

Hon. L. CRAIG: Would the hon. member agree that everybody should have a holiday on Saturday?

Hon. R. F. Hutchison: Yes.

Hon. L. CRAIG: Then there would be no football matches, unless we walked to them, and no umpires. It becomes absurd.

The Chief Secretary: People sometimes carry things to extremes.

Hon. L. CRAIG: We must get down to tin tacks and have some facilities available so that we will not end up trailing the world, as we are beginning to. We are ceasing to be the active people we used to be. I have just returned from the far eastern goldfields—

Hon. R. F. Hutchison: The same argument applies—

The PRESIDENT: Order!

Hon. L. CRAIG: I returned full of admiration for the station people of the eastern goldfields. There was no talk of special facilities there. Those people breakfast at 6.30 a.m.—I did not like it but soon got used to it—and there were no complaints. I have never seen happier people anywhere.

Hon. R. F. Hutchison: What were they doing?

Hon. L. CRAIG: They were out working at 7 a.m.; and many, including the wages men, did not come in until 6 p.m., because they did not want to. They set an example to people in some other districts.

I do not think the time is yet ripe for us to have a universal holiday on Saturday morning. I believe, however, that 60 or 70 per cent. of the bank staffs could be given that morning off, and such an arrangement would require no legislation. I have discussed this question with some bank managements and I am sure they could put on token staffs as the stock firms and life assurance offices do, to provide the facilities required. I suggest that the bankers' representatives go into that question, as I feel they would need to provide only a token staff consisting of perhaps not more than 20 per cent. of their personnel. I oppose the second reading.

On motion by Hon. J. M. A. Cunningham, debate adjourned.

ADJOURNMENT—SPECIAL.

THE CHIEF SECRETARY (Hon. G. Fraser—West): I move—

That the House at its rising adjourn till Thursday, the 17th November.

Question put and passed.

House adjourned at 9.42 p.m.

Legislative Assembly

Tuesday, 15th November, 1955.

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

QUESTIONS.

GERALDTON DISTRICT.

Establishment of Abattoir.

Hon. D. BRAND asked the Minister for Agriculture:

(1) Does he consider that the Geraldton district and port are capable of carrying an abattoir?

(2) What is the increase in the number of fat lambs produced in the Geraldton district since 1953?

(3) Is he aware that, in the event of a facility such as an abattoir being provided, the fat-lamb industry would grow more rapidly in these northern areas?

(4) Has any estimate of cost been made for the provision of such a facility at Geraldton?

The MINISTER replied:

(1) No. Present levels of production for export are not sufficient.

(2) Statistical information is not available.

(3) No. A committee of inquiry in 1949 considered farmers within 150 miles radius of Geraldton would not support Geraldton works for export, in comparison with the more remunerative market for early lambs for consumption in the metropolitan area through sale by auction at Midland Junction.

(4) Yes. In 1949 by a departmental committee of inquiry, £60,000.

EDUCATION.

(a) Provision of Technical School, Bunbury.

Mr. ROBERTS asked the Minister for Education:

(1) Has the Government any definite plans for the provision of technical school facilities in Bunbury?

(2) If so, what are those plans and when will they be implemented?

(3) If not, will the Government take immediate action to provide such facilities, and what would those facilities be?

The MINISTER replied:

(1) Yes.

(2) Stage (a): The provision of extension classes to help apprentices doing correspondence courses.

(b) When the new high school block is completed the conversion of the present high school building for technical classes will take place.

(c) Ultimately the Bunbury primary school will be converted into a technical school and a new primary school erected on a new site.

(d) Implementation of No. 2 (a) can be done from the beginning of 1956 if employers in Bunbury are prepared to co-operate; (b) it is hoped during 1956; and (c) it is not likely to take place for some considerable time.

(3) Answered by No. (2).

(b) Recreation Room and Ablution Block, Girls' Hostel, Bunbury.

Mr. ROBERTS asked the Minister for Education:

(1) On what date will the new recreation room and new ablution block for the Bunbury High School Girls' Hostel be—

(a) commenced;

(b) completed?

(2) What are the details of the future plans and extensions for this hostel?

(3) What is the estimated amount to be spent on each section of future extensions to the girls' hostel at Bunbury?

The MINISTER replied:

(1) and (2) The proposals for improvements to the Bunbury girls' hostel provide for the following:—

New w.c.s. and ablution block.

New dining room.

New kitchen.

Provision of recreation room.

Repairs and renovations.

Efforts are being made to provide funds for the erection of the new w.c.s. and ablution block during this financial year. The date of commencement depends on the availability of finance.

(3) Estimate costs of all the work have not been prepared.

(c) Part-time Teachers.

Mr. NALDER asked the Minister for Education:

(1) How many part-time teachers are employed by the Education Department?

(2) Do they belong to the Teachers' Union of Western Australia?

(3) When did they last receive salary rises?

(4) Is it correct that the Government intends to increase the salaries paid to part-time teachers?

(5) When will he make an announcement with reference to such increases?

The MINISTER replied:

(1) Four hundred and ninety-three.

(2) Those who are full-time teachers in the department probably belong to the Teachers' Union. The remainder comprising persons from various professional and trade groups would not be members.

(3) Those in the technical division on the 1st January, 1954, and those in the secondary division on the 24th December, 1954.

(4) The Government is considering proposals at present for those in the technical division.

(5) When the Government has completed its consideration.

(d) Payment to Trainee Teachers.

Hon. C. F. J. NORTH asked the Minister for Education:

(1) Is he aware that the substitution of 23 payments a year instead of 26 payments a year to training teachers is not welcomed by them?

(2) Could he revert to the old system?

The MINISTER replied:

(1) No. The new system of payment applies only to new students who will commence their courses of training from 1956.

(2) No.

TRADING.*Approaches to Government of Mauritius.*

Mr. ROBERTS asked the Premier:

(1) Has the Government made any approaches to the Government of Mauritius or the owners of the m.v. "Mauritius," at present in the port of Bunbury, to encourage trade, both imports and exports, between Mauritius and this State?

(2) If so, what has transpired?

(3) If not, is not an immediate approach warranted?

The PREMIER replied:

The Department of Supply and Shipping has not been approached by any business interests concerning trade with Mauritius. The Government would be willing to co-operate with business firms and associations to encourage trade between Western Australia and Mauritius.

POTATOES.*Shipment from Bunbury.*

Mr. ROBERTS asked the Minister representing the Minister for Supply and Shipping:

(1) Is the Government making every endeavour to encourage the shipment of the present crop of potatoes through the port of Bunbury?

(2) If so—

(a) what are the anticipated dates of shipment at Bunbury;

(b) what tonnage is estimated to be shipped at Bunbury?

(3) If shipments of potatoes from Bunbury are not contemplated, why not?

The MINISTER FOR LANDS replied:

(1) Shipments of potatoes from Bunbury will be made when practicable.

(2) Answered by No. (1).

(3) (a) South Australia requests rail transport only.

(b) New South Wales is not interested unless direct shipments to Sydney can be arranged. Shipping companies are not

prepared to lift from Bunbury such small consignments (approximately 300 tons) now being shipped weekly from Fremantle per passenger vessel.

RESERVES.*Inclusion of Swanbourne Area in Bill.*

Hon. C. F. J. NORTH asked the Minister for Lands:

(1) Has he been approached by the Claremont Municipal Council to have the Class "A" reserve at Mitford-st. and Servetus-st., Swanbourne, included in the Reserves Bill?

(2) Can this be arranged?

The MINISTER replied:

(1) Yes.

(2) Yes.

WAR SERVICE LAND SETTLEMENT SCHEME.*Tobacco Growers.*

Mr. NALDER asked the Minister for Agriculture:

(1) How many war service land settlers have left their properties in the tobacco-growing districts?

(2) How many have been transferred to other properties—

(a) dairying; or

(b) wheat and sheep?

(3) How many are still on their properties?

The MINISTER replied:

(1) Twenty-five;

(2) (a) Five;

(b) Three;

(c) Four are still on properties not considered suitable for tobacco growing but have been converted to dairy farms.

(3) Twenty-three.

RAILWAYS.*(a) Use of Diesels.*

Mr. NALDER asked the Minister for Railways:

(1) Will any diesels be used to haul goods trains on branch lines running from the G.S.R. during the summer months?

(2) If not, will steam trains use only Newcastle coal during that period?

The MINISTER replied:

(1) No.

(2) That is the present proposal.

(b) Consumption of Newcastle and Local Coal.

Mr. NALDER asked the Minister for Railways:

(1) How many tons of Newcastle coal are in hand for the W.A.G.R. in Western Australia?

(2) How many tons of Newcastle coal are used annually in the State by the W.A.G.R.?

(3) How many tons of local coal are used annually in the State by the W.A.G.R.?

The MINISTER replied:

(1) Approximately 12,000 tons, with an additional 5,000 tons on order.

(2) and (3) For the year ended the 30th June—

	Imported Tons	Collie Tons
1954	8,537	371,576
1955	13,144	341,385

FIRES.

(a) Hazards and Strengthening of Brigades.

Mr. BRADY asked the Minister representing the Chief Secretary:

(1) Is any action being taken to strengthen suburban fire brigades with permanent and volunteer members to cope with greater risks from fire hazards arising from abnormal growth of weeds, scrub, etc., in the metropolitan area?

(2) Are local government bodies being encouraged to have grass and scrub, etc., fired by local government and fire brigade staffs to see maximum protection is given ratepayers against being burnt out?

The MINISTER FOR HOUSING replied:

(1) The strength of suburban fire brigades is constantly reviewed to meet existing needs of industrial and residential areas. This year provision has been made for an additional 12 permanent firemen at metropolitan stations. Volunteer brigades have a number of reserve members who can be called upon in an emergency.

A tanker unit with a carrying capacity of 440 gallons of water, designed primarily for fighting grass and bush fires, was commissioned on the 3rd November, 1955, and a further smaller unit will be available shortly.

All metropolitan brigades are linked by two-way radio, which enables immediate concentration at any large conflagration.

(2) Local authorities and individual property holders are encouraged to rid properties of dry grass and weeds in the interest of fire prevention and to this end extensive State-wide publicity by Press and radio has been undertaken.

(b) Warning to New Australians.

Mr. BRADY asked the Minister for Lands:

Has anything been done to warn all new Australians in their own languages of the hazards of fire in the various districts of the State, also the penalties if fires are commenced without lawful authority?

The MINISTER replied:

Bush fire warning pamphlets in eight languages are distributed to new Australians when they are being received into migration camps. These warnings do refer to heavy penalties under the Bush Fires Act.

ABATTOIRS BOARD.

Appointment of Employees' Representative and Charges.

Mr. BRADY asked the Minister for Agriculture:

(1) Is any action being taken to arrange for the appointment of an employees' representative on the Abattoirs Board as recently recommended by the committee of inquiry?

(2) Will the completed abattoir buildings and plant at Bushmead increase or decrease present abattoir charges?

The MINISTER replied:

(1) The Government in 1953, attempted without success, to do this in the form of legislation. Legislation is required to implement this, and it is wrong to anticipate the contents of the Bill already on the notice paper covering this subject.

(2) The present abattoir charges are based by the Abattoirs Board on budget economy of the undertaking and are subject to review from time to time. Such review will determine whether these charges should be increased or decreased dependent on the cost and revenue factors.

DAIRYING INDUSTRY.

Assistance to Farmers.

Mr. BOVELL asked the Minister for Lands:

(1) With reference to recent Press reports concerning the Government's proposals to assist dairy farmers on underdeveloped holdings, why is financial assistance to be made available through the Rural & Industries Bank only?

(2) As this procedure will penalise dairy farmers who are financed by trading banks and stock firms, will he undertake to negotiate with the executives of all banking institutions and stock firms with a view to evolving a scheme which would ensure finance being made available through these channels?

The MINISTER replied:

(1) It has been the practice to make assistance available through a Government instrumentality and it will be recognised that the administration of funds made available by the Government must be applied in a uniform manner and on the merits of each case, hence one administrative authority is obviously a necessity.

(2) No. It is not admitted that dairy farmers who are clients of trading banks and stock firms will be penalised by reason

of the scheme being administered by the Rural & Industries Bank, as loans will be available to a dairy farmer whose application measures up to the requirements of the scheme on his completing the necessary security and the existing mortgagee giving the Government priority for its loan.

BILL—LICENSING ACT AMENDMENT (No. 4).

Leave to Introduce.

The MINISTER FOR JUSTICE (Hon. E. Nulsen—Eyre): I move—

That leave be given to introduce a Bill for an Act to amend the Licensing Act, 1911-1954.

Hon. Sir ROSS McLARTY (Murray): Seeing that the Premier has said that he hopes to end this session on the 25th November, I think it would be fair if he could let us know what other Bills, if any, are likely to be introduced during the session. If we consider the notice paper today we will find that it contains no less than 34 items; many of them important items. We have not yet finished the general discussion on the Annual Estimates or that on the Loan Estimates.

So I think we can say that at the present time the notice paper is a crowded one and that there is much important legislation to be introduced. There are only a few more sitting days left to us, and we find that even now, at this late stage, notice is being given for the introduction of fresh legislation. Surely that is not the way to deal with legislation! It must mean that a great deal of the matter already on the notice paper will receive scant consideration under the proposals outlined by the Premier. Accordingly, I would ask the Premier to tell the House what additional legislation, if any, he proposes to introduce this session.

The PREMIER (Hon. A. R. G. Hawke—Northam): This Bill to amend the Licensing Act, of which the Minister for Justice has given notice, is a very short measure. As far as I know it would not create very much discussion because it merely proposes to give the Licensing Court a discretion in regard to a particular angle of the law. At the present time, the Licensing Court has no discretion at all in that matter, and it has been found that a discretion would be desirable.

It is intended to introduce a Bill to bring the superannuation system of the employees of the State Electricity Commission into line with the superannuation scheme for Government employees. The scheme for Government employees has been liberalised a little in the last year or so and it is thought that the Superannuation Act which covers the employees of the State Electricity Commission should be brought into line with that.

Another probable Bill has to do with town planning in the metropolitan area. I think all members would realise the importance of this and the urgency of having legislation placed on the statute book in connection with it in order that all the people who might be concerned would have some reasonable knowledge of where they might stand legally in the event of this scheme being proceeded with from now onwards.

Hon. Sir Ross McLarty: That could be a very contentious Bill.

The PREMIER: It could, in some respects; and I should say that unless there were some reasonable degree of understanding and agreement as between the Ministers concerned—which, in effect, would mean the whole Government—and representatives of the two Opposition parties, the Government would not proceed to introduce the legislation. I stress again, however, the importance of having legislation upon the statute book dealing with town planning in the metropolitan area. I do not want to argue the matter at this stage, but merely indicate that there might have to be legislation produced in connection with it.

There would naturally be some legislation of the type which we get towards the end of every session, and which is more or less formal. The Minister for Lands gave notice of intention to introduce one of those Bills. The notice paper certainly looks formidable in regard to the Bills listed, but a number of them will most likely not be proceeded with.

In suggesting the 25th November as a possible closing date for Parliament, I did attach the qualification that the co-operation of all members would be necessary if that target date was to be the actual date. We all know the ability of members of Parliament to discuss measures that come before them, and we all admit their duty in that regard. It could be that the target date might not become the actual date. However, I still think that if there is a reasonable amount of co-operation between all members, including the Ministers, the 25th could be the actual date on which the session will close.

Question put and passed; leave given.

First Reading.

Bill introduced and read a first time.

BILL—MAIN ROADS ACT (FUNDS APPROPRIATION).

Read a third time and transmitted to the Council.

BILL—ADMINISTRATION ACT AMENDMENT.

Returned from the Council with amendments.

BILL—MARKETING OF EGGS ACT AMENDMENT.

Second Reading.

THE MINISTER FOR AGRICULTURE
(Hon. E. K. Hoar—Warren) [4.55] in moving the second reading said: I think that all members will be fully aware, on account of the publicity given in the Press in recent weeks to a number of the recommendations of the Royal Commission that took evidence concerning the marketing of eggs, that among the questions to be decided was whether the board was being efficiently run, and also whether its existence was justified, and whether any improvements in administration were required, together with a host of other matters on a very broad front.

Those who have had an opportunity to read the commissioner's report—there are 94 pages of it, I think—would readily come to the opinion that the utmost care was taken by the commissioner, Mr. A. G. Smith, to sift all the evidence presented to him, with the object of making the best possible report to the Government. In the opinion of the Government, the suggestions and recommendations he made are all, without exception, very valuable. A few will be required to be implemented by way of legislation, and the balance can be attended to administratively when we have had a greater length of time to give full consideration to this very valuable report.

As the session was drawing to a close, we knew that one important decision had to be made by Parliament—namely, whether the board itself should have an extended life or go out of existence; because, long before the new Parliament assembles, it will be necessary for legislation of some kind to be passed in both Houses, if it is the desire of members that some form of administrative machinery by way of a marketing board is to continue in this State.

The provision in the Bill that the existing marketing authority should continue is of prime importance. The second provision is that the board should be given statutory power to fix the retail price of eggs. To deal with the first suggestion, I think that members will agree that the composition of the board is just about all that could be desired. It has on it three egg producers, who are elected; and two consumer representatives, who are appointed, and neither of whom must be connected in any way with the industry. Then there is a chairman appointed by the Government.

The functions of the board over the years have been made perfectly clear to consumers and producers alike, inasmuch as it has been able, in most difficult times, to strike some sort of fair balance between the producers on the one hand and the

consumers on the other, although unfortunately—due to circumstances outside the control of the board—the producers have often been underpaid. When I say "consumer," I do not suggest for a moment that the authority of the board extends right up until the consumer goes into a grocer's shop and purchases eggs, because it does not. It stops at the wholesale price and from then on there is an arrangement which determines the retail price of eggs.

Under this arrangement the retailers are enabled to charge 15 per cent. on top of the wholesale price to pay for their labour in distributing to the public the eggs which are supplied through the normal marketing channels. That being so, there is no doubt in my view, or in that of the Government, that there is a decided weakness which requires immediate action along the lines suggested in the Bill.

I have no doubt that when Parliament considered the parent Act in 1945 it felt there was some justification for the antipathy and the anxiety of the producers of eggs with respect to the then marketing system, which could hardly be called a marketing system in anybody's language. It simply meant that quite a number of eggs were sold from the producer direct to the retailer or to the consumer, but by far the great bulk of them were sold through a system brought about by the combined efforts of the agents, five of whom used to act as auctioneers in connection with the sale of eggs and the others as buying agents; and all of them based their prices to the retailer and the consumer on the auction floor prices at any particular sale.

The agents charged 5 per cent. for this work and in addition a charge that they called a transaction charge of 6d., which meant that if a producer of eggs had two sales a week, he would be up for £2 12s. a year in transaction charges, and then there was a further 5 per cent. imposed by the agents, generally. Members can imagine, therefore, to just what prices eggs could go. In any case, there was no stability, and that was the weakness of the egg-marketing system during the years preceding the establishment of the existing marketing authority.

Mr. Bovell: Does the Royal Commissioner say that in his report?

THE MINISTER FOR AGRICULTURE: The hon. member will find out what he says inasmuch as he recommends some drastic changes in this connection. I am not using the Royal Commissioner's exact words because it is not my function to do so, other than that I might desire to quote from his report on occasions, although even that may not be necessary. The very fact that the Royal Commissioner has recommended a change in these conditions so as to give the board full power to fix

the price of eggs right up to the consumer, should lead the hon. member to believe that he gave full consideration to the point now under discussion.

