On the question of the Lonnie mission, I can assure the House that the members of that mission are telling the true and factual story. Two of the members have returned, these being Mr. Campbell and Mr. Ward. They have seen me because of their concern at the criticism made that the migrants are being told too glowing a story. I am convinced that the members of this mission have been telling the real down-to-earth story—the factual story. If members knew Mr. Ward—

Mr. Fletcher: I know him.

Mr. COURT: —they would know he would not do anything but tell the factual story in a blunt way. These people have been given no glowing promises but the real down-to-earth story.

Mr. Fletcher: Perhaps the newspapers have been wrong.

Mr. COURT: We cannot be responsible for what the English newspapers say. I can certainly only be responsible for what the members of the mission have said in accordance with the briefing they received from the Government. They are honouring that briefing. There is not a single person who can say he was promised more than exists in Western Australia.

Surely conditions in Western Australia are not as bad as they are painted. One would think from what has been said tonight that it is a shocking place—a slave camp; that there is poverty and distress everywhere. I do not know of a better place in which to live than Western Australia and that has been the situation for many years.

Let us talk about the brighter and more confident side of things instead of all this gloom and despair. It is apparent that certain members of the Opposition are more prepared to back Mr. Hill and justify him than they are prepared to back Western Australia in this very important time in its development.

Votes put and passed.

Progress

Progress reported and leave given to sit again, on motion by Mr. Lewis (Minister for Education).

ADJOURNMENT OF THE HOUSE

MR. BRAND (Greenough—Premier) [2.27 a.m.]: With your permission, Mr. Speaker, I would like to inform members that we will meet on Tuesday at the normal time, but at 11 a.m. on Wednesday, Thursday, and Friday. I move—

That the House do now adjourn.

Question put and passed.

House adjourned at 2.28 a.m. (Friday)

Legislative Council

Tuesday, the 13th November, 1962

CONTENTS

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

BUSH FIRES ACT

Disallowance of Regulation 39AA: Motion

Debate resumed, from the 8th November, on the following motion by The Hon. F. D. Willmott:—

> That regulation 39AA made under the Bush Fires Act, 1954-1958, published in the *Government Gazette* on the 26th October, 1962, and laid on the Table of the House on the 30th October, 1962, be and is hereby disallowed.

THE HON. L. A. LOGAN (Midland—Minister for Local Government) [4.37 p.m.]: In its discussions on this regulation, the Bush Fires Board was mainly concerned with the considerable danger which motor trucks presented when operating in farm paddocks, either when carting grain from the paddocks to the sidings or ports, or when carrying fuel to the machines operating in the paddocks. It was considered that from a practical point of view if the truck had the knapsack spray when it was on the road it would have it when it was in the paddock, and *vice versa*, because once it was installed in a truck it would not be taken off.

Apparently the intention of this regulation is not as clear as is necessary. It does not express the thought behind the proposal, and therefore the Government has no objection to its disallowance. In that way it will be possible for another regulation to be drawn up in a proper form. I do not think there is anything wrong with the intention of the board, but apparently along the line somewhere—

The Hon. N. E. Baxter: The wording is bad.

The Hon. L. A. LOGAN: That is so. However, it is essential to have a regulation covering these aspects and, therefore, if this motion is passed the board and the Minister will give consideration to the promulgation of a suitable amendment to cover the situation as it was intended to be covered and as was suggested by Mr. Willmott. The House can therefore disallow this regulation and no-one will worry about it.

Question put and passed.

INSPECTION OF SCAFFOLDING ACT AMENDMENT BILL

Second Reading

Debate resumed, from the 8th November, on the following motion by The Hon. A. F. Griffith (Minister for Mines):—

> That the Bill be now read a second time.

THE HON. R. H. C. STUBBS (South-East) [4.39 p.m.]: I have read the Bill and I generally agree that it will be an improvement. The trends of modern building technique call for better safety measures, particularly on the multi-storeyed type of building. Safety measures pay off for the employer, owner, contractor, and employee, and should make a big difference to those concerned. I consider we can give this Bill our blessing, except for a small amendment.

The measure has sprung from a committee called the Building Industry Safety Committee which is composed of nine people; namely, the Assistant Secretary for Labour, who is chairman; a representative of the structural steel employers; three representatives of the Master Builders' Association; one representative of the Carpenters and Joiners' Union; one representative of the Painters and Plumbers' Union; a senior scaffolding inspector from the Department of Labour; and an industrial liaison officer from the Department of Labour. Because of the representation on that committee I can see that all points of view must have been put forward.

The PRESIDENT (The Hon. L. C. Diver): Order! Will the honourable member please speak up; it is very difficult for *Hansard* to hear him.

The Hon. R. H. C. STUBBS: The committee to which I have referred would know all the facts before it brought them to the notice of the department concerned. I believe the safety committee's findings have been put faithfully into effect in the Bill, and that is why my party agrees to the measure except for a small amendment that we will move later. I also believe that the Western Australian building trade unions have for years tried to get some safety measures introduced into the building industry, and have been pressing for an amendment to the Inspection of Scaffolding Act. The measure before us will be a vast improvement from their point of view.

An interesting departure is that the Crown will now be bound under the Act; and I think that sets a very good example. In the past some departments have demanded that certain work be done, yet were not prepared to do it themselves. I think this provision is a very good one.

There should be scaffolding protection, particularly in multi-storeyed buildings. I do not think the working conditions on them can be made too safe. With the different types of equipment used, I think that the workmen, and also the general public, should be protected from falling objects. If the planking and the platforms of scaffolding are not faithfully constructed, not only can the workmen be injured, but the public, too.

In my opinion safety committees should be formed on all big projects. On various jobs that I have had something to do with, safety committees have always been a success. I formed a safety committee 11 years ago and it is still functioning, and the accident rate has dropped considerably,

and has been dropping every year because the workmen take an interest in the matter. Some firms give bonuses if there are so many working days accident-free; and everyone becomes accident conscious. Therefore I think the fact of having a safety committee on a job is a move in the right direction. The men become safety conscious, and if they see their mates doing something wrong they tell them about it, and before long they are safety-conscious, too.

The matter of appointing safety committees must be a winner from the employer's point of view because if work continues accident-free for a certain period of time there is a reduction in workers' compensation premiums.

We all know that men working at great heights have to contend with the weather, particularly the rain and strong gusts of wind; and perhaps with slippery objects and sometimes damaged equipment. A person who has complete confidence in his scaffolding gear can work in comfort; and his efficiency must improve, because no-one can put his best into his work if he is afraid, or if he is thinking about the position he is in rather than about his job.

It should be compulsory for men working on multi-storeyed building jobs to wear hard hats or safety helmets. I would like to see an amendment introduced giving the chief inspector power to order these helmets to be worn.

The Hon. J. M. Thomson: I think that matter is covered by regulation now.

The Hon. R. H. C. STUBBS: I did not know that. I noticed that on the Parliament House building there was only one man wearing a hard hat today, because I had a look. So apparently the regulation is not being enforced. If the chief inspector had the power to suggest that men on multi-storeyed buildings should wear these helmets—and if the men wore them—it would provide an added protection. An object does not have to be very big, when it falls a great distance, to hurt anyone that it hits, because of the impetus it gains as it falls from a height. Such objects could well kill a person; and if we bring in a provision such as I have suggested it might well lead to the preventing of serious accidents, and every accident we prevent is something well worth while.

The inspector should be notified as soon as possible of any serious or fatal accident. I know he has to be called within 24 hours, but I would like to see him called immediately after the accident occurs. I would also like to see the man from the union safety committee called at the same time; because the idea of calling these officials is to prevent accidents. If we see the cause of an accident straight away we can get to the root of it and see that such an accident does not occur again. But if some considerable time elapses before the inspector and the man from the union safety committee are called, the evidence can be removed. Sometimes it is necessary to take action in common law, because of negligence, in order to protect an injured man, or, in the case of a fatal accident, to protect his family, financially. If the evidence is removed, then action cannot be taken.

There is another interesting aspect: A man could be working on a job and have a heart attack through lifting a heavy object, or heavy equipment, and die, and if the necessary officials were not quickly there to take evidence, they might not be able to prove what actually occurred; and it is very important to know what happened, because in the case of a man dying of heart trouble there is no compensation payable unless it can be proved that he was handling heavy objects. Therefore the inspector and the union representative should be called as quickly as possible.

Before going briefly over some of the clauses in the Bill I would suggest to the Government that church buildings, and all other buildings of a religious nature, be exempt from the fees which, I understand, they are charged now—the Minister can correct me if what I have said is wrong—as that would be a move in the right direction.

It is interesting to read from an article on industrial accidents that appeared in *The West Australian* of Monday, the 12th November, as follows:—

> But Federal Treasurer Holt has estimated that 17,000 man-years are lost every year through injury to the Australian worker in industry.
>
> This is equivalent to the withdrawal of 17,000 from the work force. On this basis, 1,200 man-years are lost every year in Western Australia.
>
> In Australia, 600 die every year as a result of industrial accidents and 3,500 are permanently incapacitated. "The actual loss of work potential may be 30,000 man-years if the loss through fatalities and permanent disabilities is taken into account," Mr. Galton-Fenzi said.
>
> The direct cost to Australian industry is £40,000,000 a year in premiums for workers' compensation insurance. There are indirect costs which management—where it is not solidly for industrial safety—tends to overlook. When a man breaks an arm, he costs much more than the 10s. an hour that is his wage.
>
> His output is lost.
>
> The time of other employees who go to his assistance is lost.
>
> Equipment may be damaged and the completion of orders delayed.
>
> New staff might need to be engaged and trained.

I have quoted that newspaper cutting as a matter of interest. As I said before, I believe a safety committee should be appointed on large construction jobs. If such a committee were set up it could draw attention to the planning and the erection of the scaffolding and to the boards or timber that is used. As members know, on some of these jobs the timber used in the scaffolding may be rotten or decayed. Also, there may be defects in the timber. It may be broken, cracked, or weakened by knots. Ladders, too, may be broken or rungs may be missing. Equipment such as safety nuts, safety locknuts, safety belts and guard rails could be checked by such a committee, and if found to be faulty the attention of the management or the foreman on the job could be drawn to them.

In regard to guard rails, I believe an accident occurred recently in a lift well due to the fact that no guard rails were around the well. Other equipment such as steel ropes used on hoists, etc., should be checked to ensure that they are in good condition. In fact, all gear should be subject to strict scrutiny or tests. The need for safety precautions cannot be stressed too strongly. I also said that a safety bonus should be paid to the workmen; because if this were done, I feel sure it would virtually eliminate accidents.

The provision in the Bill relating to the training of scaffolders and riggers is most commendable. Those men are regarded as key personnel on building construction jobs, as the safety of other workmen depends on their workmanship. If they have to take a course of training and gain a proficiency certificate, the holding of this certificate would show that they were responsible workmen. By completing such a training course the men would have every confidence in them. If, according to the provisions of the Bill, scaffolding is condemned, it would then be up to the inspectors to ensure that it is not used again on another job. This could be done by the equipment being branded with a number or some specific mark. The important factor would be to ensure that the scaffolding is not used again.

To conclude, I would like to point out for the information of the House that all big construction jobs in New Zealand are covered by safety regulations providing for amenities, and for the health, welfare, and safety of the workers. These regulations cover carpenters, bricklayers, and workmen in other allied trades. On all construction work on which men are employed, the regulations provide that the ventilation shall be fresh in those places where a man is working, and that he shall be protected against steam, fumes, dust, and other impurities that may be injurious to his health.

It is also provided that the lighting shall be sufficient to prevent any damage to the eyes of a worker. An adequate supply of drinking water shall be available which shall be pure and wholesome. First-aid facilities available on the job shall measure up to a standard required by the chief safety engineer. In this State perhaps the chief inspector could act as his counterpart. The first-aid facilities would be governed by the type of work, the duration of the job, and the number of workers employed.

The regulations in New Zealand also provide for washing facilities, including hot water and cleansing agents. These cleansing agents are used by workers to remove poisonous, infectious, or irritating substances from their hands, or perhaps their faces. There shall be a sufficient number of sanitary conveniences on the job for use by workmen, the number of such conveniences being governed by the number of workers employed. Accommodation for meals and for the men to have a rest when taking meals, or for the purpose of their sheltering from inclement weather shall also be provided under these regulations. I have referred these regulations to the House because I consider they may be worthy of consideration when we are dealing with the Bill in Committee. When the Committee stage is reached I intend to move certain amendments.

THE HON. J. M. THOMSON (South) [4.56 p.m.]: This Bill, although small, is very important because it seeks to amend six sections of the principal Act. Of those six, two in particular are of great importance in the legislation and, of course, to the building industry and the men it is designed to protect. I make specific reference to section 12 of the Act which defines the powers of the inspector who can order a certain course of action to be taken to dismantle any unsafe scaffolding. The training and examination which he takes qualifies him to give a ruling on what equipment is safe and what is unsafe. The Bill is well drafted in that regard; that is, it ensures the safety and protection of the employees engaged in the building industry, and therefore it is necessary to have these amendments made to the Act.

The other clause in which I am extremely interested is that which seeks to amend section 27. In that provision the qualifications of a scaffolder are set out. A scaffolder is a very important man in the building industry because he holds the responsibility of erecting the scaffolds which, as we see today, are put up to a tremendous height; and, what is more, they carry a great weight. They carry not only the building material which is used on the job but—what is more important—the men themselves, and at such great heights that it is essential the scaffolding should be erected by a highly-proficient person such as this Bill defines.

There is much to commend the measure before the House and it deserves favourable consideration. Clause 7 of the Bill seeks to amend section 11 of the Act to

reduce the height of scaffolding from 27 feet to 20 feet. Proposed section 11 (1) states that on all scaffolding that exceeds, or is likely to exceed, 20 feet from the horizontal base, there shall be a scaffolder employed. That was the class of worker I was referring to. In my view it is very necessary to have a scaffolder employed to erect scaffolds of that height.

I am pleased to note that in subsection (2) of proposed section 11 single-storeyed houses are to be excluded; and this exclusion applies to scaffolding erected for the construction of dwelling houses, or houses on farming properties. The erection of scaffolding by scaffolders for such structures would involve additional and unnecessary expenditure. However, I do agree that scaffolding exceeding 20 feet in height should be constructed by a scaffolder. I support the second reading.

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 8 put and passed.

Clause 9: Section 15 amended—

The Hon. R. H. C. STUBBS: I move an amendment—

> Page 5, line 2—Insert after the word "amended" the paragraph designation "(a)".

The reason is that I propose to move for the insertion of a new paragraph to stand as paragraph (b) as follows:—

> Page 5, line 5—Insert a paragraph to stand as paragraph (b) as follows:—
>
> (b) by adding after the word "residence" in line six of the subsection, the words—
>
> and to the registered office of the Industrial Union of Workers of which such person is or was a member or is or was eligible to become a member.

A person could be seriously injured or even killed in the course of his work, and it is only reasonable that the union concerned should be notified so that an inspection of the scene of the accident could be made.

The Hon. A. F. GRIFFITH: This amendment could have been placed on the notice paper, because the notice paper was printed last Thursday. I do not object to amendments being moved at short notice, where it is not possible to avoid so doing, but where sufficient time is available they should be placed on the notice paper.

A similar amendment was moved in another place, but it was not acceptable to the Government; and I might state that it is not acceptable to me. There is a simple explanation why it is not: The Inspection Scaffolding Act is the legislation which relates to the inspection of scaffolding and gear. It should not be the vehicle by which action can be taken in respect of other Acts, particularly the Workers' Compensation Act. It should not be the responsibility of the inspector to police the notification by the owner to the union concerned.

The honourable member might well say that the principle of reporting such matters is contained in the Mines Regulation Act. Section 31 contains machinery for the reporting of accidents; and the occurrence of an ordinary accident is to be reported within a week, while a fatal accident has to be reported forthwith. Such accidents are to be reported to one organisation only —the Australian Workers' Union Mining Division at Boulder. However, the amendment before us has a much wider application.

