of next year, or the date when it is proposed to proclaim the Bill; and in the light of experience in the other States, if amendments are necessary, they can be introduced.

With the greatest respect to Mr. Watson, I differ from his statement that this Bill should not be passed unless it is amended. I think it is competent for me to say that even the amendments he has put on the notice paper need not necessarily be acceptable to the Council. I think there is much merit in many of the statements he has made and without question I bow to his infinitely superior knowledge of this particular subject.

However, to say the measure cannot be passed without amendment is quite erroneous because it could be that the amendments the honourable member has on the notice paper may prove to be completely unacceptable to the Council. That is not my approach to the matter; my approach is not that the amendments on the notice paper in Mr. Watson's name are not acceptable to me. I think a lot of them have merit. The conferences I have had with the Registrar of Companies through the Attorney-General indicate that some of the amendments do have merit and some have not. But I think it would be more practicable at this stage to consider the Bill in its present form. Let us make progress by passing it as it

now stands in the knowledge that we will have an opportunity of amending it next year.

I do not propose at this moment to endeavour to answer all the questions raised by Mr. Willesee, Mr. MacKinnon, and Mr. Watson. To be perfectly frank, many of the questions they have raised in connection with this Bill are beyond my knowledge; and a considerable period of time would be required for me to give a properly considered reply.

Even then, I do not know if we would advance any further, because I am not sure whether the explanations I would give, after receiving advice, would be acceptable to those honourable members. I believe Mr. Watson has spoken as he has because of his own infinite knowledge and not necessarily because of any discussions he has had with other bodies. I do not think the honourable member needs to do that, because he himself has such great knowledge of the subject. However, I am informed that uniform company law is desired by all the interested parties, such as the law societies, secretarial institutes, the chartered institute of accountants, the stock exchanges, and the chambers of commerce. All those people support uniformity and all those bodies hope that progress will be made in reaching some form of uniformity.

Just to mention one particular matter, the scale of fees appertaining in this State is in accordance with the 1893 scale, and there has been no change since that time.

The Hon. W. F. Willesee: We attempted to make a change in 1956.

The Hon. A. F. GRIFFITH: The Government at the time had a considerable number of changes in mind, and if my memory serves me correctly, this Government had changes in mind last year. However, it was found to be impracticable to proceed with the Bill; but the scale of fees under this Bill is currently in force in Queensland, New South Wales, and Victoria; and when South Australia and Tasmania introduce their legislation, there will be uniformity in connection with this scale of fees.

Mr. Watson rightly said that he is entitled to his opinion. It may not be sound parliamentary practice to pass this Bill in the manner envisaged; but at least we know we are making some progress in connection with the matter, and I repeat there will be opportunity next year to introduce amendments to this Bill before it becomes law.

Mr. Watson suggested to me that in the event of the Bill being passed, I should not ask the Committee to adopt its report until two weeks' time. I am prepared to give this undertaking, that if the Committee passes the Bill in its present form—I cannot say that it will remain for two weeks, because it is the Government's hope that we will not be here at the end of another two weeks—I can assure the honourable member that I will not ask the Committee to adopt its report until it becomes necessary, in the concluding days or hours of the session, to do so. This will then give members an opportunity to study the Bill between now and the time for the adoption of the report.

With the greatest respect to all members, I would like to say that although we have only had this Bill since Thursday—I think it was only introduced in another place on the 10th October—do we really believe we will know a great deal more about a Bill of this size, having so many clauses, in six months' time? I believe Mr. Watson and members such as Mr. Willesee will, because they make a particular study of this subject in accountancy practice. However, with the greatest respect to other members I would say that it is possible we would not know a great deal more about the Bill in six months' time. But in six or eight months' time there will be another Parliamentary session, when further consideration can be given to the Bill.