It is a most important provision in the Bill and it ought to be given every consideration by members because, for one thing, of the desperate situation that does exist in the poultry industry. I fully admit that the carrying of an amendment such as this will not, by a long way, solve the problems of the industry, but it will give power to the existing authority not only to say to any person taking eggs from the producer, "This is what you must receive," but to fix a fair price for the retailers.

Instead of having the conditions governed as they are today by the retailers who, amongst themselves, have agreed to make a charge of 15 per cent. on the wholesale price so that the higher the wholesale price goes, the greater the margin of profit made by these people, the board will have the right to say what is a fair price for the retailers to charge for the delivery of eggs over the counter. There can be nothing wrong with that. I do not think anybody could successfully argue that if today it costs 6d. to pass a dozen eggs over to a customer, it should cost 10d. tomorrow; yet that is what can occur under the existing system, and it is entirely wrong.

Mr. Yates: Why has not the Royal Commissioner's report been tabled?

The MINISTER FOR AGRICULTURE: To tell the truth, we have had only one copy of the report up to now. It has passed through my hands and it has had to go through the ordinary departmental channels. The Poultry Farmers' Association has asked for it and is making a copy from it. The member for Dale wants to get hold of it also. I have read it, and Cabinet has considered it. In the short time available, we have not been able to do more than what I have said.

Mr. Yates: I think it should come to this House before it goes to anyone else.

The MINISTER FOR AGRICULTURE: The hon. member will find in the files of the House a complete copy of the report. It should be in the environs of the House now.

Mr. Yates: The full report has not been tabled yet.

The MINISTER FOR AGRICULTURE: The whole of the evidence, plus the commissioner's report, is somewhere in the building, and I am quite certain it could be obtained on request.

Mr. Ross Hutchinson: This is only tackling the job piecemeal.

The MINISTER FOR AGRICULTURE: I have not got even the one copy any longer; someone else has it and is making a copy of it. The 94 typewritten pages

of the report is a fair amount to go through and make a copy of. Had it not been for the lateness of the report coming to me and the fact that it is necessary for the House to decide whether we want a continuance of the board, it is possible that the recommendations, other than those for continuance, might not have been given effect to until some time in the new Parliament.

Because it was necessary to bring down a Bill and to rush through the report in order to get the information we required, there has not been an opportunity to make sufficient copies to satisfy all the people who want them.

Hon. Sir Ross McLarty: Might not this legislation be too rushed?

The MINISTER FOR AGRICULTURE: No. It has been given careful consideration. It deals with only two matters—one the continuance of the marketing board and the other to give the board the power to fix prices right up to the retailer.

Hon. Dame Florence Cardell-Oliver: Does it deal with getting fresh eggs? How do you know that we get fresh eggs?

The MINISTER FOR AGRICULTURE: We do not sell eggs that are not fresh.

Hon. Dame Florence Cardell-Oliver: We get stale eggs; eggs that have been there for ages, and you charge the same price.

The MINISTER FOR AGRICULTURE: Any egg that is sold under the authority of the Egg Marketing Board is fit for human consumption.

Hon. Dame Florence Cardell-Oliver: That does not mean it is fresh.

The MINISTER FOR AGRICULTURE: During the taking of evidence by the commission it was suggested that the board should act merely as a regulatory body, leaving the physical handling of the eggs to private enterprise. Under this system the board would regulate the supply of eggs to the market, take off the surpluses and sell them overseas, and fix the overall return to the producers. It was envisaged that under this method private enterprise would do all the handling, grading, candling and marketing of the eggs. This system now operates in South Australia and New Zealand.

The conditions in South Australia are not entirely comparable with those in this State because a great proportion of the eggs there are produced at such tremendous distances from the market that the marketing authority has to concentrate more on the pulping of eggs and less on the selling of fresh eggs than we do in Western Australia. The quality, therefore, suffers. We in Western Australia send overseas something like 135 cases of eggs to every ton of pulp, whereas in South Australia the proportion is 35 cases to each ton.

The evidence submitted on behalf of various people and organisations before the commission did not suggest in any way that private enterprise in South Australia, in the handling of eggs, was any more efficient or cheaper than the Western Australian board which is itself responsible for the candling, grading and all physical handling of eggs delivered by the producers. The figures placed before the commission to emphasise this point show that the South Australian grading charges are 4½d. per dozen, whereas the charges by the Western Australian board for administration, grading and candling amount to 4d. per dozen—3½d. actually because ½d. is set aside for a building fund.

So, members will understand that our charges for the same class of work in preparing, handling and distributing eggs are less than those in South Australia where the system of distribution is along one of the lines that was suggested to the commissioner.

Mr. Ackland: Have you any idea of the quantities that the two States handle?

THE MINISTER FOR AGRICULTURE: I have not got the South Australian figures, but I have our own. The cost per dozen in South Australia for doing the same work is greater than it is in Western Australia, and the reason is not far to seek. We have centralised control and a centralised marketing authority in this State. Consequently the costs of handling should be less and, in fact, they are less. Again, the marketing board is a bulk buyer of cases and the other requisites that it needs in the handling of eggs. It automatically obtains those supplies at a much reduced figure compared with what would be possible if they were purchased in smaller lots. So, quite a number of features make quite clear why our charges are less than those in South Australia.

To give the figures of Western Australia regarding production, during the annual period of 1954-55, to the 2nd July last, the board's floors handled a total of 7,537,843 dozen eggs. Under the direct sales system, which is the common term used by producers and storekeepers, there was a further 1,255,923 dozen, and this makes a grand total of 8,750,000 dozen eggs produced in Western Australia during that period. Of this total, slightly more than 4,750,000 dozen were consumed locally, leaving a balance of approximately 3,000,000 dozen eggs which had to be sold on the world's markets.

As an indication of the general satisfaction which is felt overseas in regard to the quality of our product, I may mention that the 3,000,000 dozen eggs that were exported went to the United Kingdom, Malaya, Arabia, Italy, Ceylon and, I believe, the Cocos Islands. The proceeds of these sales have more or less governed the amount per dozen that the board has been able to return to the producer for

his labour. For instance, the net return to the producer for the year under discussion was 3s. 4.9d. per dozen, and to provide for this return it was necessary for the board to fix wholesale charges ranging between 4s. and 5s.

I should add that under the system which operates 1s. is taken out of the price of every dozen eggs. This amount of 1s. is composed of 4d., which goes to the board for its handling and grading charges, and 8d., which is set aside as an equalisation fund to tide the industry over the difficult period which, in fact, it has recently experienced, where not only did that sum of money come in very handy to help the producers over a trying time but where also the board was put to an expense of an additional £9,000 odd which it had set aside for other purposes, in order to overcome the trouble. First of all, there is the net amount received by the producer, plus 1s. for equalisation and administration, plus 15 per cent. which is added to that and which the retailer charges for the work involved in passing one dozen eggs over the counter to the consumer.

That is the method used day by day in selling eggs in this State. The board is, and, since its inception, has been quite conscious of the plight of the producer but it finds itself without power to do more than is permitted by the Act. The Royal Commissioner was quite satisfied—he said so—that the board was doing a good job, and has adopted the only sound method of arriving at the price of eggs. He recommended no alteration to the present procedure, anywhere in his report.

It will therefore be seen that the board has the complete confidence of the commissioner, who inquired very closely into everything connected with it. That is so far as the method of fixing the price of eggs to the general public is concerned, but that is not to say he is entirely satisfied in regard to the personnel of the board, or matters of that description. I repeat that, as regards the methods adopted to assess the price of eggs to the public, the Royal Commissioner feels they should not be interfered with.

There is only one way in which we can improve the position, as I see it, and that is by giving the board power to fix the price right to the consumer. I would say—the Royal Commissioner felt this also and said so—that the system of charging 15 per cent. on the wholesale price simply for selling the eggs to the public is not the best one, and that it would be better to give the board power to say what is a fair price for the retailer to charge for parcelling up eggs and selling them over the counter. That margin should not be on a percentage basis because every time the wholesale price of eggs rises, no matter what the cause, the retail margin automatically rises.

In June or July of this year, as we know, eggs went as high as 6s. 1d. per dozen and at that time the retailer's margin was no less than 10d.—just for putting a dozen eggs in a bag and handing them to a customer—and that was out of all proportion. Today, the price of eggs is 4s. 7d. per dozen and out of that figure 1s. is deducted, 8d. for equalisation and 4d. for handling, leaving the producer 3s. per dozen for all his labour and the risk he takes all the time with diseases that attack his flocks and all the worry of trying to make a decent living for himself, in spite of a difficult overseas market, while the man who packages the eggs and hands them over the counter receives no less than 7d. per dozen today.

Hon. Dame Florence Cardell-Oliver: Lots of eggs get broken, you know.

The MINISTER FOR AGRICULTURE: That argument will not bear the light of day, in view of modern methods.

Hon. Dame Florence Cardell-Oliver: But I know it happens.

The MINISTER FOR AGRICULTURE: Anyone who wishes to break an egg can do so, but neither the consumer nor the producer should be asked to pay for the carelessness of someone else when we have the modern method of distributing eggs in cartons.

Hon. Dame Florence Cardell-Oliver: But they cost 2d. each.

The MINISTER FOR AGRICULTURE: That is so, and if the suggestion of the Royal Commissioner is agreed to, assuming the Bill is passed—

Hon. Dame Florence Cardell-Oliver: I hope it will not be passed.

The MINISTER FOR AGRICULTURE: The hon. member is just built that way, and we cannot help that. If the Bill passes and the suggestion of the Royal Commissioner is given effect by the board, it will mean that instead of the retailer making a 15 per cent. marginal profit for the slight amount of work entailed, the more reasonable amount of 6d. per dozen should be his margin for any price over 4s. per dozen. Where the wholesale price is 4s. per dozen or less, the charge, on this basis, would be 5d. per dozen. The Royal Commissioner says that there would be so much labour saving and so many breakages prevented by the use of cartons at 2d. each that it would be a business proposition for all retailers to buy them.

I would remind members that the Royal Commissioner has taken the utmost care to get evidence from all those interested in the poultry industry and he says, I repeat, that it would pay handsomely to use cartons at 2d. each, as that would eliminate the necessity for buying bags and would save labour and eliminate most breakages. To me, that seems to be a sound suggestion. However, I am not so

much concerned about that aspect as it would be the board's responsibility to determine what charges should be made by the retailer for the distribution of eggs. It would not be the responsibility of this Parliament. All we are concerned with at the moment is that the right thing should be done and, in my view, as in that of the Government, the right thing is to see that the board's responsibility in regard to costs goes right from the producer to the consumer.

Where is the sense in giving any statutory body power to determine what the producer shall get if we do not give it some responsibility in regard to the other phases of the question? Past history has shown that a group of people, acting in their common interest—perhaps wholesalers or merchants of some kind—can be responsible for many of the troubles of marketing. How much more useful this board would be to the general community if it had power to say, "In our view, this is a fair price for retailers to charge the consuming public, and this, in turn, is a fair price for the producer to receive."

Hon. Dame Florence Cardell-Oliver: What is the capital expenditure of this board, and who pays for it, the consumer or the producer?

The MINISTER FOR AGRICULTURE: I have not the figures here, but they are easily obtainable. The member for Dale, who is intimately connected with the industry, might be able to assist the hon. member. I can secure the figures if they are wanted.

Hon. Dame Florence Cardell-Oliver: I do want them.

The MINISTER FOR AGRICULTURE: In today's price of 4s. 7d. to the consumer we find that 7d. goes to the retailer, 4d. pays for the handling and grading charges of the board, and 8d. goes into an equalisation fund which will come in very handy at some future time when the market is low. The remaining 3s. goes to the producer. That is how the price of 4s. 7d. per dozen is accounted for today and explains where the money goes. I think 4s. 7d. per dozen is a reasonable price to the consumer.

Hon. Dame Florence Cardell-Oliver: Eggs used to be 1d. each at one time.

The MINISTER FOR AGRICULTURE: I think the present price is reasonable when we consider how difficult it is for the poultry farmer to make a living. It seems to me that in the past—and even today—too many of us have been content to clothe marketing authorities with power extending back to the producer only, and up till now we have not given any authority power to say what the charge to the consumer should be. There is nothing wrong with what the Bill suggests, in theory, principle or ethics.

Hon. Dame Florence Cardell-Oliver: It is as rotten as the board's eggs.

THE MINISTER FOR AGRICULTURE: I am not here particularly to persuade the hon. member, but simply to state a case on behalf of the State's poultry farmers, the marketing authority and the Government, in view of the points that have emerged from the report of the Royal Commissioner. In all sincerity, I ask members to give the measure serious consideration as, if agreed to, it will be of great assistance to the industry. I might add that the Government is doing all it can to help the industry in other ways by evolving better breeding methods and the carrying out of research, through the Department of Agriculture, into all the most modern requirements. That work is progressing day by day, in an endeavour to help the industry, but I think a great deal of assistance can be given almost immediately by the passage of this Bill.

If the measure becomes an Act, I believe it will be of untold benefit to all sections of the egg-producing industry, and it will give justice to the consumer by ensuring that the present ridiculous system of allowing the retailer a 15 per cent. margin is changed for the method I suggested earlier. Again, I remind members of the position a few months ago when the price of eggs rose to 6s. 1d. per dozen. Sales went down because people could not afford to buy eggs, and if 2d. or 3d. had been taken off the retailers' margin and given to the producer, the latter, who at that stage was no longer able to sell his eggs, would have had his position improved. I have pleasure in moving—

That the Bill be now read a second time.

On motion by Mr. Wild, debate adjourned.

BILL—PUBLIC WORKS ACT AMENDMENT.

Message.

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

Second Reading.

THE MINISTER FOR WORKS (Hon. J. T. Tonkin—Melville) [5.30] in moving the second reading said: The introduction of this Bill was foreshadowed very early in the session when discussion was taking place on land resumptions that had occurred and the desirability of amending the law.

A motion was introduced in this House by the member for Toodyay seeking to obtain an expression of opinion—which subsequently he did—on whether the Act ought to be amended to liberalise it in certain directions. In speaking to that motion, I indicated at the time that there were in

course of preparation amendments to the Public Works Act, which would give effect to practically all the suggestions then being made and would put into the law what was in fact administrative practice at the time.

Much as we may regret at times the necessity of acquiring land from unwilling sellers, such necessity does in truth exist and in the interests of the State generally the land must be acquired. If the owner will not readily sell there is no other course open to the Government but to resume and that course is taken. We have, as a branch of the Public Works Department, a land resumption office where this work is undertaken and where very careful consideration is given to the various aspects involved. Contrary to what some people believe, every consideration is given to the owners of properties.

They are given a great deal of assistance in the preparation of their claims, without charge, and the land resumption officers are most co-operative and anxious to assist where possible to give the impression that the work being carried out is necessary and that they desire the co-operation of the property-owners. Where possible we are anxious to negotiate for the purchase of the land required before proceeding with resumption, and this is done in very many instances. However, a little later on I will show how it is sometimes impossible to do that and in such cases it is necessary to resort to resumption.

Members will readily call to mind the occasions when resumptions or acquisitions of land have been necessary. For example, where land is required for hospitals, schools, agricultural and town water supplies; for drainage and irrigation purposes, railways, main roads and harbours. For a long time, we were also confronted with the necessity to resume land for large housing projects. We resume land for the purpose of industrial development, such as, for example, the extremely large-scale resumptions in connection with the establishment of the oil refinery at Kwinana. Then, too, because of the regional plan which has been submitted by Professor Stephenson—if it is to be followed—very large acquisitions of land will be entailed and it will not be possible to acquire much of such land by ordinary negotiation.

In recent years, because of the rapid development of the State and the pace at which it has been growing, the activities of the land resumption branch have increased very greatly. To give some idea of the magnitude of this increase, I propose to quote figures from a table which has been prepared. In some quarters an attempt has been made to show that land acquisition has been stepped up only under the present Government. The contrary is the case. The land acquired under the

Government has been much less than that resumed under the previous Government and it is as well that the true position be properly known. The following are the figures:—

Year.	No. of Parcels of land Resumed or Purchased.	No. of Claims and Purchases completed.	Total Expenditure Involved. £
1947	1,846	227	33,935
1948	1,865	330	36,685
1949	836	329	131,807
1950	2,212	246	126,762
1951	5,255	755	309,717
1952	681	639	403,457
1953	471	279	226,627
1954	664	284	387,714
1955	332	310	534,102

The magnitude of these purchases and resumptions and the incidence of rising prices and values are, without any doubt, the root cause of the protests and agitation that have resulted in a disturbing effect on the owners of property. Whilst the department has endeavoured to facilitate the transactions by streamlining the procedure and giving ready assistance where possible in order to cope with the work, we still have had protests about delays and inconvenience but in some cases, I think, completely without justification. An examination will show that where delays have occurred, they have been due, with few exceptions, to the tardiness of the owners in submitting their claims for compensation or not carrying out what was required of them.

Hon. Sir Ross McLarty: Not in all cases.

The MINISTER FOR WORKS: I did not say in all cases. The Leader of the Opposition was not listening to what I say, I said "with few exceptions".

Hon. Sir Ross McLarty: Not a few exceptions.

The MINISTER FOR WORKS: Let the Leader of the Opposition have a guess at what he thinks is a fair proportion.

Hon. Sir Ross McLarty: There were more than a few exceptions.

The MINISTER FOR WORKS: Out of many hundreds. The Leader of the Opposition resumed 5,000 parcels of land in 1951. Of course, he would have quite a lot of protests among that number, but it would still be a small proportion. One could have 100 out of 205,000, but it would still be a small proportion. So, I was not trying to mislead at all in what I said was the position in the department.

Although there have been protests about delays, with few exceptions—and that is comparatively speaking, having regard to the numbers going through—the delays have been due to the tardiness of the owners in submitting their claims. Only this session I quoted cases in this House of some people who had lodged their claims

on the very last day of the two-year period allowed. Those people waited until the very last day! Such persons would blame the department even although no claims had been lodged.

Hon. Sir Ross McLarty: They would be very few. Most people would naturally want their money.

The MINISTER FOR WORKS: One would think they would. But there are many reasons for delay, and that is the department's experience. I can assure the Leader of the Opposition that if these protests occur—and I admit they do—they occurred just as much during the period of his Government and with the same justification, if not more, as under this Government.

Hon. Sir Ross McLarty: There was never the same public outcry.

The MINISTER FOR WORKS: That is the remarkable thing about it because so many resumptions took place under the Government led by the Leader of the Opposition. It should be noted that the two examples the member for Toodyay cited, when he was complaining of what has occurred, were among those that took place under the Government led by the Leader of the Opposition. Surely that is significant! Under the existing procedure relating to the acquisition of land, the requirements of the various departments are ascertained. The Medical Department knows what land it wants for hospitals and where it is wanted. The Education Department, following recommendations from the school sites committee, knows where it wants land, how much it wants and when it wants it, and in that way the requirements of the various departments are submitted to the Public Works Department and the land resumptions section is then expected to take action to acquire the land.

