Legislative Assembly

Tuesday, the 28th October, 1969

The SPEAKER (Mr. Guthrie) took the Chair at 4.30 p.m., and read prayers.

BILLS (6): ASSENT

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

1. Inspection of Machinery Act Amendment Bill (No. 2).
2. Plant Diseases Act Amendment Bill (No. 2).
3. Timber Industry Regulation Act Amendment Bill.
4. The Perpetual Executors Trustees and Agency Company (W.A.) Limited Act Amendment Bill.
5. The West Australian Trustee Executor and Agency Company Limited Act Amendment Bill (No. 2).
6. Suitors' Fund Act Amendment Bill.

BILLS (2): INTRODUCTION AND FIRST READING

1. Wheat Industry Stabilization Act Amendment Bill.
2. Local Government Act Amendment Bill (No. 5).

Bills introduced, on motions by Mr. Nalder (Minister for Agriculture), and read a first time.

QUESTIONS (14): ON NOTICE

1. CHIROPRACTIC COURSE

Curricula

Dr. HENN asked the Minister representing the Minister for Health:

(1) What are the curricula for the full course of chiropractic to obtain—

(a) a final degree;

(b) a final diploma;

(c) a final certificate,

of

(i) The Palmer College of Chiropractic, Davenport, Iowa, U.S.A.

(ii) The Lincoln Chiropractic College, 633 N. Pennsylvania Street, Indianapolis, 4 Indiana, U.S.A.

(iii) The Canadian Memorial Chiropractic College, 252 Bloor Street West, Toronto, Canada.

(iv) Los Angeles College of Chiropractic.

(v) Chiropractic Institute of New York.

(vi) San Francisco College of Chiropractic?

(2) Do any or all of these degrees, diplomas, or certificates require the examinees to reside in the country of their distribution?

(3) If so, for how long?

(4) Can any of these degrees, diplomas, or certificates be obtained by correspondence?

Mr. ROSS HUTCHINSON replied:

(1) A copy of the curriculum of the Palmer College of Chiropractic will be laid on the Table of the House for the information of the honourable member. The several educational institutions mentioned have similar curricula but the years in which some subjects are studied may differ. The San Francisco college has been absorbed into the Los Angeles college.

All graduates of these colleges receive a degree.

(2) Yes.

(3) For the four years of the course.

(4) No.

The curriculum was tabled.

2. PUBLIC HEALTH DEPARTMENT

New Building: Scarborough

Mr. LAPHAM asked the Minister representing the Minister for Health:

Relating to the new building situated on the corner of Duke and Moorland Streets, Scarborough—

(1) Has the department acquired this property?

(2) If "No", is it negotiating for it?

(3) If "Yes", at what cost and for what purpose?

Mr. ROSS HUTCHINSON replied:

(1) to (3) This property is leased by the Mental Health Services at $5,600 per annum for use as a hostel for the Mental Deficiency Division.

There is an option to purchase after three years.

3. ROADS

Great Eastern Highway, Belmont

Mr. TOMS asked the Minister for Works:

(1) Has the Main Roads Department finalised plans for the widening of Great Eastern Highway, Belmont, in the vicinity of Abernethy Road and Belmont Avenue?

(2) When is it proposed that this work will be carried out?

(3) If (1) is "Yes", will he table a copy of same?

Mr. ROSS HUTCHINSON replied:

(1) The Main Roads Department has not prepared detailed plans for widening of Great Eastern Highway in the vicinity of Abernethy Road and Belmont Avenue. However, sufficient planning has been done to enable guidance to be given to the Metropolitan Region Planning Authority which approves development contiguous to Great Eastern Highway. The authority will have regard for the need to widen Great Eastern Highway when redevelopment occurs.

(2) No timetable has been set for widening works. Timing will depend largely on the rate at which redevelopment takes place and land is freed for road widening.

(3) No, having regard for the fact that detailed plans have not been finalised. However, the honourable member is invited to view preliminary widening plans at the Main Roads Department and discuss it with departmental officers.

4. EDUCATION

Primary School: Manjimup

Mr. H. D. EVANS asked the Minister for Education:

(1) Has a site for the proposed new primary school at Manjimup been obtained?

(2) When is it expected a start will be made on the building of a new school at Manjimup?

(3) When is it expected that such a school would be operational?

Mr. LEWIS replied:

(1) Agreement has been reached for the acquisition of the site and transfer formalities are in progress.

(2) Building has been deferred through lack of funds.

(3) See answer to (2).

5. FOOD AND AGRICULTURE ORGANISATION

Research Programme

Mr. NORTON asked the Minister representing the Minister for Fisheries and Fauna:

(1) Who is the officer in the Fisheries and Fauna Department who was requested by the Food and Agriculture Organisation to do a research programme?

(2) What was the nature of the research programme he was requested to carry out by the F.A.O.?

Mr. ROSS HUTCHINSON replied:

(1) The services of Mr. R. C. J. Lenanton were sought earlier this year under the Australian South Pacific Assistance Programme to provide research advice for the British Solomon Islands Protectorate.

(2) The duties were—

(a) examine the marine fauna of protectorate waters with a view to the establishment of an export trade—the tunas being the most likely, but there is a possibility of mid-water prawns occurring in quantity which would need investigation, and also of a shark fishery (for Shagreen);

(b) establish the breeding sizes of certain marine invertebrates, such as beche-de-mer—these holothurians are already being exported, and certain crayfish—which may be exported in the fairly near future and also of local turtles; and

(c) improve the techniques of local fishermen.

6. WOOL EXPORTERS ROYAL COMMISSION

Wool Growers: Legal Costs

Mr. H. D. EVANS asked the Premier:

(1) Is there any precedent of a person or persons having been reimbursed wholly or in part for legal costs incurred in appearing before a Royal Commission?

(2) If so, on what occasions was this done, what were the amounts reimbursed, and why?

(3) Has consideration been given to the reimbursement of the legal costs, in full or in part, incurred by wool growers who appeared and gave evidence before the Royal Commission into Wool Exporters Pty. Ltd.?

(4) If so, what is the Government's intention in the matter?

Sir DAVID BRAND replied:

(1) Yes.

(2) In the matter of the Royal Commission into the activities of Wool Exporters Pty. Ltd., and associated companies. An amount of $4,000 towards the costs of legal representation and the supply of transcript to Mr. Hewett. The assistance was granted having regard to the financial position of Mr. Hewett, who had already borne his own legal costs in connection with previous inquiries in the same matter. Adequate legal representation in the preparation and presentation of his evidence was considered beneficial to the Royal Commissioner.

(3) Yes.

(4) Assistance to the same extent as provided to Mr. Hewett, that is $4,000 plus supply of transcript.

7. BERNARD KENNETH GOULDHAM

Wrongful Conviction

Mr. BERTRAM asked the Premier:

In view of the fact that Mr. Bernard Kenneth Gouldham has been found not guilty of an offence alleged to have been committed by him in 1961, and for which he has served the sentence then imposed, namely imprisonment for 12 months with hard labour, and bearing in mind that in the United Kingdom and elsewhere, wrongly convicted persons have been awarded significant compensation, what amends by way of compensation and/or otherwise, if any, is proposed to be made to Mr. Gouldham, and what other action, if any, is proposed in respect of this matter generally?

Sir DAVID BRAND replied:

The question of compensation has not been considered by the Government.

8. "C"-CLASS HOSPITALS

Standards

Mr. JAMIESON asked the Minister representing the Minister for Health:

(1) What are the minimum standards required for the registration of premises as a "C"-class hospital?

(2) What supervision do these hospitals receive from the Public Health Department?

(3) How many "C"-class hospitals exist in the—

(a) metropolitan area;

(b) country areas?

Mr. ROSS HUTCHINSON replied:

(1) According to the requirements of Private Hospitals Regulations, a copy of which I have arranged to supply to the honourable member.

(2) Visits from medical, nursing and health inspection supervisory staff of the department.

(3) (a) 83.

(b) 5.

The SPEAKER: Is a copy of those regulations to be supplied privately?

Mr. ROSS HUTCHINSON: Having said I would be prepared to supply a copy to the honourable member, is it necessary for me to table the regulations?

The SPEAKER: The only point is that other members are debarred from asking a similar question and the paper will not be available to them. Do you have any objection to the copy of the regulations being tabled?

Mr. ROSS HUTCHINSON: No.

A copy of the regulations was tabled.

9. ELECTRICITY SUPPLIES

Farmers' Contributory Group Scheme

Mr. GAYFER asked the Minister for Electricity:

In respect of the number of farms being connected to State Electricity Commission mains under the farmer contributory scheme there appears to be a lesser number being connected in the year 1969-70 than in the previous year —why is this so?

Mr. NALDER replied:

In 1968-69, 1,513 consumers were connected under the contributory scheme, and of these 1,335 were farms. It is expected a similar number of farms will be connected in 1969-70.

10. TOWN PLANNING

Group Ownership Land Development Company

Mr. LAPHAM asked the Minister representing the Minister for Town Planning:

(1) What were the circumstances which prevented the Group Ownership Land Development company from fulfilling its commitments connected with the Greenwood Forest subdivision?

(2) Did G.O.L.D. voluntarily surrender the contract or was it deprived of its contractual rights by foreclosure; if so, what were the circumstances?

(3) Does he know if the buyers of individual lots of Greenwood Forest will have their contracts honoured by Dalston Development Pty. Ltd., or will it be necessary for each to enter into a new contract?

Mr. LEWIS replied:

These questions relate largely to matters of civil contracts outside my jurisdiction and it would need an examination of all the financial details and of the management of the undertakers to determine the circumstances. I have no authority to make such an examination and my answers are therefore based only on the limited information available to me which is as follows:—

(1) The cause of Group Ownership Land Development's default appears to stem from a

combination of the high price it paid for the land to the Bond Corporation subsidiary, Dalston Development Pty. Ltd., and a lack on the part of G.O.L.D. of the administrative, financial and technical skills necessary to complete this kind of exercise successfully. I understand that last June G.O.L.D. contracted to pay $3,300,000 to Dalston Development Pty. Ltd for the 283 acres of subject land and that this was about $900,000 more than Dalston Development Pty. Ltd. had agreed to pay for the same land eight months previously. However, there is some uncertainty about the figures. According to G.O.L.D.'s contract with intending purchasers of proposed lots G.O.L.D. could require the transfer of 71 acres of the land at the rate of $18,300 per acre and further sections of not less than 42 acres on payment at the rate of $14,000 per acre. Purchase of the land in this manner would amount to a total cost of $4,268,000. It would therefore seem that G.O.L.D. undertook to pay between $11,500 per acre for land which was costing Dalston Development Pty. Ltd. about $8,500 per acre when that company bought it from the late K. A. Hall in November, 1968. G.O.L.D. mounted an extensive advertising campaign offering the proposed lots on completion of servicing at prices initially of $4,950 per lot and subsequently of $5,250. Assuming about 3½ lots to the acre, the return would therefore have been close to $18,300 per acre from which the costs of servicing would have to be deducted. On this basis and in the absence of detailed information it would appear that the project was doomed to failure from the outset and that its reversion to Dalston Development Pty. Ltd. was only a matter of time.

(2) The contract between G.O.L.D. and Dalston Development Pty. Ltd. provided for payment by G.O.L.D. of a large deposit and a series of progress payments over relatively short intervals of time in settlement of the purchase price. G.O.L.D. made the initial payment and proceeded with subdivision in terms of the approval given to the vendor. This involved G.O.L.D. in undertaking and meeting the cost of road works, of water supply, sewerage and drainage, and contributions towards sewerage treatment plants. My understanding is that a progress payment was due to be paid to Dalston Development Pty. Ltd. on the 30th September, which G.O.L.D. was unable to meet. Consequently, Dalston Development Pty. Ltd. gave immediate notice of default and rescinded the contract. Whether G.O.L.D. was thereby deprived of its contractual rights is a question of civil law on which it would be improper for me to express an opinion.

(3) I understood that until the time of default G.O.L.D. had entered into contracts for the sale of 389 lots out of a total of about 900. Being unaware of the commitments undertaken by G.O.L.D. in these contracts I cannot predict whether they will be honoured by Dalston Development Pty. Ltd. but Mr. Bond has stated that his company will take over and honour all the contracts made between individual lot-purchasers and G.O.L.D. and that each purchaser will be advised of the assignment to Dalston Development Pty. Ltd. of his contract with G.O.L.D.

11. HOUSING

Geraldton

Mr. SEWELL asked the Minister for Housing:

How many homes will the State Housing Commission build in Geraldton for the year 1969-70 in the following categories:—

(a) Commonwealth-State rental;

(b) State rental;

(c) Commonwealth-State agreement purchase;

(d) State purchase agreement;

(e) two unit flats;

(f) single unit flats?

Mr. O'NEIL replied:

(a) and (c) Houses erected under the Commonwealth and State Housing Agreement may be purchased at the outset or by tenants in occupation.

(i) Units under construction as at the 30th June, 1969 28

(ii) Units programmed for 1969-1970 65

(b) Not applicable.

(d) (i) Homes under construction at the 30th June, 1969 3

(ii) Homes programmed for 1969-1970 5

(e) (i) Units under construction at the 30th June, 1969 4

(ii) Units programmed for 1969-1970 2

(f) (i) Units under construction at the 30th June, 1969 1

(ii) Units programmed for 1969-1970 2

The units referred to in (e) and (f) are also included in the answer given in (a) and (c).

12. NATIVE MISSIONS

Warburton Range and Cosmo Newberry

Mr. SEWELL asked the Minister for Native Welfare:

(1) Which authority owns the land and buildings at the Warburton Range Native Mission?

(2) Which authority has the control over the aboriginal population at that centre?

(3) Which authority owns and controls the Cosmo Newberry Mission Station?

Mr. LEWIS replied:

(1) The land is 650,000 acres comprising native reserve No. 21471, which is vested in trust in the United Aborigines' Mission.

The Government owns a school, a Native Welfare Department office, associated Government staff residences and two houses rented to Aborigines.

The remaining buildings are the property of the United Aborigines' Mission.

(2) The mission is a proclaimed native institution within the meaning of the Native Welfare Act, 1963, and the manager possesses the authority provided by the Native Welfare Act Regulations 1964. Otherwise the normal provisions apply as for the community at large.

(3) The mission is situated in native reserve No. 22032. The managing authority is the United Aborigines' Mission.

13. FEDERAL AID ROADS MONEYS

Bunbury

Mr JONES asked the Minister for Works:

(1) What amount of Federal aid roads moneys has been spent in the municipality of Bunbury annually for the past 10 years?

(2) On what roads was the money expended?

Mr. ROSS HUTCHINSON replied:

(1) and (2) Annual expenditure statement is tabled.

The statement was tabled.

14. MINING

Copper

Mr. HARMAN asked the Minister representing the Minister for Mines:

What was the tonnage and value of copper (both types) mined during the fiscal year 1968-69?

Mr. BOVELL replied:

1,471 tons copper (metal) valued at—$1,205,000.

1,072 tons cupreous ores and concentrates (fertiliser), valued at—$71,878.

QUESTIONS (4): WITHOUT NOTICE

1. RAILWAYS

Employees at Boddington

Mr. W. A. MANNING asked the Minister for Railways:

(1) How many railway employees occupy railway houses at Boddington?

(2) Will work be found elsewhere for those affected by railway closure?

(3) Will those who wish to secure other work and remain in Boddington be permitted to purchase the homes they occupy?

(4) If so, on what terms?

Mr. O'CONNOR replied:

(1) Two.

(2) Yes.

(3) and (4) Normal practice is to call tenders for disposal of assets surplus to the department's requirements. Employees are at liberty to tender and their interests receive full consideration.

2. WHEAT QUOTAS

Legislation

Mr. TONKIN asked the Minister for Agriculture:

I apologise for not having been in a position to give the Minister notice earlier, but my question relates to a telegram I received not

more than 20 minutes ago. The telegram states that a similar telegram has been sent to all Ministers and it relates to legislation of which notice was given this afternoon in connection with wheat quotas.

In view of the alarm which has been caused throughout the State in connection with the decision on wheat quotas, is it possible for the legislation to be held up in order to afford a reasonable opportunity for the matter to be considered and the difficulties clarified before the legislation is proceeded with?

Mr. NALDER replied:

The notice given this afternoon is not for legislation dealing with wheat quotas. It is for another matter altogether. I do not know whether this telegram has been received by all Ministers.

Mr. Tonkin: It comes from Carnamah.

Mr. NALDER: I also received one a few moments ago. The legislation concerning wheat quotas will be introduced very shortly, but I feel that the legislation itself will not in any way alter the situation as far as the wheat quotas are concerned. It merely gives the Government authority to set up the committee to handle the matter. However, we will have a look at the terms of the telegram. Nevertheless, as I have said, I do not believe that the legislation will in any way affect the problem which is no doubt indicated in the telegram.

3. WATER SUPPLIES

Beacon

Mr. McPHARLIN asked the Minister for Water Supplies:

In view of the restrictions which have been placed on the township of Beacon—and this has been mentioned in the House—would the Minister give information as to what the Government or the department proposes to do to ease the water shortage in the township?

Mr. ROSS HUTCHINSON replied:

It is proposed as an emergency measure to begin cartage of water to the people of Beacon within the next day or two to lift their very small daily ration of some eight gallons to a considerably higher figure—at least 16 gallons per day, and maybe 20. The amount will have to be determined with the passage of time.

In addition, it is expected that a bore hole will be equipped not far distant from the town and when this is done—it is hoped it will be in some three weeks' time—this water will be fed into the town supply to supplement the small amount of water left there.