Quite apart from the principle involved, the Inspection of Scaffolding Act is not intended to be a piece of machinery for the control of any other matter than the inspection of scaffolding. The amendments contained in the Bill will improve the position considerably in ensuring that scaffolding is safe.

The Hon. R. H. C. STUBBS: I can see a vast difference between the Mines Regulation Act and the Inspection of Scaffolding Act. It is only a matter of getting to a telephone to make a report, because most of the big buildings being constructed are in the city. In the mining industry the mines are located very far apart, and quite some time must elapse before the inspector can get to the scene of the accident after he has been notified.

The union concerned should be notified, not only because of the civil action consequences but also to ensure that similar accidents do not occur again. If such notification becomes the means of avoiding or reducing accidents in the future, the amendment will achieve something.

The Hon. A. F. GRIFFITH: The honourable member said there was no likeness between the amendment which he proposes to make to the Inspection of Scaffolding Act, and the provisions in the Mines Regulation Act. I agree with him. I expected the honourable member to adopt the line which was taken in another place by saying that those cases were parallel. However, he has indicated that they are not the same.

The Inspection of Scaffolding Act should not become the vehicle for the reporting of accidents. Notification has to be given, but there should not be an obligation on the inspector to notify the union concerned. If the amendment is agreed to we would reach the situation where the union concerned would have to be notified of anything that happened on a job. I am sure

members will not agree to the suggestion of the honourable member that all that is required to make a report is to make a telephone call. To report by telephone is a very insecure method of reporting, because a verbal message can be contradicted or altered.

The Hon. F. R. H. LAVERY: I refer to two experiences which do not relate to this Act, in which two workers lost their lives. One worker at Onslow was electrocuted a few weeks ago, and all necessary reports had to be made by telephone. The policeman had to contact the coroner by telephone to obtain permission to seal the body in a tin or lead coffin. Similarly, the secretary of the Electrical Trades Union and the responsible officer of the Public Works Department had to be notified by telephone within a very short time of the accident. The next morning an officer of the union and an officer of the Public Works Department flew to the scene of the accident.

The other case concerns a workman who fell off the top of a silo which was being constructed in Fremantle. The refusal to pay compensation was based on the ground that the boots of that workman were not laced properly. He was engaged on work on top of the silo, and a loose rope was tied around the scaffolding. He was engaged on tipping concrete into the walls of the silo.

A number of people, including myself, were waiting outside the gate to begin work that morning at the Commonwealth Oil Refinery depot. This worker fell off the top of the silo at about 7.30 a.m., in full view of us. When his body was found there was only one boot on his foot; the other boot was found at a distance of 75 yards. Immediately after the accident occurred telephone messages were made to notify the union concerned.

Perhaps this amendment is not acceptable to the Government because it is coming from this side of the House.

The Hon. A. F. Griffith: That is not the point at all.

The Hon. F. R. H. LAVERY: I accept the Minister's statement, but I was saying that was the Government's attitude. Another accident concerned a contractor who fell down the lift well of a parking station he was building and lost his life. Such accidents could happen to anybody where inadequate safeguards are taken.

We have discussed this matter very fully, and the idea behind the amendment is to avoid accidents. The union concerned, as well as the insurance company, should be notified as quickly as possible. It was decided to include a provision under which accidents would be reported to the unions concerned with a view to avoiding similar accidents in the future. I hope the Committee will agree to this amendment.

The Hon. R. H. C. STUBBS: I refer members to sections 32 and 34 of the Mines Regulation Act. It says that an inspector may cause anyone to look at the scene of an accident. He probably does that by telephone if the accident is a long way away. I fail to see how we are going to hurt anyone by allowing a union officer to be present at the scene of an accident.

The Hon. A. F. GRIFFITH: We have to examine this matter in the right perspective. Section 15 of the existing Act will, if the proposed amendment is inserted, read as follows:—

> 15. (1) Where an accident happens to scaffolding or gear or where loss of life or serious bodily injury to any person, by reason of an accident caused by scaffolding or gear, occurs, the owner of the scaffolding or gear shall, within twenty-four hours after the occurrence, send notice—

Not despatch; not telephone; but send notice—

> —to the inspector at his office or usual place or residence—

When an accident occurs, the owner of the scaffolding has to send notice to the inspector within 24 hours. The section continues—

> —specifying the cause of the accident.

If the amendment is agreed to, the owner of the scaffolding will be the person responsible for notifying an industrial union. That is outside the scope of the Inspection of Scaffolding Act. We agree with the provision under the Mines Regulation Act that the gear must not be touched after an accident has occurred.

The Hon. H. K. Watson: One must notify the inspector, and no-one but the inspector.

The Hon. A. F. GRIFFITH: Yes; because it is the inspector's job to go to the scene of an accident and to inspect the gear. We will be moving completely from that course by putting into the Inspection of Scaffolding Act something which is really a requirement of workers' compensation; and I cannot see the necessity for it.

Amendment put and negatived.

Clause put and passed.

Clause 10 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

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

CHAMBERLAIN INDUSTRIES PTY. LTD. (RELEASE OF DEBT) 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) [5.23 p.m.]: I move—

That the Bill be now read a second time.

This Bill is to give statutory approval to the writing off of an amount of £1,750,000. The amount was written off by administrative act by the Hawke Government, and I have no doubt that the Commissioners of the R. & I. Bank, the Directors of Chamberlain Industries Pty. Ltd. and the public, generally, have assumed that the amount was effectively written off for all time. However a legal doubt has been raised and to correct this legal doubt the Bill has been introduced.

Some background information will be of interest and assistance to members in considering this measure. It will be recalled that in 1955 Mr. Watts was successful in arranging for the appointment of an all-party committee, in lieu of a Select Committee, following a motion he moved in Parliament for the appointment of a Select Committee for the purpose of examining the affairs of Chamberlain Industries Pty. Ltd. and making recommendations to the then Government.

The committee sat for a considerable time and ultimately made recommendations to the Government, which recommendations were adopted by Cabinet on the 14th October, 1957. The Hon. A. F. Watts, then the Leader of the Country Party, sought a Select Committee, but after consultation between all parties in the Legislative Assembly it was agreed that a Select Committee would not be in the best interests of Chamberlain Industries Pty. Ltd. because of the embarrassment that public sittings might represent for the company. In such public sittings it would be necessary to give a lot of information normally regarded as confidential by a trading concern and not available to competitors.

The chairman of the committee was the then Premier (The Hon. A. R. G. Hawke), and the other three members were, The Hon. A. F. Watts (the then Leader of the Country Party), Mr. C. J. Jamieson (M.L.A. for Beeloo), and The Hon. C. W. Court (M.L.A. for Nedlands). The committee's recommendations were:—

1. A long term loan of approximately £2,250,000 repayable over 50 years, to replace the existing short term liabilities of the concern to the State Government.

   No repayment to be required during the first three years, but interest to be paid during that period at 4 per cent. per annum. Thereafter, the interest to be 5 per cent. per annum.

   Repayment conditions for the long term loan to be negotiated and finalised before the end of the first three-year period, with repayment of capital after the three-year period at a rate of not less than £50,000 per annum.

2. An amount of up to £1,750,000 to be written off.

   It is considered this amount will be irrecoverable in any event. The writing off of the amount should have the effect of giving those in control of the industry an opportunity to establish production on a payable basis during the next three years and to ensure the permanent continued operation of the industry on a successful basis thereafter.

3. The concern to be granted temporary seasonal finance during the current financial year of up to a maximum of £100,000.

4. The company to attempt to raise additional finance publicly up to £500,000 by way of first mortgage debenture at 6 per cent., supported by a Government guarantee; the debenture notes to have a currency of from 10 to 15 years, with a right to convert at the end of, say, 7 years.

The members of the committee agreed that the Hawke Government need not make public the recommendations until it thought the time opportune. This was agreed to in the interests of Chamberlain Industries Pty. Ltd.'s trading reputation. Subsequently, the recommendations were made public and they appeared to be generally accepted by Parliament, the company, its employees, and the public generally. Briefly summarised, the recommendations mean that—

1. There was to be a long-term loan remain as a liability against Chamberlain Pty. Ltd. for an amount of approximately £2¼ million. This loan was to carry interest commencing at 4 per cent. and later increasing to 5 per cent.

2. An amount of £1¾ million was to be written off so as to place the funds employed and the amount owing by the company on a more realistic basis.

3. A limited amount of seasonal finance was to be permitted.

4. Additional money was to be raised from the public under Government guarantee on the basis that the money raised by such debentures could be converted to shares after a period at the option of the lender.

It is to this last recommendation that I particularly want to invite your attention at the present time because this was the method put forward by the committee and adopted by the Government through which Chamberlain Industries Pty. Ltd. would be transferred from Government to private

ownership and eventually relieve the Government of a commitment for any further financial assistance.

At the time, the committee, I understand, was anxious to create a situation whereby the Treasury and the R. & I. Bank would not be exposed to any further financial assistance, it being considered that the amount of over £4 million which the Government through various ways and means had found itself committed to was an excessive sum.

It was acknowledged that there was some danger that if the reorganisation of the company was not as effective as the all-party committee thought it would be, the Government could find itself committed to further funds through the guarantee of the debenture; but this was a risk they were prepared to take in view of the great improvement that took place internally within the Chamberlain organisation even during the period that the all-party committee was taking evidence and examining the problem.

In other words, the all-party committee tried hard to find a solution which would preserve the industry for Western Australia, but would reduce to the absolute minimum the risk of the Government being further committed. The end objective was to transfer the company from the Government to private ownership.

It has always been understood by the present Government, and I think by the directors, management, and employees of Chamberlain Industries Pty. Ltd., that this principle of transfer to private ownership was accepted by all State political parties.

It, therefore, came as something of a surprise to the Government that certain members of the opposition in the Legislative Assembly decided to go back on the recommendations of the all-party committee, which recommendations had been accepted by the previous Government.

The position is all the more surprising when it is realised that the Minister in charge of the Bill gave a very clear and frank outline of what the Government has in mind for the method of transferring from Government to private ownership.

It is of particular significance that the method the Government has under consideration at the present time is a much more attractive one so far as the Treasury and Chamberlain Industries Pty. Ltd. are concerned than the proposal put forward by the all-party committee and accepted by the then Government.

In this regard it is significant that the previous Government, apparently appreciating that the future of a trading concern like Chamberlain Industries rests in the hands of private enterprise, tried to negotiate with one of the larger international tractor and farm equipment concerns for the sale of the business.

At the time when the all-party committee considered the affairs of Chamberlain Industries Pty. Ltd. it was accepted that the 50,008, £1 issued shares of Chamberlain Industries Pty. Ltd. were valueless. Current plans for the transfer of the ownership to a public company envisage receiving a substantial sum for these shares.

Since the work of the all-party committee a tremendous amount of reorganisation has taken place within Chamberlain Industries Pty. Ltd. The all-party committee had the benefit of the work of Mr. J. P. Maher. Mr. Maher did a monumental job in sorting out the finances of Chamberlain Industries Pty. Ltd. so that the Government and the all-party committee could have a clear picture of what was involved. Later, Mr. C. Adams was engaged under contract to be the general manager; and he, together with a management team that he has built up around him, has done an outstanding job.

Considerable improvement has been made in the over-all production and sales methods. The technical side in all branches has been greatly strengthened. The recovery of the company was greatly aided by a very generous bounty system agreed to by the Commonwealth Government.

There had been a bounty system operating for a number of years, but it was on an unsatisfactory basis. Amongst other things it was on a short-term basis which gave a great air of uncertainty to operations. When the Commonwealth Government introduced a long-term scheme, which operates up to the 30th June, 1966, it enabled planning to proceed on a more logical basis and with greater confidence.

I invite the attention of members to this bounty scheme because it has tremendous significance not only on the results that have been achieved in recent years but also on the outlook for the future. There is no assurance that the bounty will continue beyond 1966. In fact, when it was granted it was made very clear that the matter would be subject to very careful review, and it was not to be taken for granted that there would be an extension in its present or modified form.

In view of this it is impossible for the Government to indicate at this juncture just what the position will be after 1966. This is a risk that will be made clear to prospective investors, and must be accepted by them.

Diversification of the company's activities is the safest way to secure the company's future should there be a discontinuance of, or a serious cut-back in, the bounty after 1966. We feel that this is a risk that can better be accepted within the private sector of investment rather than by the Government, because of the

greater flexibility that will exist through ownership by a public company in the private sector of the economy.

Members will be interested to know the profits of the company over the last few years. They will also be interested to know the amount of bounty. The profits over the last four years were—

	£
1958-1959	72,000
1959-1960	163,000
1960-1961	167,000
1961-1962	228,000
	£630,000

Because of very heavy accumulated past losses, these profits were offset against the past losses and therefore avoided taxation.

For taxation purposes, under the terms of the Commonwealth Income Tax Assessment Act, the company has just about reached the stage where these past losses can no longer be used for offset, and some of the profits for this current year and all future profits, will be taxable. The respite from taxation has greatly assisted the liquidity of the company. As a public company the rate of tax in the future will be about 8s. in the £.

I would like to make it clear that the transfer to public company status within the private sector does not alter the tax commitment of the company. It has always been a company under the Companies Act and has, therefore, been subjected to Commonwealth Income Tax. The only reason why it has not actually had to pay tax over the past four years of profits is because of the accumulated past losses and the provisions of the Commonwealth Income Tax Act which permit the profits to be offset against accumulated losses within certain limits.

The Commonwealth bounty over the last five years has been as follows:—

Years ended the 30th June	Amount (if calculated on the basis of Sales)	Amount (if calculated on the basis of the number of tractors actually manufactured in a given year
	£	£
1958	143,175	156,857
1959	307,478	159,929
1960	339,581	375,177
1961	319,097	377,650
1962	434,265	362,996
	£1,543,596	£1,432,618

It will be observed that the profits over the four years previously referred to amounted to £630,000. During this period the bounty has amounted to £1,543,596 on the sales method of calculation, and £1,432,618 if the calculation is based on the actual number of tractors manufactured in a given year.

It is in the interests of the management and the employees of the company that finality be reached. They have accepted for a considerable time that there will be a change of ownership. The only thing that has delayed finality has been the Government's desire to ensure that the new company is equipped financially and otherwise for a vigorous expansion programme, and also to ensure the interests of the employees and existing users of equipment. It will be a condition of any change of ownership that these conditions will be observed.

I would now like to explain in broad outline what the Government has in mind in respect of future ownership. The objectives would be—

(1) The formation of a public company with a paid up share capital of not less than £500,000. I emphasise "not less than" because final negotiations might bring about a position where a larger share capital was necessary to purchase the existing 50,008, £1 shares and, at the same time provide the necessary working capital and any funds that might be immediately required for plant, etc.

(2) The purchase price of the shares finally agreed on, and which it is expected to be not less than £5 per share would be available to the Government and would in practical effect reduce the incidence of the amount to be written off in terms of the all-party committee's recommendations.

(3) The public company would accept the commitment in respect of the £2,300,000 remaining as indebtedness of Chamberlain Industries Pty. Ltd. to the R. & I. Bank. This amount would be repayable over a period as yet to be decided. The all-party committee recommended 50 years. The Government has in mind a period closer to 30 years.

The loan would bear interest at least as high as the rate recommended by the all-party committee.

(4) While any part of the £2,300,000 indebtedness remained the Government would have the right to nominate a director on the board of Chamberlain Industries Pty. Ltd.

5. Any agreement entered into would provide for the expansion of the business, and if possible the diversification of the products made by the company and, of course, would be directed at retaining the industry as a Western Australian industry.

(6) The idea would be for a substantial proportion of the shares to be offered to the general public of Western Australia with preference to farmer applicants.