To a major extent the selection of sites is dictated by the technical, engineering and economic factors. The department may be content with land which is not quite up to its requirements but which fulfils the needs because the cost is much less, or because there is less disturbance. The department will give just as much consideration to the disturbance caused to owners of property as to the cost factor. Naturally, the various departments desire to acquire land for their use as cheaply as possible without rocketing the cost of public works. In some cases, particular sites must be obtained. I mention that because on works relating to main roads, railways and harbour extensions, where it is not possible to fulfill the needs with alternative sites, particular sites must be resumed. The price of those sites must be subordinated to the other factors.

Finally, the adoption of sites must be approved by the respective Ministers controlling the various departments under

which work is to be carried out. If necessary, those sites are sometimes approved by Cabinet before the actual procedure of resumption is carried out. In the existing legislation there is no reference to giving notice of intention to resume, and the provision in the Bill in that respect is a departure. The reason why a provision relating to notice of intention to resume was not included before is anybody's guess. Maybe it was considered undesirable to give prior notice lest there might be some attempt to traffic in the proposed sites. However, the department has considered this aspect very carefully and the Government now desires that provision be made for giving notice of intention to resume before steps are actually taken.

I mentioned previously that it was not always practicable to acquire land by negotiation. One is sometimes forced to acquire it by resumption. I undertook to give some details. Such resumptions apply particularly to major works, such as water supplies, where a matter becomes very urgent and if one has to go through the procedure of giving notice of intention to resume, the work will be seriously delayed. Where such instances arise, notice of intention to resume must be dispensed with, or attempts to acquire the land by negotiation must be dispensed with because it could take a lifetime, in some cases, to get all the land required for works if one party had to negotiate with the other. In those cases—these would be kept to a minimum, as a matter of policy—it would not be possible to acquire the land by negotiation and the resumption procedure would have to be adopted.

Then there are other cases where, in the interests of the owner, resumption is preferable. Take a case where the owner of land is a Government servant and he disposes of land to the Government or the Government requires it. In order to set a value and get over difficulties, it is much simpler to resume that land and follow the normal procedure than to negotiate a sale in the ordinary way. So it is conceivable that resumption is not only essential in some cases but it is preferable.

Other instances where it may be necessary to resume land instead of acquiring it by negotiation relate to land needed for railway or main road works, or under regional plans. When land is to be resumed, the approval of the Governor-in-Council is obtained and notice of resumption is published in the "Government Gazette." As soon as practicable thereafter, notice is served on the owners by registered post, enclosing an extract from the "Government Gazette" and a compensation claim form, together with advice with regard to the submission of the claim, giving all comments relating to the assessment of compensation and setting out the

possibility of continued occupancy of the land pending entering into possession for the work to be carried out.

The last is an important aspect, because in some cases the land is not required immediately although resumption is necessary, and so the owner is advised that he will be allowed to remain in occupancy for a time, and on occasions for a considerable time, before he is required to vacate the land. When an owner is allowed to remain in occupancy, very favourable terms are given to him.

Section 21 of the Act provides that a notice of resumption may be amended or annulled within 90 days of gazettal and this action has been taken where appeals by owners have been upheld. Section 36 prescribes that, with specific exceptions, the time for submission of a claim is two years from the date of gazettal. Contrary to what the Leader of the Opposition told us, it is in rare cases that claims are submitted promptly. One would think, just as the Leader of the Opposition led us to believe, that owners were anxious to get their money when they knew their land was required, but in practice it is only in rare instances that claims are submitted promptly.

Hon. Sir Ross McLarty: What I meant to convey was that when owners do submit their claims, they have a long wait before they receive payment.

The MINISTER FOR WORKS: That would depend on circumstances. Some of them do not wait very long at all. Some resumptions are quite involved when there is considerable dispute over the valuations; it then becomes necessary to call in the services of outside valuers, and they are not usually able to act immediately.

Hon. Sir Ross McLarty: Even when agreement is reached on the value of the compensation, there is a long wait.

The MINISTER FOR WORKS: Oh no!

Hon. Sir Ross McLarty: Oh yes! It is no use telling me "no."

The MINISTER FOR WORKS: It is no use telling the Leader of the Opposition there is no delay because he does not believe it.

Hon. Sir Ross McLarty: I know there is delay because that is factual.

The MINISTER FOR WORKS: The hon. member does not know, because it is not factual.

Hon. Sir Ross McLarty: I know of some cases.

The MINISTER FOR WORKS: The hon. member only thinks he does.

Hon. Sir Ross McLarty: I do not think so at all. I know cases where after agreement had been reached as to the amount of compensation to be paid, many months elapsed before payment was made.

THE MINISTER FOR WORKS: That might have happened under the previous Government.

Hon. Sir Ross McLarty: Under your Government.

THE MINISTER FOR WORKS: I challenge the Leader of the Opposition to make his statement good and to produce one or two cases where the amount of compensation had been agreed on and there were months of delay. It is up to him to do that.

Hon. Sir Ross McLarty: I tell you it is factual.

THE MINISTER FOR WORKS: If it is factual, the hon. member will be able to produce the facts. I shall be more surprised than he if he can do that, because my experience is that the department is most anxious to effect a settlement. In some cases settlement is held up because there is disagreement about values. Once agreement on values has been reached, payment is made forthwith. As the member for Greenough knows, the department makes advances pending agreement on the price in order to facilitate settlement. It would be much easier to effect a complete settlement instead of taking several bites at it. I shall be very surprised indeed if the Leader of the Opposition can produce one case to substantiate his statement. It is up to him.

Mr. Hearman: Compensation for land resumed for the Mill Stream catchment area has not been paid for.

THE MINISTER FOR WORKS: Has agreement been reached on the price?

Mr. Hearman: Yes.

THE MINISTER FOR WORKS: The hon. member knows that?

Mr. Hearman: Yes.

THE MINISTER FOR WORKS: I shall get the facts by tomorrow and shall tell the Committee what they are.

The Treasurer: And the department will pay promptly if payment has not been made.

THE MINISTER FOR WORKS: I was dealing with the aspect that it is only in rare cases where claims are submitted promptly, and that is factual.

Mr. Cornell: What is the reason for the delay in payment for main road resumptions?

THE MINISTER FOR WORKS: There is no delay when claims are put forward. There is no shortage of funds for that purpose. Perhaps the hon. member can cite a case or two.

Mr. Cornell: Will the Minister check up on the case of Scott of Kellerberrin?

THE MINISTER FOR WORKS: Members will have the opportunity during this debate or in Committee to bring cases forward. If they do I shall have an opportunity of answering when I reply. Where

claims are received after the expiration of the two-year period, it is usual for the department to make an ex gratia payment. Contrary to what the Leader of the Opposition would have us believe, some people are so careless that they let the time expire before they make any claim for the money. Where that occurs, an ex gratia payment is made to the owner. That was the policy of my predecessor, the member for Greenough, as Deputy Leader of the Liberal Party. He adopted that policy when he acted as Premier.

That policy has been followed by the present Government when owners of land failed through their own neglect, or for other reasons, to lodge claims for compensation within the two-year period prescribed under the law. If the Government stood on a legal technicality, such an owner of land could have no claim for compensation. In some cases, I suppose it would be just punishment for tardiness. However, my predecessor took a different point of view and so does the present Government. It would be unfair to deprive an owner of what is his just due, and so the position was met by making ex gratia payments.

The first step upon the receipt of claims is to take action to ensure that the form is in legal order and that the claimants are entitled to the compensation. The department now goes to considerable length to assist claimants to establish title. This is done by the preparation by the office of statutory declarations, etc. The Act provides that if the title is not disputed within 60 days, it shall be deemed to be accepted, but the department may require further particulars in support of the claim and the 60 days period runs anew from the date such particulars are furnished. Upon certification of the claim, the department's assessment of compensation is communicated to the claimant.

The existing Act is defective in regard to the time prescribed for service of a formal offer for the land taken. An amendment in the Bill proposes to rectify this by setting out a time for the service of formal offer for the block. If the claimant requires ready finance an advance payment within the department's assessment is made without committing the claimant in any way to final settlement—entirely without prejudice—and that leaves the way clear for full negotiation or reference of claim for adjudication.

Upon acceptance of an assessment by a claimant, we say—although this matter has been disputed—that arrangements are made for prompt payment. This has often been effected within 24 hours as a result of ready co-operation by the Crown Law officers, who arrange for the legal discharge. I regret that the Leader of the Opposition missed that point because it

is most important as a guide for him when looking for the instances he is going to find. I repeat that where agreement has been reached on claims, there are instances of settlement having been effected within 24 hours.

Mr. Ross Hutchinson: Would the delay some times be due to delays in assessing values?

The MINISTER FOR WORKS: Yes, but the view of the Leader of the Opposition is that, even where an agreement has been reached, months of delay have occurred. I dispute that statement very strongly. On the contrary, there has been prompt payment upon agreement being reached, and we have had cases where settlement has been effected within 24 hours. It is necessary, however, for the claimant to secure endorsement by mortgagees, unpaid vendors, etc., and a measure of responsibility for prompt payment rests in that quarter.

Hon. D. Brand: The Treasurer looks worried. If too many agreements are reached and according to the Minister prompt payment made, the Treasury will be even more bare than now.

The MINISTER FOR WORKS: Where the assessment of compensation is likely to be contentious, the department engages reputable valuers to make valuations. This again will be news to a lot of people. Some members of the public believe that the valuations adopted by the department are entirely departmental. There would not be much wrong with that, because our officers are trained valuers, but where valuations are contentious, in order to fix what we regard as a fair and true value, we engage outside valuers. Several members of our land resumption staff also have qualified as associates of the Commonwealth Institute of Valuers by examination.

It is the definite practice of the department to avoid involving claimants in legal or valuation expenses, and the staff goes to considerable length in assisting claimants to understand the basis for the assessment of compensation. When an assessment is disputed, it is the practice of the department to make full explanations to claimants and to invite them to present any features in support of their claims for investigation and consideration.

The basis provided for the assessment of compensation has, in recent years, been liberally interpreted by the department—and quite correctly, we believe—to the effect that “value” of the property means “value to the owner;” that is, market value, plus any contingent losses arising from dispossession or compulsory taking. To put it another way, the value sought is the sum which should convert an unwilling seller into a willing seller if he is a reasonably-minded person.

The Act provides for an addition of 10 per cent. for compulsory resumption. The full 10 per cent. is added to the value previously ascertained, which value includes disturbance and contingent losses. We add that 10 per cent. in all cases, unless it is patently obvious that such allowance is not justified. As the Act is worded at present, it only gives the court specific authority to do so. We interpret it to mean that, if we compulsorily take a man's land, we compel him to dispose of it against his will, and therefore he is entitled to something over and above what is regarded as the true value to him. So he is given that added 10 per cent.

Mr. Court: What happens when the departmental value differs from that of the outside valuer?

The MINISTER FOR WORKS: We pay the higher amount.

Mr. Court: Even when the departmental value is higher than the outside valuer's figure?

The MINISTER FOR WORKS: We still pay the departmental value. I can give recent instances where this has occurred. In the first instance we regard our valuations as true and correct, but in order to impose a check, we get an outside valuer. If his valuation is higher than that of the department and we think there is reason for it, we pay it.

Mr. Court: What would be the circumstances making the outside value lower than the departmental figure?

The MINISTER FOR WORKS: That is a matter of opinion. A valuer after all is a human being who is liable to err. Some valuers place more importance than do others on some particular feature. It is possible to get varying opinions among lawyers as to the interpretation of a statute, quite honest opinions, too, and so we get differences of opinions amongst valuers. Generally speaking, they reach about the same figure, but sometimes there is a wide disparity in the valuation placed upon a property.

For instance, some valuers attach greater importance to river views and such things than do other valuers. There are some examples in my electorate where the taxation values of land with river views are very much higher than the owners consider to be the true values. Therefore we have local authorities charging much higher rates than people think they ought to pay. I do not know much about valuing, but having regard to comparisons, I would find it extremely difficult to accept some valuations placed on properties with views of the river.

Mr. Oldfield: Would that apply to comparable properties in the same area?

The MINISTER FOR WORKS: That would not be a fair test. Some farmers who have made a lot of money and who

desire to live in the metropolitan area, if they see a block of land that appeals to them, will pay any price for it. If we accepted that basis of valuation, it would, in my view, be quite wrong. Yet it is possible for that to happen. It is not a proper guide to have regard to sales of land in the area without taking into consideration all the circumstances.

Mr. Bovell: A true valuation is the price at which land can be sold under normal conditions.

The MINISTER FOR WORKS: That is so, and that is the principle on which the department bases its valuations. It is not unusual for the departmental assessment to be higher than the claim, and the payment of the assessment is made accordingly. To assist claimants who do not desire to engage solicitors or valuers, the department communicates with the owner and discusses its assessment before a claim is formulated, to the intent that it will be time enough for the claimant to seek expert advice if the assessment is not fully acceptable to him. Members would do well to keep that in mind because that procedure cannot be faulted and it certainly could not be more generous.

Considerable time is also spent in assisting claimants to obtain alternative land, and application is being given more often to Section 80 of the Act, which authorises the Governor to grant other Crown lands in full or part compensation. Thus we endeavour to meet the needs of people who have been forced off their land. The department has done its utmost to move with the times by adapting and amplifying its procedures and approach to the problems arising from its greatly increased operations in the land resumption field.

This is exemplified by the fact that, of some 3,400 claims settled in the last eight years, only three have been subject to litigation. It is felt, however, that the interests of property-owners can be met in several ways, and the object of the amendment is to go as far as is reasonably practicable in this respect.

Having given that background, I shall now summarise the provisions of the measure which, broadly speaking, provides for notice of intention to resume land to be published in the "Government Gazette" and a local paper, and a copy to be served on the owners and occupiers of the land specified. Any objection to the resumption may be made to the Minister by such owners or occupiers within 30 days. Thus those who object to a proposed resumption, having received notice of the department's intention to resume, will have 30 days in which to lodge an objection with the Minister. The Minister may allow or dismiss such objection. Land not required for the purpose for which it was acquired must be made available for repurchase by

the previous owner before it was resumed; otherwise, it will be sold or used for other public works.

Hon. A. V. R. Abbott: The previous owner could not get it at the price at which the land was resumed.

The MINISTER FOR WORKS: It is the intention that he should.

Hon. A. V. R. Abbott: The Bill does not say so. The previous owner will merely have an option.

The MINISTER FOR WORKS: If he has an option, all he has to do is to exercise it.

Hon. A. V. R. Abbott: But I do not think it says he shall have an option at the price at which the land was resumed.

The MINISTER FOR WORKS: I think it does. It is proposed to reduce the time for the settlement of claims to six months instead of allowing them to drag on for two years by making it obligatory on claimants to lodge their claims within six months, and for the Minister to obtain an assessment of compensation within 90 days and six months thereafter to make an offer. If an offer is not made within 120 days, the claimant may approach the court.

Sitting suspended from 6.15 to 7.30 p.m.

The MINISTER FOR WORKS: A further provision in the Bill is in connection with the right of action of a claimant to go before the court if not satisfied with the amount of compensation being offered. He will have the right, under the amendment, to approach any court of competent jurisdiction in order to get a determination. He will also have the ordinary normal right of appeal, in an ordinary court action, against the decision of the Minister in connection with the compensation to be paid.

The question as regards the costs to be borne in an action was given careful consideration and it was felt that, in all cases where an appeal to the court is made, the question of costs should be left to the discretion of the court. We think it would be unfair to determine beforehand that the costs should be borne by one or other and, as a result, the decision is left to the discretion of the court. When the court makes an award it will be obliged to give reasons and not just a straight-out decision. That should be helpful to the persons concerned and should act as a guide for others who contemplate a similar course of action.

In all cases interest will be paid on the compensation payable. We think that is only fair and just. With regard to rates and taxes, it is considered that they should be apportioned between the claimant and the resuming authority.

Hon. D. Brand: As regards the interest, is it from the time of decision to the time of payment?

The MINISTER FOR WORKS: From the time of the notice to resume. It is considered that, with regard to rates and taxes, the fair thing is to apportion them between the claimant and the resuming authority. I think an examination of the Bill will disclose that an attempt has been made to meet the various points of difficulty which have arisen from time to time in order that causes for dissatisfaction may be removed.

Consideration was given as to whether provision should be made for an appeal to some outside body in the case of proposed resumptions. It was advocated by the member for Toodyay and at the time I said that he would probably find such a provision included in this Bill. I have not included it because upon careful examination of the position, and after studying legislation in operation elsewhere, I came to the conclusion that it would not be a correct and proper thing to do. I notice that the same point was brought up in the Federal Parliament where consideration was recently being given to land resumption legislation.

Hon. J. B. Sleeman: Because it was agreed to in the Federal Parliament, would not make it right.

The MINISTER FOR WORKS: That is so, but the point of view is interesting, and as it happens to coincide with my own, it gives added weight to the views held by me and by my departmental officers. I propose to quote from page 425 of the Commonwealth "Hansard" of the 11th October, 1955. I wish, firstly, to quote from a speech made by Senator Vincent. He said—

Like Senator Byrne, I am somewhat troubled by this proposed amendment. First, with great respect to Senator Wright, I suggest it is, to a point, an attempt to take away some executive function from the Government. The amendment proposes to set up a board of inquiry. While the recommendation of the board need not necessarily be accepted by the Minister, this procedure, up to that stage, would take away from the executive arm of the Government the responsibility in respect of a function for which the Minister is very properly given responsibility by the Parliament. Therefore, it cuts right across my idea of responsible Government. It is true, of course, that we have many boards of inquiry investigating alleged misdemeanours of the Government. For example, we have the Public Accounts Committee which, of course, is not quite the same kind of body. This is an attempt to cut across Government responsibility, and to that extent I cannot agree with Senator Wright's proposed amendment. If it is argued that it is not an attempt

to cut across a function of government, there is a second reason why the proposal lacks some merit.

I suggest to Senator Wright, with all due respect, that it is not a very realistic or practical proposition, because on the one hand he asks a board to put a Minister or department on trial on an issue as to whether or not some particular acquisition is in the public interest, and on the other hand the only persons who can say that the acquisition is in the public interest are the Minister or departmental officials. Consider, for example, that the Minister for Civil Aviation requires land as a site for an aerodrome. If this amendment were to be carried, the owner could ask for a board of inquiry to ascertain whether the acquisition is in the public interest. But the only persons who can say that the action is in the public interest are the Minister for Civil Aviation and the officials of the Department of Civil Aviation. If they say before the public inquiry that they want that particular land in the public interest, and that they are not interested in any other land, that would place the board in a very invidious position; because it must accept the evidence of the Minister or department. Therefore, honourable senators will perceive that there is no great merit in the proposed amendment which is really a matter of Peter trying Peter. The department is placed in issue to establish that the acquisition is in the public interest, and the board must accept the department's statement on that aspect of the matter. The inquiry would get nowhere, and consequently perhaps the proposal does lack realism. For that reason, even if the proposition does not cut across the function of executive government, I cannot support the amendment.