I would also like to say that planning is at an advanced stage for the construction of a 5,000,000-gallon excavated dam at Beacon. Money for this has been placed on the Estimates for this year and it is hoped that this will be ready to receive water by next winter.

4. ELECTORAL

Early State Election

Mr. BICKERTON asked the Premier:

In view of the statement in this morning's *The West Australian* reported to have been made by the Minister for Industrial Development, in which he stated that if a State election were held at the present time the Government would be returned with an increased majority, is it the Premier's intention to hold an election at an early date?

Sir DAVID BRAND replied:

I will give some consideration to the question and if the elections have to be early, I will convey the information personally to the member for Pilbara.

LAND TAX ASSESSMENT ACT AMENDMENT BILL

Second Reading

Debate resumed from the 22nd October.

MR. TONKIN (Melville—Leader of the Opposition) [4.55 p.m.]: The legislation before the House proposes to establish a new scale of taxation, and in some instances it will exempt certain people from the payment of land tax. The proposals are the result of an undertaking given by the Treasurer when he introduced his Budget. In essence it is a proposition which will remove or reduce the incidence of taxation and it will also substantially improve the tax on vacant land with a view to forcing those persons holding vacant land for speculation to make it available for the purposes of building.

The Opposition agrees with all these objectives and, because it does, it is prepared to support the Bill; but, whilst saying that, I do not want to indicate that the Opposition is by any means satisfied that this method of dealing with the situation is fair or adequate. I have endeavoured to conclude from the figures given by the Treasurer that the position

will be as he states, but I cannot reconcile his figures with the calculations I have made from the figures available to us; and I shall endeavour to show this as we go along.

No general provision is made for special circumstances. Now, I admit this is not always easy. Although I agree with the objectives of the taxation, it seems to me to be very unfair to impose punitive taxation on a person who owns vacant land because he will not put it on the market and sell it, when he is not allowed to do anything with it. When he might have been trying for two or three years to subdivide so he can sell it, but cannot get approval for subdivion, he should not be obliged to dispose of it to some developer who will have much less difficulty in getting approval. That would have quite the opposite result from what we want to achieve.

I had brought to my notice an instance where a certain developer went to a man who was holding a substantial area of rural land. He wanted to buy it from the man, and when the owner was reluctant to sell it, the developer said, "You will never get approval for subdivision, but I can!" Well, fortunately, the owner was not bluffed and eventually he obtained approval for subdivision. That land has been subdivided and is in the process of being sold. Actually, some has already been sold.

I am afraid that, unless some special provision is made for persons who are anxious to subdivide and cannot, some injustice will result from this taxation. I know it is difficult to make such provision, but I think this aspect ought to be looked into. We on this side agree absolutely with the Government's intention of making it unprofitable for people to hang onto land which ought to be made available for settlement. We agree with that absolutely; but at the same time we say it is unfair that a person who is anxious to sell and who cannot sell because he cannot obtain approval for subdivision should be penalised because he will not sell. I happen to know that is the situation in which quite a few people find themselves, and I think it is a situation which should be investigated.

Our idea of how this land tax position ought to be handled is that instead of the proposal in the legislation, the Government should put a ceiling on the increase in values which is made each time there is a revaluation of properties. The result of this increase has been the imposition of an undue burden upon certain taxpayers. Let us analyse some of the factors which bring about this steep increase in valuation.

It is not a real or an actual increase in value in all cases. One knows that at the present time, because there are a number of people who are anxious to purchase land, estate agents are very busy and, quite often, the initiative comes from the agent rather than the owner of a property. Owners do not like to be pestered and when the agent says, "What about selling your land?"; or "What about selling your house?" some owners, in order to create a situation which will cause the agents to lose interest, put what they regard as a ridiculous price on their properties. When they do that they say, "That will settle it. No-one will come along and offer me that price for my property." But, in due course, someone makes an offer at the figure which the owner thought was absolutely ridiculous; and so a sale takes place.

Eventually, when the valuers from the Taxation Department come along, they have regard to the most recent sales of land in the area concerned. So these sales at what are really ridiculous figures have the effect of increasing the value of land in the locality in which those sales take place. The next thing is that the owners who have not sold their properties find they are faced with substantial increases in the valuations imposed by the Taxation Department and a resultant steep increase in the amount of tax which they have to pay.

Mr. W. A. Manning: How do we get over that?

Mr. TONKIN: We would get over it by ensuring that there should not be a greater increase in the valuation of land for taxation purposes than a certain percentage each year—it may be 3 or 4 per cent.—in order to retain some relationship to the depreciation in the value of money.

If one looks at the way land tax remained more or less steady for a number of years and then suddenly jumped inordinately, one will appreciate the real nature of the existing problem. Just let us compare some of the figures in relation to land tax. In 1962-63 the amount of land tax obtained by the Government was $2,552,594. The next year the figure rose by less than $200,000, the total being $2,701,222. In 1964-65 the figure again rose by less than $200,000 to $2,891,902. In 1965-66 the total was $3,397,551; and in 1966-67 the figure was $3,588,672. In 1967-68—and by this time we were starting to feel the effects of the inordinate jump to which I referred, owing to the valuations—instead of the usual $200,000 increase per annum the figure was increased by $1,200,000 to a total of $4,811,527. In 1968-69, despite a reduction in the rate of tax, the amount received was $4,892,454.

Now we come to the estimate before this proposal was introduced. The estimate, on the existing scale, went up to $7,217,000—from less than $5,000,000 to

$7,200,000, whereas normally the progression has been by about $200,000 per annum.

What justification can be submitted for a departure from a gradual increase in revenue from this source to a situation where it leaps by five or six times as much as was the case before? The Government in its present legislation is not making any attempt to counter that difficulty; instead, it will profit by it, because my estimate is that almost as soon as the ink is dry on the paper of the assessments the increases in valuations for the succeeding year will be so steep as to more than compensate the Government for any loss of revenue.

The Premier stated that normally we would have expected to issue 179,000 assessments and obtain in revenue $6,432,000, but, because of the proposals now before us, his assessments will be reduced to between 50,000 and 60,000. Let us take his outside figure. That means he expects that about 120,000 assessments will not be issued because of the new proposals; or, put another way, the number of assessments will be reduced by two-thirds. Yet he proposes to lose only $334,000 in revenue from land tax.

If one has an estimate of $7,217,000, and one anticipates reducing the assessments by two-thirds, is it not a most remarkable thing that it is going to cost only $334,000, and that the revenue derived from only one-third of the assessments will be down by only $334,000? It is true that one has to take into consideration the fact that the additional tax on vacant land is expected to bring in $574,000. But let us leave out of our calculations for a moment this additional taxation, because this is not likely to have effect on the number of assessments being issued; it will not increase or reduce the number. If only about one-third of the assessments for land tax are going out, as compared with the present position, and considerably less than one-sixth of the taxation is to be received, it would appear that those who are left and who are paying taxes will be involved in a substantial increase in taxation; or there is something wrong with the calculations.

I find it very difficult indeed to accept a situation where the State will get, from only one-third of the assessments which are to be sent out as compared with the number of assessments previously sent out, almost $2,000,000 more in revenue from this source than it received last year. Maybe the Treasurer can explain this. I wish he would; but try as I can I cannot reconcile the figures, and when I have regard to the actual assessments which are in existence, and the valuations shown, I find the greatest difficulty in seeing how the computation which has been the subject of the Premier's utterances could have been made.

I have previously mentioned this, but in the Bicton area, in proximity to Blackwall Reach, there are 27 properties and of this total only three have a valuation of less than $6,000. In most cases in five years the valuations have been substantially increased, and I shall quote a few examples to emphasise the point of view I am expressing; that is, that the Government should make some attempt to control the base valuation upon which the tax is being levied.

Take the case of lot 663 Blackwall Reach Parade. In 1964 the unimproved value as decided by the valuer from the Taxation Department was $6,200. For 1969 it is $18,000. With lot 641, in 1964 the valuation was $5,100, and in 1969 it is $12,300. As regards lot 676, Point Walter Road, in 1964 the valuation was $2,800 and in 1969 it is $7,400. With lot 586 Cavan Street, in 1964 the valuation was $3,000 and in 1969 it is $8,500. Lot 589 Cavan Street was valued at $2,800 in 1964 and in 1969 it is valued at $7,500, almost three times as much. With lot 591, Cavan Street, the valuation was $2,000 in 1964 and in 1969 it is $6,000.

It does not need much imagination to see that the next time these properties are revalued they will be lifted up beyond the figure at which any exemption at all applies. South Perth has not been revalued for six years, so one can expect that when the revaluation takes place this year, if the valuations are in line with those which have taken place elsewhere, the additional revenue derived will more than make up this loss of $334,000 which the Treasurer anticipates will be the result of the measures he now proposes.

Whilst it reads very well that people who own properties which are worth up to $6,000 will not pay any taxation and there will be a graduated exemption on properties which are worth up to $18,000, when one comes to consider the actual loss of revenue anticipated and the amount of revenue still to be obtained from the taxation remaining, one will possibly be able to understand fully how slight these concessions will, in fact, be.

It seems to me—and it will not take very long before I am proved either right or wrong—that this measure, in terms of dollars, will actually cost the Government less than the measure which was introduced the year before last when the Treasurer reduced the scale of taxation.

Mr. Cash: Surely it is not slight for the individual when he will be paying nothing?

Mr. TONKIN: No; but I do not think the true picture can be obtained simply by saying, "There has been a tremendous change in the imposition of land tax in Western Australia, because Tom Jones will not pay any tax."

Mr. Cash: I think it can.

Mr. O'Neil: There will be many Tom Joneses.

Mr. TONKIN: What one has to do in connection with land tax which is being levied generally is to see whether any great burden has been lifted from the people.

Mr. Cash: The Leader of the Opposition is simply averaging out and it is not a fair proposition to do that.

Mr. TONKIN: I am not averaging out. I simply state that the Government's proposals will cost a mere $334,000, and it will receive more than $6,000,000 from this source whereas last year it received less than $5,000,000. However the normal progression of land tax incidence over the years has been about $200,000 a year. This is what tells the story.

Mr. Cash: Why does not the Leader of the Opposition present a full analysis of where the $6,000,000 will come from?

Mr. TONKIN: The member for Mirrabooka ought to know that the sources of information which would supply the detail are not available to me. I would prefer the Treasurer to say, "The Government has been receiving a certain amount of money in revenue from vacant land and a certain sum from improved properties. As a result of the proposed change, the Government anticipates receiving a certain amount from vacant land and a certain sum from improved properties."

Mr. Cash: The Leader of the Opposition can ask questions.

Mr. TONKIN: Yes, one can ask questions, but one does not always get the answers.

Mr. Cash: The Leader of the Opposition gets very good answers.

Sir David Brand: The Leader of the Opposition cannot say that about me; I am always ready to give information.

Mr. TONKIN: I hope that those who differ from me in my analysis of the situation will get up and explain where I am at fault. One has to take what has been the experience over a period, and I have done that. I have gone back to 1962-63 and I have shown that, prior to Western Australia being caught up in land speculation and the price increase spiral, there was a normal progression of increase in taxation from this source of about $200,000 a year.

However, when these unnatural forces came into play they resulted in steep increases in values and the return from taxation became completely out of hand. Instead of a normal progression of some $200,000 a year the situation was reached where the Government anticipated an increase exceeding $2,000,000 a year. What would be the explanation? Why, all of a sudden, should the exchequer receive value to the extent of 10 times the amount it previously derived from this source of revenue? Surely that shows that something has gone completely off the rails.

This measure does not correct the position; all it does is to give a few exemptions here and partial exemptions there, the sum total of which will cost the Government a mere $334,000.

Mr. Cash: Probably there are 120,000 people involved.

Mr. TONKIN: That is what the Treasurer says. If there are, I shudder to think what those who are not receiving any concessions will have to bear, because the bulk of the taxation—more than 80 per cent. of it—will still remain. Taxation is supposed to be equitable in its incidence. If the Government believes that exemptions should be granted in certain cases—and the Opposition would be at one with the Government on this—then the Government could be expected to make proportionate reductions all through the scale, except in connection with vacant land where the land tax has a special purpose of forcing land onto the market. Surely the Government is not trying to force home owners to put their properties on the market. Consequently, we should only expect from home owners a measure of taxation which has a proper relationship to the taxation being borne by other sections of the community.

What I am saying is that the Government is still receiving far too much revenue from this source. The reason I advance is that the Government is still adhering to an unfair base; namely, valuation of property. If a proper reflection of what is ordinarily occurring was shown in valuations, there would be no ground for complaint. However, I have explained how extraordinary forces are at work.

Surely members have had the same kinds of experiences as I have had whereby owners of property put an unreasonable figure on the property and believe they will hear no more about it. To their great amazement, in due course the agent comes along with a buyer at the figure mentioned. When the valuation for land tax is made, that figure is used in order to make a calculation of the value of other properties in the area, because the base upon which the value is worked out is the price obtained at the most recent sales of comparable land in the locality. That is the base upon which the land resumption officer works.

When land is resumed and one endeavours to obtain for the people concerned more than is being offered by the department one is immediately met by the argument of the valuer that the figure is comparable with the most recent sales in the locality. He overlooks, of course, that resumed land is generally in localities where no sales would have been permitted, because of the blanket thrown over

them by the M.R.P.A. Consequently, one has to go back many years in order to find the most recent sales.

However, where there is no impediment to selling and sales have been taking place at inflated values, a situation is reached where, because of the ridiculous figures being placed upon properties by owners who have no desire to sell, other property owners are caught up and have to pay increased taxation. The Opposition believes that some step ought to be taken to check that. A reasonable basis, I feel, would be for the increase in valuations, which should take place each year, to have some relationship to depreciation in the value of money. In this way the Government's returns of taxation from this source would be comparable each year, having regard to the ordinary growth taking place and the fact that more land is being sold and ownership is changing continuously.

There is one aspect upon which I am not clear. In years gone by I have complained that some of the big developing companies which bought up large areas of land many years ago at very low figures have had ridiculously low valuations placed upon their land when it was in the lump. The big developing companies subdivide only a small proportion of the land each period. Immediately the small proportion is sold and becomes individually owned, the value of it rises considerably. I wonder what method of valuation has been applied to the thousands of acres held by big companies and whether the value of the land has been increased proportionately with the value of the single residential lots held by individuals in the locality.

Mr. Rushton: Was not that confirmed by a test case in law?

Mr. TONKIN: I am not at all satisfied that the value now being placed upon that land in the lump is comparable with the value which will be placed upon the land as soon as it is subdivided. The companies will, of course, have to pay more taxation now but if the value is not as high as it ought to be, some of these companies will be paying much less taxation than they should be paying.

Some companies limit the number of blocks which they make available from time to time. They do not put them on the market and auction them, but sell them individually. When they make a new subdivision, the price of the first block in the new subdivision is the price obtained for the last block in the previous subdivision. Consequently, the progression in price is inevitable.

I assume the proposal of the Treasurer with regard to increased taxation on vacant land is designed to try to overcome this, but it will not have full effect unless the valuation imposed on the land by the Taxation Department is comparable with the valuation imposed on much smaller areas of land in the same locality.

I repeat that the Opposition supports the proposition to reduce taxation and grant exemptions and also supports the proposal to impose additional taxation on vacant land. However, we emphasise that, in our opinion, this will not achieve a great deal. Upon analysis it will be shown that whilst some individuals will benefit there must be others who will be called upon to carry a substantial burden; otherwise, the cost to the Treasury would be much greater than it is expected to be.

If I take the Treasurer's own figure, leaving out metropolitan improvement tax, the expected cost in land tax is only $334,000. In a total amount of approximately $7,000,000 that is what one might call a fleabite, and in those circumstances represents not much more than a gesture. I know that, in view of the adverse court decision today on the State's appeal in regard to stamp tax, the Treasurer may be in no mood to forgo any revenue he is deriving from taxation, and no doubt that is a problem with which he will have to deal almost immediately.

Nevertheless we feel that the present land tax proposal is not equitable and is of much less value than it would appear to be on the face of it, and we would urge that consideration be given by the Government to the adoption of a new method whereby the valuations could rise progressively, but by a very small amount. We suggest the rise should be about 3 or 4 per cent. each year. Instead of the valuations in places like South Perth, for example, remaining the same for six years and then being jumped up, it would be far better and more equitable if all taxpayers could expect a slight progressive rise in valuations each year so there would not be these big jumps which, in some cases, are extremely disturbing.

One can imagine a man paying about $15 in tax one year and then being confronted with a bill for over $100 the following year. I have examples of that kind of thing happening.

Mr. Rushton: Would it not be more equitable to still have the valuations but to adjust the rate backwards?

Mr. TONKIN: No; I do not think the values are real. The forces which have been allowed free play have had this effect within only two or three years. Therefore we have an unusual and bad situation, and for the purpose of taxation a far more stable and equitable method would be one to ensure that the valuations rise in all districts of the State by the same amount at the same time.

Mr. Rushton: Could not circumstances change that?

Mr. TONKIN: Look how inequitable the Government's present proposal is. Home owners in South Perth have been enjoying a situation whereby their land tax has been imposed on valuations which were decided upon about six years ago. The Government brings forward a proposal that will reduce the scale of tax. So at the time the values are increased in this area which has been enjoying reduced valuations, and at a time when it should be expecting to feel the full force of the valuations other suburbs have been feeling, the taxation is reduced. Therefore the people in South Perth benefit. That is inequitable.