Also a block of shares would be set aside for employees and for distributors of Chamberlain products.

In the case of the employees, it is planned to make it possible for them to pay for their shares by five instalments which would be a fifth on application, and four additional instalments at six-monthly intervals, so that the full purchase price of the shares would be paid over a period of two years.

The Government sees the possibility of Chamberlain Industries in the right hands expanding to be a great Australian tractor and farm implement producing company. This will give greater security to the farmers not only of Western Australia but also the whole of Australia, and will guard against, so far as is practicable, the supply of the whole of the tractor and farm implement requirements of the Australian farmers from sources controlled abroad.

The Bill is commended to the Legislative Council following its adoption in the Legislative Assembly. The legal effect of the measure is primarily to establish beyond doubt the legal authority of the Commissioners of the R. & I. Bank and the Treasurer of the State to write off the amount specified in the schedule to the Bill.

I reiterate that these amounts have already been written off following adoption by the then Government on the 14th October, 1957, of the recommendations of the all-party committee. This was clarified in an Executive Council minute under date the 4th March, 1959, consented to and approved by the then Treasurer and the then Minister for Lands in accordance with the Treasury regulations and the provisions of the Rural and Industries Bank Act respectively.

Debate adojurned, on motion by The Hon. F. J. S. Wise (Leader of the Opposition).

LICENSING ACT AMENDMENT BILL (No. 2)

Returned

Bill returned from the Assembly without amendment.

FACTORIES AND SHOPS ACT AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by The Hon. E. M. Heenan, read a first time.

Second Reading

THE HON. E. M. HEENAN (North-East) [5.43 p.m.]: This is a comparatively short measure and it proposes to amend section 100 of the Factories and Shops Act, 1920-1959. Section 100 of the Factories and Shops Act, as the marginal note defines it, is the section that deals with trading hours for the sale of motor vehicle requisites. That section, which was in the Act of 1920-1954, was amended in 1957. It might be worth recalling that before the 1957 amendment the law provided for the sale of petrol and other motor vehicle requisites from 7 a.m. to 6 p.m. on week days, and from 7 a.m. to 1 p.m. on Saturdays.

Members will recall that in 1956 an Honorary Royal Commission was appointed to inquire into various aspects of the petrol industry; and there is no necessity to remind you, Mr. President, that you were Chairman of that Royal Commission, the other members being Mr. Logan (our present Minister for Local Government), Mr. Simpson, Mr. Lavery, and myself. When the final report was submitted the commission came to the conclusion that the existing hours should be expanded. I think the commission had in mind that although the law of the land provided those restricted trading hours, they were not being enforced at the time. It appeared that by custom and long usage the law was not being complied with.

The position had got more or less out of hand, and petrol stations were operating almost any hours which pleased them. The Honorary Royal Commission had the following to say on page 36 of its report:—

> The Commission considers that the public requires longer trading hours than are at present prescribed by section 100 of the Factories and Shops Act, 1920-1954, and in this regard the evidence given by retailers is that there is a public demand for motor spirits on seven days per week.
>
> The Commission is unable to establish the cause for the non-application of the provisions of the Factories and Shops Act and in view of the apparent understanding among some witnesses before the Commission that "lawful trading hours" in this State can only be interpreted as meaning 24 hours per day, it is recommended the periods set out hereunder be the maximum times between which service stations may remain open for business.
>
> In determining the evening closing time the Commission has borne in mind that retailers employing labour under award conditions are bound to pay tea money and additional wages after 7 p.m. The hours should be:—
>
> Mondays to Fridays: 7 a.m.-7 p.m.
> Saturdays: 7 a.m.-1 p.m.
> Sundays: 9 a.m.-12 noon.

The commission then had something to say about the provision of petrol for emergency purposes outside those hours. The commission stated—

> The Commission therefore recommends that for the purpose of regulating the emergency supply of petrol, the control authority as hereinafter defined be empowered to determine the

conditions under which such emergency supplies be made available to motorists.

In this regard, the Commission is of the opinion that the co-operation of the Commissioner of Police be sought, with a view to making emergency supplies available upon the production of a certificate issued by a police officer.

Those are the views which the Honorary Royal Commission submitted in its report. Following on that report the Factories and Shops Act was amended in 1957 to provide for the following hours:—

Week days: 7 a.m. to 7 p.m.
Saturdays: 7 a.m. to 1 p.m.
Sundays: 9 a.m. to 12 noon.

Those are the hours now provided for in the Factories and Shops Act, which this small Bill proposes to amend by the deletion of the provision for Sunday morning trading.

The Hon. A. F. Griffith: Is that when the rostered stations started?

The Hon. E. M. HEENAN: No; the rostered stations started a few weeks after the passing of this Bill.

The Hon. A. F. Griffith: You mean the 1957 Bill?

The Hon. E. M. HEENAN: Yes. Not long after the passing of the 1957 legislation, by agreement, a roster system was set up whereby the public was provided with petrol on Saturday afternoons after 1 o'clock, and on Saturday evenings and Sunday afternoons.

Now it has been found in practice that the provision for petrol stations to remain open on Sunday mornings is not working to the satisfaction of the large section of the community which operates petrol stations. It has been found in practice that there is relatively small demand for petrol on Sunday mornings; that there is a substantial demand for it on Sunday afternoons. That demand has been met by the roster system.

All petrol stations are not, by law, compelled to remain open on Sunday mornings; but about 50 or 60 per cent. of the petrol stations are controlled by oil companies, and those companies in their agreements usually insist that their operators remain open for all normal trading hours. So in practice it is more or less compulsory for the person who is leasing a petrol station which is owned by an oil company to keep that station open on Sunday mornings whether or not it is economical for him to do so, or whether or not it is demanded by the requirements of the public.

The result is that practically all stations find themselves compelled to remain open on Sunday mornings, when there is a very small demand by the public for this service. The Bill before the House suggests that we eliminate the provision contained in the Factories and Shops Act for petrol stations to remain open on Sunday mornings.

The Hon. A. F. Griffith: How many rostered stations are there now which operate on Saturday afternoons and Sundays?

The Hon. E. M. HEENAN: I understand there are 12 operating in the metropolitan area.

The Hon. A. F. Griffith: How many were there in 1957?

The Hon. E. M. HEENAN: Before the 1957 legislation came into operation there were many more.

The Hon. A. F. Griffith: You said the roster system started a few weeks after the Act was amended in 1957. How many were there before it started?

The Hon. E. M. HEENAN: There were none, I take it; until the roster system was accepted and agreed upon the provisions of the Act operated.

The Hon. A. F. Griffith: How many did they have when they started with the system?

The Hon. E. M. HEENAN: I could not answer that off-hand; but I may be able to give the Minister an answer later when I reply. So there we have the position. It is proposed in the Bill that the present roster system be doubled; and an undertaking has been given by the Automotive Chamber of Commerce, which represents practically the whole of the service stations, to double the roster system on Saturday afternoons, and also all day on Sundays.

It is contended that the requirements of the public will be amply met if that system is adopted, and no harm will be done to individual owners of petrol stations, because each will have his turn; no harm will be done to the oil companies because each will get its turn, and the various brands will become available from time to time; and no harm will be done to the general public, because at the present time the greatest demand is on Sunday afternoon and the present roster system is catering for the requirements.

The Hon. A. F. Griffith: Don't you think there is much trade on a Sunday morning?

The Hon. E. M. HEENAN: I am instructed and informed by the body representing the petrol stations that there is a relatively small demand on Sunday morning.

The Hon. L. A. Logan: If you did it by visual education you would find that is not right. I have done it by visual education on about three Sunday mornings by going around the city.

The Hon. E. M. HEENAN: Those are the views of the people who are actually selling petrol and who are on the job on Sunday mornings. It is contended, therefore, that if the present roster system is doubled the public will be adequately catered for; justice will be done to all concerned; and

a considerable measure of justice will be done to the people who are operating these stations all the week.

They have to work long hours. During the week they are open from seven o'clock in the morning until seven o'clock at night, and, on Saturdays, from seven o'clock in the morning until one o'clock in the afternoon, when the majority of people have knocked off their work; and under this proposed system they will, from time to time, have to work on odd Sundays.

It seems to me that would be a fair thing. This proposal is the wish of the responsible body which represents the petrol stations. It might be argued that the operators of petrol stations are looking at things only from their own point of view; but I do not think that contention would be altogether correct, because they are anxious to retain good relations with the public, and are anxious to set up reasonable conditions for their own living. I do not think any of us would deny them that right.

I find that the large body of people who run motor vehicles are represented by the Royal Automobile Club of W.A. I think most people who own motorcars belong to that association; and that association, I think, represents or can claim to represent the viewpoint of its members. In a letter dated the 18th January, 1962, to the secretary of the Automobile Chamber of Commerce, the secretary of the club had this to say—

> The committee of this club approves of the proposal by your chamber to approach the Minister for Sunday morning closing of petrol stations providing that the number of stations rostered for Sunday trading is doubled.

I think I can claim that the Royal Automobile Club of W.A. must have given this matter very careful consideration; and I think I can claim this club would have the best interests of the motoring public at heart.

As a responsible organisation it would also feel that whilst looking after the interests of its own members, it had an obligation to mete out a measure of justice to people like the vendors of petrol who are concerned with its sale—and that is the viewpoint the association has espoused; and for anyone here to argue that the public would be ill-treated or caused a measure of inconvenience would be taking a view contrary to that of this responsible body.

The Hon. A. F. Griffith: Of course it would, but it is a matter of opinion as to whether it is correct.

The Hon. E. M. HEENAN: Of course it is; everyone is entitled to his opinion.

The Hon. J. G. Hislop: Is that a referendum of the club's members?

The Hon. E. M. HEENAN: No; this is the view of the committee of this club. I will read it again—

> The committee of this club approves of the proposal by your chamber to approach the Minister for Sunday morning closing of petrol stations providing that the number of stations rostered for Sunday trading is doubled.

The Hon. A. F. Griffith: What is the date of that?

The Hon. E. M. HEENAN: The 18th January, 1962.

The Hon. A. F. Griffith: Is that with the 1½d. per gallon extra they wanted to charge when they were going to close petrol stations on Sunday morning?

The Hon. E. M. HEENAN: There is no reference to that. That is, perhaps, an unfair interjection, the inference being that once the petrol stations get a measure like this carried they are then going to turn around—

The Hon. F. J. S. Wise: That is one of those red herrings.

The Hon. E. M. HEENAN: I think that viewpoint is going to be a difficulty for opponents of this measure to get over, because I do not think anyone will claim that the Royal Automobile Club of W.A. is not a responsible organisation; that it does not speak on behalf of the motoring public of Western Australia; or that it fails to look after the interests of the motoring public of Western Australia.

Sitting suspended from 6.12 to 7.30 p.m.

The Hon. E. M. HEENAN: Before the tea suspension I was stressing the fact that the proposals in this Bill had the support of the Royal Automobile Club of Western Australia, and I went on to point out that we can all regard that club as being responsible and one that is fully entitled to express a view which will safeguard the interests of its members. I also said that the great majority of the motoring public are, I believe, members of the R.A.C.

So we have the situation where the reasonable amendments in this Bill are supported not only by the retailers themselves but by the body representing the motoring public. I think I can also claim that this Bill has a large measure of public support. To substantiate that view I desire to quote from the "Guest Opinionist" column of the *Daily News* of Thursday, the 8th of this month. An approach was made by this newspaper to seven members of the public who were asked the question: "Do You Agree with the Bill on Petrol Service Station Sunday Hours?"

The first one interviewed was Mr. W. F. Harry, Secretary of the W.A. Automobile Chamber of Commerce, who had the following to say:—

> Almost all the petrol retailers are unanimous in their support of the Bill. It is not a controversial issue. Most

people—retailers, motorists and workers—agree in principle with it. Therefore it should not be a party political issue. Any move to give any industry a six-day instead of seven-day week should be supported.

I express the view that that is a reasonable and responsible type of statement.

The Hon. A. F. Griffith: You would not expect him to have any other view though, would you?

The Hon. E. M. HEENAN: No; but his approach to the subject, as outlined in those comments, conveys the impression of being responsible and reasonable. However, that is my opinion. The next opinion is that of the Royal Automobile Club President (Mr. M. H. Baird) who said—

> The RAC favours closing petrol stations at present open for normal trading on Sunday mornings, provided the roster for emergency stations operating Saturday afternoons and all day Sunday is adjusted to double the present number.

I have given an undertaking on behalf of the retailers that the request in that opinion will be met. Service station proprietor J. L. Duffield said—

> Sunday morning trading is rather desultory compared with the other six mornings of the week. Nobody makes a profit out of Sunday trading.

The next one, Mosman Park service station proprietor L. A. Shepherd, said—

> I'm all for closing Sunday morning. I'd say that no more than one in 30 of the people who pull up for emergency service on a Sunday are really in need of emergency service. I lose on all Sunday business I do here.

Motorist, G. Webster, of Wynyard Way, Thornlie, said—

> Sunday morning trading, yes. My car uses a gallon of petrol every 20 miles. It's not hard to misjudge and run dry on a hot day.

Motorist, Miss J. Jones, of Beaconsfield, stated—

> Close them on Sunday morning if it means saving service stations losing money. I always fill up on Saturday. If I've run out on Sunday I look for a roster station. That should be sufficient service for anybody.

Finally, the opinion of driver John Lamers, of Rockingham, was—

> I always fill right up on Saturday morning—

The Hon. F. J. S. Wise: A lot of people do that.

The Hon. E. M. HEENAN: Continuing—

> —and I've always got a bit of spare petrol with me in case of an emergency. Give the garages a six-day week. They're entitled to it.

Now those are the expressions of public opinion as conveyed to that "Guest Opinionist" column of the *Daily News*. I feel I have submitted reasons in justification of the proposals contained in this Bill.

I conclude by saying that of course it is right and proper that Parliament should give consideration to all facets of a situation such as is contained in this Bill. It is claimed that by a substantial increase in the roster system over the whole weekend the reasonable requirements of the motoring public will be catered for. This view is supported by the Royal Automobile Club which is a responsible body representing the motoring public. It should also be supported by the majority of members of this House who; I hope, will see the merit and justice of amending the law in such a way that it will give over 400 men who conduct service stations in the metropolitan area one day a week of leisure which they can spend with their families without thereby causing any undue inconvenience to the motoring public whom they desire to serve.

I might add that the garage proprietors' organisation is endeavouring to find a way of providing a 24-hour service in the city.

The Hon. A. R. Jones: Put in slot machines.

The Hon. E. M. HEENAN: No, without slot machines. That is a proposal which is receiving the immediate consideration of the members of that organisation and which, I understand, they are at present discussing with the Royal Automobile Club; their sole reason being to ensure a service which some members of the public apparently require. I just mention that although it has little or nothing to do with this Bill. The garage proprietors' organisation is a responsible body which realises its obligations to the public; and it believes that the public, in turn, will feel disposed to render it fair conditions in the way of trading.

Debate adjourned, on motion by The Hon. N. E. Baxter.

LOAN BILL, £21,980,000

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.

STATE FOREST No. 61

Revocation of Dedication: Assembly's Message

Message from the Assembly received and read requesting concurrence in the following motion:—

> That the proposal for the partial revocation of State Forest No. 61 laid on the Table of the Legislative Assembly by command of His Excellency the Governor on the 8th November, 1962, be carried out.

RIGHTS IN WATER AND IRRIGATION 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) [7.47 p.m.]: I move—

That the Bill be now read a second time.

This Bill comes to this Chamber after having been passed in another place. The parent Act makes provision for the licensing of artesian wells—that is, deep bores—but provides no control for wells other than those.

The Public Works Department desires control at the moment of subsurface water in the Carnarvon plantation area. Control measures exist there at the present time in respect of river pumping, and some control on bores and wells sunk on private properties is considered necessary.