That is an extract from the speech of a senator who is a supporter of the Government in power in the Commonwealth Parliament; he is a colleague of the senator who moved the amendment. Let me now present the view of one of the Labour senators, Senator McKenna, who said—

I have been greatly interested in the answers given to the questions that were asked by the honourable senators who preceded me in this debate. They have all been pertinent to the issue, and I rise to add my contribution to the remarks that have gone before. It is proposed that the chairman of the board of inquiry should be a person who is a chairman of a valuation board under the Taxation Administration Act. He is a governmental officer at a governmental level and, as chairman, has to join with two others—who are unspecified

—to pronounce on whether a particular acquisition is in accordance with the public interest. That is a decision at the highest policy level, which I suggest should not be given by the chairman of a board who is at the departmental or lower level. I can see grave difficulties there. With all due respect to the chairman, one could imagine a bias on his part in favour of the Government.

The board, as proposed, does not convey that aura of complete detachment and impartiality that should apply in a case like this. It is rather difficult to find a body, whether it be a board of inquiry or otherwise, which would be competent to set itself up to determine whether a Government or a Minister had acted in the public interest. After all, when a Minister does so act, his act involves his whole government and the parties who sit behind the Government in the Parliament are also deemed to have given their approval to what has been done.

I think all those arguments are so strong as to outweigh any conceivable advantage which might accrue by providing for a board of inquiry to give consideration to proposed resumptions before such resumptions take place. I do not find myself at variance in the slightest degree with the opinions expressed by Senator Vincent or Senator McKenna; on the contrary, I am in complete agreement with those views.

So I reiterate that I gave the most careful consideration to this proposition because I believed initially that it had some merit; but, upon examination, I was forced to the conclusion that it would be quite contrary to the responsibility of Government to set up some outside board which would have the power of vetoing Government policy with regard to proposed acquisitions. Because the Government, through its Minister, must take the responsibility that an acquisition is being made in the public interest, I cannot visualise a situation arising where a Minister would deliberately seek to resume land against the wishes of the owner, if such land were not genuinely required in the public interest. That being so, is it right and proper to set up some outside body to call evidence as to whether the land is genuinely required in the public interest and then possibly veto the decision of the Government?

For those considerations it was decided not to include such a provision in the Bill. I think members will find this measure to their liking. The amendments have been made with the rights of owners of land uppermost in mind and the Bill is a genuine attempt on the part of the Government to meet the criticisms which have been aimed at weaknesses in the existing legislation. I claim for the amending Bill

that it will bring our legislation at least abreast of similar legislation elsewhere in the world and possibly in advance of it in some instances. Because of that, I feel it must commend itself to members.

The Government would not be introducing the Bill at this stage in the session if it did not regard the measure as important and if it did not feel itself obligated to see that the legislation was passed. In the first or second week of the session, I intimated that the Government proposed to introduce a measure such as this, but it has taken a lot of research and comparisons with legislation existing elsewhere. Officers of the department have been working diligently in its preparation in order to make it a good Bill, and it has only now been possible to introduce it. I apologise for its late introduction but emphasise that it was not possible to introduce it earlier. I commend the Bill to members and suggest that it is one which calls for the utmost co-operation in the public interest.

Hon. Sir Ross McLarty: Of course, some amendments may be necessary.

THE MINISTER FOR WORKS: Yes. We feel that all of these amendments are necessary. No attempt has been made to overload the Bill. We believe that every amendment in the Bill justifies its inclusion. It has either been suggested or has come forward as a result of experience. The measure is aimed at improving the administration of land resumption and creating greater confidence in the Government by the owners of property. It is also a genuine desire to speed up negotiations and bring about an effective settlement. I move—

That the Bill be now read a second time.

On motion by Hon. D. Brand, debate adjourned.

BILL—LAND ACT AMENDMENT.

Second Reading.

THE MINISTER FOR LANDS (Hon. E. K. Hoar—Warren) [7.46] in moving the second reading said: The main portion of this Bill, which seeks to amend the Land Act of 1933, deals with the improvement conditions required under that Act. The purpose is to bring them more into line with modern requirements and modern values as they relate to the cost of improvements. As the Act stands, within five years of the commencement of a lease, all the lessee needs to do is to spend a small sum of £5 for every thousand acres which he has under lease.

Hon. L. Thorn: Is this under conditional purchase leases?

THE MINISTER FOR LANDS: No; we are talking about pastoral leases. Conditional purchase leases are an entirely different matter and I will refer to them.

shortly. At the conclusion of the next five years, the lessee is expected to spend a similar sum of money, on a similar area of land. So, at the end of a period of 10 years, no more than £10 per thousand acres in improvements is expected under the Act. As I said earlier, the Act goes back to 1933, and at no time since then has Parliament sought to amend it to bring it up to date.

The position now is that if a lessee desires to conform to the requirements of the Act, all he has to do is to build a modern home on his lease, to the value of £5,000 or more. By doing that, he accomplishes all the Act requires of him. He need not build any fences or pay attention to water points or anything else. He can merely sit in the glorified atmosphere of a modern home, having complied with the Act in all its detail. In these days, that seems to be obviously wrong. The value of the £ has changed tremendously since 1933, and if in those days it was considered that £5 per thousand acres was appropriate, then a considerably greater sum should be included in the Act as a form of compulsion so far as the reasonable development of our pastoral areas is concerned.

There is another amendment which provides that after three years from the commencement of the lease—instead of the five years and £5 per thousand acres now in the Act—it will be necessary for the lessee to effect improvements to the value of £10 for every 1,000 acres under the lease; and to the value of a similar amount of money in the following three years. So, instead of having £10 spent on improvements over a period of 10 years, we will have a sum not less than £20 spent over a period of six years. The Government and its departments feel that it is a reasonable proposition, bearing in mind present-day values, as compared with those in existence when the Act was first passed in 1933.

A further amendment deals with forfeiture of pastoral leases. At present, any lease is liable to forfeiture if the pastoralist does not comply with the stock requirements. The stock requirements provided in the Act are very rigid, and if they are not complied with, there does not appear to be any discretionary power and the Minister invariably has to take the action of forfeiture because the Act says he should. The requirements under the Act regarding stock are as follows:—

Within two years from commencement of the lease, it is necessary for the lessee to stock at the rate of ten head of sheep or two head of large stock for every 1,000 acres leased. Within five years from the commencement of the lease and until the expiration of seven years—the first seven years of the period—he must stock at the rate of 20 head of sheep

or four head of large stock for every 1,000 acres of area leased. During the remainder of the term of the lease, stocking must be at the rate of 30 head of sheep or six head of large stock for each 1,000 acres leased.

There is nothing in the Bill to alter those provisions in any way at all. But there is a provision in the measure which gives discretionary power to the Minister not to forfeit an area merely because a pastoralist has been unable, through no fault of his own, to meet the requirements of the parent Act which set out that he must stock up to the numbers I have just read out. As I said earlier, there is a hard-and-fast law in this connection, and the Minister has no discretionary power at all.

We can argue about it, but I do not think we will, because over these tremendous tracts of country which form our pastoral areas, where up to 1,000,000 acres are taken over by one company or under one name, we can have such a variety of soils that it would be foolish to expect a man in one place to carry the same number of stock on his property as another man elsewhere. The fertility of the soil may be different, the rainfall may be different and all the other factors may be different, but yet the Act is a hard-and-fast law.

Hon. Sir Ross McLarty: On an average, some of our pastoral country would not carry 30 sheep.

The MINISTER FOR LANDS: I do not think it would, yet, if the Act is not complied with, the Minister has no option under the Act as it is at present but to forfeit a lease. Accordingly, it would be fair to the pastoralists to give the Minister discretionary power, provided the Pastoral Appraisal Board had examined the position and had come to the conclusion that, in its view, a certain number of stock—less than that provided for under the Act—should be carried. It could then be exercised without breaking the law. It could also happen that a pastoralist through no fault of his own, and because of the reasons I have stated, would be unable to carry the stock required under the Act—drought or fire might be responsible for his not being able to carry out the provisions of the Act—and the Minister could then give effect to his discretionary power.

Earlier I mentioned that where a man complies with the Act by spending a sum of money on building a home, the house itself will be counted in the general assessment or in the amount of money spent in general improvement. The house will be kept entirely separate from the provisions of the Act. Where it becomes necessary later, as it sometimes does, for a man to transfer a lease to someone else, or to sell his equity in it, then we think it is fair and reasonable that the cost of

the house should be taken into consideration on the transfer from one owner to another. That is provided for.

The question of conditional purchase leases was mentioned by the member for Toodyay. As the Act stands, there is a definite provision concerning the improvements that must be carried out within two years or later. In addition, a lease must be under the ownership of a person or company for two years before the Minister can agree to a transfer to another person. There is no such arrangement in the parent Act regarding pastoral leases, and, in fact, a transfer can be made a month after the lessee has taken over the property. There is nothing to stop him doing that under the Act. We think that any person who takes up land under our conditions, which are very generous, should establish his bona fides, certainly to the extent of retaining ownership of that area before he disposes of it to anyone else.

So there is a small provision in the Bill which will make it obligatory for a person to have an area under his control for three years, and before he can transfer that land, he will be expected to carry out improvements as provided in the measure, both as related to general improvements and to stocking arrangements. In other words, before he could transfer that land, he would be expected to spend £10 for every 1,000 acres in the first three years. He would also be expected to conform to the stocking requirements. We think that is a fair thing before any transfer takes place.

There is a further amendment in the measure which we hope will bring the parent Act more into line with similar Acts in other States. It relates to a provision which will give the Surveyor General complete legislative power over mapping as he now has over surveys. Again, conditions have changed over the years. For instance, we go in for a great deal of aerial photography, and indeed this forms the basis of our mapping needs. There is no provision in the Act, however, as it stands, which gives the Surveyor General—the man who is daily in charge of this work—any power in connection with it.

The National Mapping Council is comprised of seven Surveyors General from the States and the Commonwealth, together with the Commonwealth Directors of Military Surveys and Mapping. In Western Australia, the Surveyor General is chairman of the State Mapping Committee and the Act of Parliament under which he operates gives him no legislative power in relation to mapping. Within the Department of Lands and Surveys, the Surveyor General's division includes three branches, which are the survey, mapping and examination branches. In order that these three branches may be co-ordinated as they should be, we think it is necessary to amend the Act to give the Surveyor General this extra power.

Every one of the lithographs and plans that emerge from the Lands Department has to bear the official stamp of the Surveyor General. All this daily work is going on in this very high office, yet no provision is made for it in the Act. Apart from that slight amendment and the others I have already mentioned, there is nothing of consequence in the Bill. It really tidies up the situation, and brings the old 1933 Act under 1955 conditions. I move—

That the Bill be now read a second time.

On motion by Hon. L. Thorn, debate adjourned.

BILL—SUPPLY (No. 2), £16,000,000.

Committee of Supply.

Debate resumed from the 10th November, Mr. J. Hegney in the Chair.

HON. SIR ROSS McLARTY (Murray) [8.2]: I think members would be well advised to express themselves on this Supply Bill. I tender that advice because I plainly see that they will not be given much opportunity to do so when the Revenue Estimates are under discussion, and no objection can be taken to members speaking on this particular Supply Bill.

The **CHAIRMAN**: I would draw the attention of the Leader of the Opposition to the fact that we are dealing with a motion in Committee of Supply.

Hon. Sir ROSS McLARTY: Yes. During the tea adjournment, I looked up "Hansard" to see just what has happened in connection with such motions in the past, and I find that there have been considerable discussions. Many pages of "Hansard" have been filled with those discussions and members did not confine themselves to the financial proposals of the Bill, but covered a very wide range of subjects, just as is done with regard to the Address-in-reply.

Hon. J. B. Sleeman: That has always been done.

Hon. Sir ROSS McLARTY: But the motion moved by the Treasurer is actually one dealing with finance; and again I say that, because of the very limited period that members will have to discuss matters that come before them under the Revenue Estimates and the Loan Estimates. I think they should say something on this motion. I do not propose to speak at length but will be brief, because I have already spoken on the Budget and on the Loan Estimates. But it is well that members should have their attention drawn to certain aspects of this Bill which proposes to take £13,000,000 from Consolidated Revenue and £3,000,000 from the General Loan Funds, and covers a period to the end of December.

When speaking to the motion, the Treasurer told us that the Consolidated Revenue showed a deficit, for the three months to the end of September, of £1,542,108. He also told us that the Grants Commission had recommended certain payments to the State, and that those payments were lagging to the tune of £600,000. Even so, the Treasurer is down on those three months, or has gone to the bad, to the extent of £942,000.

Figures like that cannot give the people of this State, or Parliament, any reason for satisfaction. He also informed us that he had overdrawn his loan funds by £1,200,000 and had overdrawn his housing account by £1,185,000. Every member should be aware of those facts, and then he can decide how he is going to fare with any requests he may put before the Government.

I would ask the Treasurer how far he is going in regard to mortgaging the future of this country. I ask him that for the reason that he told us he has commitments in London of just on £2,000,000 which will have to come out of next year's loan programme. Is the Treasurer going on making those commitments? Is he to continue pledging the credit of this country so far ahead? If so, I am wondering what the future will be in regard to our loan programme. Is he doing this with the idea of going to the Loan Council and saying, "Well, I have millions of pounds in commitments, and I am overdrawn by millions of pounds, and I want my ordinary loan programme for the next financial year"? If so, he is bound to strike very serious trouble.

It is very well known to the Treasurer that when the Loan Council makes its allotment, each State gets its percentage of that allotment; and if he is doing the right thing, and the responsible thing, he will try to budget within that sum. He does not appear to me to have made any attempt to budget with the amount he knew would be made available to him. It is all very well to tell us that schools are needed, that hospitals are needed, that water supplies are needed, and all the rest of it. Of course they are needed! I readily admit they are needed, and urgently needed.

But let us take the position of the ordinary housewife today. There are certain things she considers are necessary—and they are necessary. She might think in these modern times, "I must have a refrigerator. I must have a washing machine. I must have a wireless, and a motorcar, and electrical equipment", and so forth. No one will deny that these things are necessary. But if she spends and gets heavily into debt; if she mortgages her husband's wages or salary for long periods ahead, and they face bankruptcy or financial trouble, they do not

get very much sympathy from the outside world. The view is expressed that, if they had adopted a responsible attitude, they would have tried to live within their means and budgeted according to those means.

Is there such a difference between Government finance and private finance? Or can the Government just go on merrily spending and taking no thought for the future? Governments need money just the same as private individuals. But I do suggest to the Committee that the Treasurer is not adopting this outlook; and it appears that, as far as he can dish out these bills of exchange and obtain credit, he is going to do so.

Early next year we will have to face an election; and I would suggest to the Treasurer that he is not doing the right thing at present in issuing these bills of exchange, which will have to be met from next year's loan programme. That could easily put any Government in acute financial difficulties. Certain works may crop up that would be of great urgency; yet we would find our loan funds so far pledged ahead, that we would not be able to do anything about those works.

I have risen to give this warning because I want members to know just what the financial position of this State is. They know what the deficit is—well over £2,000,000. They know how our funds are pledged ahead. They know how the finances of this State are being managed; and it is up to them to indicate now some interest in what the Government is actually doing. Even at this stage, I consider there is every justification for their finding out from the Treasurer just what he proposes to do in future. I know that he has recently pledged moneys for 1956 and 1957. I enter my protest that this should be done, particularly at a time when, to use his own expression—if I may borrow it—the finances of this State are really grim.

THE TREASURER (Hon. A. R. G. Hawke—Northam—in reply) [8.12]: The Leader of the Opposition takes a completely different point of view in regard to the finances of the State when he is Leader of the Opposition from that which he took when he himself was Treasurer of the State.

Mr. Brady: Hear, hear!

THE TREASURER: Before dealing with that angle of the situation, I would like to say a few words about the Consolidated Revenue Fund. It is true that the deficit for the first four completed months of this financial year is very substantial. It was clearly anticipated at the beginning of the financial year that this result would develop. If I remember rightly, the Leader of the Opposition was present at

the discussions that took place in Canberra in June last between the Premiers of the States and the Prime Minister, and also the Commonwealth Treasurer.

On that occasion, on behalf of Western Australia, I clearly explained that our financial needs during the current financial year would be anything up to £2,000,000 greater as compared with the previous year. I was able to indicate the very substantial expenditure that would be required this year to meet the cost of marginal increases, to take only one item. I was able to point out other items in respect of which increased expenditure would be very substantial.

Despite the fact that it was shown to the Prime Minister and the Federal Treasurer very clearly, and beyond any argument, that our expenditure during this current financial year would increase by at least £2,000,000 over and above that of last year, the Prime Minister agreed to give Western Australia only £525,000 additional money out of the taxation reimbursement and supplementary grant. When the inadequacy of this increase was pointed out to the Prime Minister, he simply said that States like Western Australia, South Australia and Tasmania could go to the Grants Commission. They could explain their financial difficulties to the Grants Commission and the Grants Commission could take such action as seemed requisite and appropriate.

Hon. Sir Ross McLarty: It took very generous action.

The TREASURER: The Leader of the Opposition is talking about a grant which has no relationship to the current year but is based upon the financial operations of two years ago.

Hon. Sir Ross McLarty: Let us take the previous grant; that also was a generous one.

The TREASURER: It does not matter whether the grant was generous or miserly.

Hon. Sir Ross McLarty: It does.

The TREASURER: The vital fact in the situation which the Leader of the Opposition was talking about a few moments ago is that the Grants Commission will not deal with this year's financial results for another two years. So the fact remains, beyond any shadow of doubt, that the Prime Minister knew, at the general conference, that we would, this financial year, have to meet an increased expenditure of at least £2,000,000, and all he gave us with which to meet it was £525,000.

Mr. Yates: What were his reasons for granting only that amount?

The TREASURER: That a State like Western Australia, if it found itself in financial difficulties during the current year, should go to the Grants Commission.

Mr. Yates: That was not the only reason, surely?

The TREASURER: Yes, that was the only reason put forward by the Prime Minister in justification for granting us an increase of only £525,000.

Mr. Ross Hutchinson: What did you say about that? Did you mention the two years' lapse of time?

The TREASURER: The Prime Minister knows all about the operations of the Grants Commission. We do not have to tell him that there is a two years' lapse—

Mr. Ross Hutchinson: You did not say that to him?

The TREASURER: —in the investigations by the Grants Commission of the finances of the claimant States. The Prime Minister is better informed of that fact than I am.

Mr. Ross Hutchinson: The fact is that you did not say anything to him about it.

The TREASURER: The member for Cottesloe need not bother to try to make excuses for the Prime Minister. I think the Prime Minister will be able to get along without the aid of the hon. member in this matter.

Mr. Yates: Are all Prime Ministers the same?

The TREASURER: I think they are all somewhat the same in their outlook towards the States.

Hon. A. F. Watts: That is perfectly true.

The TREASURER: The member for Stirling takes a realistic view of this matter. He knows the difficulties that the States, especially the smaller ones, have to face. The point is that the financial deficit for the first four months of this year in Western Australia was clearly foreseen; and we will make special representation to the Grants Commission when it commences its hearing in this State next month. We are hopeful that as a result of our special representations the Grants Commission will, as a special step to try to help Western Australia, make an interim report to the Commonwealth Government in regard to the matter; more especially as the Prime Minister, at the general conference, indicated that this might be the method to be followed.

There is also the point in regard to this progressive deficit for the first four months of the year, that the Commonwealth grants payments for this financial year are approximately £600,000 behind during this period. It is understood by me that the deficiency of £600,000 will be made good to our State during the current month of November. So the progressive deficit to which the Leader of the Opposition has properly drawn attention, will be reduced, we understand, by at least £600,000 during the current month.