To overcome that, instead of having periods of five or six years—the general aim is to revalue every five years—it would be far better to have a slight increase each year over all properties so that they would all be taxed on the same basis and in accordance with the same principle. There could then be no complaints on the grounds of inequity. However, such grounds exist now. Why should the people of Melville have been paying taxation on values which are the result of these unnatural forces whilst the people of South Perth and the people of Gosnells have not been so penalised?

Mr. Rushton: The people of Gosnells have.

Mr. TONKIN: They have not been revalued.

Mr. Rushton: A common date for the valuations would be more equitable to the people.

Mr. TONKIN: That is one of the aspects of the matter I am putting forward. There were valuations made, but instead of going through the exercise of inspecting some of these properties, checking the sales of comparable properties in the area, and taking into consideration the unreal prices because of the circumstances I have mentioned, all the assessments could be done in the office. There could be a base valuation throughout, and each year the valuation of all properties could be increased by whatever percentage was decided upon. The increase would then affect all properties at the same time and overcome this extremely severe jump in taxation.

I will quote the figures of some of the assessments I have before me. The unimproved value of land owned at the 30th June, 1967, in Newton Road, Spearwood, was $2,100, but for the year ended the 30th June, 1968, it was $12,500. The land tax payable in 1967 was $11.81, but the following year it went to $47.50. In 1967 the vermin tax was $5.88, and the following year it went to $31.25. The metropolitan region improvement tax in 1967 was $5.25 and the following year it was increased to $31.25. The total tax bill went from $22.94 in 1967 to $110 in 1968. That is just highway robbery!

Whilst those increases are being imposed in Spearwood there is no change in the land tax in South Perth or Gosnells.

Mr. Cash: Is that land still being used for the same purpose as it was in 1967?

Mr. TONKIN: It would not be if it belonged to me.

Mr. Cash: That was not quite the answer I asked for.

Mr. TONKIN: I do not know. I have here another example. The unimproved value of the land owned at the 30th June, 1967, was $2,580, and in 1968 it went to $7,300. No vermin tax was payable on this land. In 1967 the land tax was $26.87, but in 1968 it was increased to $78.75. The metropolitan region improvement tax in 1967 was $6.45, and it increased to $18.25 in 1968. Therefore the total tax on this land owned at the 30th June, 1967, was $33.33 and, in 1968, it increased to $97. That is a very steep increase in a single tax.

Mr. Rushton: When was it revalued before 1967?

Mr. TONKIN: I would say five years before.

Mr. Rushton. So actually it is a five-year period.

Mr. TONKIN: I do not know of any district that has been revalued more frequently than every five years. However, I know of a few that were not revalued after five years, and the period will extend to six years. That is the information given to me by way of answer to a question. Generally, the procedure in the department is to revalue every five years. Therefore a situation is created whereby the valuation having been made, remains at that figure and the tax is levied on it. However, in view of the fact it has been levied only in the last three years, and the general pattern has so altered that the matter has got out of hand, the properties which have not been revalued during that period have escaped the full effect of this change, and they will now benefit in another way, because when the revaluation does take place a reduced scale of taxation will apply. Therefore, that immediately introduces unfairness between people in various districts, and all the citizens in the State have a right to be treated alike.

That is a very definite weakness in the existing position. I submit we could overcome that if we agreed—and I do not think anybody would object—to a gradual yearly increase. We could agree to an increase that could be expected by the people each year and they would not have to remain on the same valuation for five years, and then find, when the next revaluation was made, that their taxes had increased by 400 or 500 per cent. I do not think we can justify increasing the value of land anywhere by 500 per cent. in one year, or in five years.

Mr. Rushton: But on your argument it does not seem to be any different from having the values kept at the same level and increasing the rate each year.

Mr. TONKIN: All right, so long as the rate is not used straightout to derive from this source of taxation an unreasonable and an inequitable amount. Ultimately it boils down to the fact that the Treasurer is obliged to obtain from the various sources available to him the revenue he requires to finance the services he is expected to give. So he has to look over the field of taxation and determine what rate he has to impose to get the result he seeks. Properly done, this should be fair and equitable for all taxpayers over all areas of administration. We should aim at putting that principle into effect. The present system of levying land tax is a hotchpotch one. There is no fairness in it and it results in staggering increases for which people are quite unprepared and which cannot be justified.

I do not think any Treasurer is entitled to expect to get five times as much taxation from a man's home at five-yearly intervals; in other words, to keep on increasing five-fold the amount of tax the Treasurer has to get. That is what is happening in respect of some properties under this system.

I suggest that the Government should have a careful look at the system, because it is most unfair and, if allowed to go unchecked, will create serious difficulties. It is having the effect of causing some people to consider seriously disposing of their homes and moving to other districts where the taxation burden is much less; but with the way land is being revalued it is extremely difficult for them to find any other place where the taxation is much less.

I predict—and it will not take long before we find out whether or not this is right—that in a year or two, if we except the country districts where valuations have not been rising comparably and where, as a matter of fact, in some cases they have been decreasing, there will be very few properties in the metropolitan area with a valuation of less that $6,000.

I am astonished to hear that there are some 120,000 of these properties at the present time—properties with a valuation of less than $6,000. There is certainly not that proportion of these properties in Melville. I have obtained the figures from the Town Clerk of Melville and I find that the percentage of properties in that district, the valuation of which is less than $6,000, is very much below the average figure given by the Premier. This leads me to the belief that in a number of districts there are many properties with valuations in excess of $6,000.

Mr. Cash: There are quite a few of them where the properties have a valuation that is less than $6,000.

Mr. TONKIN: It is easy to say that.

Mr. Cash: You have to know the districts.

Mr. TONKIN: Where are they?

Mr. Cash: I cannot exactly say where, but there are many districts north of the river where the value of the land for taxation purposes is less than $6,000. These properties are north of the river and in the electorate of the member for Ascot.

Mr. TONKIN: I know the way the Premier is arguing this question. At present the proposal looks all right, but next year there will be very few properties with a valuation under $6,000. All it is costing the Premier is $330,000-odd less in revenue from land tax than would be the case if no alteration was made at all. That shows how much the incidence of this tax is being eased! The figure I have mentioned allows for $700,000-odd being obtained from increased taxation on vacant land.

Sir David Brand: The figure is $574,000 and not $700,000.

Mr. TONKIN: The correct figure is $574,000. Taking that into account, the cost to the Treasury will be $334,000; or, to put it in another way, without this increase in taxation on vacant land the actual reduction is expected to cost $908,000, which is less than 16 per cent. If the revenue from this source is to be reduced by approximately 16 per cent., it is not such a tremendous reduction in taxation, generally; although the person with a property valued at less than $6,000 at the present time will be relieved of this tax. But this person will get it in the neck shortly, when the next revaluation takes place—and the Premier is well aware of that fact.

Sir David Brand: No, he is not.

Mr. TONKIN: I would not like to think the Premier has thought so little of the question that he is not aware of that fact. One has only to apply the progression that is taking place, whereby properties valued at $3,000 have been revalued at $7,000, to realise that.

Mr. Cash: We are halting the progression in land values now, and you are well aware of it.

Mr. Lapham: What did you say: land values, or land prices?

Mr. TONKIN: I do not think it is fair to allow all the forces which are at play in the land business to affect the value of the property of people who want nothing else but to be allowed to live where they are, who have no intention of selling their properties, but who are faced with the

increase in tax. One of the worst features is that many of these people are on fixed incomes: on superannuation, or on pensions. Where will they find the money to pay this steep increase in taxation; because many of them are living on properties which are valued for land tax purposes at higher than $6,000?

It is true that they will be granted some reduction in the tax, but even with this reduction they will still pay a lot more in taxation than they should be called upon to pay. This system of allowing land valuations to jump is having the effect of penalising people such as those; and I am endeavouring to overcome this sort of thing by suggesting to the Government that a more equitable method is to adopt a slight progression of a certain percentage each year in valuation, in order to ensure that the revenue derived from this source is stable and is commensurate with the amount that could reasonably be expected to be obtained from this source.

There has not been a single year in the last five years when the Premier did not receive substantially more from this source than he estimated. The main reason is the steep increase in valuations, which has been far beyond the increase that was anticipated. I hope that some attention will be given by the Government to the suggestions I have made.

I repeat that we are prepared to support the legislation, because we are desirous of seeing the granting of exemption from this tax, and we are desirous of seeing more people being relieved of the payment of this tax altogether, especially people with lower-priced properties. We are also in complete agreement with the desire of the Premier to force vacant land to be placed on the market, but we would emphasise that we do not support at all the methods by which taxation is being increased. Very serious consideration ought to be given to a change in the system.

MR. TOMS (Ascot) [5.54 p.m.]: Whilst I might appear to be slightly at variance with my leader in some respects, the differences are very minor ones. In the main I would support the principles which he has outlined. This is a case of half a loaf being better than none, because this is a Bill which we as the Opposition must support, whether or not we like the proposals, as it seeks to ease the incidence of land tax in respect of a section of the community.

Even though we are a party which believes in low taxation, we still believe in the Australian adage of "Fair go." I think it would be fair to say that until 10 years ago nobody worried about the land tax. It was a tax the people were prepared to pay. As Australians they were prepared to contribute to the welfare of their State. In recent years the whole situation has been blown up by the vicious increase in land valuation in many districts.

The Bill proposes to relieve a number of property owners from the payment of tax. I do not think it is the desire of those who are to be relieved of this tax that they should be relieved of it altogether. As owners of land they are, I am sure, prepared to pay a reasonable levy. The Government has seen fit to draw a blind across the eyes of the people by saying that some people will be relieved of the payment of this tax.

Mr. Cash: Two-thirds of the people will be relieved.

Mr. TOMS: Then the remaining one-third will have to make up the leeway and supply the revenue somewhere along the line. It is all very well for the member for Mirrabooka to say that two-thirds of the people are to be relieved of this tax. If he had listened to what I said a while ago he would realise that I said that those two-thirds of the people do not want to be relieved of land tax completely. I think that all the people are prepared to pay a reasonable amount in land tax.

Mr. Cash: They were quite happy when the Federal Government cut out the Federal land tax.

Mr. TOMS: Probably they were. The escalation in land prices in recent years has highlighted the position. As the Leader of the Opposition pointed out, the method of valuation adopted is to have properties valued every five years. We see that the rates payable in respect of some properties have increased by 500 per cent. We do not oppose this Bill, but we suggest an alternative, and this is something which should have been done many years ago. Land does not increase in value by 100 per cent. each year.

Sir David Brand: When you mentioned many years ago, how many years ago did you have in mind?

Mr. TOMS: From the inception of the land tax. If the valuation was increased by one per cent. each year it would take 100 years to increase the valuation of a property by 100 per cent. I believe that the principle outlined by my leader is a very reasonable and fair method for imposing land tax. Instead of continuing with the present practice of having valuations made every five years, the yearly increase could be worked out from the office and it could be applied to all properties. Surely if it is justifiable to impose the land tax on one person, it is justifiable to impose it on another. As Australians we believe that we should pay our share of taxation; and I am sure nobody wants to get out of the payment of this tax at the expense of another person.

I see a real problem in the proposals of the Government. In arriving at the proposal to increase the tax on unimproved land, I am wondering whether it has considered the position of a young couple who are buying a block of unimproved land. Will such a couple be called upon to pay a deposit on the land, to pay the instalments as they become due, and at the same time to pay a tax on the unimproved land at the rate of 1c in the dollar? If the block is valued at $5,000, then this couple will be called upon to pay $50 in land tax each year while the land is unimproved. This is an aspect which has possibly escaped the attention of the Premier. I can see an added burden being placed on this category of property owner, because today very few building blocks are sold for an amount less than $5,000. So it can be expected that a young couple buying a block of land will have to pay $1 a week in land tax. Some consideration should have been given to this particular aspect when the Government framed this legislation.

I did say that we criticise the Bill, but we have not criticised it without proposing an alternative. The member for Dale knows full well that ever since their inception the local authorities have rated in a certain way, and that method could have been adopted in regard to land tax. It is proposed that a certain amount will be received each year. If the valuations go up, the rate in the dollar comes down to balance out at that figure.

While the member for Dale suggested that this system could be adopted in regard to land tax, I feel that it would be necessary to have an amending Bill before us each year to fix the amount of the rate. So I believe it would be a far better proposition to have a set figure for valuation and then each year, if one likes, increase the valuation by 3 per cent.—or something like that—as a steady progression.

The development that has taken place over the last few years has increased the revenue received by the State Government. As indicated by the Leader of the Opposition, once land is subdivided the value jumps and extra revenue is available to the Government. We have to support this Bill even though we would prefer to have a steadily rising rate rather than the ridiculous state of affairs where revaluations are made every five years. One can see anything from a 500 per cent. to a 700 per cent. rise in valuations in that time.

Land is overvalued, and is crippling this State. The State is being crippled because of the imposition on the young people of today. Those young people cannot buy a block of land for cash, and, when buying their blocks on terms, they will—as I have indicated—be hit by the unimproved tax when they have to find the 1c in the dollar to pay the tax on the unimproved value of the land.

MR. FLETCHER (Fremantle) [6.2 p.m.]: I want to deal briefly with this Bill without reiterating what has already been said by the two previous speakers. The provisions contained in the Bill will offer what I consider to be merely a temporary relief—for want of a better term—to the small property holder. Many small landholders built years ago, for hundreds of pounds, and some of those properties are now worth thousands of dollars.

I can remember that back in 1949 Prime Minister Menzies promised to put value back in the pound. However, the pound is now worth less than a dollar—I believe something like 60c—and I regret that this trend will continue while a private enterprise Government stays in office on both a State and a Federal basis.

Mr. Cash: You believe in socialisation.

Mr. FLETCHER: I do not want to hear interjections from the member for Mirrabooka and I suspect other members feel likewise.

Mr. Bovell: You are entitled to speak for yourself.

Mr. FLETCHER: We cannot look a gift horse in the mouth. We accept what the Treasurer has offered at the present time as coming within that category. However, the small property landholders will only receive that benefit until the value of the dollar deteriorates further, which is inevitable. Under this type of administration, the small property holder will ultimately and inevitably come within the taxable bracket. I feel that the Treasurer knows that, and the Leader of the Opposition made the point by implication.

On the other hand, I will admit that this tax will penalise those who are holding land for speculative purposes. I commend that aspect of the Bill because it could, and possibly would, force areas of land onto the market.

The modest home owners—the superannuated and the pensioners, mentioned by the Leader of the Opposition—will find that their properties will increase in value and will become taxable. Pensioners can have their local government rates deferred, but if advantage is taken of that concession then the rates subsequently become a charge on the deceased estate. I am not certain whether a similar provision applies with regard to land tax. Let me say that my own splendid Fremantle City Council did not increase the rates this year, which demonstrates a fine example to many other local authorities. There is nothing like putting in a plug for one's own local authority.

As I have said, the small property holders will ultimately move into the higher schedule and will be hit in later

years unless the Treasurer brings down comparable legislation—or a Treasurer from this side of the House brings down comparable legislation—some time in the future to lighten the load on the people to whom I have referred.

However, the present measure is merely a temporary expedient; a palliative as it were, for the time being. I do not oppose it, because I suspect that it will give some temporary relief to those whom, we, on this side of the House, predominantly represent.

MR. DAVIES (Victoria Park) [6.7 p.m.]: This measure, and a similar Bill dealing with much the same subject, is to remove the necessity to pay land tax by most metropolitan home owners, and to exempt land owned by local authorities. A new scale of tax for unimproved land will be introduced.

When similar legislation was brought to this House, almost to the day last year, we suggested that the efforts being made on that occasion were not sufficient to deter speculators. Although we get no pleasure in saying so, we have been proved to be right. I think if any thanks are to be given to anybody they should be given to the daily newspapers which have consistently drawn attention to some of the practices engaged in, and for giving prominence to the various speeches and releases—including statements by the Treasurer. In fact, I think the Treasurer was sharply reprimanded on one occasion for making a statement just before a land auction.

Sir David Brand: I was sharply reprimanded; who reprimanded me?

Mr. DAVIES: I think it was one of the auctioneers who reprimanded the Treasurer on one occasion. As a matter of fact I think he said that the Treasurer had hit and run. He made a statement and ran overseas.

Sir David Brand: I am now back from overseas, and I am uninfluenced by any auctioneer.

Mr. DAVIES: I am sure the Treasurer would not be influenced. We suggested on a previous occasion that the efforts would really be insufficient to reduce prices. If any consolation can be taken because of the steadying of the price of land, it is only because the price is levelling out.

I noticed in a Press release recently where Mr. Treloar, from the University, suggested that the present trend which showed a levelling out was only a pause and that we could expect land values to continue to rise. I am sure we all read the Press reports relating to land investment, and it will have been noted that there are companies which will continue, through their own activities, to force up the price of land. The effect the rising prices are having on the public at large leaves those companies quite unconcerned.

I am sure the price of land, associated with the problem of housing, is having more than a little to do with causing some of the mental breakdowns which are occurring. I am sure that many people are worried stiff—to use a colloquial term—at the thought of what they will have to do to establish themselves in a home.

All our actions must be directed towards ensuring that the greatest possible assistance is given to those who want to own their own block of land and their own home. This present measure will have some effect in that direction.