The amendments proposed allow control to be exercised only in proclaimed areas north of the 26th parallel over both artesian and subsurface wells and bores; but with respect to artesian wells only, the controls proposed are to be State-wide.

These controls will provide for all wells existing prior to the passing of the Act, to be licensed. The Minister will have power, after the issue of a license, to take action in the event of water being misused or wasted. The output of wells may be limited in order to conserve subterranean sources of supply. This will entail the power to enter for the purpose of inspecting all wells.

It is particularly important for the Minister to have power to prevent pollution of subterranean supplies, and that is included in the Bill. There is provision for appeal in the event of the Minister refusing to grant a license; and likewise should the Minister seek to impose conditions on a license, which are not acceptable to the applicant.

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

MOTOR VEHICLE (THIRD PARTY INSURANCE) ACT AMENDMENT BILL (No. 2)

Second Reading

Debate resumed, from the 7th November, on the following motion by The Hon. L. A. Logan (Minister for Local Government):—

That the Bill be now read a second time.

THE HON. F. J. S. WISE (North—Leader of the Opposition) [7.50 p.m.]: This very important law, which has by its compulsory provisions enabled substantial protection to be afforded to motorists against liability for death or serious bodily injury, has been amended many times since it first became the law of this State. I think it has been amended nine or ten times since its passing in 1943.

Prior to that year there were at least three attempts in this State to have provision made in our law for third party insurance, but they all failed, in spite of the fact that other States had, prior to Western Australia introducing such legislation, provided for third party risk and cover. Ultimately Western Australia passed legislation almost in conformity with that of the other States.

The main reason why, in one case, the Bill lapsed, and, in others, was not given a second reading in this Chamber, was the fact that the insurance was tied to the State Government Insurance Office—an organisation which had not at that time the approval of a majority of members of the Legislative Council.

Therefore, for four years the motorists of Western Australia were without third party insurance cover after there was a prospect of the passing of the Bill which became the Act that we now work under. But in those days the attitude of many members of this Chamber towards the State Government Insurance Office was that although it had pioneered and covered all the risky business that other companies did not wish to have, and had made substantial progress and put together considerable assets in so doing, it could not be regarded as other than a socialistic enterprise.

Most of those objectors are not with us today, but the State Government Insurance Office is one of our important monuments in my view; and its achievements, which will be noted in the annual report which most members now have in their hands, show that it has gone from strength to strength. Its achievements are remarkable, particularly in view of the kind of business that it was forced to be founded upon.

In the Bill which was presented in 1943 by The Hon. H. Millington, provision was also made for other companies to be insurers to cover third party risk; and that Bill, introduced in September of that year, passed both Houses with surprisingly little discussion. As I have mentioned, the legislation has, on points of principle, been amended many times since then; but in the main it was founded upon the South Australian Act which became law in 1939, and on the New South Wales and Victorian Acts which came into force after that period; and we have, I think, been privileged to enjoy the protection in this State of a very sound statute based on principles which, within Australia and overseas, have been found to be so satisfactory.

On the 28th September, 1943, in giving reasons—and not many reasons—for its introduction, Mr. Millington had this to say—

> The necessity for legislation of this nature arises from the fact that it has been well established that in numerous cases of injury to third persons caused by the negligence of the drivers of motor vehicles, the injured persons and their dependants have been unable to recover any hospital or medical expenses or compensation for temporary or permanent injury, owing to the fact that the owners of the vehicles were financially unable to pay and were not insured.

In the debate which ensued at that time, it was obvious that the need was acknowledged, but the way of achieving the objective and covering the need was a little bit in dispute. Prior to the introduction of the 1943 Bill, a Select Committee inquired into this matter and evidence was taken from all the authorities available to ensure that the right foundation was laid; and, as I have mentioned, all of the principles that are in our Act are in the Statutes of other States and of other countries.

The Bill before us faces up to some very important matters in regard to vehicles capable of being licensed under the Traffic Act; and that is really the determining factor in two or three of the amendments in regard to the insurability of vehicles under the new provisions. Perhaps the most important provision of all is the one which provides for the liability of the trust being unlimited in respect of passengers being carried in vehicles licensed to carry passengers and used for hire or reward.

Members may have followed, year by year, the annual reports of the Motor Vehicle Insurance Trust; and the latest financial statements of the trust were lodged in this Chamber last August. It is interesting to note that the auditors' report —the auditors being an outside body; a body outside of any Government instrumentality—makes very favourable comment on the activities of the trust. The financial statement shows the operational margins, the investments, and the net premiums which the trust is able to collect.

It is also interesting to note the gradual improvement for the year in the net premiums collected, even before the rates were amended and raised, because of the increase in the number of motor vehicles registered. For example, in 1959-60, the net premiums collected amounted to £809,233; in 1960-61, they amounted to £988,204; and in 1961-62 the figure was £1,055,519.

It is obvious that the work of the trust could be said to be of the highest order; and the work of the Premiums Committee —a copy of the report of which I asked for one day last week and which was kindly tabled by the Minister this evening —is of paramount importance to the successful operation of the trust.

The work of these men, and the accuracy of their estimates and assessments in reviewing rates, is shown by the healthy state of the fund without imposing a burden in excess of needs or contingencies likely to arise. I was very interested to note what was, in my view, a relatively small percentage increase involved in the financial protection being sought under this Bill; a protection which is lifting the individual responsibility by thousands of pounds and, in the aggregate, for vehicles used in carrying passengers for hire or reward, by an amount which, in a sense, is unlimited.

For example, we find that in the case of a private motor vehicle—a vehicle which is known to come under Class "1A", and under which most of us have our cars insured—the present rate is £4 6s. and the proposed rate—estimated to meet all the needs under this new plan—is said to be £5 11s.; an increase of 25s. per car. Goods vehicles, which, up until now, have carried a premium of £4 will carry a premium of £5 2s., and other vehicles, in proportion to the different types of cover required because of the amendments to the law, will be covered without any extraordinary addition to the present premium.

I have mentioned that the work of the trust has been an important contribution to the confidence as well as the safety of motor vehicle users in this State. In regard to the clauses dealing with the increase in the coverage, I thought the Bill would have passed without our knowing what the rates are likely to be because the principle is sound as to the need within the third party provisions of legislation of this kind.

There are other requisites designed to serve the motoring public of the day which are contained in this comparatively short Bill. For example, in view of its being tied to the Traffic Act, a new interpretation of "motor vehicle" in the Bill will exclude several types of motor-propelled vehicles which could have been considered previously to be within the ambit of this legislation, but now these will be distinctly and definitely excluded. Although at times we hear of a series of accidents and unfortunate happenings through the use of vehicles on farms, there may be a way of achieving particular cover for such cases, but this surely is not the place for it to be done.

The Hon. L. A. Logan: Most of the farm vehicles will be covered by this Bill.

The Hon. F. J. S. WISE: But not vehicles other than those which are strictly motor vehicles. The light farm tractor which is used almost as a motor vehicle cannot be insured under this legislation. I would

think that it need not be outside the ingenuity of the people handling these matters to recommend some way of giving cover on such vehicles at a reasonable rate.

The Hon. L. A. Logan: We are going to make sure that when they get a permit to move such a vehicle—that is outside the scope of the Act—they will at least have comprehensive cover.

The Hon. F. J. S. WISE: The provision in the Bill to grant a permit is a very sound one. It will be a permit that can be withdrawn forthwith, and it will only be issued for a short period and for a specific purpose. I do not wish to delay the House in speaking to this measure for too long. Suffice it to say that the provision relating to the £60,000 liability appears to be a very sound proposal, and the schedule of rates proposed as the basis of the charges to be levied appear to be in consonance with the coverage required and the needs of the trust in ensuring that there continues to be soundness in the whole of the organisation and the work it performs. I support the Bill.

THE HON. E. M. HEENAN (North-East) [8.7 p.m.] I am interested in the proposals contained in this Bill to amend the Motor Vehicle (Third Party Insurance) Act, 1943-1961. As pointed out by Mr. Wise, the principal amendment is to amend section 6 of the Act; and, as has been pointed out to members, at present a passenger can only recover a maximum of £2,000 from the trust, and the trust's liability for all passengers carried in a vehicle is £20,000. The Bill proposes to increase the amount of £2,000 to £6,000 and the amount of £20,000 to £60,000.

At this stage, I am not certain whether it is within my competence to suggest an amendment of those amounts, but although they represent an improvement to the present unfair position, in my opinion they are not high enough. I would like to see them increased to £10,000 and £100,000 respectively.

A few years ago Mr. Ross Parsons published an article in the *Annual Law Review of the University of Western Australia* which was issued in 1955. I am going to read a fairly short extract from what he had to say on this question of the payment of compensation to passengers injured in motor vehicles. He was criticising the provisions of the Act, and he said—

> Another suggestion is that the 1943 provision was inspired by a theory that the guest assumes the risk of the financial irresponsibility of his driver. One could argue from this point that any victim assumes the risk of the financial irresponsibility of the driver who causes him injury and thus explain away the need for any legislation seeking to ensure compensation. But it will be said that the passenger has a chance to choose his driver. The writer would reply that it is a rare passenger who gives any thought to the financial responsibility of his driver until after the accident and this rare passenger may well assume that third-party insurance covers his possible claim. In any case this "assumption of risk" explanation, like the others, can hardly survive the 1944 amendment. Are we to say now that passengers, guest and fare-paying, assume the risk that the person liable may be financially irresponsible beyond £2,000 per passenger and £20,000 for all passengers? Does the bus passenger give thought when taking a ride on a crowded bus that in an accident involving more than £20,000 his share of the £20,000 may be only a few hundreds and the bus company be otherwise financially irresponsible?
>
> The truth is that there is no function in the continuing limitation on cover in respect of passenger claims save reducing the burden of distributed loss, keeping premiums down to what is regarded as a "fair" level. We have seen that the cost of distributed loss is imposed directly on the owners of motor vehicles who may or may not be able, depending on whether they are commercial or private owners, to distribute more widely. The questions of how much loss ought to be distributed and what is a fair distribution are of vital importance and will be considered in the concluding part of this article. It is sufficient to say now that there is neither rhyme nor reason in distinguishing between loss suffered by a passenger for which his own driver is liable and loss suffered by a passenger for which the driver of another vehicle is liable.

The only argument that can be put forward for limiting the liability for passengers is that premiums should be kept at what is termed a reasonable level. Like people who are injured through the negligence of others, my view is that passengers of motor vehicles should also be provided with unlimited coverage in cases of accident.

During his second reading speech the Minister quoted the case where people who attended a party and elected to return home in the vehicle of one of their friends, in that way would have contributed, in some degree, to any accident which might have occurred on the journey. He implied that they thereby accepted some responsibility, but I do not subscribe to his view.

I have in mind the case of a person who takes three or four children to the beach for a swim. As a result of his negligence, inexperience, or lack of care, he may become involved in a motor accident, and the children may be injured irreparably, and suffer some loss for the rest of their lives. The maximum that the children can claim is £2,000.

The Hon. L. A. Logan: That only applies to the liability of the trust. Those children can sue the driver.

The Hon. E. M. HEENAN: I am aware of that. Those children have a common law claim against the driver, but in the majority of cases the driver would not be able to meet the enormous awards.

The Hon. L. A. Logan: If the driver took out a comprehensive policy he would be able to meet the awards.

The Hon. E. M. HEENAN: I know of a recent case in which the driver of a motor vehicle was injured for the rest of her life, because of the negligence of another driver.

The Hon. L. A. Logan: Do you know all the circumstances of that case?

The Hon. E. M. HEENAN: I do know all the circumstances.

The Hon. L. A. Logan: I am surprised that you do.

The Hon. E. M. HEENAN: The case I have in mind, and apparently it is the same one that the Minister has in mind, was heard before a judge of the Supreme Court of this State, and he found in favour of that woman. The trust was only liable for £2,000, and practically the whole of this amount was taken up by medical and hospital benefits. For the rest of her life this unfortunate woman will be an invalid. The person who was the cause of the accident is not in a good financial position. This state of affairs should not be continued; and I admit the Bill seeks to improve the position. I agree that the maximum proposed in the Bill is a steep one, and I applaud the Government and the Minister for their action in bringing about an improvement in the situation.

Sooner or later the need to increase the compensation will have to be faced, and the motoring public will have to pay more in premiums.

The Hon. R. C. Mattiske: If the maximum under the Act is increased to £10,000, what will be the additional cost to the motoring public in third party insurance premiums?

The Hon. E. M. HEENAN: I have not worked out the amount of the premium or the cost of running the trust. I imagine the overheads of the trust are fairly high, but it is not a Government department. It is a body constituted to pay out the money which it receives from the public by way of premiums.

The Hon. F. J. S. Wise: Under the proposal in the Bill the overheads of the trust are not expected to increase.

The Hon. E. M. HEENAN: I am all in favour of steps being taken to minimise accidents on our roads. I am not critical of magistrates who impose fairly severe penalties on people who are irresponsible, and who will not comply with the law. The great majority of motor vehicle drivers are careful and law-abiding, but there is a small element which will not conform to the law. This element drives at dangerous and excessive speeds, and often becomes involved in accidents. Unfortunately the motoring public have to pay, in the form of increased third party insurance premiums, for the failures of the irresponsible element.

The liability to passengers should go further than is envisaged in the Bill, although I agree the amendment in the Bill is a step forward. I am glad the Government realises the present situation has to be altered to some extent. Even at the cost of increasing the third party insurance premiums, every effort should be made to proceed further than is proposed in the Bill.

Before resuming my seat, I regret the Government has not dealt with the vexed question of the spouse of a driver being able to recover damages from the driver.

The Hon. L. A. Logan: If you read the report you will find out the reason.

The Hon. E. M. HEENAN: I have not read the report. This matter has been handled in the other States.

The Hon. L. A. Logan: Only in one other State—South Australia.

The Hon. E. M. HEENAN: There is no reason why Western Australia should be the last State to adopt a similar procedure to that of South Australia. I hope next year the Government will do something about this matter. I realise that not all improvements can be made at once, but as long as the matters are borne in mind and studied carefully the situation will be covered. If we decide to accept the responsibility we will get somewhere. I support the second reading.

THE HON. A. R. JONES (Midland) [8.24 p.m.]: I rise not to condemn the Bill, but to support it. I cannot let this opportunity go by without once again pointing out to the House—in view of the other Bills that have been dealt with in this Chamber in the past few days—that the proposal in the Bill before us will result in the motorist bearing the increased cost. However, I would not like to see the position any different, so far as the protection of passengers in motor vehicles, or pedestrians, is concerned, because I consider they should receive adequate compensation coverage. Whatever accident occurs to them they should receive an adequate monetary award so that sufficient money would be available to meet medical and hospital expenses, as well as to compensate for their disabilities. In an endeavour to do the right thing by these persons, the motorist is to be rated further.

The Hon. F. J. S. Wise: You supported the extra tax last week.

The Hon. F. R. H. Lavery: Yes, you did.

The Hon. A. R. JONES: Not in regard to what is contained in the Bill. Is there not some more equitable way to bring about this protection, whereby the general public protect themselves? Why should a friend of mine, who gives me a ride in his vehicle, be required to insure me while I am in his vehicle, especially when he is doing me a favour by giving me a ride? If through bad luck an accident occurred and I was injured I would receive compensation up to a maximum of £2,000. This is wrong in principle, and I object to this method. I would like to see the tendency creep towards John citizen paying for his own insurance instead of the motorist. I would welcome the time when we could impose a levy on other sections of the public than the motorist to help pay the additional costs of hospitalisation, and to provide for those who, according to the Government, are injured because of motoring.

Once again I protest on behalf of the motorists to an increase in their third party insurance premiums, although I do not object to the Bill, because it is necessary and in the interests of the people who may be victims in accidents.