In addition, as the Leader of the Opposition would well know, and as all other members would, the financial results for the first four months of the financial year, or the first six months, or even the first nine months, are never as good as they are during the last two or three months. Especially does that apply with regard to the first six months of the financial year.

Mr. Court: Does the trend of the first four months indicate that you will exceed the deficit budgeted for?

The TREASURER: No. Keeping in mind the £600,000 short-paid during that period, the trend shows that the estimated deficit for the whole of the financial year will be approximately the deficit.

Mr. Court: I was only going on the pronouncement that even allowing for the arrears of the grant, the deficit for the four months is greater than for the four months last year.

The TREASURER: Yes, but the estimated deficit this year is greater than the estimated deficit last year. It is anticipated that when the 30th June next year is reached the actual deficit will be approximately the estimated deficit. A considerable amount more revenue is received during the last three or four months of the financial year as compared with the first three or four months. This applies not only to the Government of this State but to all Governments in Australia, including the Commonwealth Government. In fact, it applies more to the Commonwealth Government than to the State Governments because it is in the last few months of the financial year that the Commonwealth Government gets in most of the income taxation.

So, although the Leader of the Opposition is justified in drawing attention to the state of the Consolidated Revenue Fund as at the end of October, there are certain factors associated with the position which require to be explained, and I have done my best to explain them. The Leader of the Opposition has expressed concern at the fact that the Government is spending money on school accommodation, hospital accommodation, housing, water supplies, and so on, at a rate which is far greater than could be included in the total amount of loan money available to the Government this financial year; and the Leader of the Opposition is quite right in his argument.

As I explained previously, however, when dealing with this matter in connection with another debate altogether, the Government has faced up to this position realistically and has made its decisions deliberately. From time to time members get up and drawn attention to the serious shortage of classroom accommodation, to the severe shortage of hospital accommodation, and, as is their duty, to the necessity to expand water supply services here, there and everywhere, and to extend other

governmental services, in order that the community might be given those facilities and amenities which are so much required in these modern days.

As I pointed out in the previous debate, the estimated cost of the total departmental loan programmes was approximately £28,500,000, yet the loan moneys available to the Government from the Loan Council were approximately only half that amount. Consequently, the Government was faced with the problem of either cutting the programmes in half or of finding other ways and means of financing more than half of the programmes. We decided that in view of the urgent need to provide more classroom accommodation, more hospital accommodation, more water supplies and other services, the Government would be justified in making whatever other reasonable arrangements it could, in order that more of that kind of work could be put in hand.

I would make this point, too: that to the extent that additional works of the type I have mentioned are carried out this financial year, less could easily be required next financial year.

Hon. Sir Ross McLarty: I do not think that will pan out.

The TREASURER: It might not, but it could pan out that way. In any event, if classrooms are urgently required now it is a good thing to provide them now; if hospital accommodation over and above what exists is urgently required now, it is a good thing to provide it now; and if water supplies and other such services are urgently required now, it is a good thing to provide them now—within reason. I know there is a limit to this kind of thing.

However, the Leader of the Opposition is not a clean skin in this sort of financing. If he will stir up his memory he will recall that during the time he was Treasurer he adopted this kind of finance. I am not condemning him for doing it; I know he found himself in a difficult situation. He thought then as we think now, and he acted then as we are acting now, in order to meet the situation with which he was faced.

Hon. Sir Ross McLarty: It was a different set of circumstances.

The TREASURER: The circumstances are always different when they are not the same! The fact is that the Leader of the Opposition, when he was Treasurer, found that the total financial resources available to him were not sufficient to enable him to finance the programme which he thought should be carried out; were not sufficient to enable him to pay in cash for all the work which he wanted urgently to do; or to finance all of the commitments into which he had entered. So he proceeded to make the best arrangements he could.

Hon. Sir Ross McLarty: Every Treasurer in Australia got into the same position with his overseas commitments. We believed we could get the finance to pay for them, but the financial position changed. You know that to be the fact.

The TREASURER: I am simply saying that the Leader of the Opposition, when he was Treasurer of the State, could not meet with cash the obligations which were upon his Government, and the urgent requirements which were put before his Government from time to time. So the Leader of the Opposition arranged for the postponement of many payments which were due and payable. I think that when we came into office, early in 1953, there was something like £2,000,000 worth of these bills which the Leader of the Opposition talked so merrily about a few moments ago.

Hon. Sir Ross McLarty: And you found you had a good supply in your Government Stores, too.

The TREASURER: We did not have a good supply of hard cash in the Government Stores. Whatever we had there could not be used to pay for the £2,000,000 worth of bills—

Hon. Sir Ross McLarty: Stock is as good as money.

The TREASURER: —which the Leader of the Opposition, who was the then Treasurer, had accumulated. The contractors did not want something out of the Government Stores as payment for the services they had rendered or the goods they had delivered. They wanted hard cash and it was the responsibility of our Government—very new into office and comparatively inexperienced—to find ways and means of paying off the debts which the Leader of the Opposition, when he was Treasurer, left behind him.

One would not think, listening to the Leader of the Opposition, that his Government had left any substantial commitments to our Government. One would not have thought it had left that amount of £2,000,000, which I have just mentioned briefly. In addition to that, his Government left us some other tremendous financial commitments. I do not blame him for this, but merely mention these facts to indicate that our financial problems were made considerably more difficult because of the obligations entered into by the previous Government—most of them entered into quite properly and in the interests of the progress of Western Australia—commitments into which any Government, I think, with the interests of the State at heart, would have entered completely, or at least very largely.

There were £5,000,000 worth of commitments at Kwinana, which our Government has had to meet during the last 2½ years. They, of course, were commitments which cut deeply into the available loan

funds which came forward last financial year and this financial year. All country members, at any rate, know the very serious effect which those commitments and their financing had upon requirements in country districts. This amount of £5,000,000 had to be spent at Kwinana and within a very strictly limited time because the commitments were covered completely by a legal agreement between the State and the oil company and were also ratified by an Act of Parliament which was passed subsequently.

As I say, this was quite proper in the circumstances. We, on this side—who were then on the other side of the House—supported the Bill ratifying the agreement, but nevertheless the financial problem involved became a burden upon this Government and a very great problem, and has given a great deal of headache to the Ministers of this Government and especially to its Treasurer owing to the fact that it has been necessary for the Government to refuse a great many things to country towns and districts—things which otherwise would have been made available.

Mr. Court: Are those commitments cleaned up now?

The TREASURER: Very largely.

Mr. Court: Then the Government should be able to make available considerable sums for other works now.

The TREASURER: It might have been possible—

Mr. Court: If you do not mortgage them.

The TREASURER: If the State this year was receiving, in loan money, the average of the last six or seven years, it might be possible, but unfortunately loan moneys have been cut again very severely this year and consequently the surplus which otherwise would have been available, due to the finance required at Kwinana not being as great now as previously, is not, in fact, available. We also have financial commitments in regard to the Cockburn Cement Co., down Kwinana way. Up to the present it has been necessary to pay out £500,000 in hard cash from loan moneys for that purpose and a further amount of between £500,000 and £600,000 is still payable on that account. It is true that the moneys are repayable at some time in the future, but at a fairly considerable time in the future.

Mr. Wild: Why did you not finance that loan through the Rural & Industries Bank?

The TREASURER: Because that bank was not in a position to finance it, and so it had to be financed from loan money. If the company presses the Government for a further £500,000 during the current financial year, it will have to be paid from loan moneys, too. However, there have been negotiations between the Government and this company in regard to the

additional £500,000 or £600,000, and so far the company has agreed not to demand any further payments during the current financial year.

There were other commitments which I need not go into. I simply draw the attention to members to the fact that the kind of finance which the Leader of the Opposition now severely condemns is a type of finance in which he, himself, was forced by circumstances to indulge.

Hon. Sir Ross McLarty: A different type.

The TREASURER: I am not trying to criticise or condemn him. I have a tremendous amount of sympathy for any Treasurer.

Hon. Sir Ross McLarty: And, judging by your speech, a great deal of admiration for the previous Government.

The TREASURER: I have never tried to avoid saying—in public for that matter—what I have thought of certain actions of the previous Government, and where I thought it was entitled to any credit, I have not hesitated to give that credit. On the other hand, where I felt the previous Government was entitled to criticism and censure, I have, in a mild kind of way, voiced that criticism and censure.

As regards the carrying out of certain public works on the basis of deferred payments, I know there are arguments for and against. I could argue a case pretty strongly against, and, pretty strongly also, on the affirmative side, but I think we come back all the time to the urgent and vital need existing in the community for additional classrooms, hospital accommodation, water supply services and additional housing.

I do not know whether every member of this Committee knows the damage which grossly inadequate accommodation does to people, but I am sure most members have a pretty good knowledge of that situation and certainly the member for Dale, the ex-Minister for Housing, would know a lot about it. Members of the Government look upon the housing shortage as a very great social problem. Some people think the shortage of housing merely means that a few people have not a roof over their heads, but that is only a very small part of the total story.

The fact is that when a family is not adequately housed it is suffering very seriously in a social sense. It is not merely a matter of keeping the rain and the sun off that family. When a family is inadequately housed great nervous and mental strain is suffered, especially by the husband and the wife.

Hon. Sir Ross McLarty: All Governments have taken that view.

The TREASURER: I quite agree. I am not saying that members of this Government see this problem any more fully than members of any previous Government

did. I simply mention this angle of the housing shortage situation to indicate the urgent need which exists to provide as many houses as quickly as possible and so the Government, finding itself short of money with which to build the number of houses required, agreed to have some dwellings built under the deferred payment system, and many such houses are now under construction.

The other evening, I heard the Leader of the Opposition speaking somewhere—it might have been over the air—and condemning the Government for spending money on houses under the deferred payment system and, at the same time, and almost in the same breath, criticising the Government for disemploying some building contractors who were previously employed by the Government building houses for the State Housing Commission. The great anxiety of the Government—as it would be the anxiety of any Government—is to provide urgently required services for the community in the shortest possible period of time.

I am confident that the contribution which the Government is making in regard to classrooms, hospital accommodation and housing, will meet much sooner a problem which is urgent in each of these three fields and must sooner or later reduce the number of classrooms, the volume of hospital accommodation and the number of houses that will require to be provided for the people in any one financial year. I think we can all believe that the rate of increase experienced in our population in the last seven or eight years will not continue.

We all believe that in the reasonably near future there will be a reduction in that rate of increase and when that begins to take place so will the demand for classrooms, hospital accommodation and houses also be reduced. It will be at that time, when the Government of that day and the State as a whole, will feel the advantage of what is being done now under the deferred payment system. Although I raise no complaint at all about the criticism by the Leader of the Opposition, I still consider that the methods being adopted by the Government to meet an urgent and difficult situation are such as are reasonable in the circumstances.

Question put and passed.

Resolution reported and the report adopted.

In Committee of Ways and Means.

The House resolved into Committee of Ways and Means, Mr. J. Hegney in the Chair.

The TREASURER: I move—

That towards making good the Supply granted to Her Majesty for the services of the year ending the 30th

June, 1956, a sum not exceeding £13,000,000 be granted from the Consolidated Revenue Fund and £3,000,000 from the General Loan Fund.

Question put and passed.

Resolution reported and the report adopted.

Bill Introduced.

In accordance with the foregoing resolutions, Bill introduced and read a first time.

Second Reading.

THE TREASURER (Hon. A. R. G. Hawke—Northam) [8.47]: I move—

That the Bill be now read a second time.

HON. A. V. R. ABBOTT (Mt. Lawley) [8.48]: I want to say a few words on this measure in view of the fact that the Treasurer has said that any finance matters may be referred to during the debate on the Supply Bill. It is quite clear that the Treasurer has had great difficulty in obtaining all the finance that he required. There are a few figures respecting which I would like an explanation later on. They refer to the reserve account of the State Government Insurance Office. The figures show that the amount to the credit of this account at present is £1,117,396, which is invested in semi-government and local government accounts and, at the same time, £869,094 is invested in Commonwealth bonds.

For the information of members, I have made some investigations into these semi-government investments and I find that £166,981 has been lent to the State Housing Commission. That is a considerable sum of money to be taken from what are actually trust funds, which may be needed at some future date and perhaps fairly quickly. I think it is admitted that investments made in the State Housing Commission are long-term investments. They are not readily saleable or recoverable, although I take it that this money would be loaned only with Government guarantee. However, the Government might not be able to find the money for such an investment if it was urgently required.

In addition, up to the 30th June of this year, the Government had received £176,000 of the fund, giving Treasury notes. These, I take it, would be on call or on short notice, but there again, a reserve fund, which includes the Miner's Phthisis Fund, has been used by the Government to invest money in semi-government bodies. It is a considerable sum of money. What is of interest is this: Whereas at the 30th June, 1954, the State Government Insurance Office had £1,309,994 invested in Commonwealth bonds, it now has only £869,094 so invested. It would seem that the Government or the State

Government Insurance Office has been selling Government bonds in order to finance the Government's expenditure.

I am not in the position, as the Treasurer would know, to make full investigation into a matter such as that, but it would seem that a sum of £440,900, or some considerable sum of money from the reserve account of the State Government Insurance Office has been taken by the Government to finance its loan expenditure activities. As has been pointed out by the Leader of the Opposition, that is a dangerous step to take when one is dealing with trust funds. We know that even the Western Australian State Savings Bank, when it was in existence, got into trouble on one occasion and it could be envisaged that the State might be embarrassed if the Government were called upon to ensure that all this money was made available to the State Government Insurance Office when required.

Mr. May: There would not be the same run on the State Government Insurance Office as there would be on the bank.

Hon. A. V. R. ABBOTT: I do not suppose there would be, but it is a large sum of money for a trust organisation to have invested in the State Housing Commission, or even with the Government. I do not know what funds have been taken from the State Government Insurance Office since June. The latest figures I have been able to obtain are from the Auditor General's report. Whereas the State Government Insurance Office thought it advisable to have £1,300,000 odd invested in Commonwealth bonds in 1954, that amount has now been reduced to £869,094. In other words, that office has been transferring its securities, or selling its assets—or Commonwealth bonds, which is the safest form of investment as far as Australia is concerned—to invest in semi-government bodies. However, the Treasurer may have a good answer to that.

My view of his answer to the Leader of the Opposition is this: Houses were needed, hospitals were needed and water supplies were needed, and we went straight ahead leaving the future to look after itself. Of course, he might be on a winning bet, but, on the other hand, I do not think this demand for extra money is going to decrease to any extent, and although the Treasurer said that housing needs have been met to a great degree, the population will continue to grow and the migration flow will not decrease, and I think the Leader of the Opposition was justified in voicing some alarm that the day might come when the Treasury would be bare and all these needs would be equally urgent.

There is one other small matter I want to discuss. It does not actually relate to Supply, but has to do with the Budget. I consider that these are most disturbing figures. They deal with Western Australia's exports and imports. I am not so

worried about the balance of payments so far as the Eastern States are concerned as long as our exports overseas enable us to pay them. However, our figures relating to exports and imports appear to be becoming very dangerous. We cannot keep on spending money that we have not got. Sooner or later, we will get into difficulties.

The Treasurer: You are talking about the population as a whole?

Hon. A. V. R. ABBOTT: I am talking about the Treasurer's figures which are quoted in "Hansard". He said that in 1952-53 there was a favourable trade balance, so far as Western Australia was concerned, of £14,672,672. In 1953-54, there was a great reverse.

Mr. May: Due mostly to the drop in wheat and wool prices.

Hon. A. V. R. ABBOTT: Yes, I think it was. Western Australia has always depended greatly on its exports overseas of the products of manufacturing centres in the Eastern States.

Mr. May: You will always find that in a primary producing State.

Hon. A. V. R. ABBOTT: That is so, but the figures are worrying. I find that in 1953-54 there was a deficit of £33,560,432. That was bad enough, but in 1954-55 we find a further and greater deficit against the State of £45,386,933.

Mr. May: You could not possibly expect those prices to be maintained, you know.

Hon. A. V. R. ABBOTT: That is something I do not know, and I do not think the member for Collie knows. We sincerely hope they will not be; but can we be sure? I urge the Treasurer to show in what way the State can be assisted to keep a more equal trade balance with the Eastern States. I know that the Treasurer cannot do much as far as overseas exports are concerned. Western Australia is not likely to be a great exporting country so far as secondary industries are concerned. But some consideration will have to be given to improving our secondary industries. When we have a trade deficit of £45,000,000 odd, it shows how important that objective is.

Mr. Court: That is between here and the Eastern States?

Hon. A. V. R. ABBOTT: That is the total trade balance, giving credit for the overseas exports we have. That is the combined figure.

Mr. Court: I think it is more than that.

Hon. A. V. R. ABBOTT: That is the figure quoted by the Treasurer, as I understand it. I do not think the Treasurer has done everything he could to encourage large companies to establish themselves here. The Government of which I was a member was rather successful in that direction. We had to our credit the establishment of a new cement factory, which meant a

great deal. A price had to be paid for it, I know, and the Treasurer is still paying that price, or the people are, by having to meet a demand for a larger amount of loan money. Then we had the establishment of the Kwinana Oil Refinery and the B.H.P. rolling mill.

Hon. J. B. Sleeman: You do not consider that we have the B.H.P. which has only started a small rolling mill. We should have a large ironworks here for what your Government gave to that company.

Hon. A. V. R. ABBOTT: That is a matter of opinion. I do not agree with the hon. member.

The Minister for Agriculture: Would we not be importing more tractors but for Chamberlain Industries?

Hon. A. V. R. ABBOTT: I may say a word or two about Chamberlain Industries later. I do not know whether other large industries have asked for land in Kwinana or what the Treasurer has done to encourage them to come here. They are industries related to iron and steel which can be very useful to this State.

Mr. Lawrence: Your Government gave the B.H.P. the land.

Hon. A. V. R. ABBOTT: Yes, we did. Has all encouragement been given to other industries? I have asked that question of the Treasurer but have not received a reply. Has every encouragement been given to industries which have applied for land to commence operations in this State?

Mr. Lawrence: The B.H.P. has not fully used its gift of land.

Hon. A. V. R. ABBOTT: It will.

Mr. Lawrence: It has not done so yet.

Hon. A. V. R. ABBOTT: It will in due course, just as it has gradually increased its activities in Newcastle and Port Kembla.

Mr. Lawrence: That company has not fully utilised the land.

Hon. A. V. R. ABBOTT: It cannot be expected to fully utilise it immediately.

Mr. Lawrence: And it will not utilise it fully.

Hon. A. V. R. ABBOTT: It is not only necessary that we should have industries manufacturing goods for the Western Australian market, but also those producing goods for the whole of Australia, so that freight charges for goods imported into this State can be lowered. At present, ships coming from the Eastern States are loaded with manufactured goods, but they return empty.

Mr. May: Do you know of any going back empty?

Hon. A. V. R. ABBOTT: I think some do.

Mr. May: I am looking for some. Let me know if you find any.

Hon. A. V. R. ABBOTT: A good many ships return to the Eastern States not fully loaded. That is borne out by the fact that the trade deficit of Western Australia with the Eastern States was £66,989,000 for last year. We imported nearly £67,000,000 more goods than we exported to the Eastern States. I hope that some day a firm like Cortaulds will be established in this State, which will employ local labour and produce goods to supply not only Western Australia but the Eastern States. This would help to constitute a two-way traffic in trade between here and the East, and would prove of material advantage to us. Everything should be done to encourage industries to be established in Western Australia.