Therefore I hope the Chamber will pass this Bill through the second reading stage and will permit it to go into Committee. I hope the Committee will pass the clauses as they are printed, in the knowledge that there will be time in the future for further consideration to be given to the Bill in the light of circumstances which will prevail, and the experience of States which have introduced similar legislation and those States which are proposing to introduce similar legislation. That experience will be of benefit to the Government when it introduces amending legislation next year.

**Question put and passed.**

**Bill read a second time.**

*In Committee*

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

**Clauses 1 to 4 put and passed.**

**Clause 5: Interpretation—**

The Hon. H. K. WATSON: I move an amendment—

> Page 15, line 16—Insert after the word "of" the words "or depositors with."

Hitherto a company could accept fixed deposits without issuing a prospectus. Two of the most prominent companies in Perth simply let it be known that they are prepared to accept fixed deposits, or issue a very small brochure announcing that they are prepared to accept fixed deposits, or perhaps issue a small advertisement to this effect; and it has been possible for any member of the public to go to either of those companies and simply make a fixed deposit for one year, two years, three years, five years, or 10 years.

This Bill proposes to alter all that. A subsequent clause declares that fixed deposits shall be deemed to be debentures. It is a rather extraordinary clause. In one breath it says that a fixed deposit shall be deemed to be a debenture, and in the next breath it says that the receipt issued for that debenture shall clearly state at the top that it is not a debenture. So that in future, in order to accept fixed deposits, a company will have to go through the performance of issuing a prospectus, issuing a trust deed, and appointing a trustee under the trust deed. We therefore see that this Bill will seriously disorganise some companies in Western Australia.

Page 15 contains some exemptions from those very serious provisions. Looking at paragraph (c) on page 15 the word "debentures" automatically covers deposits. However, in other sections it is not clear whether debentures include deposits. Clause 7 at page 49 says, "where any subscription for shares in or debentures of, or any deposit of money with, a proprietary company . . ."

This is really a drafting amendment. It is merely to make sure that deposits are included with debentures. My purpose in moving this amendment is to clear up what appears to be some doubt, which is fortified by the Bill itself on page 49.

The Hon. A. F. GRIFFITH: We are apparently going to go through all the amendments to be moved by Mr. Watson and listen to his explanations, and it is then for me to give the Attorney-General's views on the amendments which will be put forward. The Attorney-General has had an opportunity to go into them with the Registrar of Companies.

In the opinion of the Attorney-General, the proposed amendment is unnecessary because depositors with the company concerned would be debenture holders of that company. Where a person makes a loan to the company, whether a public company or a proprietary company by way of a deposit, and he receives an acknowledgment of indebtedness from the company, that acknowledgment is at law a debenture issued by the company, and the depositor is a debenture holder. The definition of debenture is on page 8. It says—

> "Debenture" includes debenture stock, bonds, notes and any other securities of a corporation whether constituting a charge on the assets of the corporation or not.

I consider the amendment is unnecessary, and I hope the Committee will not agree to it.

**Amendment put and negatived.**

The Hon. H. K. WATSON: I would like to hear the Minister's explanation of subclause (7) on page 15. This is a matter to which I referred in my second reading speech. I would like the Minister to explain what the subclause means in respect to a chain of proprietary companies.

At what stage does an exempt proprietary company, at the bottom of the chain, cease to be an exempt proprietary company within the meaning of this clause? Subclauses (7) and (8) follow on pages 15 and 16. They are the two subclauses which are not clear to me and which I would like the Minister to explain.

The Hon. A. F. GRIFFITH: An exempt proprietary company can only be one of a chain of not more than three proprietary companies.

The Hon. H. K. WATSON: In view of that explanation, I suggest to the Minister that he should take a further good look at the clause. It seems to me to be absurd that so long as the parent proprietary company is registered it does not matter how many holding subsidiaries it has. It seems to be a weakness that subclauses (7) and (8) should mean what the Minister says it means.

The Hon. A. F. GRIFFITH: The benefit that will be derived from this will be the opportunity to convey to the Attorney-General for his consideration the debate on the Committee stage.