THE HON. N. E. BAXTER (Central) [8.28 p.m.]: This Bill is a step forward in that motor vehicle third party insurance is to be increased, in one case from a maximum of £2,000 to £6,000; and in the other from £20,000 to £60,000. There are some aspects of this matter that I want to put before the Minister. What effect will the increase in the amount payable under third party insurance have on the comprehensive policy premiums? The Minister informed me previously that he did not know, so I took the trouble to make inquiries through a friend of mine who is well up in the insurance business. He informed me that normally the increase in third party compensation from £2,000 to £6,000, and from £20,000 to £60,000, would have resulted in an easing of the premiums on comprehensive insurance.

Up to six months ago that would have been the effect, but unfortunately since then the position has deteriorated considerably because of the large number of accidents that have occurred. The companies find that at present they will not be able to reduce the premiums on comprehensive policies because of the increased accident rate.

It appears that comprehensive premiums will not be increased, despite the greater accident rate in the past six years; but they would have been increased if the higher maximum under third party insurance had not been proposed. The likelihood is that premiums under comprehensive policies will remain static, unless the accident rate in the future increases greatly. I am supplying this information to the House, so that people will not run away with the idea that the increase of 25s. in third party insurance premiums will give them relief in comprehensive insurance premiums; because I think today the majority of motorcar owners do take out a comprehensive policy, and it is the minority who do not. It is for the latter that we as legislators should provide, so that anybody who is injured in his car as the result of an accident is protected. With those few words I support the Bill.

THE HON. L. A. LOGAN (Midland—Minister for Local Government) [8.31 p.m.]: I am very pleased with the reception this Bill has received, and for the very thoughtful exposition which Mr. Wise gave concerning the history of the development of third party insurance in this State.

Replying to Mr. Heenan, we have to go back to 1943 to appreciate the principle which was evolved in bringing third party insurance into being. Up to that stage if any person had an accident and he was not covered by a comprehensive policy, very often he had no recourse whatsoever to any claim for damages because very frequently the person who was responsible for the accident was not worth powder and shot.

The idea came into being not to provide full coverage by the trust, but to make sure that some moneys were available and that an injured person did not go without any compensation whatsoever. It was never intended that the trust should take over all the responsibilities of insurance, and for that reason we have had limitations placed on the liability of the trust. The liability of the trust can be determined only by its income from premiums.

When the High Court sat in Western Australia one of the judges remarked that awards in this State were lower than they ought to be. I think the High Court judge was wrong in making that statement. Because of that statement awards have since gone up. Without the abolition of the limitation with regard to one class of passenger, and the raising of the limits to £6,000 and £60,000, a 16.69 per cent. increase in premiums was necessary to bring them into line with today's awards.

Mr. Heenan mentioned an accident involving a man who was taking some children to the beach. The accident resulted from the man's negligence; and he could not expect the other motorist to pay the costs involved in view of the fact that he was the negligent party. It is the duty of every motorist to have a comprehensive policy to cover such accidents. It is a duty upon any motorist who intends to drive people around. I think that a comprehensive policy should be compulsory. If the Supreme Court judges had known the whole of the facts of the other case mentioned, and had they examined the evidence as it would have been presented to the trust, the court may have given a

different judgment. However, I am not criticising the court, because it gave its judgment as a result of the evidence placed before it.

I hope Mr. Heenan does not pursue his idea of increasing the limitation from £60,000 to £100,000. When the Premiums Committee first presented me with its report, it suggested that the limitation might be increased from £10,000 to £100,000. I said to Mr. White, the secretary of the Premiums Committee—and I suppose his qualifications as an accountant are as high as anyone's—"If you are going to increase the limit from £10,000 to £100,000, you may as well wipe the limit. Once you establish the figure of £10,000 to £100,000 you have given the court the figures on which to work, and undoubtedly the court will have to work on those figures."

The report of the Premiums Committee was presented to me in October, recommending increases in premiums without any limitation at all. The trust had told me that it did not like the idea of wiping out the limitation altogether; that it thought there should be some limitation particularly with regard to passengers in private motor vehicles.

When we consider the excellent way in which the trust has operated, I think we should take some notice of its recommendations. That was its recommendation: that the limitation be raised from £60,000 to £100,000. Possibly in the future this limitation can be taken off, but in the meantime let us proceed slowly and let us not make too big a grab. I am sure that in a few years' time we may, in the light of experience, be able to lift the limitation altogether.

One reason why I suggest that Mr. Heenan might forget about his idea is because the second recommendation of the Premiums Committee has been tabled. Cabinet has agreed to the recommendation, and instructions will be going out today or tomorrow that the recommended premiums shall take effect from the 1st January, 1963. If we take away the limitations, we will be imposing a liability upon the trust, and we will place the trust in a very bad position. I have asked the Premiums Committee to report to me on these very matters. Members can see for themselves the terms of reference which I gave the committee. The report of the committee on "Spouse versus Spouse" states as follows:—

> The committee, with some hesitation as to whether it is competent to offer advice on this subject, points out that there does not appear to be any good reason why the mere existence of an insurance policy should afford a spouse greater rights than she is given at common law or under other legislation.

That about sums it up. If we are going to allow "Spouse versus Spouse" we are bringing in something outside our ordinary laws; and when the Government of the day decides that at common law one spouse can claim from another, it will be time to apply that to third party insurance; but not before.

I asked the committee to have a look at the desirability of increasing the motor driver's license fee, and of reducing the premium which a motorist would have to pay. The committee said it was a matter of Government policy. When we look at the terms of reference which I gave the committee, we will realise that it has done a pretty good job.

Mr. Baxter referred to an increase in the number of accidents. I do not know where he got his figures.

The Hon. N. E. Baxter: I did not give any figures.

The Hon. L. A. LOGAN: If third party insurance premiums were increased, then the premiums on comprehensive insurance policies would have to be increased, because of the greater awards being made by the courts. That in itself would create a problem. I propose to read out the premiums charged in Western Australia compared with those charged in the other States. I think they will prove what a wonderful job the trust has done in this State. Mr. Wise mentioned the part played by the State Government Insurance Office.

In New South Wales the State Government Insurance Office controls between 80 per cent. and 85 per cent. of third party insurance. Despite the fact that the license fee on private cars is £13 8s. in the city and £9 in the country, they lost £745,000 last year. We do not want to reach that stage in Western Australia. I think they have lost £8,000,000 or £9,000,000 over the last ten years. In view of this, if the trust puts forward a recommendation regarding limitations, I think some notice should be taken of those recommendations.

Premium figures are as follows:—Western Australia, £5 11s. metropolitan area, and £5 11s. country. In Victoria the premiums payable are £9 2s. metropolitan, £4 7s. 6d. country; New South Wales, £13 8s. metropolitan area, £9 country; Queensland, £9 for both metropolitan and country; Tasmania, £4 18s. for both metropolitan and country. Premiums paid on business cars are as follows: Western Australia, £5 11s. for both metropolitan area and country; Victoria, £10 17s. 6d. metropolitan area, and £5 17s. country; in New South Wales, Queensland and Tasmania the premiums are the same as for private cars. Premiums on goods vehicles are as follows: Western Australia, £5 2s. for metropolitan area and country; Victoria, from £9 16s. 6d. to £34 4s. 6d. for the metropolitan area, and from £3 16s. 6d. to £18 2s. 6d. in the country; New South Wales, from £15 17s. to £30 7s. metropolitan area, and from £9 to £17 9s. country; Queensland, from £10 10s. to £14 metropolitan area and country; Tasmania, £6 for metropolitan area and country. Premiums

for omnibuses are as follows:—Western Australia, £43 10s. metropolitan area, and £13 16s. country; Victoria, £54 metropolitan area, and £18 7s. 6d. country; New South Wales, £45 metropolitan area, and £32 6s. country; Queensland, £25 10s. for metropolitan area and country; Tasmania, £18 for metropolitan and country.

The Hon. F. J. S. Wise: We have a better chance of survival in the country, apparently.

The Hon. L. A. LOGAN: There was a differentiation in this State at one time. I do not remember the year when that applied. The premiums for taxis are as follows: Western Australia, £27 18s. metropolitan area, £10 16s. country; Victoria, £61 5s. metropolitan area, £39 7s. 6d. country; New South Wales, £85 metropolitan area, £42 2s. country; Queensland, £30 10s. for metropolitan area and country; Tasmania, £12 for metropolitan area and country. I think we can appreciate that despite the over-all increase of 28 per cent. which will take place, Western Australia is still fortunate in having low premiums compared with the other States.

We had a difficulty in regard to vehicles which cannot be licensed under the Traffic Act because for some considerable time there has been a legal doubt whether the trust was entitled to issue a third party policy on some of those vehicles, or whether it was outside its scope. There was also a legal doubt whether some insurance companies had the right to issue an insurance policy on such vehicles. This measure is an attempt to clear up that legal point which apparently nobody was able to solve.

I hope the Bill will be agreed to in its present form; and I am sure that so far as vehicles which cannot be licensed under the Traffic Act are concerned the Minister for Police will agree that before any permit is issued to allow a vehicle to shift to any other place the owner must produce an insurance policy. That will safeguard everybody. I suppose it could be called a form of compulsion, but under the circumstances it will ensure that there is some insurance cover on such vehicles before they are moved from place to place.

The Hon. F. R. H. Lavery: You have to pay on your permit now. It is only for insurance purposes.

The Hon. L. A. LOGAN: That is what we are trying to do by ensuring that vehicles that cannot be licensed carry an insurance policy other than a trust policy.

I thank members for their approach to this Bill, but I hope Mr. Heenan will not pursue his ideas in regard to an increase, because it would make things pretty difficult. The trust has done such a wonderful job that I think on this occasion we could accept its recommendations.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (The Hon. E. M. Davies) 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 3 amended—

The Hon. S. T. J. THOMPSON: I would like to ask the Minister how this clause concerns farm tractors, because we are in the habit of getting free licenses from the local shires. When we pay third party insurance, are they still covered?

The Hon. L. A. Logan: They are still covered.

The Hon. A. R. JONES: Can the Minister tell me whether a tractor which would be used on a road for road grading work by a contractor who is contracting for a local board, or the Main Roads Department, or working on a private road, would be covered?

The Hon. L. A. LOGAN: Any vehicle which is capable of being registered under the Traffic Act will be covered by the insurance trust; but the owner of any vehicle which cannot be licensed under the Traffic Act will have to take out a private policy. Any vehicle which can be licensed, although it does not necessarily have to be so licensed, under the Traffic Act will be covered.

Clause put and passed.

Clause 3: Section 3L amended—

The Hon. F. R. H. LAVERY: A person who owns a vehicle, which may have been stationary for some considerable time loses his no-claim bonus if his vehicle is struck by some other vehicle. Does this legislation cover such cases?

The Hon. L. A. LOGAN: The liability of the trust is purely for injury to a person and not for anything else. From time to time members have asked whether a policy of no-claim bonuses in regard to third party insurance could not be introduced.

The Hon. F. R. H. Lavery: That is what I mean.

The Hon. L. A. LOGAN: I have had this matter examined on more than one occasion, and Mr. Coppel, Q.C., was appointed a Royal Commissioner in Victoria to examine the question. He was asked to report on 14 different points; and recently, through the courtesy of Mr. Loton, I have seen a report of the South Australian Premiums Committee which also examined this question of no-claim bonuses. They have come to the conclusion that it would be impossible to have a system of no-claim bonuses for third party insurance.

Clause put and passed.

Clauses 4 and 5 put and passed.

Clause 6: Section 6 amended—

The Hon. A. L. LOTON: I would like the Minister to refer one matter to the Premiums Committee for its consideration.

Now that the court appears to have taken unto itself the awarding of very high damages for personal injury, I wonder whether the Minister would be prepared to refer to the Premiums Committee the idea of making progressive payments on a weekly, fortnightly, or monthly basis instead of a lump sum payment.

In some cases a person who has been awarded heavy damages has lived only a short period of time after the accident, and some other person, who was not involved, has received the benefit of the award. If a lump sum payment is made to cover medical and hospital expenses, and if weekly payments which could be reviewed from time to time by the trust were agreed to it would be fairer to all concerned. Also, it would not be such a big drain on the trust.

To my mind there is a lot of merit in the suggestion, and I would like to know whether the Minister would be prepared to submit it to the Premiums Committee for investigation and report.

The Hon. L. A. LOGAN: There is some merit in the honourable member's suggestion, and I think we could all cite examples of where somebody who was not entitled to any benefit has, through certain circumstances, been reaping the rewards. I could mention the case of "Spouse versus Spouse." It could easily happen that through the negligence of a husband a wife could be badly injured and could be awarded, for example, £20,000 damages. In two years' time the wife might have died and the very person who through his negligence caused the injuries would receive the benefit.

The Hon. A. R. Jones: There might be more of it.

The Hon. L. A. LOGAN: It is not an easy problem, but Mr. Loton's suggestion has already been given consideration. I have had the matter in mind for some considerable time and I have asked the chairman of the trust, Mr. George Pearce, and the manager of the trust, Mr. Laurie Grieve, to report to me on the matter. It will take some time to give it the consideration which it warrants because so many questions are involved. However, these men have promised me that when they get any spare time they will work on it and give me a report. If I find they have not got sufficient time to do it I will ask the Premiums Committee to give some thought to it when it meets.

The Hon. A. L. Loton: Thank you.

Clause put and passed.

Clauses 7 to 10 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 transmitted to the Assembly.

ACTS AMENDMENT (SUPERANNUATION AND PENSIONS) BILL

Second Reading

Debate resumed, from the 7th November, on the following motion by The Hon. A. F. Griffith (Minister for Mines):—

That the Bill be now read a second time.

THE HON. W. F. WILLESEE (North) [9.1 p.m.]: This Bill has been brought before Parliament with the purpose of removing various anomalies that exist within three different pension Acts. Due in the main, I should think, to the changing and lessening value of the pound, it has been found essential to endeavour to grant pensioners better privileges than they have enjoyed up until now. The total cost to Consolidated Revenue in the Minister's notes, for this purpose, was said to be some £66,000, and to embrace in total 2,792 pensioners.

The range of pension rates is still not particularly high per unit having regard to the standard of living of today; and it seems there has been some actuarial flattening of unit values with regard to the three Acts concerned. The 1871 pensioners have received the least increase—a matter of 1s. 2d. per week in that instance.

The Hon. A. F. Griffith: No. That is in the case of some widows. The 1871 pensioners get 7s. 6d. and 10s. a week.

The Hon. W. F. WILLESEE: Somebody gets an increase of 1s. 2d. However, I was about to state that it is unfortunate that that amount of money could not have been greater. The position is that an attempt has been made, and an amount of £66,000 of revenue is to be diverted to a cause such as this; and that at any rate has my approval, even though perhaps I would like to see a greater increment provided, if that were at all possible.

The various figures as detailed by the Minister are most interesting. They indicate to me that people who take out superannuation benefits would be wise in the early stages of their careers in every instance to take the maximum number of units; because it would appear that any contributor who takes out less than 10 units would not have a sound basis on which to work in the evening of his life.

However, this is a matter in the main for the person concerned, and decisions such as that are best left to the people concerned. I believe, however, that we do not give consideration at the right time to matters of this nature; so we tend to leave ourselves at the mercies of Governments to have regard for the changing times, and

to assist us materially in the monetary values of superannuation benefit units. I would like to take this opportunity to quote from a circular letter dated the 12th November from the 1871 Pensioners' Association which reads as follows:—

> As you are no doubt aware the Bill has practically passed through the Legislative Assembly and will reach the Legislative Council in due course.
>
> Our Association is concerned about 167 pensioners under the Act of 1871, most of whom are over 75 years of age.
>
> Under the 1871 Act the pension ceases with the death of the recipient.
>
> In order to make some provision for their widows a number of the men became what are known as "Qualified Contributors" under the 1938 Act.
>
> By an Act passed in 1960, and the Bill mentioned above, the pensions under the 1871 Act were converted into Family Benefit units as provided for in the 1938 Act. It naturally follows that we are entitled to all the benefits as provided for in the 1938 Act.
>
> In September, 1962, by deputation to the Hon. Premier's representative, two requests were made, viz.:
>
> (a) 55 per cent. of pensions under the Act of 1871 to be available for widows as in the case of widows of pensioners under the 1938 Act, and
>
> (b) The contributions by 1871 pensioners to the Superannuation Fund (as Qualified Contributors) to be refunded therefrom.
>
> These two requests were refused. We contend that if they had been granted the anomalies which the Hon. Premier was concerned about when dealing with the Act of 1960 would have been removed and all would receive like treatment.
>
> We now ask you to see whether you can assist us by having the two requests mentioned above embodied in the 1962 Bill when it comes before the Legislative Council.