Take South Australia! It does not miss an opportunity to grasp at any likelihood of establishing an industry and of contacting any manufacturer visiting Australia. For some years, the Auditor General in that State was seconded to other duties, to do nothing but make contacts. When an important personage arrived in Sydney, the Auditor General from South Australia was on the wharf to meet him. He did not wait for that personage to approach South Australia. I doubt whether we in this State have done everything we can to encourage the establishment of industries. All the time we hear of industries being established in the Eastern States.

If goods can be manufactured here at a comparable price, the matter of freight to the Eastern States will not represent a very great item. I know that generally manufacturers seek their main consumers as near as possible to themselves, but when they can derive advantages from other markets and the freight is not too high, they are availed of. The fact that the other markets are not the closest to the consumer is not so important in those cases. We cannot encourage industries by standing still. We often read about manufacturers from London and New York arriving in Australia and passing through to Sydney by ship. We should make every effort to contact and interest those people. If Western Australia had sat back and hoped for the best, the oil industry would not have been established here. It was established here because the people responsible were contacted. Originally they did not intend to come to Western Australia.

Mr. May: They came here because it suited them.

Hon. A. V. R. ABBOTT: Of course. No industry will establish itself here if to do so does not suit it. It must be satisfied that the local conditions suit it.

Mr. Lawrence: And also that it suits the industry to come out.

Hon. A. V. R. ABBOTT: It is like selling an article.

Mr. Lawrence: You did not sell it.

Hon. A. V. R. ABBOTT: Everything is sold in this world. If a producer sat back, he would not get on. This State has many advantages. It will have an excellent electricity supply in Bunbury. There is a large quantity of water in Bunbury, a good climate and inexpensive land.

Mr. May: And coal is close by.

Hon. A. V. R. ABBOTT: I named electricity, which consumes coal. I think that the responsible Minister or departmental officer should visit England to see what can be done. Every manufacturer who comes here should be contacted. What would a few pounds spent in going to Melbourne mean if we are to interest manufacturers to establish themselves in Western Australia before they decide to spend their millions or hundreds of thousands of pounds in Melbourne or Sydney? That should be done in view of the huge trade deficit of this State with the Eastern States.

Another matter I wish to touch on is auditing in a commercial business house. There, a certain standard is set, and it is not a 100 per cent. audit. If a 100 per cent. audit were carried out, the cost would be unwarranted. I am not an accountant and I know other members are more familiar with this subject than I am, but I consider the Government audit is too detailed. I was wondering whether steps could not be taken to avoid expense.

Mr. Lawrence: Provided you make a statement that a proper audit is not warranted.

Hon. A. V. R. ABBOTT: I said that in relation to a commercial house. I often wonder whether a complete audit of the State finances is necessary where every penny is ticked off. For many years I had occasion to frequent the Supreme Court. When I paid the court fees, they were received and assessed by a competent officer, and a highly paid one.

Hon. J. B. Sleeman: Yet you would not take notice of the Auditor General when he made his report.

Hon. A. V. R. ABBOTT: In the same office, the expenditure of every penny is ticked in green ink. So, for a revenue of a few pounds, the salary of an extra officer is paid to tick the entries off. I have not sufficient knowledge to say whether or not this procedure is warranted.

Mr. May: There are always more people trying to beat the Government.

Hon. A. V. R. ABBOTT: That may be so. The Treasurer has stated that he is terribly short of funds. Is he spending too much money in carrying out a complete audit of every department? The

person in the Supreme Court who receives the money is a civil servant and an accountant. Very seldom have civil servants been found to be dishonest, because they are an honest class of people. If once in 50 years a civil servant gets away with a few pounds, I do not know whether it would not be cheaper to let him do that instead of having a complete audit. The Treasurer is after money, and that is one way in which he can make a saving.

I do not suppose it is much good my speaking on the need for improvements to the Titles Office, particularly when the Treasurer is building houses on time payment. I want to bring before his notice that there is urgent need to provide better premises for the Titles Office.

Mr. McCulloch: You do not believe in the credit system.

Hon. A. V. R. ABBOTT: It depends on who is getting it. If I am getting it, I do. Another irritation to the commercial world is the need to affix stamps on receipts. When that was originally imposed many years back, the minimum amount requiring stamp duty was £2, but that was a large sum in those days. The Treasurer might give consideration to saving the community the expense of affixing stamps. If one goes into a shop and buys goods to the value of £1, one is kept waiting while the shop assistant is chasing around for a revenue stamp. This is a great inconvenience.

As a member representing a city electorate, I should have very little to say about wheat. On this occasion I urge the Government to consider this point: It can be readily seen that the wheat position will prove difficult not only for the State but for the Commonwealth Government, yet farmers continue to grow that commodity. Some farmers have expressed this point of view to me when I raised the question of reducing the acreage. They have said that sooner or later a stabilisation scheme for the reduction of acreage must be formulated, and if they were to reduce their acreages now voluntarily before any such scheme came into force, then, when computation of the acreage they would be permitted to grow, was taken into account, they would get no credit for their voluntary reduction. "Therefore" they say, "while others are growing wheat, I shall do so." The Government should make a statement as to future policy in order to assure farmers who voluntarily reduce their wheat acreages, that they will not be at a disadvantage as compared with their neighbours if it becomes necessary to impose a reduction later on.

Mr. May: They could grow something instead of wheat.

Hon. A. V. R. ABBOTT: Some could utilise their land for other purposes, but they will not do so, as it may be to their

disadvantage ultimately if reduction is required when the area which they are entitled to sow for wheat is computed.

The Minister for Health: Do not you think it would be better to sell the wheat on credit?

Hon. A. V. R. ABBOTT: If I expressed an opinion on that question, it would be merely a guess. I doubt whether we could sell on credit. The Canadian crop is a record for eight years, and I think that country would be in a better position to sell on credit than we would.

Mr. Lawrence: Do you think that our crop today could be consumed by the foreign countries?

Hon. A. V. R. ABBOTT: I do not know.

Mr. Lawrence: I do not think you know much about the subject.

Hon. A. V. R. ABBOTT: I am speaking of the wheat areas and I know a little about them. A number of farmers are growing wheat because they feel that if they reduce the area now and compulsory reduction is introduced, they will be at a disadvantage.

One other matter I wish to mention. It may seem to be a little parochial to introduce it at this stage but it is a case of either mentioning it now or on the Estimates. I think the Government was a little slow in helping those unfortunate people whose homes were inundated by floods after the recent wet winter. A number of the adjoining areas were seweraged, and when the water in some instances reached the floorboards of the homes, the department permitted the floodwater to be pumped into the sewers.

I am aware that the engineers responsible for the sewerage are afraid that the discharge of too much water into the sewers might block them, but surely during some hours those people could have been given relief in this way. When it was done, the pumping was continued throughout the 24 hours of the day, and this made all the difference between disaster for these people and safety for their homes. I hope this matter will be borne in mind by whatever Government may be in office next year.

The Minister for Education: We shall be here.

Hon. A. V. R. ABBOTT: In that case, I shall remind the Minister, provided I am occupying a seat here.

The Minister for Education: You will be.

Hon. A. V. R. ABBOTT: I shall be greatly interested in the subject of drainage next year, if I am still here, though I do not expect to be; I expect to be sitting on the opposite side of the House. If I am, I shall see that proper protection is given to those people.

The Treasurer: The hon. member is forecasting his own position.

Hon. A. V. R. ABBOTT: We all have to do that, and we could all wish that we knew what the future holds for us. I am making this public protest because I think that the Government should have taken action to help those people much earlier in the piece. I know that the member for Middle Swan has been fighting very hard, and when the Parliament prorogues, I shall be taking a very great interest in his district, and any Government I am supporting I am certain will ensure that these people receive reasonable protection next year.

MR. COURT (Nedlands) [9.21]: I should like briefly to touch on the question of the current deficit which, by interjection, the Treasurer partly dealt with in the course of his previous remarks. But I must confess that I cannot quite follow his line of reasoning when he says that he will achieve his Budget deficit of approximately £450,000 this year in spite of the adverse figures disclosed for the four months to the end of October. One of his reasons is that he budgeted for a deficit of only £40,000 in the previous year, whereas this year he has budgeted for a deficit of about £450,000.

If one takes the disclosed figures published in "The West Australian," which purport to be a statement by the Treasurer, the situation is as follows:—

	£
Deficit for four months to October, 1954	735,281
Deficit for four months to October, 1955	2,315,634

If we assume that there was no Commonwealth grant in arrears at the end of October, 1954, but £750,000 in arrears at the end of October, 1955, the adjusted figures would give a deficit for the four months of £1,565,634 compared with the deficit for the same period of last year of £735,281. In other words, the deficit for the four months ended October, 1955, is £830,853 greater than the deficit for the same period of last year, or more than twice as much. To that the railways have contributed an increased deficit of £242,823 for the corresponding four months, the respective figures being £663,106 and £905,929 respectively. Even allowing for the variation in revenue that occurs in the State and Commonwealth spheres in the second half of the year, I cannot, from the figures available to me, see how the Treasurer is going to make up the leeway and finish with a deficit of only £450,000.

In the case of the Commonwealth Government, its revenue does not really start to flow in greatest volume until after the

end of March in each year, because the larger assessments are not payable until after the end of that month. During the early part of the year, the Commonwealth is mainly cleaning up the assessments of the smaller salaried taxpayers who in many instances have small refunds to collect due to the adjustments of the group tax. I do not think that prevails to as great an extent in State as in Federal finance, although I admit that it does in part prevail. Would the Treasurer in his reply give us some information as to how he proposes to overtake the leeway?

I feel that while there is some need for the State to have regard for its dependence on the Grants Commission, it is desirable in the Budget that is presented to Parliament for the Government to foreshadow the exact amount of the deficit, regardless of the sum we may expect to receive by way of assistance as a claimant State. I appreciate the fact that even at this early stage, when only about 4½ months of the financial year have elapsed, things can happen to affect the finances of the State to the tune of £1,000,000 or even more because of adjustments to the basic wage, marginal increases or other special considerations. If these things have happened since the Treasurer compiled his figures disclosing an anticipated deficit of £450,000, it would be in the interests of the Government as well as of the Opposition if those facts could be disclosed at this stage.

So far as I, as a private member, can make an analysis, I cannot see how the Treasurer can end the year with a deficit of less than £1,000,000, unless something which is not apparent to one without access to the full information should occur. Those of us who are outside of the Government are rather assuming things in talking of Government finance, as actual figures are usually somewhat in arrears because of the magnitude of the task of preparing them and due to there being so many factors which could alter them over a period of a year.

Regarding the shortage of money, I point out to the Treasurer that this is not peculiar to Governments, and that many private industries are today holding special meetings, having special staff conferences and adopting all sorts of methods to meet the present situation. We all know that the general tendency in Australia has been an ambitious attempt at expansion, and I do not think that either the world or ourselves should offer criticism because of our having that objective, but there is such a thing as trying to go too fast, and the general trend of advice to this country through the Commonwealth Government, and more particularly through the Commonwealth Bank, is for industry at this stage to slow down and to digest what has been attempted in these postwar years.

I am interested in a statement made by the Governor of the Commonwealth Bank, Dr. Coombs, on the 13th September, when he stated—

Domestic conditions urgently needed to steady down the increasing expenditure, particularly on imported products and ensure that plans for developmental expenditure are revised so as to be kept in line with available resources. The credit policy of the banks should fit in with the general requirements of economic policy, and restraint in lending is necessary, especially in directions where credit is likely to stimulate investments or the demand for imports. The Central Bank, therefore, has asked the banking system to co-operate by applying restraint in undertaking new lending commitments, and has specifically requested them to observe the following principles in their lending operations.

Those principles, briefly stated, are not unlike those confronting the Government of the day, whether State or Federal, and unless Governments are prepared to set the lead in increased efficiency and increased output through that increased efficiency without an increased demand on our current resources, we cannot expect private industry to do its part. My criticism is not levelled at the State Government alone; it is directed equally at the Commonwealth Government, which I feel has not yet demonstrated to the business community how economies can be exercised and greater efficiency achieved with the expenditure of less money.

The principles enunciated by the Central Bank were that the banking system should not approve of new or increased accommodation of any magnitude for capital expenditure, and should not enter into any new commitments involving increased accommodation for financing imports. Dr. Coombs further stated—

In addition, the banks have been asked to undertake a comprehensive review of large overdraft accounts with the object of achieving reductions in both limits and indebtedness, especially where there is substantial permanent borrowing at present.

So it will be seen that the object of the Commonwealth Bank is to seek the co-operation of the trading banks not only to restrict future advances but also to make a review of existing advances with the object of reducing limits and actual indebtedness.

That policy is being vigorously pursued and is causing quite a degree of concern in some industries. It is not creating an adverse situation in all cases. In many instances, it has had a desirable effect, particularly where people have had to review their own operations, improve their efficiency and generally meet the new situation—one which many managements have

not been trained to meet because they were not brought up in the more difficult competitive times of the pre-war era.

But some of this restraint is very necessary and timely. In some cases it is having an effect and producing adversity which, if it went any further, could be classed as dangerous. However, I make that observation to point out that not only are Governments having to curtail their activities but also the policy of the Government of the day is obviously being aided and abetted, in fact encouraged and praised by the leading financial institution of this country, the Commonwealth Bank. Private industries have been asked to make a serious review of their commitments and to curtail their expenditure. I felt that I should make these few observations and trust that the Treasurer in reply will give us some further information on the trend of the Government's deficit, both up to the end of October and the potential up to the end of June, 1956.

HON. C. F. J. NORTH (Claremont) [9.32]: I want to say a few words on one or two puzzles which sometimes cloud the brain of the ordinary citizen of this State, especially in regard to public finance. Recently the Treasurer told us that he had two economists advising the Government and I often wonder whether those economists could give us some assistance in a debate of this kind. Year after year, in all Parliaments, the question of imports and exports is raised. The suggestion always is that one must export more and import less. That is quite all right if one lives in a certain country and one knows nothing of any other country.

But if one travelled across to the other side of the world—for instance if one were suddenly transported to Britain—one would find exactly the same state of affairs there and exactly the same advice being given as in one's own country. Mr. Butler tells the people of England that they have to export more and import less. But it is the things which we send to Britain which Mr. Butler is telling the people of that country that they must do without. Of course, there are explanations but it is a case where these economists could be useful to us by giving the public a simple explanation.

We can go a little further than quoting the example of two countries. If all the countries of the world were to export more than they imported, we would face an impossible situation. So we have to fall back on to those countries which have a lot of funds overseas, and are in the happy position of being able to import more than they export and yet still have a balance and feel secure. I think the matter should receive some consideration and the public given the views of economists. For instance, while we are stressing the importance of imports and exports it is easy to overlook

the fact that a country normally has an internal trade at least ten times greater than its overseas markets.

I have some figures with me. The United States of America has an internal market ten times greater than its overseas market, and in Britain the internal market is about six times as great as its overseas market. Therefore, when I hear complaints that the Eastern States are supplying us with £66,000,000 worth of goods a year, I think the position most satisfactory, provided we still sell sufficient of our primary products overseas to buy all these things for us and allow us to enjoy the use of them. So I think some information should be given to the public.

Ever since I have been in public life, I have wondered why the two gentlemen to whom I have referred could not give an answer to a problem I have. In the last 100 years the community has increased its power of production and efficiency. In factories and on the land our production has increased 100 times, or maybe 200 times; yet, in spite of that real increase in national wealth, there is the continual worry of rising costs. It has never been explained, unless the explanation is that even though we have this enormous increase in turnout, we still manage to spend and consume more than we have been able to produce.

Only in this morning's paper we were told that the Austin Company used to require 146 men to produce one Austin car whereas today it can be produced by six men. We always seem to be behind and we must always produce more and consume less. But the day will come when this position will be exposed and somebody will tell us why the financial system seems to reflect a situation of difficulty and shortage even though our industries are producing more.

I have little more to say, but I still wonder whether it is true that every country in the world must export more and import less. If that is so, then the economic system is worked like musical chairs—someone always misses out in the end. I hope these two economists, to whom I have referred, will be able to provide the answers to the puzzles that have been exercising my mind for some years.

MR. BRADY (Guildford-Midland) [9.39]: My remarks will be brief but I felt that there are a number of matters that need to be mentioned, and I refer particularly to finance. Someone this evening was discussing the question of production and the fact that we should produce more. But up to date I have heard little about expanding our markets in the Near East. I do not think there is any need to go as far as London in order to get more markets. We do not need to go 10,000 or 12,000 miles away; we can get more markets in the Near East. We are

led to believe that there are hundreds of millions of people in the islands of the Near East and in South-East Asia. So there is a tremendous potential market for Western Australian products.

Is there a lack of drive on behalf of the business interests of Australia or on the part of the primary producers? Or is it something else? An influential businessman told me recently that certain markets in the Near East were not available to us because we would not enter into snide practices to get them. It is deplorable if snide practices are being encouraged in the Near East and in South-East Asia. But I cannot believe that applies to all places.

One member was advocating the sending overseas of members of this Parliament. He said that members should be sent to England to review the position. I think it would be better if an all-party delegation went to the Near East to look at the position because it appears that we are losing markets which the Western Australian producers and manufacturers have had for the last half century. I refer in particular to the flour trade. I am led to believe that Western Australia is fast losing its flour trade, and that seems a pity. Of course, I am worrying about the unemployment that will arise because of this tightening up. There is a tightening up by the Commonwealth Bank, the private banks, the financial institutions and the insurance companies. As a result we will finish up not with a pool of 8 per cent., as was suggested by an economist from Tasmania some four or five years ago, but with a much bigger pool.

As I walk down the streets of Midland Junction, I am frequently approached by workers, fine chaps, asking me to find permanent employment for them. Many of them have two and three children, and yesterday one of them said to me, "I have a sick lad and I have to pay £3 10s. a week rent. My wife has to go to work in order to keep a roof over our head." If that is the position now, what is the future likely to be? I want to say to the Ministry, and to the Government departments, that if they want to make economies they should start with the higher grades and not with the lower ones.

Do not start cheese-paring from the bottom. I have always said that although the wealth of the community was provided by the lower-paid workers they were the ones who suffered during a depression. I am sorry to say that invariably they are the first ones to suffer in the event of a depression and I say to the Treasurer, and to the Ministry, that if they wish to make economies they should not sacrifice the real workers of the community, because they are the ones providing the real wealth of this country. Those who are receiving the higher salaries invariably do little for them.

In recent times I have had some sad stories told to me of where men who were receiving higher salaries have passed out work to men on the lower incomes. These men have had to do the work all over again, but nobody hears anything about their efforts. So I appeal to the Government tonight to realise the position and if we are to have economies do not begin by sacrificing the workers who have created the wealth of this country; let those a little higher up be sacrificed first.

With the oil companies reaching the stage where they have not discovered oil in commercial quantities, despite the fact that £3,000,000 or £4,000,000 has been expended annually, that source of money is going to dry up. I also know that the Kwinana Oil Refinery has been established with the expenditure of £30,000,000 or £40,000,000 and the reaction from the loss of that spending power will soon be felt. Road transport, too, is going to make great inroads into the revenue obtained from the railways if it is allowed to continue its operations. In the area in which I live, I observe daily road transport carrying goods from the Eastern States which should be transported by the railways and shipping companies.