When similar legislation was being discussed last year attention was drawn to the suggestions contained in the McCarrey report. Indeeed, a motion which was debated as an amendment to the Address-in-Reply in 1968 dealt with the associated questions of housing and land. On that occasion the McCarrey report received a great deal of prominence. I believe the report deserved all the prominence it received and I only regret that since then the report seems to have been laid aside by the Government. The report contained some sound suggestions, but none of them —particularly in regard to taxing—has yet become apparent. It is also quite apparent that those suggestions will not be brought into operation, because the new system is only an extension of the old taxation method.

The new taxation scale lays emphasis on the taxing of unimproved land. I think it is pertinent to remind the House of the recommendations contained in the McCarrey report. They concerned the following: release of land; the urban land commission; land tax surcharge on unimproved land; the betterment levy; frequency of valuation of unimproved land; examination of subdivision procedures; and review of land tax exemptions.

Of course, some land has been released, although I really expected legislation to deal with the release of land in the Armadale corridor. I was under the impression that such a release would require amending legislation, but I have not seen any sign of it yet. I think the Treasurer has announced that more land will be released progressively. However, I think this is being done on a hit-and-miss basis, because as yet we have heard nothing of the urban land commission.

I seem to recall that the McCarrey report recommended that a special committee—consisting of a small number of people—be set up to deal with the question of releasing land where it could be utilised to the best advantage. I do not know who was advising the Treasurer on these matters. Probably it was the town planning

authorities. The recommendations contained in the McCarrey report were very sound, and it is a matter for regret that the report has not been acted upon.

Mr. Rushton: How is that related to the question before us at the present time?

Mr. DAVIES: The Treasurer said this legislation was being introduced in an effort to keep down the price of land, and that the tax on unimproved land was to be increased so that people would be more inclined to improve the land. In an effort to keep down the prices, more land should be released. If the member for Dale reads the Treasurer's speech, he will find this was the point the Treasurer was trying to make. Because he made that point, I am suggesting that an urban land commission could well have been set up. However, I will not deal further with the question as it has been dealt with on previous occasions. We are now coming to the core of the current legislation; that is, land tax procedures.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. DAVIES: The real purpose of this measure is to endeavour to contain the price of land; and the Government is doing this by adjusting taxation levels. Before the tea suspension I spoke of some of the recommendations made in the McCarrey report. I will merely content myself with saying that it is disappointing that there has not been further evidence of an attempt by the Government to put into practice some of the splendid recommendations contained in the report.

One of the recommendations is that there should be a land tax surcharge on unimproved land. I suggest that if one wishes to discourage investors this would be a better way of doing it than imposing a straightout tax on the land. If members look at the scale they will find that the tax on land worth $100,000 is to be $3,062.50 a year. However, if a person has enough money to be able to afford land valued at $100,000, an amount of something like $3,000 in land tax will not worry him in the slightest. It will not worry him because it will be a taxation deduction. Everyone in this House knows that land tax is a taxation deduction, so whilst we may be pushing the tax up I am sure that the people who own land will not be worried very much because, being able to claim it as a taxation deduction, they can get some amount of rebate on the tax they are paying so that their actual land tax is not anywhere near as much as it seems.

If we kept to the existing scale and placed a surcharge on land as suggested in the McCarrey report, this would be a better way of discouraging speculators, because they would not be able to enjoy the taxation rebate on a surcharge. This may be a debatable point, but I think it is possibly the best way to do it. Apparently this method has not been looked at; however it should be looked at, and it is set out in detail in the McCarrey report. I would like to hear the Premier say whether or not this method has been considered.

The McCarrey report also suggests the imposition of a betterment tax to discourage people from holding unimproved land. As I understand it this is a tax which is placed on the difference between the amount a person pays for land, and the price at which it is sold. That is, a person pays a tax on the difference between the two sums. I imagine this would be a splendid way to discourage speculators because, here again, I doubt whether it would be a taxation deduction. So it would be a real charge instead of only a half-hearted charge, as appears to be the case under the present land tax methods. The Premier may be able to tell us whether a betterment levy has been considered or, if not, whether it will be considered; because I really do not feel that this measure will have the effect of reducing the price of land.

No doubt it will assist in levelling out land prices, but I do not think we should be satisfied with land prices of $8,000, $9,000 and $10,000 per block because they are far beyond the means of the ordinary person.

The question of the valuation of unimproved land, and of land generally, has been discussed at some length this evening by the Leader of the Opposition, and I do not propose to say much more about it except, once again, to refer to the McCarrey report. The committee drew attention to the fact that there should be a revaluation each 12 months in recommendation 5 on page 59 of the report, which states—

> We recommend that, as valuation staff adequate for the task become available, all vacant urban land within the metropolitan region be revalued annually for taxation purposes.

I think that is a very real suggestion and it falls into line with the one made by the Leader of the Opposition this evening. He suggested there should be a set charge in accordance with the rises in the cost of living, and the rises in charges, generally. The McCarrey report says that the Government should do something about getting enough persons qualified to value land so that there could be an annual revaluation. Whichever way it is done, I think the recommendations in the report should be given serious consideration. Here again, it would be good to know whether or not the Government has moved in this direction.

As I said before, the report contains other recommendations which are not directly related to taxation, so I will confine my remarks to the provisions outlined in the Bill and the schedules which the Premier was good enough to make available to us.

One of the improvements I would like to see made is that the concession of a rebate between the land tax on unimproved land compared with the tax on improved land should be made available to persons over a longer period than the present four years. I suggest that seven years would be a better qualifying time. I mentioned earlier that I believe our real concern should be to see that each person who wants to do so should be able to purchase one block of land on which he could build his home. I also mentioned the despair which is now confronting many young people because they find that it is beyond their resources to pay for a block within a reasonable time.

From inquiries I made in regard to the various auctions which have been conducted, finance is generally taken over a seven-year period. I believe that literally thousands of people are purchasing blocks of land over a period of seven years at an interest rate of something like 7 per cent., which works out to approximately 13 per cent. reducible. That means, of course, that the people generally pay a little more than one-third above the price of the land. In addition to the interest charges, they also have to pay legal fees, because I understand that the various finance companies insist on a legal document being drawn up. This generally runs into something like $30 and then there are stamp duties and other charges which have to be paid.

So I suggest that by the time seven years have passed and the land is paid for, the purchasers have probably paid just as much again in interest, solicitors' fees, metropolitan region taxes, and other charges. As we have ample evidence that most blocks are purchased on time payment over a seven-year period, and as it appears that many people in their late teens elect to buy a block in this manner —perhaps not having a chance to build on it until it is paid off which will be seven years later—if a person owns only one block of land irrespective of whether he is married or not, he should be able to enjoy the rebate of the difference between the improved and unimproved land tax rates over a period of seven years. I believe this would be a very real help to the people we are aiming mostly to help.

There would be no danger in this; it would not cost the Government a lot of money; and I understand that there is now no difficulty in making a refund where the conditions which already exist apply. I think the four-year period is really unrealistic and could well be extended to seven years in the hope that it will encourage more young people to buy a block of land. It certainly will not encourage people to build on their blocks, but if they are allowed to have only one block, they cannot be looked upon as speculators. As I have said several times already, I believe each person, married or unmarried, is entitled to own at least one block of land in the hope of building a home within seven years at least. This is something which could well be considered as a practical and real effort to help the people who are most in need of help.

The figures quoted tonight show how badly astray the Government was in the estimation it gave last year when discussing similar legislation. I believe an estimate was made that the concession given on that occasion would cost the Government something like $1,500,000; whereas in fact this did not turn out to be so. The Leader of the Opposition quoted that the receipts from land tax were far and away in excess of anything we had ever anticipated, and I think the same thing will happen here. So the slight concession I have suggested is one that certainly will not have any great impact on the finances of the State.

Like other speakers I believe that at the end of a 12-month period we will find that the concessions proposed in this legislation, although quite real, will, in effect, not have cost the Government anything because they will be more than absorbed in the amount of money which will be gained from increasing values.

I think in his second reading speech the Premier said that cynics would claim this. I think in the past the cynics have proved to be correct in this matter. The Premier shakes his head, but figures speak for themselves, and he seemed to imply that the continual rise we have suggested will not occur. We only hope that this is so, and we only hope that there is a remarkable drop in the price of land. At the end of 12 months it could be that the land tax will have to be adjusted again due to a serious drop in land values; but, being quite practical, I cannot imagine this will be so, because I think the method of marketing land has been changed.

I noticed in the paper the other day that a company is to be floated to develop some 580 acres of land in an area called Santa Maria, 10 miles north of Perth, and there seems to be some difference of opinion between the Minister for Local Government and the Minister for Industrial Development. However, the fact remains that if the method of marketing land is changed there will still be speculation of one kind or another, although the method which is now proposed does provide a real exemption from the payment of land tax and metropolitan region improvement tax for people whose land is valued at $6,000 or less on an improved basis.

I believe the increases from then on will not be sufficient to discourage the speculators, because of the point I made shortly after we resumed: that any land tax these people paid would become a deduction so far as Commonwealth taxation was concerned. Accordingly they do not care how much the price of land goes up or

by how much the charges go up; they do not care whether it is surtax or an increased land tax, because they will pass it on to the public anyway. The real answer to the problem of land is to make more of it available other than by the taxation method under discussion.

There is certainly no need for me to go over the ground covered by the Leader of the Opposition, but I do feel we should give some consideration to being more generous to people who are buying their one block of land; and we should extend to them some concession in the way of a rebate over a seven-year period rather than over a four-year period.

The revaluations are causing very real concern and I have before me one case of a single tenement house in Woolwich Street, West Leederville, where the lady said that last year the assessment was $15.43, whereas this year it is $54.08. This is more than three times as much as the assessment in the previous year; it is an increase of something like 350 per cent. When the increase is as high as that there is real cause for concern and those who have to pay it are certainly concerned.

The valuations should be more evenly spread as was pointed out by the Leader of the Opposition. There have been some remarkable increases over a 5-year period; they have been as high as 500 per cent. in many cases. This is not good enough. While these people may have enjoyed a lower rate over the past four years, it would be far more equitable and reasonable—although it might not be practicable—to have the amount reviewed every 12 months.

So once again we come back to the McCarrey report. This report has been lauded in all quarters. The only time it was not praised was when the Minister for Housing discussed it on one occasion. At that time he quoted the opinion of someone from the University—I think it was Professsor Bowen—who was not very impressed with the report. Apart from that criticism the whole of the McCarrey report was well received, and I can only repeat my disappointment that the recommendations in it have not been given much greater attention. I support the Bill but believe it does not go far enough.

SIR DAVID BRAND (Greenough—Treasurer) [7.49 p.m.]: I would like to thank the Leader of the Opposition and other members who have supported the Bill—I was about to say reluctantly; but I do not think it was reluctantly. The members who supported it had their reservations regarding the extent to which the Bill goes and I think they pointed out their belief that the concessions we are making are only temporary—to use their own words—because of the rapidly rising value of land.

Could I say at the outset that during my time as Minister for Works I heard similar arguments put forward. I have heard these arguments put forward in this House, over the period of time we have been here, whenever adjustments have been made to the land tax.

I think it would be fair to say that each Government in turn has endeavoured to cope with the problems associated with revaluations and those associated with the extent of the rise at any given time because of the rising or falling fortunes of the economy at the time.

I can well recall the suggestion that a certain percentage of increase should take place right across the board in respect of the values of land. But here again, as the Leader of the Opposition would know, there are real problems in connection with the carrying out of this simple exercise which he says can be done from an office desk. If the rise were to be a 3 per cent. rise, then clearly there would be many difficulties associated with it—such difficulties as the changing fortunes of one area within a district, or the anomalies which must arise over a period of time in respect of individual holdings and their values.

For those reasons the authority, up to date anyhow, has not been prepared to recommend to the Government that this simple exercise could prove the solution to the problem. I might say the matter has not been looked at as closely as it should have been, because the alternatives tried have resulted in the difficulties with which we have been faced over the last two or three years as a result of the booming conditions in the economy and the subsequent rise in land prices all over the metropolitan area.

I can recall efforts having been made through tribunals and as a result of examinations conducted by senior officers as to how we can arrive at a scheme by which revaluations could be carried out at the same time, or where at least a large percentage of the metropolitan area could be revalued every three years; but, as has been pointed out tonight, this has not been very successful and anomalies exist today simply because it is not physically possible to obtain a revaluation over the huge area of the metropolitan region.

While I think of it I would like to refer to the cases cited by the Leader of the Opposition in respect of the subdivision of land, where a person would be paying a very high land tax because he had not subdivided and where, because of his request not being approved by the authority, he must continue to pay the high rate of tax.

In this connection I would like to say it has been pointed out to me that if the area were not rezoned it would, presumably, in the main be zoned as rural land and, of course, there is no tax on rural land whether it be within the approved

metropolitan region or more centrally located where it may be used for primary production.

Mr. Tonkin: It could be an order under the M.R.P.A.

Sir DAVID BRAND: I realise there are certain problems associated with these orders but I regret to say that these problems are not only connected with the matter of taxation. They do, however, present very real difficulties to the Government and to the authority, particularly while a blanket is placed over an area so that it is not possible either to sell or subdivide the land.

The Government has not found an answer to the problem, nor, indeed, has anyone else found an answer to it, and the difficulty cannot be solved unless we have a great deal more money to buy the land immediately the blanket is placed over any region.

The member for Fremantle referred to the question of pensioners and the cost such a tax would impose on them. The Act provides for the exemption of pensioners, so the honourable member's point was really not very well made. I feel sure the honourable member raised the matter with the best of intentions, but I would emphasise that the measures under discussion will not increase the problems of pensioners.

Mr. Lapham: What about those on superannuation?

Sir DAVID BRAND: I am talking about pensioners as we know them under the social services scheme. The member for Ascot mentioned the case of young people who bought land and the problem of their having to pay taxation over a period. Again, as the member for Victoria Park pointed out, there is an exemption of four years—which I consider to be quite a period; although the member for Victoria Park seems to think that four years is not sufficient and that it ought to be seven years. I feel this is a matter which calls for re-examination. The original recommendation made by the Treasury would not have been made lightly; it certainly would have had regard to the problems of the young people. It is the Government's desire to assist these young people as much as possible and if it were found that four years was not sufficient for the majority of the people, I would be willing to re-examine the situation.

The main point made by the Leader of the Opposition in his speech on the Loan Estimates, and by other speakers, was that the concessions being made by the Government at the moment will be short-lived because the level of exemption will be quickly overtaken by the rise in the price of land.

I would point out to the Leader of the Opposition that this matter was not overlooked. It would be misleading for the Government to come here and say that so many hundreds of exemptions will apply to people who own land with a taxation value of $6,000 or less, only to find the next year that this again is not a taxable group. It would certainly be the intention of the Government not to allow this to happen. I can assure the House that we would take whatever action is necessary in such an event.

I cannot contemplate the nature of the action at the present time but I can assure the House it is not the Government's intention to allow such a situation to develop in the future if the value of land rises to the extent envisaged.

In his speech on the Loan Estimates the Leader of the Opposition referred to a percentage increase in total valuation in his area of Melville and also in the areas of Bassendean, Cockburn, Cottesloe, and Leederville. He quoted certain figures by way of comparison and made the point that there has been a very rapid rise in the value of land over a certain number of years. To some extent there was confusion; it was felt that the values applying in the earlier years were the values which could be said to apply broadly to the general areas: but the development that has been taking place together with the ever-increasing population growth and the resultant subdivisions, has meant that the blocks are on the whole very much higher than the broad areas with which the Leader of the Opposition has compared them.

However, I felt it was no use coming here and making general statements regarding the figures he quoted and saying they were not correct without giving some reasons. Accordingly, I asked the Treasury to arrange for a survey to be made in three areas which were revalued for 1968-1969 and which were, therefore, among the most recent revaluations in the metropolitan area; indeed they would be the most recent revaluations. The areas in question were the City of Melville, the Claremont Municipality, and the Leederville ward of the Perth City Council.

The amount of work involved did not allow us to produce the figures for a larger number of local authorities, but I think members will agree the City of Melville would cover a large range of residential land types; the Municipality of Claremont would contain much high-value land overlooking the river or in a near-river location; and the Leederville ward would represent a group of older, inner-city suburbs, the values in which must be expected to be influenced by surrounding commercial and industrial development.

In the City of Melville individual blocks of land were classified depending on whether they were residential block or were for other uses. Of the residential blocks 69 per cent. were valued at less than $6,000 in the recent revaluation; 30 per cent. at more than $6,000, but less than

$18,000; and less than 1 per cent. at more than $18,000. It must be appreciated that not in all cases is each block held by only one person. Where a person holds more than one residential block, the aggregate value of the holdings must be considered. However, I think it can be claimed that these figures give a good indication of the likely proportion of home owners who would benefit under this legislation; and it is this, the Government claims, which will be of benefit to the community.

It is therefore apparent that in the City of Melville 69 per cent. of home owners will be exempt from land tax and metropolitan region improvement tax, and 30 per cent. will receive the benefit of the total exemption. Of those receiving the benefit of the total exemption, a very high proportion would be in the range of $6,000 to $10,000, where the incidence of the tax would be reduced markedly. For example, on $10,000 the tax would be reduced by almost 50 per cent.

The figures for the Claremont municipality are also interesting. Here there are a number of blocks, which, by virtue of their location on or near the river front, and their size, have a very high valuation. Even so, the figures show that 41 per cent. of the residential blocks are valued at less than $6,000, while 55 per cent. are in the range of $6,000 to $18,000; and it would be fair to say that of these more than half would be less than $10,000. Therefore the benefit would be a very marked reduction in the tax payable. I repeat, at $10,000 under the tapered system there is almost a 50 per cent. reduction. Only 4 per cent. of the residential blocks were valued at $18,000 or more and these will, of course, include high-density flat sites and the like.