That letter was signed by the chairman and the honorary secretary of the association. Of course it is not possible for this Chamber to make any alterations to this Bill, but in view of the small number of pensioners affected, I wonder whether the Minister in charge of the Bill might be able to give some further consideration to their case, on the basis of some *ex gratia* payment being made, in order to meet the submissions contained both in their letter and in the deputation that waited upon the Premier.

THE HON. R. F. HUTCHISON (Suburban) [9.10 p.m.]: Very briefly, I rise to support the Bill. I have had several women speak to me about this; and in 1960 they pointed out that an increase of 1s. 2d. a week was a very poor compensation indeed for these pensioners. They wondered if anything could be done to help them in this matter. I, too, had intended reading the circular letter I received; but as this has been done by Mr. Willesee there is no necessity for me to read it as well. I support all that Mr. Willesee has said about the pension Acts; and I wonder if something cannot be done for those people by way of an *ex gratia* payment, in order to give those who come under the Act some relief.

There are not many of them; and I cannot understand why previous Governments have not seen fit to do something better than has been done in the past. I suggest to the Minister that it is never too late to mend, and it would be a great help indeed if he could give these people some relief. The women who spoke to me had a very real grievance; they were suffering untold hardship. For these folk, and for all other pensioners, I would ask the Minister to have another look at this matter to see if he cannot grant them some relief. In the meantime, I support the Bill.

THE HON. A. F. GRIFFITH (Suburban —Minister for Mines) [9.11 p.m.]: Do you remember the time, Mr. President, when we debated in this House—I am not sure of the year, but I think it was somewhere around 1954 or 1955—a Bill to give effect to certain changes in pension benefits under these three Acts introduced by the then Leader of the Government in the Legislative Council, the late Mr. Gilbert Fraser?

I was on the other side of the Chamber at the time, and one of the points I argued with the late Mr. Fraser was some cockeyed-looking formula that had been introduced—I think I referred to it as a cockeyed formula, at the time, if I remember aright—to give effect to certain changes. As I indicated when the Bill was before the House, that formula reduced the pensioners generally under these three Acts to a point where they did not know where they were going.

We had anomalies arising one after the other, and it has taken that period of time to gradually sort things out.

The Hon. E. M. Davies: In the meantime the value of the pound has deteriorated very considerably.

The Hon. A. F. GRIFFITH: And the pension rates have changed. A bit of play is made about some widows getting pensions of 1s. 2d. a week. But there is a simple explanation of that. I notice this very point was raised by the Leader of the Opposition in another place; and I have gone out of my way to ensure that I have the proper explanation for what might appear to be a very poor amount of increase for some widows, and not so poor for others.

I would point out that the total cost of these increases is £102,500. It is divisible over the three Acts that this Bill proposes

to amend. Before I get on to the question of widows' pensions, may I speak briefly on the question of the 1871 pensioners? As we know, the 1871 pensioners were at that time, and still are to some extent, an entirely different class of people from anybody else.

I have a situation in respect of one of these 1871 pensioners which is very close to home; and I know something that took place in connection with a man who joined the Government service 40, 50, or 60 years ago. I know that in the main people who went into the Government service at that time went in with two things in mind: one was the security of the job they had; and the other the security that the pension rates of the 1871 Act gave to them. Whilst they did not contribute any money so far as units are concerned, they did in fact contribute in other ways because they accepted employment on the basis that for the salary they received they would be entitled to a pension on retirement.

As Mr. Davies interjected a moment ago, because of the change in money values today, some of the 1871 pensioners are receiving quite generous pensions. Therefore, as far as this Bill is concerned, there is no intention to lift that group of pensioners to any great extent.

In regard to widows, may I read this to the House, as it gives a pretty good summary of the situation—

> Because of the small increases granted to certain widows, it was suggested in another place that a minimum increase of 5s. per week might be granted to all widows. This suggestion was made because in some instances widows will only receive an increase of 1s. 2d. per week.
>
> One of the objectives of the Bill is to remove anomalies which have given rise to a great deal of dissatisfaction in recent years and the provisions of the Bill have been framed so as to completely remove these anomalies in fairness to all those who are entitled to benefits under the several pension Acts.

As I said when I commenced speaking, it has taken a long time to sort out these anomalies; but I am sure we have arrived at a situation where the way will be much clearer for the future. Continuing—

> The widow who was to receive an increase of only 1s. 2d. per week first commenced to draw her pension prior to 1st January, 1958, and in accordance with the conditions then pertaining she drew a supplementary benefit of £1 per week.

The supplementary benefit allowance applied to the 1871 pensioners and introduced by a previous Government expired, as intended, on a certain date, and there were complaints over that. To continue—

> This supplementary benefit—

not the one I was just referring to, but the one in regard to widows—

> —continued after the 1st January, 1958, notwithstanding the fact that it ceased to apply in most cases where a widow's pension commenced after the 1st January, 1958. The result was that the widow whose pension commenced before January, 1958, received a higher weekly rate than the widow whose pension commenced after January, 1958. This situation was anomalous because in both cases the husbands of these widows had contributed equal amounts to the Superannuation Fund and naturally enough would have expected their widows to have received the same benefits under the Act.
>
> In order to completely remove the anomaly it was necessary to arrange the scale of benefits so as to ensure that the widow who first commenced on pension prior to January, 1958, did not in fact suffer a decrease in her weekly pension. In other words this class of widow and the benefits she received became the basic figure for determination of the new weekly rates which were to apply to all widows.
>
> In fact the higher rates being received by widows who commenced on pension prior to the 1st January, 1958, required the Government to go a little higher in the new weekly rates of pension than was previously intended.
>
> If we were to now agree to a minimum increase of 5s. per week—

that has not been suggested here, but it was in another place and the Premier promised he would have a look at the proposition—

> —to these widows we would immediately reinstate the anomaly which we have gone to great lengths to eradicate and as anomalies of this kind create considerable dissatisfaction it is certainly not the Government's desire to perpetuate the state of affairs which now exists under present legislation.

I repeat, this Bill is introduced in order to sort out these anomalies so we will not have the situation where one person is receiving a deal which is not in conformity with that received by some other person.

It may be very desirable to have a greater increase than the amount indicated in this Bill. However, it is easy to say so. Somebody may complain because she only gets 1s. 2d. increase in the pension; but one has to bear in mind the relevant facts and the circumstances which occurred to create this situation.

I cannot help but take my mind back to the somewhat lengthy debate we had about the situation some five or six years ago when the formula based on the basic

wage at that time crept into the calculations of pension rates. I do not think there have been any other points raised in regard to the 1871 pensions excepting that by Mr. Willesee.

I have had a good deal to do with 1871 pensioners, and I know it is very difficult to please all of them. Naturally enough, when one person retires with a number of years between himself and another person, the second person finds himself on a relatively different basis of salary and the anomaly creeps in. It is impossible to pay to widows the pensions suggested by the 1871 people because, I repeat, when that pension was awarded, it was on the basis that it died with the pensioner. It did not concede the benefit to the widow. Nevertheless, the question raised by Mr. Willesee will be looked into. I know there are difficulties in the way of doing what has been asked. I am grateful for the support the Bill has received.

Question put and passed.

Bill read a second time.

In Committee

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

Clause 1 put and passed.

Clause 2: Commencement—

The Hon. H. K. WATSON: I notice this clause provides that the Act shall come into operation on the 29th December, and presumably none of the increases are to take effect until that date. Earlier in the session we passed legislation to increase the salaries of judges and if I remember rightly the increase was to a certain extent retrospective.

There is some talk of increasing the salaries of members; so I was wondering whether that increase would take effect from the date on which the Bill was passed or whether it would date from the 29th December. I suggest the Minister give consideration to these pension increases taking effect from the date on which the legislation is passed.

The Hon. A. F. GRIFFITH: I suggest we deal with one Bill at a time. I do not mind talking about a Bill which we have already passed.

The Hon. F. J. S. Wise: Under Standing Orders you cannot anticipate legislation.

The Hon. A. F. GRIFFITH: So I believe. I presume the date mentioned by Mr. Watson is correct, but I do not know the reason, unless it is the end of the year, so far as the Treasury is concerned. I am afraid I am not in a position to answer the question at the moment.

If I remember rightly the increased salary for judges was made retrospective to the 1st July, 1962, only; and the reason for that was that an undertaking was given some years ago that the previous year's increase would apply and would not be reviewed until after the 30th June, 1962. I regret I cannot answer the honourable member's question.

Clause put and passed.

Parts I. to III. put and passed.

Title—

The Hon. A. F. GRIFFITH: Before the Committee adopts the title, I notice, on looking through my notes, there are new rates for the 1938 and the 1948 Acts, which are to operate from the 29th December; and the increased benefits for the pensioners under the 1871 Act will commence from the 1st January. An amount of £50,000 has been made available in the Budget for 1962-63 to meet commitments which will approximate £51,000, for the completion of this financial year.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

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

LOAN BILL, £21,980,000

Second Reading

THE HON. A. F. GRIFFITH (Suburban —Minister for Mines) [9.31 p.m.]: I move—

That the Bill be now read a second time.

This measure is necessary in order to provide authority for the raising of loans to finance the items of expenditure detailed in the Loan Estimates.

The Commonwealth Government arranges for the flotation of loans in accordance with the terms of the 1927 Financial Agreement between the Commonwealth and the States.

The total amount to be borrowed for each financial year is determined by the Australian Loan Council, which also determines the division of loan proceeds between the States.

A total borrowing programme of £250,000,000 has been approved by the Council for this current financial year, and the raising of this amount is proceeding very satisfactorily.

The first internal public loan for this financial year floated in September last with a target of £50,000,000 yielded £80,000,000.

That result, after last year's peace-time record for loan raisings, would lead us to hope for another excellent response from lenders in 1962-63, but the final result may not yet be predicted.

Though it has been suggested that the Loan Council should meet at an early date to consider whether the borrowing programme of £250,000,000 could be increased,

the Commonwealth can see no useful purpose in such a meeting until a clearer picture of the market's potential will be available. That would be by about next January.

The Commonwealth's attitude to an increase in public works programmes could be influenced by the state of the economy early in the new year, as it was last February.

We have not reached the happy state in which the market can supply all the money required by the States for their capital works programmes, so a great deal will depend on the Commonwealth's attitude at a later meeting of the Loan Council.

Even in last year's loan raisings, the market did not yield the full sum advanced to the States for capital works, though coming very close to it. The States being dependent on the Commonwealth, the latter can call the tune. We can work at present only on the borrowing programme for 1962-63 as authorised by the Loan Council last June.

We face a very difficult problem in our endeavours to change the present basis of distribution of funds between States, which is anything but satisfactory.

Under the methods used at present for the allocation of loan programmes, Western Australia, along with Queensland, fares badly in the distribution of loan funds, as compared with South Australia and Tasmania.

Nevertheless, it is virtually impossible, as matters now stand, for Queensland or Western Australia to improve their positions relative to the other States.

An amendment to the Financial Agreement which would require the unanimous approval of all States, would be the most effective means of improving our position. The chances of such unanimity are remote, however, because two of the other States, at least, would have to vacate the favoured positions they now enjoy under the existing legislation. When we were dealing with other Bills recently, this feeling was expressed in this Chamber.

An alternative to such an amendment to the Financial Agreement would be for the Commonwealth, as a condition of its support of the borrowing programme, to insist upon the allocation of additional sums to those States in need of a greater allotment of funds than obtainable under the present basis of distribution.

The Commonwealth is now doing this to a certain extent, through the grant of special financial assistance for developmental works in Western Australia, and we shall continue to press for such assistance.

This Bill seeks authority to raise loans to the extent of £21,980,000 for the purposes set out in its first schedule.

The new authority provided for each item listed in the schedule does not necessarily coincide with the expected expenditure this current year.

Unspent balances of previous authorisations have been taken into account. Sufficient new authority has been provided in order to allow the works likely to continue beyond the 30th June next to be further carried on for approximately six months after the close of the financial year. That is the usual provision made to enable works in progress to continue pending the passing of next year's Loan Act.

Full details are given in pages 14 to 17 inclusive of the Loan Estimates of the conditions of the various loan authorities, together with the authorisations sought by this Bill and an estimate of the balance of authorisations to be carried forward into next financial year. Those pages also set out the appropriation of loan repayments received in 1961-62.

Another important authorisation in the Bill is provision for the payment of interest and sinking fund on loan raisings. Clause 4 charges these payments to the Consolidated Revenue Fund and no further appropriation is required from Parliament.

Clause 6 of the Bill provides for the reappropriation of previous authorisations in excess of immediate requirements. The second schedule sets out the amount of the original appropriation under Act No. 80 of 1961, and the portion to be reappropriated on this occasion. The item to which it is proposed to apply this amount is shown in the third schedule to the Bill. I commend the Bill to members.

Debate adjourned, on motion by The Hon. F. J. S. Wise (Leader of the Opposition).

Sitting suspended from 9.38 to 10.16 p.m.

STATE FOREST No. 61

Revocation of Dedication: Motion

Message from the Assembly requesting the Council's concurrence in the following resolution now considered:—

> That the proposal for the partial revocation of State Forest No. 61 laid on the Table of the Legislative Assembly by command of His Excellency the Governor on the 8th November, 1962, be carried out.

THE HON. L. A. LOGAN (Midland—Minister for Local Government) [10.17 p.m.]: I move—

That the resolution be agreed to.

In moving that the proposal for the partial revocation of State Forest No. 61 laid on the Table of the Legislative Assembly by command of His Excellency the Governor, given on the 8th November, 1962, be carried out, the concurrence of this Chamber has been sought in a similar action taken in another place.

The proposal contained in the papers laid on the Table of the Chamber is for the partial revocation of the dedication of State Forest No. 61, and this proposal is the one referred to as item No. 11 which was deleted from the proposals then put to members. The excision requested is of some importance, as it comprises a large area of approximately 11,600 acres, situated northerly from Bindoon. This land is required for Army training purposes, and constitutes part of an area required for exchange purposes in connection with the releasing of the present Avon Valley training site for State governmental purposes.

The area to be excised lies within the Julimar State Forest situated north from Bindoon. For some time now negotiations have been in progress between the Department of the Army and the Railways Department for a suitable exchange for the Avon Valley Army training area through which the standard gauge railway from Northam to Perth will traverse. Agreement has been reached between both parties, and the area now proposed to be ceded to the Department of the Army in exchange for its land in the Avon Valley comprises a tract of approximately 40,000 acres of which 11,600 acres forms portion of Julimar State Forest. The balance of the total area is Crown land, with the exception of a few small areas of privately-held land, including a triangular piece in the north-east belonging to Industrial Extracts Limited, which company does not object to its release provided it is allowed to remove the timber thereon by next winter. A 10-chain buffer strip around the whole area is to be provided for the operations of some interested beekeepers.

This area forms a very large part of the Victoria Plains Shire Council, and that council has taken strong exception to its being ceded to the Department of the Army because ultimately it would have become first-class agricultural land and its potential would have been considerable. We have endeavoured to find a suitable alternative site, knowing full well that the Army would have to leave the Avon Valley training area. Committees were set up to consider this proposal and this particular area was the best they could recommend. As much as I dislike the selection of this area, with its great agricultural potential, for use as an Army training site, particularly as it forms part of the district coming within the jurisdiction of the Victoria Plains Shire Council, in view of the committee's recommendation I have no option but to accept it. I am afraid the Victoria Plains Shire Council will have to accept the decision also.