So it would appear that, in addition to being asked to maintain the railways at their present standard or on a more efficient scale, the Government is being asked to maintain the roads in good repair. With the present state of finances in Western Australia, we cannot carry that burden. We cannot continue to improve the railways at the rate of 100 miles a year on the Kalgoorlie, Bunbury and other lines, and at the same time keep up main road maintenance. I travel a fair bit and I have noticed the disintegration of roads in all parts of the State. So it can be expected that the State will be up for a colossal expenditure in that direction. However, the Government should tighten up its expenditure on roads and decide whether it will allow road transport to cut up the roads or allow rail transport to carry the goods.

There is another avenue by which the Government could increase its revenue. In view of the increased hire purchase trading in the community, the Government should increase the stamp duty on the documents relating to these transactions. The member for Hannans mentioned that some £88,000,000 is being spent in hire purchase sales. Such trading should not be encouraged. If it is to continue, we should give preference to firms producing locally-made goods. I remember that, during the last depression, the then Minister for Industrial Development was always advocating that people should buy more locally-made goods.

Millions of pounds annually are leaving this State for the purchase of goods manufactured in the Eastern States. They include refrigerators, radiators, motorcars

and such-like. If we are to continue to prosper in this State, we should buy only goods which are manufactured here and look to the Eastern States only for products that are unobtainable from local manufacturers. I heard some remarks made about diesel transport. If manufacturers in the Eastern States can make diesel cars and diesel engines, surely we can produce them in our own workshops! However, it would appear that the State has tied itself up with agreements with overseas firms and we will not be able to do that in the near future.

Recently, I asked the member for Moore why people in India were buying rice instead of wheat. I do not think he gave an explanation. However, it has come to my notice that many appeals have been sent from India to local residents to assist missionaries in India, and it is invariably suggested that the people here should make donations so that India can buy rice for its people. I wrote to a son of mine who is in India suggesting that he should contact some of the missionaries and urge them to appeal for the supply of wheat rather than rice.

We know that just after the war the people of India were starving in millions and we were rushing wheat ships from Western Australia as fast as we could. We were even paying double the transport costs for road hauliers to get the wheat on to the boats. If wheat could save the starving millions in those days, I cannot see why it should not save them today. Therefore, as I have said, the missionaries in that country should advocate the sending of wheat from this country to feed those starving millions, rather than rice. The Government should advise the trade commissioners overseas to advocate that point also. We are losing a great deal by overseas countries buying rice instead of wheat.

In my final remarks, I am not in agreement with what the member for Mt. Lawley advocated. He suggested that by cutting out certain audits for retrenching audit officers, we could reduce Government expenditure. That would be very unwise because it would be giving the green light to all those who wanted to profit from a weakness in Government administration. Somebody has already remarked that the Government is a sitting shot for a certain type of people. We do not want to economise by reducing the number of audits. Even with the audits that are carried out at present, the recommendations made by the auditor are not always implemented. So if that is the position, I do not know what would happen if there were no audits.

Mr. Court: I do not think the member for Mt. Lawley suggested that all audits be cut out.

Mr. BRADY: No, but he suggested that they be reduced.

Mr. Court: There is a lot of room for scientific checking.

Mr. BRADY: I believe that, provided the internal audits taking place are not known to the officers of the department. What I want to know is: What would be the possible saving to the Government if it appointed its own indent agents to purchase the millions of pounds worth of goods that are imported into this State from overseas? Instead of keeping the many agents that operate in the city to sell to the Government diesel engines, motor parts and other goods to supply its requirements, the Government should do its own indenting. If this were done it would represent a real saving to the State. As we are going all out for economy, that is one that should be made.

The Government departmental heads should be asked to review their overseas purchases and advise the Government where they are buying their requirements from with a view to ascertaining if we could get direct agencies overseas for those products that we import. I cannot see the logic of the Government having to pay thousands of pounds in commissions to those people who do nothing but send a few letters to London to say, "We have a contract for this storekeeper or this Government department and we want you to send the goods on the first possible boat and payment will be made in due course." I think a real saving can be made there. Those are my concluding remarks. I did not want to speak at length, but while we were advocating ways of saving money, and supporting trade, I thought it would be as well for me to state my views in relation to those matters.

THE TREASURER (Hon. A. R. G. Hawke—Northam—in reply) [9.53]: I want to deal with some of the points raised by members who took part in the debate. Firstly, the member for Mt. Lawley had something to say about the investments being made by the State Government Insurance Office in the loans raised from time to time by the State Electricity Commission. It is true that the State office has substantially increased its investments in State Electricity Commission loans.

Hon. A. V. R. Abbott: I said to the State Housing Commission.

The TREASURER: During the same period the investments of the office in Commonwealth bonds has been reduced.

Hon. A. V. R. Abbott: I said to the State Housing Commission.

The TREASURER: As I understood the hon. member, he was talking about the investment of State insurance moneys in State electricity commission loans.

Hon. A. V. R. Abbott: No, I referred to funds loaned to the State Housing Commission.

The TREASURER: On that point I would say that the State Government Insurance Office has not been lending money to the State Housing Commission at all except possibly for a very short period of time. As I was saying, it is true that the State Government Insurance Office has invested a goodly amount of money in the State Electricity Commission, and I should think that all members would approve of that.

To the extent that State Government Insurance Office moneys might have been made available to the State Housing Commission, I would point out that any such temporary advance that might have been made would have been repaid before now. In fact the State Housing Commission does not owe any money at all to any Government trust fund at the present time, to the best of my knowledge and belief. Whatever trust fund moneys were made available to the State Housing Commission, were utilised for a short period of time to meet an emergency, and the trust funds were restored in full when this year's loan funds to us became available.

A few words were also said by the member for Mt. Lawley about secondary industries and trade balances. Although the prospecting for oil is not the development of secondary industry, it is nevertheless a very important activity within the State at the present time. It is an activity which is providing a fair amount of employment for people in this State, and it is one which has a great potential employment value, providing the prospecting proves to be successful. I understand that the oil people concerned are prepared to spend at least £10,000,000 in trying to find oil in Western Australia. That is a very large sum to spend searching for a certain fluid below the surface of the earth.

Indications so far have been such as to maintain the confidence of the company in the more than possibility that oil will be discovered in this State in commercial quantities. So it can be said that there is going on in that direction an activity which is of considerable value to the State all the time the activity is in progress and, further, the potential value could be very great indeed.

The question of trade balances is in many ways quite a complicated one. I understood the member for Claremont to indicate that although we have a very bad adverse trade balance with the Eastern States that does not matter very much because our credit trade balance with overseas countries is so great as to more than wipe out the adverse trade balance we have with the other States of Australia. I wish the position was as the member for Claremont indicated he thought it was.

Unfortunately in the financial year 1953-54 the overall adverse trade balance of this State—that is, with other countries

and with other States—was £33,000,000; and the overall adverse trade balance of this State with other countries and other States in the financial year 1954-55 was £45,000,000. So, in the two last completed financial years our State had an overall adverse trade balance of nearly £80,000,000.

Obviously that is a serious position for the people of Western Australia. It ought to awaken a great many people in this State and make them realise that it is a risky proposition to go on buying goods imported from Eastern Australia, as against buying goods of equal quality at about the same price manufactured in this State.

There are factories in this State which at present could be producing more than they are and which could be employing more people than they are. But, unfortunately, there is a preference by the people of this State to purchase Eastern States' articles imported here as against purchasing the same class of goods manufactured in Western Australia. It is doubtful whether the people themselves are primarily to blame for this situation. The member for Nedlands would know of the tie-up which exists in the business world. He would know that probably some of the bigger importers and retail houses have a kind of tie-up with Eastern States manufacturers.

Mr. Court: I do not know. Why should I?

The TREASURER: I suggest that the member for Nedlands would know. I would be very surprised indeed if he, in fact, does not know. I have in mind articles like footwear and clothing. I know that the factories in this State manufacturing footwear are not employed at full capacity and are not employing the number of workers they are capable of employing when working at full capacity. The same remark would apply to most of our clothing factories.

Mr. Court: In some respects the merchandising methods might be defective. The products of this State are very good if people can get used to buying them.

The TREASURER: To some extent the people of this State are to blame. Probably another reason for the fact that local factories do not get the orders they should receive is that big importers and retail houses in the State have a direct or indirect financial interest in some of the bigger factories in the Eastern States. However, this problem is a very serious one and it is the responsibility of every public man, whether in Parliament or not, to do his utmost to see that greater preference is given to the products of our own factories.

It might not be so serious in a time of prosperity, in a time of more or less full employment and in a time of considerable economic activity, but it could become a much more serious problem if the trends

described by the member for Nedlands become intensified in the future, as I am inclined to think they will. Every job in this State will count very much more than it does now. So the more production we can cause to take place in our own factories, the better it will be for the people of the State, quite apart from the overall question of trade balances.

I am inclined to agree with the suggestion of the member for Mt. Lawley about the necessity to place duty stamps on receipts for smallish amounts. I agree that is a nuisance of some considerable degree, and I would not mind next year, if it is then my responsibility, looking at the possibility of abolishing this duty in respect of receipts up to a fairly large amount. The loss of income to the Government would not be very great, and whatever loss would be occasioned would be worth suffering to obviate the nuisance value and the amount of work caused to the people in places of business.

Knowing the member for Mt. Lawley as I do, I would have expected, when he mentioned the action taken by the Minister for Works through his department to get the flood waters into the sewerage mains, that he would at least have given some measure of restrained praise to the Minister and to his department. The last thing I would have expected in the circumstances from the hon. member was a protest.

Hon. A. V. R. Abbott: I gave him some credit.

The TREASURER: I have always looked on the hon. member as a most fair, reasonable, logical and, to some extent, a charming individual. Therefore I was all the more surprised that all he could bring himself to offer to the Minister and his officers for the action which they did take, was a protest.

Hon. A. V. R. Abbott: I do not think I did that. I gave some considerable credit to the local member.

The TREASURER: The hon. member used specifically the word "protest." I am sure that on reflection he will appreciate what has been done, and will privately, if not publicly, convey to the Minister and through him to his officers the keen appreciation of the action which has been taken. In addition, I would say in that regard that this was the first time in the history of the department that such action was taken on any considerable scale.

Much was said by the member for Nedlands about the actual deficit in the Consolidated Revenue Fund to the end of October, and the probable deficit as at the 30th June, 1956. This is a great field for speculation, a great field for anticipation and a great field for guesswork. I think I can match in speculation, in anticipation and in guesswork the efforts of the member for Nedlands. Nothing done by

either one of us would in that direction affect the final result as at the 30th June next.

Mr. Court: It could do.

The TREASURER: I am confident that the result at that date will be much more favourable than the member for Nedlands fears. He suggested there will probably be a deficit of £1,000,000 at the 30th June next. We are not allowed to wager under the law but I am prepared to talk privately to the hon. member and work on some basis of arrangement under which one of us will lose something of value, not money, if my estimate of deficit of £450,000 is not closer to the actual deficit than his suggested £1,000,000.

Mr. Court: You are allowing yourself a fair amount of tolerance, a mere £300,000.

The TREASURER: The member for Guildford-Midland raised the question of the possibility of sending wheat from Western Australia to the near Eastern countries for the purpose of feeding the underfed millions there. He suggested that wheat might be as good a food for them as rice. I am not sufficiently well informed on this matter to speak with any certainty about it, but it has been conveyed to me that rice as a stable article of diet is much more nutritious to them than wheat. I do not understand the scientific reason for that.

I was informed some time ago that rice to these people had much greater nutritive value than wheat. Whether rice is a more nutritive article of food, whether the soil or climate of the Near East countries is better, I would not claim to know, but I am told that whereas these people can exist at any rate and continue to live with rice as the main and practically only article of diet, they would not continue to exist nearly as long, and certainly would not continue to live as well in the meantime if wheat had to take the place of rice absolutely as their main article of diet.

However, I mention that only because it was conveyed to me many months ago. It might be worthy of further investigation. I was hoping that the member for Moore might have been present to give us the benefit of any information he may have on this question. If a market could be opened up for our wheat in those countries and its sale could be financed, it would be at least a partial solution of the very serious problem presented by the inability of the Wheat Board on behalf of the farmers to sell the wheat being produced.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Bill read a third time and transmitted to the Council.

ANNUAL ESTIMATES, 1955-56.

In Committee of Supply.

Debate resumed from the 10th November on the Treasurer's Financial Statement and on the Annual Estimates, Mr. J. Hegney in the Chair.

Vote—Legislative Council, £7,453:

MR. OWEN (Darling Range) [10.15]: In view of the fact that the Treasurer has indicated that he expects the House to conclude the session on the 25th of this month, it seems that some members may have to curtail their speeches, and for that reason I feel that I ought not to speak at great length. On the other hand, in view of the leisurely way in which progress has been made this evening, I feel that I might well follow the fashion.

Most of the points I intend to raise refer particularly to my electorate, but some of them apply equally to other areas. The first is that of education. The Education Vote is getting close to the £6,000,000 mark and actually represents 12 per cent. of the total expenditure budgeted for this year. That is indeed a very large sum, and it is noticeable that the amount shown on the Estimates is increasing year by year.

A fortnight ago, a week was set aside as Education Week, during which the attention of the general public was focussed upon what the Education Department is doing for the rising generation. I had the privilege of attending several functions at the local school, and saw something of the schoolwork and the co-operation that exists between the teachers and the pupils. I believe that, as an Education Week, it was quite successful, and I congratulate the department and particularly the Director of Education on the result.

Possibly those who should have benefited most were the parents of the children attending the school because, at the many functions that were organised, the parents had an opportunity to see just how their children were being educated, not only in the proverbial three R's but also in many other directions. I witnessed a demonstration where the children practically ran the whole show, and it occurred to me that the manner in which the children organised and directed the various sections brought out the best in them and particularly any traits of leadership.

The report of the department for the year 1954 outlined the activities of the department, and one of these I was particularly pleased to note, namely, that relating to the matter of the Gould League of Birdlovers of Western Australia. This league is doing an excellent job in teaching boys and girls something about the local birds and what they mean to the State.

Birds are of considerable value, firstly from the aesthetic side, and then from the point of view of their usefulness in agriculture. They also provide some sport. Possibly their greatest value is in relation to pest destruction. The teachings of the Gould League will be of great assistance in giving the children a proper perspective on general life. I much regret that I was unable to accept an invitation by the Gould League of Birdlovers to visit their camp at the Bickley camp-site some months ago.

The Minister for Education: You missed a treat.

Mr. OWEN: Yes, I can appreciate that I did. As one who is fond of birds and who has made a study of bird life, I would be interested in the activities of the league and what occurred at the camp.

In a recent issue of one of the week-end papers there was an article by a well-known naturalist, Crosbie-Morrison, dealing with birds, particularly from the point of view of the migrants—New Australians—who need educating in this matter. Some of them, in their home countries, gain a lot of their animal protein from the flesh of birds, so that they go to great lengths to trap and shoot birds as a staple article of diet. Many of them are carrying out these practices in Australia. This is to be deplored, except in regard to those birds which we look upon as being built for that purpose, namely, the wild duck and the larger birds of that sort.

It is deplorable to think that many migrants have made a practice of destroying much of our bird life, particularly those birds that are protected by law. As Crosbie-Morrison mentions, the black and white duck to the migrant—the common magpie—and the ha-ha pigeon as our Kookaburra is referred to, go into the cooking pot of the New Australian. So I think that the Gould League could do something to educate these people to know the value of our bird life and endeavour to teach them to protect our birds.

Of course, some birds need to be kept in check, particularly those that destroy foodstuffs. As a fruitgrower I know that a lot of destruction is caused by the small silver-eye, the parrots and the cockatoos. At times it is necessary to scare these birds away from the orchard and to do that, it is often necessary to shoot at least some of them. They can be regarded, together with a few others, as being the exception, because most of our birds are insectivorous and do a considerable amount of good by keeping the insect pests within due bounds. So, there is no need for wanton destruction of bird life in our State.

I would like to record my disgust at the way in which a number of magpies were officially destroyed in the metropolitan area

last year. We know that magpies, during the nesting season, are prone to defend their young; particularly the male bird which makes vicious swoops at us, but more to frighten us than anything else. I do not think these birds do much damage although at times one does get a few scratches about the face. Most young folk know that if they carry a bush or a branch of a tree they can wave it around and keep the birds away.

It is rather paradoxical that last year a number of magpies were wantonly destroyed by officers of the Agriculture Protection Board. Here on the one hand the board is doing everything to protect agriculture but on the other it was shooting magpies because they had made a few diving attacks on pedestrians in the metropolitan area. I hope that we never again hear of the destruction of magpies for that reason.

On the education angle, I think a lot of good was done by the holding of Education Week, but I feel that the Government should live up to the example set and do its best not only to provide classrooms and amenities but to go further and provide better facilities, particularly from the point of view of hygiene. I want to mention one or two schools in my electorate where, because there is no septic system, the lavatory conditions are very bad.

I have drawn the attention of the Minister to one school and in reply he has informed me that estimates have been prepared to equip the school with septic tanks but that owing to a shortage of finance it has not been possible to go ahead with the project. I would like to see a special effort made to provide these facilities in schools that have a water supply, and where they can be installed, because it is of little use teaching hygiene in the schools when it cannot be practised there. I think much educational effort is wasted because of that fact.

Next I wish to deal with the matter of main roads. Possibly the Main Roads Department is an exception among Government departments in that it has a considerable amount of money to spend. In fact, it is doubtful whether it will spend it all during the year. Generally speaking, the department is doing an excellent job in providing good main roads for many of our country areas. In my electorate it has done and still is doing a good job. During the last 12 or 18 months a considerable portion of the Great Eastern Highway has been widened. Some of it is not yet complete as it has only reached the priming stage. When this work is finished, it will ease the traffic congestion and also minimise accidents in that area.

Hon. C. F. J. North: Has the hill section been done, too?

Mr. OWEN: No, I was coming to that. It seems to me that the department, by doing the easy part first is going the wrong way round in connection with this matter. It started at the bottom of the hill and went as far as Innamincka-rd. and widened that section. When we come to the hill section proper, in the region of Chipper's Leap, I understand that because it will take a lot of money to widen, it has been left untouched. But the widening process was again continued from Darlington-rd., and has been carried on, with the exception of one or two dangerous curves, to somewhere about the 33-mile post, with the result that we have a wide road where one might be encouraged to speed up, at both the top and the bottom of the hill, while the section of the hills road with dangerous curves is still narrow.

Heavy traffic slows down on that section, while going up because of the grade and while coming down in order to ease the strain on the brakes, and so considerable congestion occurs. It seems to me that it would have been better to deal with the hill section first and then proceed with the widening of the easier sections later. In answer to a question, the Minister informed me that it is intended to go ahead with the widening of the hill section, and I hope the work will be put in hand in the not distant future.