The Leederville Ward of the Perth City Council covers the area of Leederville, Wembley, and a substantial part of Floreat Park; and we would therefore expect a wide range of valuations in this district. Here again, of all the residential blocks in the ward, 60 per cent. were valued at under $6,000; 39 per cent. between $6,000 and $18,000; and less than 1 per cent. of residential sites was valued at more than $18,000. From these figures I think it can be claimed that a very high proportion of home owners will benefit or will be totally exempt from payment of land tax and metropolitan region improvement tax.

Of those who do not receive total exemption, by far the greater proportion will receive considerable reductions in their assessments. The point which has obviously puzzled a number of members, because it has been raised several times tonight, is that if such a high proportion of home owners is to be exempted, how is it that the impact on our revenue is not greater than I have indicated.

Now, let me explain. I did so, of course, during my introductory speech, but I will repeat it. Of the total revenue from land tax we could have expected this year, had the changes not been introduced, $2,500,000, or 39 per cent., would have been derived from taxation on unimproved land which is not affected by the concessions proposed. In fact, the proposals before the House provide for additional revenue of $574,000 arising from the higher rates now proposed to be applied to unimproved land valued at more than $25,000.

Mr. Davies: You do not have the estimate of how much is likely to be rebated under the four-year scheme, do you?

Sir DAVID BRAND: I have not got it here; but I do not think it would make very much difference.

Mr. Davies: I am told it is quite a bit.

Sir DAVID BRAND: If it is quite a bit, it is a greater concession than perhaps it was intended to be.

A further $2,900,000, or 45 per cent., of the total revenue from land tax would have arisen from land valued at more than $18,000, and, of course, by far the greater part of these areas contains commercial or industrial sites involving large areas of very high valuation. This revenue is also not affected by these proposals. The balance of the revenue has, of course, come from large numbers of taxpayers paying relatively small amounts —relative, that is, to the assessments of the larger taxpayers. I do not think we should overlook the fact that on this occasion the arrears of late collections has given us $1,119,000, which is money that will not be available next year from the same source.

It has also been suggested, not only by the Leader of the Opposition, but also by *The West Australian* in a recent editorial, that much of the advantage of the present concession will be lost as the valuations increase. I would remind members that the figures I gave a few moments ago from areas which have recently been revalued would take full account of current land values. Many are still to be revalued to current levels, but it is not likely the proportion of residential lots obtaining the advantage of exemption will be greatly different from those areas which I have already mentioned.

The Leader of the Opposition pointed out that South Perth is due to be revalued, and I have a very special interest in that locality because I live in it; but I would think that the figures I have quoted from the already established areas of Melville, Claremont, and Leederville would be very little different from those in South Perth.

Mr. Davies: You did not quote any percentage increase. It might still be below $6,000, but it might have been revalued from, say, $1,000.

Sir DAVID BRAND: What difference does that make? If under $6,000 the property would be exempt from the payment of land tax.

Mr. Davies: You pointed out earlier that some assessments were now out.

Sir DAVID BRAND: That does not seem to me to come into the argument.

Mr. Davies: It will not come into it after this.

Sir DAVID BRAND: This Bill provides for an exemption of both land tax and metropolitan region improvement tax for properties below the value of $6,000.

Mr. Davies: We agreed that after this it will not matter, but we are complaining about some of those now coming out.

Sir DAVID BRAND: The reason for the Bill is the problems to which the honourable member is referring, and the fact that the Government acknowledges the hardship occasioned by marked increases in land costs.

Also, as I pointed out earlier, the benefits of the proposals are not restricted to aggregate holdings of less than $6,000. On valuations of $8,000 the tax would be reduced to one-third of the present assessments, and even on valuations of $10,000 the assessment will be almost halved. Therefore the tapered exemption provides a cushion against increased assessments due to rising land values. I think it unrealistic to imagine that the general level of land values for residential blocks is likely to increase to a level where the tax would begin again to be a burden; but I have already made that point.

I repeat that in the event of these problems developing and becoming evident we, as a Government, would certainly take action to ensure the concessions wherever intended would still apply in the years ahead.

I would like to point out to the House that the Government had intended a higher exemption. As a matter of fact, had it not been for the decision of the High Court and the financial problems which beset us, we would have proceeded with the recommendations which had been made. However the reduction to the concession now—a limit of $6,000 valuation—will, I think, give many people a great deal of relief and, I hope, a feeling of relief for the years ahead.

In a previous speech, or in answer to a question, I pointed out to the Leader of the Opposition that at the present time there are 179,000 assessments and it is believed that following the passing of this legislation the assessments to go out will be reduced to between 50,000 and 60,000; and this is a very real reduction and, no-one can deny, a real concession, and it will cut into and reduce the problem which we have faced over the last two or three years as a result of rising land values.

The Leader of the Opposition has pointed out that the real estate agencies and individual people associated with the buying and selling of land are somewhat responsible for the increase in values. I do not know about this. I know only that right throughout the metropolitan region and, indeed, even in some of the regional towns there is evidence of rising land prices. We hope that the action the Government has taken will have the desired effect and, as I have so often said, if we do not obtain the results we want, we will have to take further direct action.

Our hope is that we will not have to go so far, but, I repeat, in respect of land—although we are not discussing land, but land taxes—we view with great concern the activities of certain people in buying up rural land at inflated prices. We see the possibility that the Government—the present one or any future one—might have to get hold of this land and put it on the market at a reasonable price. Therefore I would warn speculators that there is still under consideration by the Government action which would enable it to buy up the rural land at a reasonable price, and not at the inflated values which have been paid because of the activities of certain speculators operating in the metropolitan regional areas. I commend the Bill to the House.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Sir David Brand (Treasurer), and transmitted to the Council.

LAND TAX ACT AMENDMENT BILL

Second Reading

Debate resumed from the 22nd October.

MR. TONKIN (Melville—Leader of the Opposition) [8.15 p.m.]: As this is purely complementary legislation it is neither necessary nor desirable for me to speak at any length in connection with it. It is obvious that the Government has quite rightly set out with the intention of making it unprofitable for persons to hold land. Members on this side have already indicated that some hardship will be caused to individuals who genuinely buy a single block of land with the intention of building upon it, because they will have to lay out most if not all of their resources in the purchase of such land and they will find it extremely difficult to get the extra finance necessary to enable them to build within a reasonable time.

That being so we are running the risk of penalising genuine people in order to catch those who are playing the market and indulging in speculation. It is proposed to make a fairly steep increase in the taxation progressively from land valued at $25,000. We are in accord with this idea. We would keep on loading the tax on those who buy land for the purpose of holding it and subsequently making huge profits. As you well know, Mr. Speaker, some people are indeed making millions out of buying up rural land, subsequently getting it rezoned, having it subdivided and serviced, and then selling it to people who require it.

In all of these measures where we set out to achieve a certain objective by placing penalties upon the people concerned we should be most careful to endeavour to avoid penalising innocent people who are not responsible for the things about which we complain. There are two sections. There are those who, through lack of finance, are unable to proceed to utilise land which they have purchased, and so it ought to be possible to make special provision for the holders of just one block of land. There are others in a different category altogether; they are people who are holding more than one block of land but whose land is the subject of an interim development order and who, try as they can, cannot dispose of their land and cannot subdivide it; they find themselves in a cleft stick.

I remember a case that was brought under my notice which I thought was a very good illustration of what can happen. This refers to a person named Katich who had some land which was valued at the 30th June, 1967, at $19,800, and other holdings at $4,000. His total tax at that time was $190.45. In 1968 this land increased in valuation to $72,400 and the other holdings to $51,000, which meant that his tax jumped from $190.45 to $989.50. This man's land is subject to an interim development order; he is not allowed to subdivide it and he cannot sell it. Thus he is faced with a very serious financial problem and this legislation will only make his position worse.

Some attempt ought to be made to deal with a situation of this kind so that justice may be done. The purpose of the legislation is not to penalise people who cannot sell but to penalise those who will not sell; and in our endeavours to penalise people who will not sell we should endeavour to exempt those who cannot sell. The legislation makes no attempt to do that and I think this is an important aspect which needs further consideration.

However, as the Bill stands, we are in accord with the proposal progressively to increase the tax, more particularly on those who have very large areas in the hope that by forcing them to dispose of their land we will make more blocks available for residential purposes and so cause this increasing price spiral to be checked and, I would hope, to have prices reduced so that we can get somewhere near to a reasonable thing. This will allow young people some hope of being able to purchase a block of land and build a house in which to live. I support the measure.

SIR DAVID BRAND (Greenough—Treasurer) [8.21 p.m.]: I thank the Leader of the Opposition for his support of the measure which, as he says, is complementary to the Bill with which we have just dealt. The honourable member again quoted a case of land which cannot be sold or subdivided because of an interim development order. While I cannot recall details, in the amendments made to this Act last year some provision was made to cover cases similar to the one he cited. I cannot say definitely, but I believe that a person finding himself in the position to which the Leader of the Opposition referred could apply to have his land treated as improved land with some concession granted—if not a total exemption—until certain development took place. I am not in a position to refer to it specifically, but I remember consideration was given to people in such circumstances.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Sir David Brand (Treasurer), and transmitted to the Council.

MINES REGULATION ACT AMENDMENT BILL

Receipt and First Reading

Bill received from the Council; and, on motion by Mr. Bovell (Minister for Lands), read a first time.

PLASTERERS' REGISTRATION BILL

Second Reading

MR. JAMIESON (Belmont) [8.26 p.m.]: I move—

> That the Bill be now read a second time.

Firstly, I would like to thank the Premier for giving me the opportunity to introduce this Bill. I realise that that is probably as far as it will go at this juncture, and that it will remain on the notice paper for some period. During that time members will have ample opportunity to have a look at it to see what its provisions contain. As a consequence, I do not intend to spend a great deal of time on explaining the measure but shall merely point out some salient features associated with its introduction.

The measure has a basis similar to that of the Painters' Registration Act and it follows along the lines of the Builders' Registration Act. Members are well acquainted with those two pieces of legislation, but this Bill follows more the lines of the Painters' Registration Act. Some members may wonder why it is that the Opposition is putting forward this legislation. I understand approaches were made to have the legislation introduced by the Government. However, for certain reasons unknown to me the Government was not overkeen to do this and an approach was made to my leader, who allocated me the task of handling it, no doubt because of my association with the building trades industry.

Of all the artisans employed in the buiding trades the plasterers are about the only ones who are not covered by some form of registration. It might be pointed out that some lesser types of contractors are not covered and that these people could be considered as artisans in the building trades. However, in the main, the principal people employed in the building trades are covered by registration of some kind—I refer to bricklayers, carpenters and joiners, painters, and so on. The only other tradesman of any consequence who is not covered is the plasterer.

While I have a good deal of respect for painters and the knowledge and skill required to apply paint properly, they do not need the same skill as that required of the plasterer. Plastering is an art, as any member who has tried to apply plaster will verify. Those who have not tried to do any plastering ought to get a trowel of mud and try to fix it to stucco work; they will soon realise how difficult it is. One cannot plaster properly unless one has been trained to do this work. Unless one is a trained operator one will find that the plaster just falls off the wall and becomes a heap on the ground.

Because at present there is no need for plasterers to be registered, much shoddy work has been done by unskilled operators. This has resulted in problems both to the Government and the trade as a whole. This is referred to in a letter, dated the 30th April last, to the Leader of the Opposition when, among other things, the Master Plasterers' Association of Western Australia had this to say—

> The Master Builders Association of Western Australia has expressed the desirability for such registration, and will give its full support to achieve this end.
>
> The Legislation proposed is along the lines under which painters have been operating for some years. This has proved to provide maximum protection for the public, building contractors and architects and benefit to all members of the trade, especially to apprentices.

That letter, as I have said, was from the Master Plasterers' Association of Western Australia. To make sure we were not at variance with the craftsmen themselves, the Operative Plasterers and Plaster Workers' Federation of Australia commented on this matter in a letter sent to the Leader of the Opposition. The federation made these points—

> (1) It is desired here to point out that in the main the people who are most affected by the incompetent contractors are the little people, who are trying to build or repair their own homes.
>
> (2) It can be pointed out also that the procedures for recovery where damages occur are often prolonged and cumbersome, and often beyond the capacity of the injured parties.
>
> (3) It will be pointed out by the deputation—

I mention that this is the deputation which waited on the Leader of the Opposition. To continue—

> —that the effect these contractors are having on our Industry is detrimental to the future development of the State, and the Building Industry as a whole.
>
> (4) Also of recent years due to the increasing number of calls on our time to examine and advise on faulty work, this Union is now refusing to take action, as we believe it is a matter that is quite beyond our province and further we have no power to enforce remedies.

Both sides of the trade have, therefore, experienced the problems associated with faulty workmanship. Consequently they consider it is desirable to bring the trade into concert with other building trades which are registered and covered by Acts of Parliament.

I have been given the instance in recent times of the new premises which are being erected for the Department of Native Welfare in Mt. Lawley. An untrained contractor undertook some plastering work, but the work was found to be completely unsatisfactory. One might say that the contractor would doubtless have to make the work good, which, of course, he must do if the Public Works Department does not pass the job. In this case the contractor was forced to make the work good at his cost by bringing in proper artisans. Nevertheless, the completion of the building has been delayed through the inability of the person who took on the contract to achieve the desired objective.

Consequently, it would appear to be very important that we ensure that all sections of the building trades are able at least to supervise the activities within those sections. Doubtless this has happened with the Builders' Registration Board and the Painters' Registration Board.

I have heard no complaints against the boards or the pieces of legislation under which they operate. The legislation seems to have worked quite harmoniously and has been applied fairly. Above all, the public can get some redress by being able to go to an organisation when they have complaints against shoddy workmanship by people who purport to be able to do the work.

Members will notice when they investigate the Bill that it will have a wider scope of coverage than the other pieces of legislation to which I have referred. It will cover the whole of the State. The organisation requested this in view of the big contracts which are being carried out throughout the State. Consequently, it is thought desirable to have overall coverage and not to have coverage on a piecemeal basis as was the case with the other two pieces of legislation.

Several provisions of the Bill are additional to the provisions which are contained in the other Acts I have mentioned. I will deal with these features presently. It might be of interest for members to know that there are approximately 60 members of the Master Plasterers' Association of Western Australia. There are said to be approximately 150 free-lance contractors who operate in some small way. Also, there are 800 plasterers in the Plasterers' Union. In all, the legislation would appear to affect about 1,000 people in this State who are engaged in this work.

Before concluding, I would like to make specific reference to several features in the Bill which will be of interest to members. For a start, the definition of "plasterer" is fairly comprehensive and can be studied by members in an effort to determine whether it sufficiently covers situations associated with plastering.

It is intended that the proposal shall take effect six months after the Act comes into operation. After that time nobody may carry out plastering unless he is registered. Of course, this is a similar provision to the one included in the Painters' Registration Act.

The board that will control the organisation will be capable of having deputies appointed to it. This is thought, for practical reasons, to be a desirable addition to the provisions of other legislation. When there is a board of only three, very often it can be found that some of the personnel are away for longish periods. Consequently, the operations of the board could be held up. It was therefore considered desirable to make provision in the Bill for alternative board members to be nominated by the organisations which are responsible for appointing the board.

The board shall have a registrar appointed who shall also be the registrar for the time being of the Builders' Registration Board of Western Australia. Members will have noted from my earlier remarks that the Builders' Registration Board is in accord with the provisions of this Bill.

The provision which deals with the registration of a plasterer is quite specific. Apart from being over the age of 21, there are three basic requirements for a person who wishes to be registered. These are that he—

(a) has completed the prescribed course of training and has passed the prescribed examination as laid down by the Board for persons other than apprentices who have had five years' practical experience in the plastering trade, or as laid down by the Industrial Commission for apprentices to the plastering trade; or

(b) was at the date of the commencement of this Act, and is at the time of the application engaged outside the metropolitan area referred to in section 3 of this Act in the occupation of a plasterer or as a supervisor of plastering as the whole or a part of his means of livelihood; or

(c) has in some place other than Western Australia attained a degree of proficiency as a plasterer which the Board considers is comparable with that ordinarily attained by persons who have completed the course of training, passed the examinations and worked as mentioned in paragraph (a) of this subsection.

A further provision in the Bill states that registration is also available to—

> A plasterer (not being a partnership, company or other body corporate) who applies on or before a date which is not later than six months after the commencement of this Act to be registered under this Act is entitled to be so registered if and when he pays the prescribed fees for such registration and satisfies the Board that he has attained the age of twenty-one years and is of good character and that he was at the date of the commencement of this Act engaged in the occupation of a plasterer as a supervisor of plastering as the whole or a part of his means of livelihood.

There is also provision for a partnership, company, or other body corporate to be registered so long as one member of the organisation is a registered plasterer.

Under the legislation the board may cancel registration of its own volition and, in this regard, members will notice there is provision for appeal. This provision reads—

> Any person who feels aggrieved by any decision of the Board may within one month after such decision has

been communicated to him in writing appeal therefrom to a stipendiary magistrate.

The Bill sets out what the magistrate may do in respect of a decision on an appeal. Clause 25 reads—

> The Board shall as soon as practical after the thirty-first day of December in each year and not later than the last day of February in the following year prepare a financial statement compiled to the said thirty-first day of December showing the assets and liabilities and the receipts and expenditure of the Board during the preceding period of twelve months. Such financial statement shall be audited by a qualified auditor appointed by the Board with the approval of the Minister.