The Hon. E. M. Davies: Why not include a provision in the agreement for the rates to be paid by the Defence Department?

The Hon. L. A. LOGAN: I do not know about that. We asked the Army to inspect the coastal strip with a view to selecting a suitable area for training purposes there, but, after making an inspection, it was considered that it was unsuitable for Army purposes. It is essential that the Army have a training area and it is unfortunate that the most suitable land selected is in the Victoria Plains Shire Council district. That council has my full sympathy, but I am afraid that sympathy will not be much help to it.

Debate adjourned, on motion by The Hon. F. J. S. Wise (Leader of the Opposition).

LICENSING (ROTTNEST ISLAND) BILL

Second Reading

Debate resumed, from the 8th November, on the following motion by The Hon. F. D. Willmott:—

> That the Bill be now read a second time.

THE HON. N. E. BAXTER (Central) [10.23 p.m.]: This is a very small Bill which seeks to add six words to the principal Act. It is very similar to a Bill which I introduced in 1960, and which I subsequently withdrew. It was followed by another Bill which, if it had been passed, would not have required the introduction of the Bill before us.

As circumstances turned out the Bill before us has been introduced to extend Sunday trading to the hotel at Rottnest. It is regrettable that, in fact, two Bills had to be introduced for the one purpose. In an area like Rottnest, which caters for tourists, Sunday trading is justified. There is very little more I can add, except to say that it was my aim to include the hotel at Rottnest among the others for which Sunday trading was sought. I support the second reading.

THE HON. A. F. GRIFFITH (Suburban —Minister for Justice) [10.24 p.m.]: We have seen some very unusual happenings in Parliament in recent weeks. We saw efforts made to bring about the opening of hotels on Sundays, to close down service stations on Sundays, and again to open another hotel on Sundays. If this Bill is passed, as I believe it will be, then the hotel at Rottnest Island will be permitted to trade on Sundays.

The Hon. N. E. Baxter: The same as the hotel at Mukinbudin.

The Hon. A. F. GRIFFITH: The same as the four hotels which were covered by the Bill introduced by the honourable member. Wherever boundaries are defined, inevitably circumstances arise which create anomalies. It is strange to see the manner in which some people endeavour to extend the boundaries. The Bill introduced by Mr. Baxter contained a magnificent bend in the boundary which reminds

me of the twist, because the radius stipulated in the Act has been altered so that four more hotels are now able to trade on Sundays.

My attitude to the extension of trading hours for the hotel at Rottnest Island is different from that I adopted to the mainland hotels, because the circumstances are entirely different. Rottnest Island is entirely a holiday resort; it cannot be reached by road although it can be reached by boat. In this respect it is quite different from the tourist centres on the mainland.

I was interested to see the manner in which this Bill flitted from one side of the House to the other; to see one speech being made and the debate being adjourned, and then another speech made and the debate again adjourned. That was done two or three times. It would be presumptuous on my part to suggest that some members were waiting for the outcome in another place of the Bill introduced by Mr. Baxter before they decided on the course of action they would take on this Bill. Now that the Bill introduced by Mr. Baxter has passed through both Houses—

The Hon. F. J. S. Wise: That does not make the Bill before us any better.

The Hon. A. F. GRIFFITH: No. I hope I was wrong in my judgment when I suggested there was an attempt to adjourn the debate on this Bill with this idea: if one member were to vote for Mr. Baxter's Bill, in return some other member would vote for this Bill.

The Hon. W. F. Willesee: If you had indicated that you would support the Bill there might not have been any adjournment.

The Hon. A. F. GRIFFITH: I did indicate that I would support it. If the honourable member had read the newspapers he would know that I was asked whether I would support the Bill. I told the Press I would. I supported the Bill introduced by Mr. Baxter, and I gave my reasons.

The Hon. W. F. Willesee: It was not much of a newspaper if I missed that bit. The report must have been in very small print.

The Hon. A. F. GRIFFITH: I am supporting it for the reasons I gave. I would like to think that I was wrong in my assessment that some members were waiting on the outcome of Mr. Baxter's Bill.

The Hon. R. Thompson: I think you are wrong.

The Hon. A. R. Jones: You are out of order in mentioning that.

The Hon. A. F. GRIFFITH: I do not think I am out of order in mentioning it in the way I did.

The PRESIDENT (The Hon. L. C. Diver): I draw the attention of the Minister to the fact that he is getting close to the boundary.

The Hon. A. F. GRIFFITH: I have no desire to go over the border. There is no necessity for me to say any more. I support the Bill.

THE HON. A. R. JONES (Midland) [10.29 p.m.]: Since I had something to say on a similar measure which was before the House some time ago, I cannot let this opportunity go by without expressing an opinion on the Bill before us. Contrary to the view expressed by the Minister, I am not happy with the proposal for the extension of trading hours for the hotel at Rottnest Island. The main reason is this: It is not a tourist centre which caters only for the adult members of the community.

If it were only catering for the adult members then I consider we should agree to the Bill to enable that hotel to trade on Sundays. As, in my opinion, a large percentage of the people at Rottnest during the summer time are young people, I am wondering whether it is a good thing to extend the hours of trading. I suppose that if the legislation is well policed and young people are kept away from licensed premises, it will be all right.

The Hon. R. C. Mattiske: Are there any young people at Mundaring on a Sunday?

The Hon. A. R. JONES: There are quite a number of young people; but they would be children rather than teenagers.

The Hon. R. C. Mattiske: The position is the same—they are not allowed on licensed premises.

The Hon. A. R. JONES: The honourable member has interjected and said they would not be allowed on licensed premises. We know that teenagers are not allowed on licensed premises to consume liquor, but we also know that quite a number of them go on to licensed premises and say they are over 21 years of age. We read in the Press where different ones have been fined for consuming liquor.

I am wondering whether there will be sufficient police to police this legislation. I am told that police would have to be sent from the mainland to do that. It is unlikely they will be flown over or taken over by boat in order to police the Sunday morning or Sunday afternoon trade. I am betwixt the devil and the deep blue sea, in that I do not know whether or not to support this Bill. On the one hand, I feel that, from a tourist point of view, an amenity is needed to enable people to enjoy a drink on Sundays; although I do not consider this is absolutely necessary.

However, from the point of view of the teenagers who will be there in large numbers, I think this Bill is possibly not a very good thing. Provided the Minister will assure us that there is to be adequate

police supervision, I will support the measure, or, at least, I am prepared to give it a trial for a while. But if there is to be no police supervision, or any other supervision, then I feel I must vote against the Bill.

THE HON. W. F. WILLESEE (North) [10.33 p.m.]: My remarks will be very brief. I did not support the Bill known as Mr. Baxter's Bill; nor do I intend to support this one. Also, I have had nothing to do with any web of intrigue.

THE HON. F. R. H. LAVERY (West) [10.34 p.m.]: I might say that I squibbed Mr. Baxter's Bill for the first time since I have been in Parliament. I left the Chamber and I did not record a vote. After the facetious remarks of the Minister about being twisted, I am not sure that he has not twisted me out of supporting him on this Bill. I agree with Mr. Jones. I know a little about Rottnest Island. I was one of those who, in the 1920's, helped to build the cottages which are there—some 20 of them. For many years I went over to the island on anything that floated, and I had one major purpose in mind, which was to meet the girl I later married. I can say that I know a little about Rottnest.

Let us be fair and open about this. Whether or not this Bill is passed, young people will obtain drink. That situation has always existed; it has existed since the 1920's. There are all kinds of utensils for carrying beer. Yesterday I saw in a shop an article known as a "Willow cooler" which can be carried in one's car. The advertisement stuck on the side of the Willow cooler states that it can hold seven bottles. Young people buy these things for their cars. Whether they are at Rottnest, at Rockingham beach, or whether they are going shooting at Kalgoorlie, the facilities are there for any young people to obtain drink. I am opposed to that situation.

I do not drink myself, although I spend plenty of money on it. I do not deny anybody a drink. I play my part in connection with Alcoholics Anonymous. I know what drink does. I am in agreement with Mr. Jones that so far as young people are concerned this Bill will make it impossible for them to be served at a hotel—except those who bluff the barman. Mr. Mattiske knows that at Mundaring, or Mundaring Weir, or here in Perth, young people can put it over a barman. The boats that call at Rottnest have liquor licenses. It will be possible for young people to buy liquor on those boats—they have done so in the past and I forecast that they will continue to do so in future—and they will be able to drink that liquor later on in the day. I know that one bottle of wine will give young people a pretty good evening. I am speaking about good wine.

I am of the opinion that we are making it very easy for young people to drink. On the day they are 20 years and 364 days old they are not allowed to purchase liquor, but a day later they are allowed to do so. They are allowed to go into a hotel, and into a betting shop, and they are allowed to vote for the Legislative Assembly—although, if they are living at home, they cannot vote for the Legislative Council.

The **PRESIDENT** (The Hon. L. C. Diver): Order! The honourable member must not mention the matter of votes for the Legislative Council.

The Hon. F. R. H. LAVERY: I will not hesitate to say that I am going to vote against the Bill for one reason only. So far as the tourists are concerned, some people have no trouble in securing accommodation at the hotel or at the hostel, and some privileged persons are able to apply year after year for the same cottages they have had for the past 20 years. Many young people who would like to go to Rottnest for a holiday cannot obtain accommodation, however, and if drink is all that is going to make it possible for them to go there, then I am going to oppose the Bill.

I believe we have to adopt a sane approach to these matters. I think the Minister was unfair when he used the term "twist" and referred to the strange things he had seen going on here, and the bartering which went on here and in another place. For that reason, and that reason only, I am going to vote against the Bill.

The Hon. A. F. Griffith: It is not my own Bill, you know.

THE HON. F. J. S. WISE (North—Leader of the Opposition) [10.40 p.m.]: I am in no way suffering from any illusions or from any feeling that I should be before a confessional. I did not vote for Mr. Baxter's Bill, and I do not intend to vote for this one.

The Hon. A. F. Griffith: Fair enough!

The Hon. F. J. S. WISE: I am wondering, in spite of all the excuses—and many of them are excuses—when we are going to face up to the realisation of the extent to which beer and alcohol is determining the lives of very many people in this community.

The Hon. A. F. Griffith: That is what I said when we had 69 clauses in the Licensing Bill before us.

The Hon. F. J. S. WISE: It is an amazing thing—and I say this not because I am in fact a total abstainer; not because I am a prude; but because I am, I think, a man of the world—that beer is the determining factor as to whether a place, a party, or anything in the way of entertainment is successful.

Rottnest is a delightful place. It is the sort of place in which one would be pleased —if there were any pleasure in it—to die, for the reason that one would have to live there in order to die there. The island will not be spoiled, so far as I am concerned, if it is not to have the hotel opened on

Sundays; and I think it would mean little inconvenience to the permanent residents and little or no inconvenience to the visitors who should make their own arrangements as the residents do. I oppose the Bill.

THE HON. S. T. J. THOMPSON (South) [10.42 p.m.]: I should like to thank Mr. Wise for expressing so ably the sentiments I would like to express. I intend to oppose the measure, as I have opposed most of the Bills dealing with extension of hours. However, the fears which have been expressed concerning our youth reflect, I think, upon the intelligence of our youth. In my opinion, our youth are following the example which many of we older people have set.

THE HON. E. M. HEENAN (North-East) [10.43 p.m.]: I am going to support the Bill, my reasons being as follows: I believe we have to try to cultivate public opinion whereby not only young people but all classes of people will see the merit of moderation. I think we are doing something towards achieving that by providing better facilities. I am sure that the better licensed clubs, hotels, and restaurants which are now being erected in the State are having the effect of inducing people to behave better and generally to disport themselves better than they did in the past. Mr. Lavery has said that if we do not provide these facilities at Rottnest people will obtain drink just the same.

The Hon. F. R. H. Lavery: I said the youth—those under age—would.

The Hon. E. M. HEENAN: I will correct that remark—that youth will get drink just the same. I think Mr. Lavery is quite correct in making that statement. I am quite satisfied that if we do not provide facilities for Sunday drinking at Rottnest there will be drinking just the same, but under far worse conditions than would obtain if a license were granted.

We will have the spectacle of young people getting bottles and drinking in their camps and rooms, and there will be little or no control over them; whereas if we grant a license the drinking will take place in public under the supervision of the police and under the control of the licensee whom I know, and who I am confident will stand up to his responsibilities to the public.

I am all for providing decent facilities and being realistic. However, I do not want members to interpret my remarks as being in favour of inducing young people to drink. I share the views of other members who would do all in their power to dissuade them from drinking, but I do not see anything wrong with anyone arriving at the age of 21 years drinking in moderation; and, thank goodness, the majority of our young people are sensible. They do not have to learn to drink, but in my opinion there is nothing wrong with having a drink in moderation in nice surroundings, among decent company.

I think the majority of young Australians that I see growing up behave themselves decently, but if we lock them out as we do our aborigines, and let them buy bottles under the lap—bottles of ordinary wine and effervescent wine—we will be doing them more harm than if we let them come out into the open.

I am sure the police will clamp down on anyone under 21 years of age who patronises the hotel. Also, I have every confidence in the man who holds the license at Rottnest; he would not be a party to allowing people under age to drink at the hotel. It is much better to sit down at a table to drink than for people to cart off bottles and drink in their camps and other places. I think we can do a lot more in the homes, in the schools, and by precept and example; and by all means let people come out into the open and provide decent facilities for drinking. By doing that we do more to minimise the dangers inherent in taking alcohol. For those reasons I support the measure.

THE HON. G. C. MacKINNON (South-West) [10.50 p.m.]: Very briefly I want to pose the question as to why so many people seem to imagine that a hotel selling beer influences anybody; because the only thing that affects a person, in regard to drinking, is the amount of alcohol consumed in a given time. If one consumes it over a long enough period one is not as much affected as if one consumes it in a short period. In that case one becomes drunk.

Nobody is going to sit in a hotel, such as at Rottnest—where members say there is occasionally one policeman—to watch all the time to see whether people drink enough alcohol to make them drunk. I cannot see that having sessions at Rottnest will make any difference. If young people can get their liquor and drink it in their rooms, it will not make them any more drunk than if they drink the liquor at a hotel when the hotel is open. All it means, if they can drink during the session at the hotel, is that they have more left to drink when they get back to their rooms.

To me the argument that more control can be exercised by drinking in a crowded hotel seems to be a little fallacious. I do not think that is possible at all. We seem to be getting terribly worried about our young people, but from what I can see of them they seem to be growing up in a pretty satisfactory manner. There are one hundred and one ways they can get liquor, and I do not see how even a hotel proprietor could pick their ages; because we have all been into hotels and have seen boys and girls who, we know, are not 21

years of age, and they have been having a drink. We have seen cases of that. But often it is most difficult to say whether or not a person is over 21 years of age. He is a very smart man who can look at a young girl and say whether she is 19 or 20 years of age, or even 22 years of age.

The other aspect to which I wish to refer is that on three or four occasions mention has been made that this is the Minister's Bill. From my understanding of the position the Bill was introduced by Mr. Willmott.

The Hon. L. A. Logan: That is so.

The Hon. G. C. MacKINNON: As I opposed Mr. Baxter's Bill, I intend to oppose Mr. Willmott's Bill.

THE HON. J. G. HISLOP (Metropolitan) [10.52 p.m.]: I think where we started to go wrong in the first place was when we agreed to Sunday drinking at all.

The Hon. F. R. H. Lavery: Hear, hear!

The Hon. J. G. HISLOP: Having got ourselves into that fix, I do not see how we can get out of it. As soon as we give something to one section of the public another section will want it.