The CHAIRMAN (The Hon. W. R. Hall): I take it that Mr. Watson does not intend to proceed with his other amendment.

The Hon. H. K. WATSON: No. In view of what the Minister has said it could well be that the debate has not been in vain.

**Clause put and passed.**

**Clauses 6 to 15 put and passed.**

**Clause 16: Registration and incorporation—**

The Hon. H. K. WATSON: I move an amendment—

> Page 35, line 14—Insert after the word "that" the words "to the best of his knowledge and belief".

I have moved this amendment because the clause provides for the registrar or a solicitor to complete a statutory declaration signifying that the requirements have been complied with. Only the High Court can tell one whether the requirements of the Act have been complied with. It seems to me that the usual provision should be inserted in that clause.

The Hon. A. F. GRIFFITH: I am instructed that he can only make a statutory declaration according to the best of his knowledge and belief, and he cannot go any further than that.

The Hon. H. K. Watson: Later on in the Bill it will be found that there are clauses which contain the words, "to the best of his knowledge and belief."

The Hon. A. F. GRIFFITH: It appears to be unnecessary. He can only make a statutory declaration according to the best of his knowledge and belief.

**Amendment put and negatived.**

**Clause put and passed.**

**Clauses 17 to 26 put and passed.**

**Clause 27: Default in complying with requirements as to proprietary companies—**

The Hon. H. K. WATSON: In view of the explanation given by the Minister earlier that debentures include deposits, I ask him to explain why this clause, in line 29, reads, "shares, debentures or any deposit of money".

The Hon. A. F. GRIFFITH: In order to assert an abundance of caution so that nothing will be misconstrued by the public.

The Hon. H. K. Watson: That is all I wanted to do with the earlier provision.

**Clause put and passed.**

**Clauses 28 to 50 put and passed.**

The Hon. H. K. WATSON: If it will assist the deliberations of the Committee I have no further amendments standing in my name before clause 126.

*Point of Order*

The Hon. A. F. GRIFFITH: Is it competent for the Committee to deal with the clauses up to clause 126 *en bloc*?

The CHAIRMAN (The Hon. W. R. Hall): I think it is right and proper to put the clauses individually, although in another place they have been put *en bloc*.

The Hon. A. F. GRIFFITH: If it is a lawful practice to put the clauses *en bloc* I propose that the procedure be adopted in this instance.

The CHAIRMAN (The Hon. W. R. Hall): In view of the wording of Standing Order No. 187, I shall continue in the way I have been going.

*Committee Resumed*

**Clauses 51 to 125 put and passed.**

**Clause 126: Register of directors' shareholdings, etc.—**

The Hon. H. K. WATSON: I move an amendment—

> Page 158, line 1—Insert after the word "company" the passage "(other than an exempt proprietary company)".

This is an entirely new provision. The idea behind it is to enable anyone connected with a public company to see whether a director in that company has been manipulating the share market. This provision might be applied to a public company. Every company is required to keep a share register, but I cannot see why a company consisting of a man and his wife should also be required to keep a register as set forth in this clause.

The Hon. A. F. GRIFFITH: The requirement that a register of the directors' shareholding should be maintained by every company was unanimously agreed on by the Ministers of all the States. It is emphasised that the provision in the Bill is the same as the provision in section 195 of the 1948 Companies Act of England. The English provision has application to every company and that provision was adopted in the 1948 Act on the recommendation of the Cohen committee. The variation of this provision to exempt proprietary companies would be undesirable as a departure from uniformity between the States, and is insupportable. Therefore I oppose the amendment.

The Hon. H. K. WATSON: When dealing with the Building Societies Act Amendment Bill the Minister was not at all concerned with what happened in the United Kingdom.

**Amendment put and passed.**

The Hon. A. F. GRIFFITH: I thought that you, Mr. Chairman, were asking us to vote on the clause being agreed to.