It is also provided that the board may, with the approval of the Governor, make rules with respect to a number of its activities and, in consequence, run its affairs much along the lines of the Painters' Registration Board. I do not think there is much more I need to say at this stage of the Bill.

Mr. Ross Hutchinson: May I ask whether it is your wish to have this rest until the March session?

Mr. JAMIESON: I think this would be rather obvious. The Premier has allowed me to move the second reading, but I understand it is his intention that Parliament shall finish at the end of next week. I could not ask for it to be considered in this part of the session, because I gave notice of the Bill rather late in the session when Standing Orders had already been suspended.

I commend the Bill and I hope members will study its provisions and discuss it with people in their own areas who are engaged in this calling. In this way members could determine whether there is a real necessity for the passing of a measure such as this.

In view of the information which has been given by both sides of the trade, I consider the legislation is desirable. People will, through the operation of the board, have some redress against individuals who perform shoddy work. Not only will members of the public have somewhere to go, but the board will be able to take action to see that the work is made good when shoddy work is found to exist. I commend the Bill to members.

Debate adjourned, on motion by Mr. Ross Hutchinson (Minister for Works).

LAND ACT AMENDMENT BILL (No. 3)

Second Reading

Debate resumed from the 23rd October.

MR. TOMS (Ascot) [8.44 p.m.]: The purpose of this small amending Bill is to add a new section 117A to the Land Act. Section 117 of the Land Act deals with town, suburban, or village lands which may be leased. At the present time the section in the Act contains two lines and reads—

> The Governor may lease any town, suburban or village lands on such terms as he may think fit.

Modern development has necessitated the amendment now before us which, as I have said, will add a new section 117A to the Act.

The Minister pointed out when he moved the second reading that recently applications were made to the Lands Department to do certain things over and under roadways. At the present time there is no provision in the Act to deal with this sort of situation. However, we understand that roadways and land itself can be described as lots.

To enable authority to be given to the Lands Department to lease and to make such conditions as are necessary, approval is sought to incorporate that amendment in the Act. Only last week we made provision in the Local Government Act to permit, with the Minister's consent, the construction of overways, and the policing of the subway sections. I feel this will possibly legalise something that has already taken place in Guildford Road where a rather impressive overway has been constructed across the roadway and down to a reserve. This is an excellent move, because it will enable people to cross the roadway—particularly children attending school in the area—at that point without any danger, because there is no doubt that the road is an extremely busy one.

The provision in question has been brought about mainly by the activities of developers who desire to extend development through the centre of the city, and in doing so provision is to be made for the construction of what are called overways through air space, and also for the construction of tunnels beneath the ground. As I said in my opening remarks, this is a trend that has been brought about as a result of modern town planning development—we regard it as modern development in this State but it has already been practised in Victoria—which includes in the plans provision for the construction of ramps from one side of a road to the other. However, in this city, this will possibly be done by the erection of arcades and other features by development groups.

As I have said, it is necessary to give the Lands Department the authority required to enable it to lease or provide some cover over the land that is affected. I support the amendment and look forward to the day when we will have some of these structures erected in Perth. I do not think we will have to wait very long, because the heart of our city is undergoing great development at present. Therefore I

see the need for control to be exercised to ensure that these modern structures are made as attractive as possible in the heart of our city so that they will not become eyesores. I hope the Minister will keep that point in mind and instruct the local authorities, or whoever may approve the plans for these structures, to ensure that strict control is exercised.

MR. T. D. EVANS (Kalgoorlie) [8.49 p.m.]: The nature of this Bill is only small, but it appears that, in the future, it will be of great significance. I support my colleague, the member for Ascot, in what he has said, and, in doing so, I support the Minister's Bill. As has been explained, the measure seeks to vest in the Governor—and, of course, in the Lands Department—the right to enter into leasing agreements relating to the depth of the earth underneath roadways—that is, a depth of 40 feet—and to air space above the road to the height of the heavens.

It was always a principle of land law that where a person became the true holder—that is, the one who held the land other than the Queen—he owned the land to the depths of the earth and the height of the heavens. Of course, over the years, this principle was qualified. As we know, under the Transfer of Land Act, the freeholder is usually vested with the control of the land, or the right of the freehold to a depth of 40 feet, but as to the air space above the land to the height of the heavens, Commonwealth legislation in relation to air space qualifies this. So there is no doubt that the freeholder owns the freehold land.

To verify this we need look no further than the Swan Brewery. Fees are paid to the brewery for the right to use space for advertising. So when we look at roadways which are naturally vested in the Crown, we are right in saying that the Crown owns the earth beneath the roadway to the depth of the earth, or the air space above to the height of the heavens.

Of course, if the Crown is entering into leasing agreements for these hereditaments relating to land, the question arises: How are they to be described? Can we describe the piece of the earth to the depth of the ground as a lot? If we could, there would be no need for this legislation as there is now power for the Governor to lease town and suburban lots. Proposed new section 117A deals with town and suburban lots. As has been indicated by the member for Ascot and the Minister when he introduced the Bill, this measure contemplates development within our city, and possibly elsewhere, in the future of subways and overways in relation to our roads. With an eye to the future I, together with my colleague, the member for Ascot, and other members on this side of the Chamber, indicate my support for the measure.

MR. BURKE (Perth) [8.52 p.m.]: Like the member for Ascot and the member for Kalgoorlie I also support the measure. We share the Government's concern and agree with its action to enter into leasing agreements in regard to development at this point of time. The Bill will clarify rights relating to land and its future development both under and above the ground in the City of Perth.

I am very much in favour of development underground, but I am also a little concerned, from the point of view of aesthetics, about the nature of such development. In the Minister's introductory speech he mentioned two purposes for which such development would be needed. One was in regard to the link over St. George's Terrace from the north to the south. From the point of view of aesthetics, I would be most concerned if an overpass were contemplated for that project, because I feel it could be a detrimental step. However, the contemplated overpass that will extend from the new Perth Arcade to the intersection of Forrest Place and Murray Street may become unnecessary, because discussions have taken place on the question of the area being turned into a mall at some future date.

I know of only one overpass in Australia; the one that extends over Little Bourke Street in Melbourne, connecting two sections of Myer's departmental store, and it is quite attractive. However, as I have said, that goes over a roadway to connect only two sections of a retail store.

Under this Bill we propose to construct a ramp which will serve as an overpass. This will be preferable in view of the fact that elderly people and mothers with prams will be using it after leaving a commercial building which is opposite. Although we give the Bill our support, we would like an assurance from the Minister that steps will be taken to ensure the aesthetics are kept in mind when the right to develop the structures is granted at some future time. I support the Bill.

MR. BOVELL (Vasse—Minister for Lands) [8.59 p.m.]: I thank the members for Ascot, Kalgoorlie, and Perth, for their support of the measure. I think the question of aesthetics will be dealt with as the proposals for development come forward. The leasing of these lots—as they will be—under this measure will be the responsibility of the Governor or the Minister for Lands, but sections 286 and 511 of the Local Government Act will also apply certain conditions. Section 511 of the Local Government Act reads as follows:—

> (1) A council may with the consent of the Minister authorise a person to construct and maintain all or any of

the following works leading from land on one side of a street to land on the other side of the street, namely—

It then goes on to deal with a subway, bridge, and so on, all of which will be subject to the control of the local authority; and I am quite sure the local authority will pay some attention to the aesthetics of the works.

I think the member for Ascot referred to the recent amendments to the Local Government Act. This measure is designed simply to create lots either in the air or under the ground to provide public access ways, and the actual administration, with the approval of the Minister, will be done by the local authority under the two provisions of the Local Government Act mentioned in the Bill, which I commend to the House.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Mr. Bovell (Minister for Lands), and transmitted to the Council.

NORTHERN DEVELOPMENTS PTY. LIMITED AGREEMENT ACT AMENDMENT BILL

Message: Appropriations

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

Second Reading

Debate resumed from the 23rd October.

MR. BICKERTON (Pilbara) [9 p.m.]: This Bill contains amendments to the Northern Developments Pty. Limited Act of 1969. Indeed, the last amendment to the parent Act was passed only in the autumn sitting of the last session of Parliament, which was earlier this year. It is not usual for amendments to be brought before Parliament so quickly after an amending Bill has been passed; but the Minister in his wisdom said he would rather that Parliament should pass the amendments contained in the Bill before us than that he should exercise his right to effect the amendments under the variation clause.

The original agreement to permit the experimental growing of rice in the Camballin area in the north is dated the 12th November, 1957. That agreement was approved by Parliament, and is known as the Northern Developments Pty. Limited Agreement Act of 1957. This agreement, in turn, was replaced by the Northern Developments Pty. Limited agreement of 1969. The reason given to Parliament for the change was that it was necessary because of a major change in the shareholdings of the company. So, the Bill now before us seeks to amend the 1969 agreement.

This project appears to have had a rather checkered career; it was something of a stormy petrel, and it faced many problems. Members will recall that from the early days Mr. Durack managed the project for the growing of rice in the irrigable areas of the leases. A considerable amount of success was achieved in the rice yield. However, members will recall that some of the most difficult problems came about through the depredations of the birds, particularly the geese, which caused tremendous damage to the crops.

From time to time this company faced financial problems, and the Government had to give it all the help that was possible under the agreement. This is something which all of use would like to see succeed. For those reasons the House will gather that I intend to support the amendments in the Bill. The company could—and I have no doubt that it will—face many problems. A lot of money, both State and private, has been spent on this project directly and indirectly. It would appear that we are still at the stage where the project cannot be regarded as a complete success.

When the Minister introduced the second reading he pointed out that the two main amendments were—

(1) to allow grain sorghum to be classed as one of the approved crops, and from his remarks this was the major crop; and

(2) to allow the company to take up parcels of irrigable land in 10,000-acre lots to the extent of 55,000 acres, the odd 5,000 acres being to allow for land that is not suitable for irrigation.

The Minister took pains to point out that it was not necessary to bring these amendments before the House, as the agreement allows him plenty of scope under the variation clause to make alterations without reference to Parliament. I have invariably said that I do not like variation clauses, but I realise that in respect of some agreements they are necessary. On this occasion I therefore say that I would sooner see the amendments come before Parliament, because we at least have some idea what the amendments to the agreements which have been ratified from time to time are. We would know which are comprehensive amendments, many of which are important.

The Minister has not told us a great deal about what the company has done since the agreement was ratified. He mentioned that it was only in the autumn

sitting of the last session that it was ratified. Nonetheless, it would have been heartening if the Minister had given us some of the history of what took place prior to the ratification of the agreement, and, what is more important, if he had given us some idea of future planning and what has taken place since the agreement was ratified. It would be of greater satisfaction to members to know that this project was proceeding in the manner which the Government hoped it would when it ratified the agreement.

The land allocation will depend upon the company planting each lot with an approved crop. As the Minister pointed out in his second reading speech—

> Land allocations will be dependent upon the company first planting each preceding parcel with an approved crop; its construction of a levee to protect the first 20,000 acres, which levee will be maintained by the company . . .

The Minister said that further allocation would depend upon the planting of the first 10,000 acres allotted, and so on. I would have thought it would depend on more than just the planting of a crop before the next 10,000 acres was allotted; I would have thought that some returns should be made to indicate that the economics had been proved up to a point before further allocations were made. However, the Minister might be able to tell us more about this in his reply.

There is no doubt in my mind that this project, having gone so far, should be supported by us so that it could be made into a paying proposition. If, in the eyes of the company and the Government, sorghum can achieve this, then I see no reason for opposing the amendments to the agreement, provided that the production of sorghum is an advantage to the State. It is certainly a subject on which I am no expert.

The Minister could tell us more about the markets, and why the company considers that in the planting of sorghum, its problems, particularly financial problems, will be overcome and the project will become a paying proposition. As I have said, this project has involved a great deal of time and cost a lot of money, both private and State. If sorghum is to be the answer to the financial angle, and if it will benefit the area surrounding the project to the extent which the Minister thinks, then I agree with the remarks of the Minister when he mentioned the individual amendments. They are designed to allow the 1960 agreement to proceed once the two major amendments I have dealt with have been implemented. With those remarks I support the Bill, and I wish the project well.

MR. NORTON (Gascoyne) [9.10 p.m.]: Like the member for Pilbara, I also wish to support the Bill, but in so doing I want to make a few comments. The member for Pilbara has dealt with the history behind the agreement fairly fully, and it is not my intention to reiterate what he has said. If members care to go back to the time when the 1969 agreement was made, and to the prior history right back to 1957 when the original agreement was made, they will recall that the main object of the Camballin project was the growing of rice. It now appears from the amendments in the Bill before us, and from what the Minister has said, that rice will become an experimental crop, although the Bill mentions grain sorghum or rice.

Mr. Bovell: The most economic crop will be the one to be grown.

Mr. NORTON: It was also envisaged in the original agreement that the growing of other suitable crops, more or less on an experimental basis for the rotational cropping of the land with rice, would be undertaken. Early in his second reading speech the Minister mentioned that the company was now obliged to plant 100 acres of rice each year in an experimental form. If we look at page 4 of the Bill we will find that the company is not obliged to plant 100 acres of rice each year, because the agreement states—

> The company shall set aside forthwith an area of at least 100 acres of the subject land and shall promptly commence and continue throughout the currency of this Agreement experimental work for the cultivation of rice and other crops.

Therefore the company does not have to put in, as an experiment, 100 acres of rice each year. This shows that the growing of rice is being pushed into the background; not that I am complaining about this, but it is altering the nature of the agreement. However, if the growing of grain sorghum will benefit the area then I am all for it.

Another major amendment contained in the Bill seeks to alter the definition of "parcel." In the original agreement a parcel was 5,000 acres, but now it is to be altered to 10,000 acres. In the original agreement a price was fixed for each parcel of land. For instance, the first parcel of 5,000 acres was to be made available at a maximum price of $2 per acre; that would mean the parcel would cost $10,000. The second parcel was to cost up to a maximum of $10 per acre, which would give a total maximum cost of $50,000; and each subsequent 5,000 acres had a maximum price of $20 per acre.

We can see that under the old agreement by the time the company had purchased the 20,000 acres in 5,000-acre parcels it would have paid $260,000 to the Government. Under the new agreement the parcel

is to be 10,000 acres, and it will mean that the company will only have to pay $120,000, and thus effect a saving of $140,000.

This is actually the maximum amount as set out in the Bill. It could be less if the Minister decides that a lesser price should be charged. I would like to know why the Minister, when he altered the size of the various parcels, did not keep the price schedule in conformity with the variation of the parcels of land. I do not think the land has deteriorated in value over that time.

Another important amendment which the Minister has included is the right to depasture stock. Whilst this provision was not written into the original Act, I think it was understood that the depasturing of stock would be approved by the Minister if the company made application. However, the present amendment will give the company the right to depasture stock.

The Minister has also included, in the present Bill, a provision that the company must build a levee bank to stop flooding over the two parcels of land totalling 20,000 acres. I think the construction of a levee would have been essential for any development, because the original company had considerable difficulty with flooding. In fact, that company put flooding down as one of its major problems in the later years of its existence.

Other amendments in the Bill tighten up the agreement, as far as the Government is concerned, and I am completely in agreement with those provisions. I support the Bill.

MR. RIDGE (Kimberley) [9.17 p.m.]: The Minister for Lands has quite adequately explained the proposed amendments to the agreement, and in expressing my support of the Bill I would like to talk about some of the advantages which could accrue as the result of our debating this legislation. I think it has been demonstrated, for some years, that the venture conducted by Northern Developments Pty. Limited at Camballin has been too small and under-capitalised to cope with the many physical problems of the area.

Unfortunately, those physical problems appear to have been under estimated when the project was first got under way. Nevertheless, the experience gained at Camballin, and at the Ord River, has rather startlingly emphasised the major difficulties which can be expected with a project of this nature. From a careful collation and interpretation of past results at those two places it is quite probable that we will get sufficient information to preclude a repetition of errors in future operations.

I understand that about $3,250,000 of taxpayers' money has been spent on the development at Camballin. While the results have not been very encouraging I think we should not be too critical of the scheme as it was obviously established on the best possible advice and, I imagine, with the very desirable motive to stimulate regional development and export earnings. Our task now is to ensure that future operations are well planned and boldly executed. I believe the proposed amendments to the agreement have the intent of achieving the same.

Perhaps the most significant alteration is that which increases the size of the parcels of land from 5,000 acres to 10,000 acres. This provision implies that if the project is economically viable, and sufficient water is available, it is possible within the terms of the agreement to fully develop the whole 50,000 acres in a relatively short time.

From previous debates in this Chamber members well know some of the deficiencies of the existing scheme. I refer to the lack of facilities to effectively control flood waters, which has been one of the greatest drawbacks. The agreement now imposes a responsibility on the company to construct a levee running parallel to the Fitzroy River. Engineering studies have already been conducted by the Public Works Department and I believe that to provide flood protection for the ultimate area of 50,000 acres, the levee would need to be about 14 miles long. With associated works it could well cost in excess of $1,250,000, so it is a major undertaking.

Another serious problem has been the limitation of the water supply. The barrage on the Fitzroy, and the 17-mile dam, have only had the capacity to irrigate a maximum of 20,000 acres during the wet season. That area is reduced to 6,700 acres during the dry. So, logically, additional storage facilities would have to be constructed before the company could proceed with the development of its third parcel. However, the Public Works Department Water Resources Division has been very active in the area for some years, and we now know enough about the river systems in the region to confidently plan structures in any one of several localities.