A matter which has been very dear to me for a number of years is the establishment of a horticultural research station in the State. Some six or seven weeks ago, at the annual conference of the Western Australian Fruitgrowers' Association, the Minister for Agriculture announced that the Government was in process of acquiring a property just out of Stoneville. Of course, that was known to those of us who form the committee which, in a way, brought some pressure to bear on the Government to acquire that property. Outside the Fruitgrowers' Association, it is not generally known that, as an inducement to the Government to buy that property, the association agreed to make available the sum of £3,000.

Although the property was officially valued at only a little over £4,000, we, as fruit growers, realised its worth as a horticultural research station and felt that the £6,000 asked for it by the owner was not an unduly high price as, in fact, it was considerably lower than would be asked for the same class of land at the other end of my electorate, where a similar property would today bring £7,000 or £8,000. However, the association made available £3,000, which was accepted by the Minister, and the property was purchased. I understand that the transaction is now finalised and the property belongs to the Government.

I am sorry the Minister for Agriculture is not present at the moment as I wish to impress on him the urgent need for

developing the property as a research station. Although there will not be a large portion of it needed immediately for the establishment of nurseries and building up the stock required for planting the first part of it, there is urgent need to clear some of the virgin land, and I hope the Minister will see that that is done so that it can be properly prepared for the next planting season in the coming winter.

If, as the Treasurer and some Ministers have informed us, money is hard to obtain at the moment, I am sure the Fruitgrowers' Association will make a loan available. It has indicated that it would be willing to lend the Government the sum of £5,000 with which to do that work, and on that score I feel that the Minister would have no real excuse or reason for not developing the research station almost immediately.

Now I come to the question of extension of electricity supplies to several districts, not only in my own electorate but also to other places just outside the metropolitan area which have been neglected because in the past it was considered they did not warrant the expense of having high tension lines extended to them. There are quite a few of those little pockets where the provision of a mile or two of high tension wire, a small transformer and a little bit of low-tension reticulation would allow many people, including a number of primary producers, to benefit by the use of electricity. I could not call it cheap electric power, as unfortunately it is no longer cheap, but it is convenient, and I hope the State Electricity Commission will be able to see its way to put those works in hand in the near future.

Some weeks ago, the member for Dale asked a few questions and received in reply some information to the effect that the extension of the electricity supply to the Karragullen district had been postponed. That extension would have served parts of my electorate and I was sorry to hear that the project had been postponed. I do not think the S.E.C. is making the best use of the funds available to it, and I will point out to the Committee where I consider the S.E.C. is wasting money. A lot of work that does not come within the ambit of the local maintenance gangs is being done by the construction gang composed of men who are transported daily from the metropolitan area to the districts concerned, and I refer particularly to the hills areas, within 20 miles of Perth.

Those workers are taken to work daily on trucks, some of which might be used in the course of the day's work while others are used almost solely to transport the men to and from their depot in the metropolitan area. I do not know what time those men are picked up or when they are supposed to start work, but they

arrive on the job usually a little after 9 a.m. The first duty then seems to be to get the billy boiling and partake of morning tea. I do not know what is the official time set aside for morning tea, but I have watched them repeatedly and I know it is usually about 9.30 a.m. before they finish having their morning tea, and it is usually about 9.45 before active work starts.

Mr. Lawrence: You are making accusations, so why not quote times?

Mr. OWEN: I am quoting times.

Mr. Lawrence: You said you did not know.

Mr. OWEN: I do not know what time the men are picked up, but I do know what time they start work.

Mr. Ackland: It is a touchy point.

Mr. OWEN: These men cease work before 4 o'clock in order to be transported back to the depot. I realise that not one of us works as hard as he is capable of doing, and I am not actually complaining about the work they do while they are on the job. But there seems to be a lack of organisation because they take all sorts of equipment up there with them. Some items of equipment are used for only one or two hours in the day; but they are taken back again at night and brought up with them again next morning. With a little more organisation I think the equipment could be used with greater effect than at present.

My main complaint is that the men on the job are working for approximately only 5½ hours a day which, with a five-day week, means 27½ hours. It seems a waste of money taking these men to and from work like that. I feel that if they left earlier or got back later it would be a better proposition; they could be paid one or two hours overtime each day if necessary. On the other hand, I have seen workers in the Main Roads Department, working the same distance out from Perth, living in camps for the week. No doubt they are paid a camp allowance—I do not know what it is—but as the S.E.C. workers on construction work have been known to actually do only 27½ hours a week, as against approximately 40 hours worked by the Main Roads Department employees, it can be seen that the State is losing 12½ hours a week for each man in the S.E.C. who is employed in that manner in the areas to which I have referred.

Because of that, the department could afford to pay a considerable camp allowance to keep these men in the vicinity of their job. They could start at the proper time and knock off at the correct time instead of leaving work at about 4 o'clock in the afternoon. We would be getting more for our money, if the

men were paid a camp allowance, than we are getting at present. I have been told that the same position obtains at Albany where the men are taken to Mt. Barker, which is 32 miles away, and are then taken back to Albany at night. It seems to me to be a waste of money and time in travelling and I think that some attention could be given to the position and the men kept nearer to their work. If necessary, a camp allowance could be paid to them so that they could live in the camps for the working week.

Mr. Lawrence: Why should they have to live in camps?

Mr. OWEN: The Main Roads Department seems to think it is better to do that.

Mr. Lawrence: Why do you think these men should have to do it?

Mr. OWEN: Provided they are adequately compensated, I see no objection to it.

Mr. Lawrence: It is a pity you do not have to live in a camp.

Mr. OWEN: I have lived in a camp and have enjoyed it. I would rather live in a camp than travel 20 miles to and from my work.

Mr. Lawrence: But you do not do it now.

Mr. OWEN: I know that the hon. member claims to have worked in the country, but I do not think he could have been concerned with the efficiency of workers if he thinks they could not live in a camp for five days a week and then be transported back to their homes at the week-end.

Mr. Lawrence: That is what you are growling about.

Mr. OWEN: Workers in the Main Roads Department do it. In fact, when they go further out they have an arrangement—it may be unofficial—under which they work longer hours during the week and work for only 4½ days. This enables them to have more time at home during the week-end.

Mr. Lawrence: That is what you are growling about.

Mr. OWEN: They work 40 hours on the job. That is why I am complaining about the S.E.C. workers. They work only 27½ hours, effective, during the week. I think that is wrong. By the payment of a camp allowance, these men would do more work and it would be of no inconvenience to them; it would certainly be of great benefit to the State as a whole.

There is another matter which I am sure the Minister for Police will do his best to overcome. Again it seems to be a lack of finance, but I hope he will use

his influence with the Treasurer to see that some money is made available to provide a police station at Kalamunda. That town is the centre of the Darling Range Road Board district, the population of which is nearing the 7,000 mark. Yet there is no police station within the area and, so far as the police are concerned, half of the district comes under the jurisdiction of the Kelmscott police station and the other half comes under the jurisdiction of the Midland Junction or Guildford station.

Admittedly, we have the services of a patrol officer and at one time we had the services of an officer who could issue drivers' licences. Unfortunately that permission was withdrawn and the local people are concerned because, although Kalamunda is a law-abiding centre, they feel that the presence of a resident policeman would have a good influence on some of the younger folk. The people of Kalamunda have made every endeavour to co-operate with the Police Department and the Minister in securing suitable quarters. They drew the attention of the Commissioner of Police to one or two houses that were vacant and I believe one was considered to be quite suitable. Unfortunately, there was not sufficient finance to purchase it. However, I hope that something can be done to give us the services of a resident policeman.

Hon. Sir Ross McLarty: No money!

Mr. OWEN: I believe there is a possibility—in fact, it is more than a possibility because I have been told that it will be an established fact—that before long l.p. gas from Kwinana will be distributed in steel bottles to people in country districts. This will be of benefit to those who have no gas fuel for heating and cooking. When the necessary legislation was passed to enable the Kwinana oil refinery to be established, most country members realised that their electorates would have to forgo much needed works in order to provide the necessary finance. But at the time we felt that the opportunity was too good to miss and we supported the move to establish the oil refinery. Now it seems that we might get some benefit from it because the country housewife will be able to buy l.p. gas to use in cooking and heating.

For my part, I think there is a great future in it. No doubt at the start it will be expensive, particularly as it will be sent out in comparatively small bottles—I understand that the steel containers will hold up to 100 lb. of gas. But, as an indication of what has been done in other parts of the world, I was informed by a person who was recently in America—in an offshore part of the Gulf of Mexico—that special wells have been put down in order to tap the natural gas. It is deep down in the earth and is under terrific pressure.

A lot of work has gone into developing the project to make full use of this gas. It is pumped into huge containers at very high pressure. Special ships or barges take it approximately 1,000 miles up the Mississippi, towed by tugboats which draw their fuel from the gas in the containers carried in the barges. When it reaches its destination over a thousand miles away, the initial very high pressure is utilised to obtain a cooling effect, for refrigeration.

Extremely large refrigerators are installed and are worked by the release of this high-pressured gas. After the pressure of the gas is decreased, it is pumped into city mains to be used in households in the same way as coal gas is used in our city here. Because this gas is much richer in calories than normal coal gas and because the energy used in compressing it for convenience of transport is eventually made use of for refrigeration, it has been possible in America to ship this gas over long distances and still successfully compete against coal gas. As it is a natural gas straight from the earth the initial cost is, of course, much lower than that of l.p. gas from Kwinana, but by using the same principle there does appear to me possibilities for using Kwinana gas on a much wider scale than is now proposed.

Although we in the country have had to suffer some inconvenience as a result of having to forgo the finance used on that project, I can envisage that in the future we will get more and more return from the production of this gas. I am certain that the establishment of the oil refinery at Kwinana was warranted and that we will benefit in an increasing degree from its establishment as the years go by.

Progress reported.

BILL—CONSTITUTION ACTS AMENDMENT (No. 3).

Message.

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

Second Reading.

THE TREASURER (Hon. A. R. G. Hawke—Northam) [10.56] in moving the second reading said: This is the first of three Bills which deal with salaries that are fixed by statute. During recent years, some of the salaries that had been fixed by statute have been altered in regard to their fixation to the extent that they are now fixed by the Governor-in-Executive Council.

This Bill, to amend the Constitution Acts Amendment Act, contains two main amendments. The first is to provide for an alteration in the salary payable to His Excellency the Governor and the

second aims at taking out of the principal Act provision for the salaries which are paid to Ministers. In regard to the last-mentioned salaries, it is intended to include them with ordinary parliamentary salaries so that anyone caring to check up on the salaries being paid to Ministers will find them in the same legislation as that in which will be found the salaries paid to members of Parliament generally, the Leader of the Opposition and so on.

It is intended, by this Bill, to increase the salary of the Governor from a total of £4,000 per annum to £4,750 per annum. Of the proposed increase of £750, £600 is worked out on the basis of the marginal formula which was applied some months ago by the Public Service Commissioner to the Public Service of the State. In addition, it is intended to provide a further increase of £150 per annum. I point out that this is the first increase made to the annual salary of the Governor of the State for several years.

When the Public Service reclassifications were made in December, 1950, and in January, 1954, and the teachers' reclassifications were made in January, 1951, and in January, 1954, there was no alteration made, on any of those occasions, to the salary of the Governor or to the statutory salaries of those persons whose salaries will be dealt with in the other two Bills which I have yet to introduce.

Therefore there is reasonable justification for applying something by way of increase to the Governor's salary over and above what would be applied by way of the application of the marginal increase formula. In fact, I think it is completely correct to say that had the appropriate adjustment been made to the salary of the Governor, and the other statutory salaries at the time when the reclassification of the Public Service and the teachers was made, the total increase in the Governor's salary would have been greater than is provided for in this Bill. I move—

That the Bill be now read a second time.

On motion by Hon. Sir Ross McLarty, debate adjourned.

BILL—JUDGES' SALARIES AND PENSIONS ACT AMENDMENT.

Message.

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

Second Reading.

THE TREASURER (Hon. A. R. G. Hawke—Northam) [11.31] in moving the second reading said: This Bill deals with the salaries of judges of our Supreme

Court. The present salary of His Honour the Chief Justice is £3,300. The application of the marginal formula increase gives a figure of £540, and it is intended to add a further £310, which would make a total proposed salary for the Chief Justice of £4,150.

It is proposed to establish a separate salary for what will be known as the senior puisne judge. Up till now all the puisne judges have been on the same basis in respect of title and salary. It is thought by the members of the Government that there should be a senior puisne judge with seniority based on length of service, and that he should receive a greater salary than the puisne judges generally. The salary proposed for the senior puisne judge is £3,650 per annum, as against his present salary as puisne judge at £2,900. The proposed salary for puisne judges in all will be £3,500; the present salary for puisne judges is £2,900. The application of the marginal increase gives a further £500, and it is proposed to add another £100, making in all a total of £3,500.

Here again the same argument would apply as that which I mentioned in connection with the Governor's salary. The salaries of judges have not been altered for some considerable time and therefore they have been denied the benefit of alterations to their salaries which might very reasonably have taken place when the salaries of the Public Service and the teachers were reclassified. Had the judges' salaries been altered on those occasions I think the total salary they would be receiving at the end of this year or the beginning of next might easily have been greater than the totals proposed in this Bill.

No doubt members would be interested in the total salaries payable in the other States. They range from a top salary of £5,575 plus £350 allowance, in New South Wales, making a total of £5,925 in all for the Chief Justice down to a figure of £4,000 per year for the Chief Justice in Tasmania. The comparative figures for the puisne judges is a top figure in New South Wales of £4,725 plus an allowance of £250, making a total of £4,975, ranging down to a total figure of £3,500 in Tasmania. The average of all the other States not including the increases proposed in this Bill are £4,792 for the Chief Justice and £4,172 for the puisne judges.

In respect of this Bill and the previous one, I might mention that provision is made for the marginal increase to be paid retrospectively to the 24th December last year. This provision is contained in the Bills because the marginal increases as applied to the Public Service, to teachers and to wages employees of the Government were made retrospective to that date. Therefore we are applying exactly the

same retrospective principle covering marginal increases to these Bills, as has already been applied to marginal increases to all other employees of the Government.

I might also mention that there is a misprint in the previous Bill in respect to the date from which the retrospective marginal increases will be paid, and that will have to be altered in Committee. The misprint is a very serious one because it takes the marginal increase retrospective payment back to 1924 instead of 1954. I move—

That the Bill be now read a second time.

On motion by Hon. Sir Ross McLarty, debate adjourned.

BILL—ACTS AMENDMENT (ALLOWANCES AND SALARIES ADJUSTMENT).

Message.

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

Second Reading.

THE TREASURER (Hon. A. R. G. Hawke—Northam) [11.10] in moving the second reading said: This Bill deals with increases in salaries payable to members of Parliament, to the Hon. Speaker of the Legislative Assembly, the Hon. President of the Legislative Council, the Leader of the Opposition, Ministers, Chairmen of Committee and one or two others. What I said earlier in regard to the other two Bills, when I remarked that no actual increase in salaries had taken place for some considerable time, also applies to those who are covered by this Bill. The only qualification is that provision has been made for the payment of a reimbursement of expenses allowance to members of Parliament other than Ministers.

However, I think that that payment was abundantly justified at the time it was introduced in Parliament on the ground that members of Parliament in carrying out their duties inevitably involved themselves in considerable expense. We know that employees of the Government receive a set rate of expenses for any out-of-pocket expenditure which they incur on Government business, so the introduction of the reimbursement of expenses allowance was, in my opinion, a move which was very long overdue. That move was the only one in recent years to increase the salaries of members of Parliament, including Ministers.

All members of Parliament and Ministers were denied the advantages of the reclassification of salaries for civil servants and teachers in the two periods which I mentioned when speaking to an earlier

Bill. It is certain that had the salaries of members and Ministers been adjusted on either of those two occasions on a comparable basis with that applying to civil servants and teachers, the total salaries which are now under consideration would, in some instances at any rate, if not in all, have been greater than those provided for in the Bill now before us.

The proposals in the Bill are that the basic salary of a member of Parliament will be £2,100. The following allowances in addition to the basic salary are provided for in the Bill:—

	per annum £
The Premier of the State	1,900
Deputy Premier	1,450
Ministers other than Premier and Deputy Premier	1,300
Leader of the Opposition	700
Leader of the Legislative Council	1,450
Leader of the Opposition in the Legislative Council	400

The last is a new provision by way of an allowance.

	per annum £
Speaker of Legislative As- sembly	450
President of Legislative Council	450
Chairmen of Committees	250

It is also proposed in the Bill that provision be made for the payment of an allowance over and above the salary payable to a member to the position of Deputy Leader of the Opposition. The allowance provided is £400 per annum. However, there is a qualification applying to this position and that is when there is a second party making up the Opposition which consists of eight or more members the allowance provided for the Deputy Leader of the Opposition shall be paid to the leader of the second party, and when there is no second party or where the members in the second party are less than eight, then the allowance shall be paid to the Deputy Leader of the Opposition.

From conversation with the Leader of the Opposition I understand that during the second reading on this Bill he will propose that irrespective of whether there is a second party in opposition of sufficient numerical strength, some allowance should still be paid to the Deputy Leader of the Opposition. Members of the Government will listen very carefully to what

the Leader of the Opposition will put forward on that point. Provided that the Leader of the Opposition can put forward a case, and I think he would be able to do so, then members of the Government would be inclined to approve of some provision being made in the Bill along the lines to be suggested by him.

This Bill contains the same retrospective provision in regard to the marginal element in the total increase as is contained in the other two Bills; in other words, a portion of the total increases in each instance which is related to a marginal increase, will be retrospective to the 24th December, 1954. The other part of the total increase will not be retrospective in any respect but will, under the Bill, date as from the 1st December, 1955.

Finally, the Bill also deals with the proposed salary increase to the Agent General for Western Australia in London. At present he receives £1,750 stg. per annum and in addition an entertainment allowance of £1,250 stg. per annum. The marginal increase payable to the Agent General is £348, and the total salary provided for him is £2,150, which, of course, will be payable also in sterling. I move—

That the Bill be now read a second time.

On motion by Hon. Sir Ross McLarty, debate adjourned.

ADJOURNMENT—SPECIAL.

THE PREMIER (Hon. A. R. G. Hawke—Northam): I move—

That the House at its rising adjourn till 5 p.m. tomorrow.

I move this motion because the annual cricket match between the Parliament and the Press is to take place tomorrow. My colleague, the Deputy Premier, will doubtless query the use of the term "match". The Press will be the host on this occasion, as on all previous occasions, and I am authorised on behalf of the Press to issue an invitation to all members of both Houses to be guests at the luncheon at the cricket ground.

It was thought first of all that we might ask the House to adjourn till 7.30 p.m., but we considered that the parliamentary team would be capable of vanquishing the Press team by 4 o'clock, and therefore that the House might meet at 5 o'clock and thus give private members 1½ hours additional time to have their business discussed. I understand that the luncheon will commence at 12.45 and the Press hopes that as many members of both Houses as possible will be present.

Question put and passed.

House adjourned at 11.22 p.m.

Legislative Assembly

Wednesday, 16th November, 1955.

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The **SPEAKER** took the Chair at 5 p.m. and read prayers.

QUESTIONS.

HOUSING.

(a) *Land Resumptions and Price Per Acre.*

Mr. **JAMIESON** asked the Minister for Housing:

(1) How many acres of land were resumed by the McLarty-Watts Government for State Housing Commission purposes?

(2) What was the average price per acre paid for this land?