The CHAIRMAN (The Hon. W. R. Hall): No. I was clear in putting the question.

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

**Clauses 127 to 161 put and passed.**

**Clause 162: Profit and loss account, balance-sheet and directors' report—**

The Hon. H. K. WATSON: I move an amendment—

> Page 201, line 7—Delete the words "statutory declaration" and substitute the word "certificate".

I point out that this is an urgent provision. The present legislation simply requires that a secretary shall sign a certificate to the effect that the balance-sheet and profit and loss account are correct. If he signs a false certificate he is liable to a penalty of two years' imprisonment, or £500, or both. The signing of a statutory declaration is needlessly irritating and there is no need to depart from the present provision.

The Hon. A. F. GRIFFITH: I am informed that the legislation in all other States requires a statutory declaration to be provided. Western Australia is the only State which uses a certificate and in the interests of uniformity this provision has been included. I therefore ask the Committee to vote against the amendment.

The Hon. H. K. WATSON: Referring to some earlier remarks of the Minister who cited the Local Government Bill as a precedent for this farcical performance we are going through at the moment, I would remind the Minister that before the Local Government Bill was passed in the manner in which this Bill is going through tonight, there were 187 amendments made to it, which is a different proposition.

The Hon. A. F. Griffith: I do not think it is farcical. The honourable member is submitting his views and I am giving explanations to the best of my ability.

The Hon. N. E. BAXTER: I agree with Mr. Watson on this amendment. In this State there are a number of small companies of a few shareholders, like the company with which I am connected. It would be stupid and irritating to have to ask that the secretary provide us with a statutory declaration with each profit and loss account, especially when there are only five of us in the company. A certificate is quite sufficient.

The Hon. H. K. WATSON: I am obliged to Mr. Baxter for his remarks. I would remind the Committee that in 1949 this House in its wisdom eliminated the necessity for a statutory declaration. Practitioners in the city are grateful for being relieved of the irritating necessity of providing a statutory declaration.

The Hon. A. F. Griffith: It was on your amendment in 1949, was it not?

The Hon. H. K. WATSON: It was, but it was this Chamber that made the alteration which was agreed to in another place.

**Amendment put and a division taken with the following result:—**

Ayes—8.

| | |
|---|---|
| Hon. N. E. Baxter | Hon. S. T. J. Thompson |
| Hon. J. G. Hislop | Hon. J. M. Thomson |
| Hon. A. R. Jones | Hon. H. K. Watson |
| Hon. R. C. Mattiske | Hon. G. C. MacKinnon *(Teller.)* |

Noes—14.

| | |
|---|---|
| Hon. C. R. Abbey | Hon. J. Murray |
| Hon. J. Cunningham | Hon. C. H. Simpson |
| Hon. J. J. Garrigan | Hon. H. C. Strickland |
| Hon. A. F. Griffith | Hon. J. D. Teahan |
| Hon. G. E. Jeffery | Hon. R. Thompson |
| Hon. F. R. H. Lavery | Hon. W. F. Willesee |
| Hon. L. A. Logan | Hon. G. Bennetts *(Teller.)* |

**Majority against—6.**

**Amendment thus negatived.**

**Clause put and passed.**

**Clauses 163 and 164 put and passed.**

**Clause 165: Appointment and remuneration of auditors—**

The Hon. H. K. WATSON: I move an amendment—

Page 205, lines 7 to 17—Delete all words after the word "auditor" down to and including the word "company" and substitute the following:—

> if and when the majority in number of the members of the company and irrespective of their shareholding voting in person or by proxy at the statutory meeting or at an annual general meeting of the company carry a resolution directing that the company shall not appoint an auditor or auditors; and when such a resolution is carried and whilst such a resolution remains unrescinded by a subsequent resolution similarly carried, the provisions of this section shall not apply.

This amendment is to adopt the existing provisions rather than the proposal contained in the Bill, which proposal would be needlessly irritating for a small company, such as that mentioned by Mr. Baxter. In these companies the accountant keeping the books does the audit as he goes along and the company resolves not to appoint an auditor. That resolution stands until it is rescinded.