Probably the most likely dam site would be at Dimond Gorge, on the Fitzroy River, and it has been claimed with some authority that Dimond Gorge is physically better than both of the Ord sites. At present the Fitzroy River rises and falls very rapidly and because of its torrential character it is an unrealiable source of irrigation water while there are no control structures upstream.

River gauging has been carried out since 1957, and since that time the highest recorded flood at Fitzroy Crossing was 37.7 feet, which represented a discharge of 180,000 cubic feet of water per second—not a bad sort of flood for only one river when Australia is said to be the driest continent on earth!

With competing demands on public finance it would probably be a long time before we would be able to encourage Commonwealth financial participation in a venture of this nature, but by virtue of the fact that the company can be given the right to construct head works, it is conceivable that agriculture in the West Kimberley region will be projected 10 or 20 years into the future—not in an inconsiderable way, and probably at little Government expense.

A control structure at Dimond Gorge would be capable of providing a reservoir with a storage capacity of 3,500,000 acre-feet. The significance of this will be apparent to members who appreciate that the main Ord dam has a capacity of approximately 4,000,000 acre-feet. The amount of water which could be effectively drawn from the dam would be considerably less, but it would probably be enough to irrigate three or four times the amount of land referred to in the amending Bill—50,000 acres. This, in itself, creates an exciting prospect because we can—and we must—improve the utilisation of our water resources.

After having provided water for those thousands of acres of irrigable land we then have the task of producing commodities which are readily acceptable on the world market at competitive prices. I do not know much about agriculture but surely one does not need to have such knowledge in order to pay credence to the fact that the world agricultural industry is facing one of the greatest challenges in the history of mankind: the challenge of averting a world food crisis by developing the capacity to feed an additional 1,000,000,000 people by the year 1980.

The schedule to the Bill provides that grain sorghum will be an approved crop. Briefly, I would like to refer to some of the market prospects for this commodity in Japan. The population of the Japanese nation is growing at the rate of about 1,000,000 people a year. The economy is sound, and incomes are rising as is the demand for better quality food. Land suitable for expanding cultivation is very limited. At the same time, the Japanese nation is making a vigorous effort to increase its production of dairy products and this, in turn, is placing some emphasis on the need to import feed grains. This figure has been projected to reach 10,000,000 tons by 1975, which would represent an increase of approximately 250 per cent. on the 1967 imports.

In the case of grain sorghum, the United States captured in excess of 99 per cent. of the Japanese market in 1967. Why should not we participate in this trade? We are well located geographically; our growing season would bring the product onto the market at the right time; we have a long history of successful trading with the country; and, most important, we have the natural resources to enable us to get the business if we have vision enough to put our resources to work.

Grain sorghum is not an unknown quantity in the Kimberley region. Trials at Kununurra have yielded as high as 13,000 lb. per acre. I qualify that remark by saying that the figure was achieved over three croppings: the initial planting and then two further crops from stubble regrowth. In other trials, 9,000-lb. yields were obtained from two harvestings. However, I do not imagine that the company at Camballin would aim for such a high yield in the initial years of production. But there is certainly no reason whatsoever why the figure could not be well and truly eclipsed in future years with the introduction of new varieties and the general development of technology.

The potential of irrigated agriculture in Kimberley is unlimited and it is not restricted to monoculture—one particular variety of produce. We could diversify into rice, corn, safflower, soya beans, and several other potentially suitable crops if the necessity arose—not to mention the production of green and hay fodders.

Members might be interested to learn that in 1958, 2,500 acres of sorghum almum—a forage sorghum—was planted at Camballin for pasture purposes. Eleven years later the plantings show little or no loss of vigour and they have carried the equivalent of three animal units per acre, as well as producing four tons of hay after each eight-week watering period. I do not suggest that the hay has been cut every eight weeks, but on more than one occasion there have been six cuttings in a year.

It appears reasonable that this sort of activity would be of immense benefit to the pastoral industry because by developing large tracts of irrigable country we could expect to have greater control over breeding and to cut down the mortality rate from natural causes. Also, we could market more and better cattle at a younger age. I feel this is the type of development which will ultimately mean an extension of the meatworks' killing season, and greater utilisation of the beef roads system which has cost the nation something of the order of $20,000,000 in the Kimberley region alone.

The origin of the present beef herds dates back to the late 1880s and since then they have developed under open range conditions, but over the last ten years or so the introduction of blood stock which has been crossbred with native cattle has produced offspring showing increased growth, vigour, hardiness, fertility and general quality. It is quite possible that these improved beasts could form the basis of a herd which could be upgraded enough to compete on the prime beef markets in Australia, Europe, and Japan.

I think it is important for members to appreciate the significance of this upgrading, and in explanation I would remind them that in order to avoid future United States' restrictions on the importation of Australian beef, the Australian Meat Board initiated a diversification quota system which requires Australian exporters to sell 20 per cent. of their beef products to countries other than the United States. I think it was 36 per cent., in fact, but it has been reduced on account of drought conditions in Queensland.

Failure on the part of the exporters to meet the quota requirements results in the suspension of their licenses to ship to the United States; and because the three Kimberley abattoirs have not been able to diversify sufficiently, they are now in danger of losing their licenses to export to the United States of America.

Mr. Acting Speaker (Mr. Mitchell), you may be aware that the short horn breed of cattle that was first introduced into the Kimberleys is highly sought after on the American market for boneless products. In fact, there is not a suitable alternative market for this lean beef anywhere in the world—at least so far as comparable prices are concerned. So to ensure that we may continue to participate in this trade, it is imperative that we should aim for the production of some prime quality beef, and irrigation will help us to do this.

I certainly hope that in the interim the Meat Board and the exporters will be able to reach a compromise and avert the loss of this lucrative market. Incidentally, although this market for boneless beef is lucrative to the Australian growers, the beef is very well accepted in the United States, because the market price there is $7.50 per hundredweight below the price of local products.

In his second reading speech the Minister said that any activity at Camballin would have a substantial influence on the Port of Broome. I was pleased that he acknowledged this because Broome, with its excellent port facilities, is virtually the key to the success of any major exporting enterprise in the area. Only a few years ago the town was considered to be something of a has-been and as the pearling fleet diminished so the significance of Broome as a port diminished.

However, with the rebuilding of the meatworks and the construction of a deep-water jetty which is unaffected by tidal fluctuations—incidentally, it cost $3,500,000—Broome took on a new lease of life, and the prospects of a successful venture at Camballin will certainly enhance the future of the town. It is quite conceivable that by 1974 Camballin could be producing well in excess of 250,000 tons of grain sorghum per annum, and the benefit of this will not be restricted to a port, a town, a company, or a group of companies; it will rub off on people all over the area. The effect that it will have on the economy will be felt particularly in the Kimberley region, and in the State and Commonwealth, generally.

So if it is our intended desire to develop the north—and we all claim it is—then we have no alternative but to support this Bill, because the benefits from this project could be very great indeed. I support the Bill.

MR. BOVELL (Vasse—Minister for Lands) [9.34 p.m.]: The member for Pilbara traced the checkered career of this project from 1957 when the original agreement was submitted to this House for ratification. Some very great endeavour has been put into this project; but, or course, with projects of this nature we must expect some setbacks and some revision from time to time of the proposals which are submitted to Parliament.

The honourable member mentioned the activity of the company and what it had done since the Bill was introduced earlier this year in the autumn period of the last session of this Parliament. I am informed that the company has carried out or initiated the following works during that short time:—

(1) Rehabilitation of irrigation works, plant and equipment on site.

(2) Installation of new plant and equipment.

(3) Engineering teams are now well advanced with all preliminary work and planning to commence construction of a 14 mile long levee along the northern side of the Fitzroy River at a cost of about $1,350,000. Tenders are to be called early in the New Year with construction to commence April/May 1970.

(4) Firm engagements of farming and irrigation personnel have been entered into.

(5) Trial plantings of six varieties of grain sorghum have been made with excellent results. These are in preparation for the planting of between 600 to 1,000 acres in December, 1969.

I think the member for Pilbara also raised the matter of markets, and the member for Kimberley rightly pointed out that there is a ready market in Japan for grain sorghum. I understand that the proprietors of Northern Developments Pty. Limited are entering into negotiations for the sale of their sorghum.

The member for Gascoyne referred to the 100 acres which is mentioned on page 4 of the schedule to the Bill. If it was mandatory to plant rice, then the discretion of the Minister of the day—whoever he might be—could not be utilised in the case of rice being completely uneconomical, or unprofitable in any way.

If rice was the only crop included, it would be mandatory for the company to plant an area of not less than 100 acres of rice every year.

Mr. Norton: I was referring to what you said in your second reading speech.

Mr. BOVELL: Of course, this is not practicable. The original agreement states that it is the responsibility of the Minister of the day to ensure that each year the company should sow rice or other approved crops. That is why this proposed new subclause is to be added; to give some escape if the growing of rice is considered not to be a profitable or viable proposition.

Here again, the original agreement provides for the Minister, at his discretion, to approve or not approve of crops to be planted on this land; and if the Minister decides that rice shall be planted, then rice it shall be.

I do not quite understand what the member for Gascoyne meant when he referred to the price of land. I do not know that there is any variation in the price that the people have to pay for the land. He was not very explicit in his statement. However, I will have the matter examined.

Mr. Norton: It is in clause 18 of the agreement.

Mr. BOVELL: The original agreement?

Mr. Norton: The 1969 agreement.

Mr. BOVELL: I will have a look at the matter. I thank the member for Kimberley for his contribution to the debate. With his local knowledge, he gave an interesting history of the scheme. I agree that the benefits in regard to agricultural production that may be derived from this proposition cannot be foreseen. The honourable member said that Japan is a potential market for grain sorghum, which will be grown in great quantities if the expectations of the company are realised. I am indebted to the member for Kimberley for the information he supplied to the House with his local knowledge.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Mr. Bovell (Minister for Lands), and transmitted to the Council.

MANJIMUP CANNED FRUITS AND VEGETABLES INDUSTRY AGREEMENT BILL

Returned

Bill returned from the Council without amendment.

STATE FORESTS

Revocation of Dedication: Council's Message

Message from the Council received and read notifying that it had concurred in the Assembly's resolution.

HOSPITALS ACT AMENDMENT BILL

Second Reading

Debate resumed from the 23rd October.

MR. MOIR (Boulder-Dundas) [9.44 p.m.]: This is a small, but important, Bill. It deals with the collating of statistics with regard to the various complaints and diseases with which people are admitted to hospital. At the present time these statistics are collated to a limited extent by the Commissioner of Public Health; but only the statistics from the metropolitan hospitals. The purpose of the Bill is to extend this system to the whole of the State so that the statistics will be on record and a clearer picture of the various illnesses and diseases which are prevalent in the State from time to time will be obtained.

By the collation of these figures the people responsible for the management and development of the hospitals will obtain an idea of the prevalence of certain diseases in the community. They will know at what time of the year these diseases can be expected and they will be able to provide accordingly. Provision must also be made in new hospitals to meet cases where specialised treatment is required to deal with particular diseases.

It will be seen, therefore, that the collation of the figures required will assist in the future planning of hospitals; it will help in assessing the number of beds required for certain types of illnesses and it will also assist in determining the special treatment that might be necessary.

Like a lot of other people I thought this was already being done and I am rather surprised to learn that this is not the case; that it has only a limited application to the hospitals in the metropolitan area. We certainly have large hospitals in the country areas and it is possible that we might find certain types of diseases are prevalent in the country which are possibly not found in the metropolitan area.

Accordingly it is very important to collate the figures required. I do not think I can say much more about the Bill except to support it. It is a highly desirable measure. I would, however, like to see consideration given to taking the matter a bit further. The Minister would know that, generally, a patient is subjected to a thorough examination when he enters hospital—blood tests are taken and so on. This information is tabulated in the hospital itself so that if it is required at any future time a reference can be made to the patient's card to ascertain just what

examination was made and what tests were given. It is possible that a test, of which the patient had no suspicion, might have been made for diabetes.

I would like to know—and perhaps the Minister and the member for Wembley might be able to help—whether a patient who goes from one hospital to another in the metropolitan area is able to be supplied at the second hospital with details of any examination and test carried out in the hospital he first attended.

In this age of computers it should not be difficult to establish a collating centre to which all information could be sent. After all, there are collating centres established for firms dealing in finance—particularly in connection with hire purchase—which can supply any information that might be required in a matter of minutes. Accordingly it should not be an insurmountable problem to establish a collating centre which would record all tests and treatments carried out on a particular patient. This information would then be readily available to any hospital that might require it. This would be particularly valuable in the case of a patient who is moved from one hospital to another and who is treated by a doctor who does not know the patient's history. It is also possible, of course, that the patient may be too sick to give the doctor any information of his complaint or of any tests that might have been carried out.

I do not know whether this is a good suggestion but to me, as a layman, it seems highly desirable that this sort of information should be available at a collating centre. I should imagine it would be of great assistance not only to the hospital authorities but to the patient himself.

I had a case brought to my notice recently of a person who spent a great deal of time in a hospital where he was treated for something which he did not have—the treatment was quite different from what he should have received. With those few remarks I support the Bill.

MR. BATEMAN (Canning) [9.52 p.m.]: I support the remarks made by the member for Boulder-Dundas. This is a small Bill with a big meaning. The measure has been brought forward to facilitate hospital planning, and to determine hospital morbidity, which means illnesses, diseases, and so on. The legislation seeks to initiate a data processing establishment where all statistical information can be recorded.

For many years we have been carrying out this type of statistical work in a very small way at both the Royal Perth Hospital and the Fremantle Hospital. This was instituted in the first place by the Public Health Department under the Director of Epidemiology (Dr. Snow) some years ago. If I might deviate from the Bill for a moment I would like to say that Dr. Snow would be one of the best medical statisticians I have come across for some time. One has only to walk into his office and one immediately sees graphs which indicate at a glance where the disease hot spots are and just what the position is generally. These graphs indicate areas where there have been outbreaks of diptheria, tetanus, typhoid, and so on.

I recall on one occasion there was an outbreak of diptheria and Dr. Snow made a point of visiting the area in question—I think a couple of children died on that occasion—and he soon got the position under control. The actions of Dr. Snow speak volumes for a person who is statistically minded. The type of unit it is sought to establish will be of tremendous importance to hospitals. It will not be confined to one or two hospitals; the whole process will be on an Australia-wide basis.

The Bill brings about the rationalising and development of ancillary services, such as the Silver Chain Nursing service and the Meals on Wheels service. We all know what a tremendous job these services do and we are also aware of the fact that the Silver Chain Nursing service goes out into the field and treats paraplegics and others who may be helpless.

It is very necessary that statistics be kept in connection with people like these so that they can be available at a central bureau or whatever the name of the unit is to be. The Bill also seeks to establish an effective preventive programme of accidental poisonings, particularly as they relate to home accidents in various sections of our community. By means of the proposed data processing and the statistical records it will be possible for the units of the Public Health Department to advise people on how to avoid home accidents.

Some years ago a survey was carried out on the question of home accidents in Corrigin and, if I remember correctly, it was found that many of the housewives were getting burnt by the careless use of hot pots and pans. As a result of the survey the Health Education Council was able to advise housewives how to prevent such home accidents.

We all know of the case of children drinking kerosene and of parents who forget to lock up poisons before leaving the house. In such cases it is very necessary to have statistics available so that an effective preventive programme can be carried out. I have a quote here from Abraham Ribicoff, one time secretary for health in the United States Government which, I think, sums up the position admirably. He said that the essential objectives in the area of health were—

> To keep illness from happening; to keep it from spreading if it does appear, and to keep as many people as possible in good health for as long as possible.

With this objective in mind I feel sure the data which is collected Australia-wide, together with the complete co-ordination of our institutions, can only help bring about a healthy situation in which to raise our families and children, and, as a consequence, I support the Bill.

DR. HENN (Wembley) [9.58 p.m.]: When I heard the Minister introduce the Bill the other evening in his rather prosaic and interesting manner I felt it was one of those ideas that had been thought up by somebody in the Medical Department who had nothing much to do, and at first sight it did not appear to be of very much importance.

Since then I have had an opportunity to look at and think about the Bill for several days and it seems to me that this small Bill may well turn out to be of great benefit not only to this State or to Australia but to the world in the possible prevention and diagnosis and, later on, the curing of certain ailments.

Briefly the Bill says the Minister may, if he feels like it or thinks it necessary, require the board of a public hospital to furnish him or persons nominated by him with certain statistical returns or information on matters relating to a hospital which he selects.

I believe the member for Boulder-Dundas was thinking that it might interfere with the liberty of the patient or his relationship with his doctor; but I imagine this statistical data which would be obtained from any hospital would not include any names. It would refer to case A, case B, or case X, as the case may be. I am quite sure the department would make certain in its discussions with the Crown Law Department that it could not be sued by any patient in respect of information disclosed, so I do not think there is any fear on that score.

This Bill has been introduced for the express purpose of obtaining statistics and figures, and without a full range of places, environments, and geographical situations, from which this information could be obtained, any data would not be of very much use.

Members might recall that a few years ago a well-known medical practitioner in the Busselton area did some research of his own into, I think, rheumatism, although I could be wrong about the particular medical condition. He did this over a period of about five years and then published his findings in medical journals of this country and others. His findings were so important to those dealing with this kind of report, that the doctor was given an honorary M.D. of the University of Western Australia. That was a private investigation and private research and it just shows that if it can be done by one general practitioner—and I cannot understand how he had the time to do it because doctors are usually extremely busy—it can be done by others. In this case it was extremely useful.