The Hon. L. A. Logan: I think we made a mistake. There is no doubt about that.

The Hon. J. G. HISLOP: If we had any courage we would introduce a Bill wiping out Sunday trading altogether. Here we have a Bill the purpose of which is to extend the Sunday trading provisions to Rottnest. I am very much opposed to sessions lasting for one hour—between 12 and 1, and 5 and 6—because it means a considerable scramble at the bar by those who want a drink at the hotel during that hour, whether it be between 12 and 1 or 5 and 6.

If we are to agree to Sunday trading for Rottnest, I would be very much happier if the hours were made from 12 to 6, and the bars were closed so that drinking could take place only in the saloon or lounge, where people would have to sit down at tables. In that way we would get a much more regulated form of drinking. With this measure I cannot see that we are conferring any benefit on Rottnest.

I hope that next session somebody will have the courage to introduce a Bill to close the hotels throughout the State on a Sunday. Then we might confer some benefit on the people, but I do not see how we are conferring any benefit by this rushed drinking on Sundays between 12 and 1, and 5 and 6.

In overseas countries where Sunday drinking is allowed they insist that people sit in the lounges or saloons, and the bars of the hotels are closed. By that means there is a much more regulated form of drinking, and I am sure not as much alcohol is consumed when a person is sitting at a table as when he is standing at the bar for an hour. During the sessions barmaids and barmen are simply rushing to supply beer over the heads of everybody.

The Hon. L. A. Logan: Particularly when they are on skates.

The Hon. J. G. HISLOP: I do not think we are conferring a benefit on Rottnest by agreeing to this Bill.

THE HON. E. M. DAVIES (West) [10.55 p.m.]: I am speaking to this Bill because some members might think that since the last licensing measure was before the House I have learned to do the twist. I want to assure any member who may have that idea that I intend to record a vote the same as I did when the measure known as Mr. Baxter's Bill was being debated in this Chamber.

To my mind Rottnest Island is a tourist resort which we hope will become the playground of the people of Western Australia, and particularly of the metropolitan area. A playground means a place in the open air where people can indulge in sport to get away from routine matters connected with their home and work. It was never intended that a playground would be a place where intoxicating liquors could be consumed.

I know that Rottnest is within 12 miles of the coast and if people are thirsty enough they will cross to Rottnest by yacht to partake of alcoholic refreshments. Under a Bill which has just been passed by both Houses of Parliament others who are also thirsty, and who do not have yachts, will be able to walk from Fremantle to Naval Base for a drink. However, I agree with the sentiments which have been expressed by Mr. Wise; and as I believe Rottnest is the playground of people from the metropolitan area, they should be able to go there for a period of days or weeks and indulge in sports and other pastimes without recourse to liquor on Sundays. Surely it will not hurt people to go without a drink on one day of the week.

THE HON. F. D. WILLMOTT (South-West) [10.57 p.m.]: I thank members for their contributions to the debate, and there are just one or two comments I would like to make. I think it was Mr. Ron Thompson who alluded to the fact that in the days before there was a hotel at Rottnest it was a much happier and nicer place. I have heard the same opinion expressed by a lot of people. However, that does not affect this Bill, because the fact remains the hotel is at Rottnest, and this Bill proposes to permit Sunday sessions the same as is provided for hotels outside the 20-mile limit.

In regard to the matter of under-age drinking, which was mentioned particularly by Mr. Jones, I do not believe that by allowing the hotel at Rottnest to have two

Sunday sessions it will lead to under-age drinking. Members know perfectly well that apart from any police supervision—and of course there is some of that at Rottnest—in the main the control of under-age drinking does not rest with the police but almost entirely with the publican himself.

The Hon. F. R. H. Lavery: That is only while they are drinking at the hotel.

The Hon. F. D. WILLMOTT: That is quite so, but when a person goes into a hotel for a Sunday session he goes in with the idea of having a drink in the hotel. He does not go there to buy bottles to take away.

The Hon. F. R. H. Lavery: I realise that.

The Hon. F. D. WILLMOTT: A person cannot buy bottles at the Sunday session.

The Hon. G. C. MacKinnon: Except in Kalgoorlie.

The Hon. F. D. WILLMOTT: That might be so, but a person certainly could not buy bottles during a Sunday session at Rottnest.

I was making the point that the question of the prevention of under-age drinking rests entirely with the publican himself; and I think the licensee at Rottnest indicated his attitude towards this question from the moment objection was raised by the police to his trading on Sundays. From that moment he has refused to trade in any way on a Sunday; he will not leave himself open to prosecution.

Knowing the licensee and his attitude, I feel sure that he will be pretty strict about any under-age drinking. I will not go so far as to say that no under-age person will obtain a drink. That would be absurd. When a publican has any doubt he asks the person concerned, "Are you under 21 years of age?" If that person says he is not, then unless the publican is convinced by looking at him that he is under 21 years of age, there is very little he can do about it.

The Hon. L. A. Logan: He will get fined if he is caught.

The Hon. F. D. WILLMOTT: He certainly will. So I am convinced that the licensee at Rottnest will be very careful about under-age drinking. I agree with what Dr. Hislop said about the question of hours, but the fact remains that the hours of the Sunday sessions in all other hotels are already the same as those proposed for Rottnest. I can see no reason to alter that at this stage. A different attitude should be adopted in the future; and I am sure it will. However, that is not the subject of this Bill. We can only deal with it as it is, and as Sunday sessions operate in other places and hotels are allowed to serve drink, we feel the same should apply here.

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

Ayes—14

Hon. C. R. Abbey	Hon. J. Murray
Hon. N. E. Baxter	Hon. C. H. Simpson
Hon. A. F. Griffith	Hon. R. H. C. Stubbs
Hon. W. R. Hall	Hon. R. Thompson
Hon. E. M. Heenan	Hon. H. K. Watson
Hon. L. A. Logan	Hon. F. D. Willmott
Hon. R. C. Mattiske	Hon. J. D. Teahan
	(Teller.)

Noes—10

Hon. E. M. Davies	Hon. H. R. Robinson
Hon. J. G. Hislop	Hon. S. T. J. Thompson
Hon. R. F. Hutchison	Hon. W. F. Willesee
Hon. A. R. Jones	Hon. F. J. S. Wise
Hon. G. C. MacKinnon	Hon. J. J. Garrigan
	(Teller.)

Majority for—4.

Question thus passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (The Hon. G. C. MacKinnon) in the Chair; The Hon. F. D. Willmott in charge of the Bill.

Clause 1 put and passed.

Clause 2: Section 122 amended—

The Hon. A. F. GRIFFITH: I would refer members to the effect of Mr. Baxter's amendment to section 122. As a result of that amendment the word "Perth" in section 122 has been deleted, and accordingly Mr. Willmott will not be able to add the words, "or are situate on Rottnest Island", after the word "Perth". Perhaps the honourable member could amend this clause to suit his purpose.

The Hon. F. D. WILLMOTT: I move an amendment—

> Page 2, lines 2 and 3—Delete the words "after the word, 'Perth', being the last word" and substitute the words "at the end".

Amendment put and passed.

Clause, as amended, put and passed.

Title put and passed.

Report

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

Third Reading

THE HON. F. D. WILLMOTT (South-West) [11.12 p.m.]: I move—

> That the Bill be now read a third time.

The Hon. E. M. Davies: You cannot do that, the Bill has been amended.

The PRESIDENT (The Hon. L. C. Diver): Standing Orders have been suspended so that Bills can pass through all stages at any one sitting.

THE HON. H. K. WATSON (Metropolitan) [11.13 p.m.]: I raise this point for the consideration of the sponsor of the Bill: The amendment made in Committee refers to what I suppose could be called the Licensing Act, 1911-1962; whereas the principal Act in relation to this Bill is referred to as the Licensing Act, 1911-1961. Perhaps it would be as well to leave

that to the legal eagles to sort out; but I thought it might be as well to mention the apparent inconsistency between subclause (2) of clause 1, and clause 2.

THE HON. A. F. GRIFFITH (Suburban —Minister for Justice) [11.15 p.m.]: I do not think this makes any difference, but I am not sure. We have three amendments to the Licensing Act before Parliament at the present time and one is still in the process of being dealt with in another place. I do not know just what the actual position is because I have not examined it. However I do not think this will make any difference.

THE HON. G. C. MacKINNON (South-West) [11.16 p.m.]: In this State a Bill must go through three stages. It must pass both Houses of Parliament and then receive the Governor's signature in Executive Council. The Licensing Act is still the Licensing Act, 1911-1961, and that will automatically be changed on the passing of the other Bill. We have to take cognisance of a Bill that was carried on Thursday, but it is not part of an Act until it receives the Governors' signature. We have to take cognisance of the amendment passed previously, but the Bill does not change its title until it has received the Governor's signature.

Question put and passed.

Bill read a third time and returned to the Assembly with an amendment.

IRON ORE (TALLERING PEAK) AGREEMENT ACT AMENDMENT BILL

Receipt and First Reading

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

Second Reading

THE HON. A. F. GRIFFITH (Suburban —Minister for Mines) [11.18 p.m.]: I move—

> That the Bill be now read a second time.

The Iron Ore (Tallering Peak) Agreement Act, 1961 ratified an agreement between the Western Mining Corporation Ltd. and the Government in regard to the exploitation of the Tallering Peak iron deposit. As a result, the company was obliged to explore the deposit thoroughly, to build and provide rolling stock for a railway line from the deposit to Mullewa, and to erect and maintain wharf loading facilities at Geraldton.

The company agreed also to pay 6s. per ton royalty on the first 2,000,000 tons of ore recovered and sold, and on any such further ore produced by open-cut methods. With the passing of that Act, Parliament ratified the undertaking given by the company to carry out a complete exploration of the deposit at very considerable expense.

The company, since that time, upon ascertaining that the Tallering deposit would not, by itself, be an economic proposition, requested that a deposit in the Koolanooka Hills near Morawa, should be added to the project. It was submitted that the two would then warrant the total outlay required. Such arrangement will, it is considered, on the passing of this measure, permit of the establishment of a concentrating plant within a reasonably early time, whereby lower-grade ore may be treated for disposal.

The Tallering deposit is situated approximately 30 miles north of Mullewa, which lies in an easterly direction 60 miles from Geraldton. The Koolanooka deposit—not far distant—is approximately 15 miles east of Morawa, which is 115 miles from Geraldton. The Government has agreed with the company's proposal after a very thorough examination of all aspects affecting the mining of iron ore in that part of the State.

The company will be likely, under the new conception of mining in those districts, to commence its production operations at the Koolanooka deposit, leaving the working of the Tallering deposit until depletion of the Koolanooka reserves indicates a move to Tallering is necessary. The object of this Bill is to amend the original agreement by including necessary provisions and obligations relating to Koolanooka.

The amendments provide for the construction by the company of a railway line from the Koolanooka deposit to Morawa, in addition to the line from Tallering to Mullewa. As production is likely to be undertaken initially from Koolanooka, it is provided that, in that event, the company will commence construction of the Tallering railway line at the expiration of the particular year in which less than 500,000 tons of ore are hauled from Koolanooka. The management binds itself in that regard with a bond of £100,000.

There are amendments requiring the company to provide locomotives and bogey rolling stock, signalling equipment and other appurtenances, fencing, etc. in respect of both railways. There is provision for a scale of freight rates which are higher for Koolanooka than for Tallering, on account of the longer haulage from that deposit. Safeguards are included to ensure that the Railways Department will not suffer loss should transport tonnages be temporarily reduced for any reason other than *force majeure*, and the department's maintenance, etc., has to be continued.

Freight rates are based on a railway formula and rates will be adjusted only to such formula. The royalty rates provided in the original agreement will continue, but with an adjustment as to quantities to encompass the changed conditions. It is estimated that, as a result of the exploratory work undertaken, approximately 1,000,000 tons of direct shipping ore—that

is ore assaying 60 per cent. and more iron—will be recovered from Tallering, and 1,200,000 tons from Koolanooka, and royalty will be payable in respect of ore from both sources. Should any additional tonnage be recovered by open-cut mining methods, similar royalty would be payable.

The company has undertaken to concentrate lower grade ore as soon as is practicable. The maximum tonnage which may be exported in any one year is set at 1,000,000 tons, of which 800,000 tons will be direct shipping ore, and the minimum 500,000 tons. There is provision for extension of the day, from the 31st December, 1962, until the 31st March, 1963, on which the company has to give notice that it has entered into a contract for the sale of ore.

With regard to ore which is to be smelted or treated, the agreement contains a condition which has been inserted with a view to ensuring such smelting or treating will be done in this State. The management believes that the two deposits will prove to be an economic proposition, and hopes satisfactory contracts will be obtained. It is hoped also, that the project may continue for a considerable number of years, particularly if the erection of a concentrating plant eventuates, so enabling the disposal of lower grade ore.

The company has done much to develop our State's mineral deposits, having been for many years one of the State's largest individual employers of labour, and that mainly in isolated localities. Exploratory operations have been carried out on both ore bodies to the entire satisfaction of the Government, and at a very considerable expenditure—as previously mentioned—by the company.

The value of an industry of this nature to the districts concerned, to the port of Geraldton in particular, and generally to the State's economy, will be great, especially if a concentrating plant is put into operation.

May I add that the Western Mining Corporation made a very concentrated effort towards ensuring that the amount of iron ore at Tallering Peak would be sufficient to enable the company to fulfil the terms of the original agreement; and if it had not been for the existence of the Koolanooka iron ore deposit—although some distance away from Tallering Peak, it does join up with the main railway line that serves the port—I am afraid Tallering Peak would not have succeeded; because 1,000,000 tons of high-grade shipping ore is not sufficient to amortise the expenditure required to enter into an operation of this nature, including the building of a railway line from Tallering Peak to Mullewa.

The existence of the Koolanooka deposit together with Tallering Peak—I have seen them both—probably means that the two can be developed successfully; but it will still depend upon the company being able to secure a contract from Japan in regard to the iron ore from the two areas concerned.

The Hon. F. J. S. Wise: Will the Minister explain page 9 of this Bill, which provides for the deletion of a clause in the 1961 agreement, and tell me of its effect on the railway responsibilities? It does not involve a commitment at this stage, does it?

The Hon. A. F. GRIFFITH: Not at this point. It foreshadows in this agreement that a railway line will be constructed from Koolanooka to a point in Morawa. I am grateful to the honourable member, as I now get the point. In the Mt. Goldsworthy agreement there was the authority and the direction to construct a railway, and the Legislative Council held—and I bow with the greatest respect to the Chair when I say I have some doubt about that—that a Bill under the Public Works Act, section 96, should accompany the agreement.

This Bill certainly foreshadows the construction of a railway, but does not authorise the construction of one. The Bill to do that will follow when the route has been determined. I do not think there is any doubt that this Bill is in order.

The Hon. F. J. S. Wise: That is as it appears to me.

The Hon. A. F. GRIFFITH: The railway Bill will undoubtedly follow. However, if the company finds itself in a position where it cannot carry on and it does not give notice, the railway Bill will not be required. However, I sincerely hope that it does eventuate.

So far as this company is concerned, it is tenacious in its desire to see this project succeed—a project which undoubtedly means a great deal to the Geraldton area. I do not think anything else needs to be explained at this particular moment. I commend the Bill to the House and hope it receives support.

Debate adjourned, on motion by The Hon. F. J. S. Wise (Leader of the Opposition).

MONEY LENDERS ACT AMENDMENT BILL

Returned

Bill returned from the Assembly with an amendment.

ADJOURNMENT OF THE HOUSE: SPECIAL

THE HON. A. F. GRIFFITH (Suburban —Minister for Mines) [11.29 p.m.]: I move—

> That the House at its rising adjourn until 3.30 p.m. tomorrow (Wednesday).

Question put and passed.

House adjourned at 11.30 p.m.