The Hon. A. F. GRIFFITH: In opposing this amendment I make the simple explanation that the provision was included in the Bill as the result of the joint recommendation of the Institute of Chartered Accountants in Australia and the Australian Society of Accountants.

**Amendment put and negatived.**

**Clause put and passed.**

**Clauses 166 to 183 put and passed.**

**Clause 184: Take-over offers—**

The Hon. H. K. WATSON: I move an amendment—

Page 231, line 3—Insert before the definition of "take-over offer" a further definition as follows:—

> "shares", for the purposes of the definitions of "take-over offer" and "take-over scheme", does not include shares in a proprietary company or an exempt proprietary company.

I say quite seriously that this clause will be a real practical obstacle to any take-over of an exempt proprietary company or a proprietary company in Western Australia. It will be really serious to the commercial and business interests of Western Australia; and how in the name of heaven this clause, and its schedule at the back of the Bill, got into it, is not at all clear to me. I think perhaps we should have produced to us the seven Attorneys-General who blandly introduced this and submitted it to a legislative body; because to my mind applying this to every case where a company, no matter how small, is taken over by another company, is utterly ridiculous.

The Hon. A. F. GRIFFITH: This aspect of the Bill, the regulation of take-overs, is novel legislation.

The Hon. H. K. Watson: Novel, is right!

The Hon. A. F. GRIFFITH: The form in which the scheme is written into the Bill is such that certain essential adjustments in the plan can be readily made by regulations pursuant to subsection (10) of section 184. The over-all plan was formulated after the fullest consultation with experts in the mercantile and stock exchange spheres in Melbourne and Sydney. It is by

design that the scheme extends to take-over offers made in respect of shares of proprietary companies, and in regard to this aspect the Attorneys-General of the States were unanimous. If in operation it were established that the formalities of the scheme ought not to apply to proprietary companies, a suitable amendment would undoubtedly be agreed to and be sponsored by State representatives.

Furtherfore, I am told that the clause would not prevent a round-table conference, as suggested by Mr. Watson. The only State which differed on this clause—and it was not on this aspect—was Queensland, which did not want any take-overs at all. Apart from that all the State Ministers were unanimous.

**Amendment put and a division taken with the following result:—**

Ayes—9.

| | |
|---|---|
| Hon. N. E. Baxter | Hon. R. C. Mattiske |
| Hon. J. Cunningham | Hon. C. H. Simpson |
| Hon. J. G. Hislop | Hon. J. M. Thomson |
| Hon. A. R. Jones | Hon. H. K. Watson |
| Hon. G. C. MacKinnon | *(Teller.)* |

Noes—13.

| | |
|---|---|
| Hon. C. R. Abbey | Hon. H. C. Strickland |
| Hon. G. Bennetts | Hon. J. D. Teahan |
| Hon. A. F. Griffith | Hon. R. Thompson |
| Hon. G. E. Jeffery | Hon. S. T. J. Thompson |
| Hon. F. R. H. Lavery | Hon. W. F. Willesee |
| Hon. L. A. Logan | Hon. J. J. Garrigan |
| Hon. J. Murray | *(Teller.)* |

**Majority against—4.**

**Amendment thus negatived.**

**Clause put and passed.**

**Clauses 185 to 200 put and passed.**

*Progress*

**Progress reported and leave given to sit again, on motion by The Hon. A. F. Griffith (Minister for Mines).**

## ADJOURNMENT OF THE HOUSE: SPECIAL

**THE HON. A. F. GRIFFITH** (Suburban—Minister for Mines): I move—

That the House at its rising adjourn until 2.30 p.m. tomorrow (Thursday).

**Question put and passed.**

*House adjourned at 12.12 a.m. (Thursday).*

# Legislative Assembly

Wednesday, the 1st November, 1961

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