This Bill seeks the power to request certain information from certain areas. When one thinks of the tremendous number of new hospitals and additions to existing hospitals—and I say this without any political implications—this Government has established in Western Australia in the last 10 years, it is quite amazing that the Treasurer has allowed the Minister for Health to get away with it! I say that quite jokingly, of course!

Sir David Brand: I will have a closer look next time!

Dr. HENN: I carried out extensive research of a couple of areas a short while ago and was quite amazed at the number of new hospitals—not only the number, but also their quality. I am thinking particularly of the north-west where so many more people are going to live. It may well be that in the near future some new disease might show itself in the north-west. It could be called a virus, but it will be a microbe of some order, whether it will be coccus or some other kind of micro-organism, I do not know; but if there is a suspicion in a certain area that a new disease has developed about which very little is known, this amendment will permit data to be requested and it will be given, I hope, to the Medical Department which may then have to pass it on elsewhere for correlation or, as someone suggested, to be put into a computer. I hate the very thought of that machine, but I suppose it will come into vogue.

The other day I was listening to my car radio and on an ABC programme I heard a talk by an expert on immunology. He said he believed that within 25 years we would know all we needed to know about immunology. That seemed to me to be a staggering statement. However, I thought about it a lot and wondered what micro-organisms and microbes are hanging around not yet noticed or discovered. Then again when they are discovered, we must find the immunisation for them. However, this is what he said. I would not be as optimistic as that because new diseases are being discovered all the time. Take viruses, many of which have been labelled; but hundreds of others will obviously show themselves within the next 10 to 100 years.

Mr. Davies: Would they be new diseases or, as yet, undiscovered diseases?

Dr. HENN: I feel they may be new diseases. In answer to the honourable member I would say that it was recently my good fortune to talk to one of the senior officers of the Medical Department. He was telling me about a case of which there has been only one in Australasia

and I think about three or four in the world. One of these detected and diagnosed was in Western Australia. This was only recently. The diagnosis was possible because the widow of the person who died from the disease permitted a post mortem to be held. The Medical Department officer was quite excited about this in a medical way and was hoping to do something for this widow and others who might catch it. But this is a relatively new disease.

Mr. Ross Hutchinson: Is there not an offbeat type of TB which worries the profession?

Dr. HENN: In the lungs?

Mr. Ross Hutchinson: Yes. There is an "A"-type which is quite different from the normal.

Dr. HENN: To be quite honest I cannot answer that question, and I would be only guessing if I tried. The only TB I know is the pulmonary tuberculosis—and verrucosa—and the one in the joints, about which we do not hear much these days.

But to get back to the Bill, I feel that as so many hospitals are being established in Western Australia, and, particularly in the north-west, the Bill is important because I can visualise many fungal and other diseases which as yet we have not come across.

I believe that the departmental officer who thought this one out—even if he was only copying Queensland—has done a great service to the department and also to the State. As a result of this amendment much good information will be forthcoming to help future generations. They will be spared the suffering of diseases and those who do catch the diseases will be able to be healed. I support the Bill.

MR. DAVIES (Victoria Park) [10.9 p.m.]: I also support the Bill, but I rise to express the concern I have previously expressed in this House in relation to the fingerprinting, tabulating, and computerising of the individual. Other speakers have mentioned the need for personal privacy and secrecy in regard to statistics. We acknowledge, of course, that the Minister said that in regard to the metropolitan hospitals this information is already available and that the department desires to extend the provision to embrace the whole State. He also pointed out that the information is already supplied to the Deputy Commonwealth Statistician. I am aware that under the relevant Commonwealth Government Acts there is provision for maintaining secrecy in regard to the individual.

Although the Minister indicated in his second reading speech that the Medical Department would draw its information from the Commonwealth Statistician providing the necessary statutory authority existed in our State Hospitals Act, the fact remains that this may be the intention, but from my reading of the amendment contained in proposed new section 18A, it gives very wide and sweeping powers to the Minister to demand not only information of the type about which we have been talking, but other information as well.

I acknowledge and accept the answer the Minister will give, that the personal privacy of the individual will be strictly maintained, but I do want to be on record once again as opposing any suggestion that we are getting to the stage where, as I said before, we are fingerprinted, tabulated, and computerised and transposed into a series of dots on a card. This is my objection and I wish to have it recorded.

However, the objectives in the Bill I believe are very worthy and I do not think I need say any more than has been already expressed by the previous speakers.

MR. ROSS HUTCHINSON (Cottesloe—Minister for Works) [10.11 p.m.]: I appreciate the comments made by the four speakers to this small amending Bill, which I think is important in the field of hospital planning, but, perhaps, more in the field of preventive medicine.

At the present time the statistics used have only this limited field and it is intended under this Bill, which contains the Queensland provision, to be able to secure necessary statistics from all the hospitals in the State instead of only those in the metropolitan area.

I was interested in and noted the remarks made by the member for Boulder-Dundas who said—perhaps a little outside the scope of the Bill—that there should be a tabulation of diseases of individuals in order that we might ascertain the specific types of diseases of an individual, so that this information could be easily transmitted from one place to another. I noted also that the member for Victoria Park is one of those who objects to this principle and, I think, rightly so. I do not believe, certainly at this point in our history, that we should have our personal diseases statistics transmitted from one place to another except under the strictest secrecy of doctor-patient relationship.

For the information of the member for Victoria Park, I would say that the type of statistics required under this Bill is the no-name type. It concerns the disease statistics in order that we might get a pattern of disease to obtain a broad picture of the scene so that necessary steps might be taken in hospital planning and preventive medicine. I think the Bill is a sound one and I commend it to the House.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Mr. Ross Hutchinson (Minister for Works), and passed.

ROAD CLOSURE BILL

Second Reading

Debate resumed from the 23rd October.

MR. BRADY (Swan) [10.16 p.m.]: This is only a small Bill and I do not intend to take up the time of the House for very long. I have had a good look at the measure and I can see no objection to Parliament passing the Bill.

To some extent, the idea of closing Mount Street has been under way since July, 1966, when one-way traffic was introduced. Gradually the traffic has lessened over that road since that time.

There is only one point I wish to bring to the attention of the Minister. Whilst the Opposition agrees with the provisions of the measure, it could cause some difficulties in Malcolm Street. On the other hand, it will be a great boon to the residents of Mount Street to have the area closed to traffic and made into cul de sacs.

I hope the Minister in charge of the Bill will confer with the Minister for Police and Traffic on the question of turning all traffic which goes down Mount Street at the present time into Malcolm Street. On two separate days, the 27th and 28th October, I took, for a period of five minutes, a traffic census of the number of vehicles going down Mount Street and Malcolm Street. I found that at 4 p.m. on the 27th and at 9.35 a.m. on the 28th, 30 vehicles went down both streets in five minutes. The times at which I made my observations would represent slack periods as far as traffic is concerned.

It seems that the 30 vehicles which normally go down Mount Street in five minutes will now go down Malcolm Street. If one considers that 30 vehicles pass there every five minutes, it would seem that between 360 and 500 vehicles go down Mount Street a day.

Mr. Graham: An hour.

Mr. BRADY: Yes, I meant each hour—and this is in the slack time of the day. In the busy part of the day more than 500 vehicles would go down Mount Street but, in future, these will be diverted along Malcolm Street.

I point out to the Minister that Malcolm Street already takes traffic from George Street. Further, Malcolm Street joins up with Milligan Street near the Mount Hospital. I visualise a tremendous amount of traffic will pass in front of the hospital. I frequently see from my window at Parliament House sick people and people with crutches who are trying to cross at the pedestrian crossing immediately in front of the Mount Hospital. They have difficulty in doing this now. Today I saw an ambulance which was trying to turn in the area. Imagine the difficulties with which an ambulance driver will be faced when he tries to turn round in traffic which will be double what it is today. That is the only point I wish to make.

I think the provision of cul-de-sacs is something we should encourage in this locality. Between 200 and 300 people live in Mount Street in houses, flats, and home units. Consequently I consider the provisions of the Bill are desirable. Further, the residents to whom I spoke are in favour of it. I believe another member of the House has spoken to a number of residents and he finds they are all in favour of the suggestion to turn Mount Street into cul-de-sacs half way down the street.

I do consider, though, that the Minister should give some attention to the many traffic problems which will arise immediately in front of the Mount Hospital and at the foot of the hill near the Barracks Arch. I believe something should be done to ensure the maximum of safety for drivers and pedestrians in the area. If I were asked for a suggestion, I would say that the speed limit should be 20 miles per hour. As I have said, four streets converge nearby; namely, George Street, Malcolm Street, Milligan Street, and Spring Street. All of these streets take traffic into an area of a few hundred yards. I consider the Minister should take some precautions to ensure that there will be a minimum of accidents in the area. With those remarks, I support the Bill.

MR. BURKE (Perth) [10.21 p.m.]: It is also my intention to support the measure, subject to the reservations expressed by the previous speaker, which I think should be given consideration or at least kept in mind.

A canvass of constituents who live in my area showed a consensus of opinion which was strongly in favour of creating cul-de-sacs in Mount Street. The residents have been subjected to a great deal of discomfort over many years. The grading along Mount Street is such that dust, fumes, and noise nuisance from cars has, as I said, caused much discomfort to the residents. In addition they have had to put up with the destruction in the area and the construction necessary for the building of the Mitchell Freeway. I consider the street is most attractive, except for the block of flats on the freeway, which is an unsightly mess. I also consider that cul-de-sacs in Mount Street will add to the beauty of the area. As I have said, my constituents who are resident in the area are strongly in favour of the suggestion.

I feel the Minister has shown wisdom in providing a footpath across the freeway. As he said when he moved the second reading, many people will take advantage of such a crossing to walk to the city. I do not think there is much more I can add, except to repeat that I support the Bill.

MR. BOVELL (Vasse—Minister for Lands) [10.23 p.m.]: I thank the member for Swan and the member for Perth for their support of the measure. This matter has been examined carefully by the Main Roads Department. The portion that is to be closed will, of course, be incorporated in the Mitchell Freeway complex and I am quite sure the matter of vehicular traffic converging upon Malcolm Street has been given consideration. The complex has been very well planned and I am sure this aspect of additional traffic going into Malcolm Street because of the closure of portion of Mount Street has been considered by the Main Roads Department. However, I will have the matter checked and I thank both members for drawing attention to the question.

As I have said, I consider that the position would have been fully examined by the Main Roads Department because it is included in the overall complex of the Mitchell Freeway. As such, the matter of excessive vehicular traffic flowing into Malcolm Street would, I am sure, have been considered by the department.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Mr. Bovell (Minister for Lands), and transmitted to the Council.

TRANSFER OF LAND ACT AMENDMENT BILL (No. 3)

Second Reading

Debate resumed from the 23rd October.

MR. GRAHAM (Balcatta—Deputy Leader of the Opposition) [10.28 p.m.]: One would not have to be the most brilliant student of parliamentary procedure to be able to deduce that the coming of this Bill signifies the exit of Order of the Day No. 18. Without delaying the House to any extent, I boldly introduced a Bill and moved the second reading on the 8th October. Reference to my volumes of *Parliamentary Debates* indicates there was a certain event in another place some few days later—to wit, the 14th October of the same year.

Sir David Brand: I think it was deliberate.

Mr. GRAHAM: The event I refer to was designed to amend the same Statute; namely, the Transfer of Land Act. The Bill which was introduced in another place effectively dealt with my efforts. The Government appears to be moving in a somewhat similar direction, albeit perhaps a little more clumsily than was my intention.

However, I have been in Parliament a long time and I think I have said on many occasions that the lot of the private member who endeavours to assume the role of a legislator is, indeed, a most unhappy one, and one is usually overcome by the time factor. In other words, no matter how early one sets out to introduce even a humble amendment to a Statute, the session passes without attention being given to the amending Bill.

The purpose of this Bill is to simplify the matter of witnesses and the attesting of signatures on certain documents relating to the transfer of land. In the Act there is a provision that sets out a complete list of competent witnesses: first of all, those within Australia; secondly, those within the British Commonwealth; and, thirdly, those in other parts of the world. My Bill sought to add to those specified as being acceptable, witnesses within the Commonwealth of Australia.

In this Bill the Government proposes that any adult person in Australia will be able to witness a transfer of land document. Frankly, I do not know whether this is wise—although it has been accepted by the legal spokesman for the back-benchers in another place—because it has long been recognised that the witnessing of a signature means something. It establishes that, in fact, a person of some standing has seen the person—whose signature it is purported to be—actually applying his signature to a piece of paper. However, under this Bill we will have the situation that any adult, naturalised or unnaturalised, who may be only a brief visitor to our shores, will be acceptable as a witness to a signature.

Mr. Ross Hutchinson: I thought you would be rather in favour of that.

Mr. GRAHAM: I pose the question whether the whole thing is a farce. What is the necessity for a signature if it is to be as loose as that proposed in the Bill? I have here two interesting documents. Both of them are signed by some person and I will defy any member to identify his name. It looks like Jim Craig.

Mr. Craig: Thanks!

Mr. GRAHAM: However, it is not. I will pass the documents around presently, so that members will realise the significance of the remarks I am about to make.

Mr. Craig: What? The relationship of Jim Craig?

Mr. GRAHAM: No, with regard to the signatures on the document, I will pass it to the Minister presently, and he can view it for himself. The document reads as follows:—

> . . . a No. 1 vote for Harry Webb would ensure the return of a very good member.
>
> Be sure to vote (1) Webb and others in order of your preference.

I would like the Minister in charge of the Bill—the Minister for Police—or indeed the Premier, to have a look at that signature. I hold another document like it in my hand, and it reads—

> I am keen that a large group should meet Mr. Snedden to show our support for the Government and Mr. Cleaver.

This document is signed in the same hand, but on this occasion the person who has signed it has taken the precaution to have his name typewritten underneath, and therefore it is possible to identify him. This individual would be competent to sign a document irrespective of his character or his reliability. If his signature is so indistinguishable, surely his occupation and address would be equally indistinguishable! In other words, a set of hieroglyphics on a piece of paper might be extremely difficult to trace if it were attesting a signature appearing on a transfer of land document.

Therefore I make the point that if the Government feels the matter is so inconsequential, why is it providing for a witness at all? It could be a person who arrives in a plane in Western Australia this evening and leaves first thing tomorrow morning. His name or occupation would not mean a thing, and therefore the matter of witnesses becomes of no consequence whatsoever. So why bother people with the necessity of having to sign a document in front of someone else; someone who could be 2,000 miles away tomorrow after affixing his signature to the document?

Mr. Fletcher: If it were a doctor's writing one would not be able to read that, either.

Mr. GRAHAM: But there is a limit to the number of persons who are justices of the peace, commissioners of declarations, and others who are constituted under section 145 of the Transfer of Land Act. Even if what the member for Fremantle says is correct, surely it is giving point to my statement that it would be a fatuous procedure; that one would be achieving exactly nothing by requiring someone to apply a hieroglyphic to a piece of paper under the misconception that this achieved something.

Other than what I have said, I have no particular objection to the Bill, except that I am a little puzzled. When this point was raised in another place, I found that in the Bill the term "British Dominion" is used. I would have thought that British Dominions went out quite a few years ago; that such dominions are no longer in existence. The Bill reads, "Outside the limits of the Commonwealth or a Territory of the Commonwealth, but within the limits of a British Dominion." What is meant by that?

Mr. Fletcher: The Commonwealth of Nations.

Mr. GRAHAM: That is a very pertinent interjection, because if the Minister cares to peruse page 2 of the Bill he will see something interesting. Once again I am puzzled. On page 2 there is reference to this country of ours. In lines 10 and 11 the term "Commonwealth" is used, and nothing more. In line 22 on the same page the term "Australia" is used and nothing more; and in lines 39 and 40, the term used is "Commonwealth of Australia". Surely this country of ours has a proper designation! Is it "the Commonwealth"? Is it "Australia"? Or is it the Commonwealth of Australia"? Surely these three different designations on the one page, in the one paragraph of the clause on that page denote there is something wrong! Let us make up our minds what the official and proper title of our country is, and let us use it on our documents!

Reverting to what I said earlier, surely, in the same way, if there are no British Dominions in existence—or whatever they are called at present—let us define what the official designation is to be so that it can be used in this legal document which, of course, will become part and parcel of the Statutes of Western Australia. When this measure was being debated in another place the Minister there said—

> I will make inquiries and if some attention should be paid to this point, I can pass the information to the Minister representing me in the Legislative Assembly, as the Bill has to be transmitted to that House for consideration.

This is the matter of the use of the word "Dominion." I do not know whether the Minister in charge of the Bill in this House has been briefed on that point, but to me the whole question suggests sloppy thinking in providing for people to witness documents when those persons could be fly-by-nights of any description; or, in other words, the attesting is given no significance; there is nothing reliable attached to it, and no guarantee, because by and large those people would be anonymous if their signatures were anything like the one on the document that I passed around the Chamber a few moments ago. Further, the use of the term "British Dominion" is something that has gone out of business. Also, our country has been given three designations and the parliamentary draftsman should make up his mind which is

the correct one and we should be consistent in regard to the use of it. Having said that, I raise no particular objection to the Bill.

MR. ROSS HUTCHINSON (Cottesloe—Minister for Works) [10.40 p.m.]: I noted with not a little interest the early remarks of the Deputy Leader of the Opposition when he almost made me shed tears because of this Bill's causing him to lose the one he introduced. If the honourable member is looking for sympathy I am prepared to give him all the sympathy he wants. As a matter of fact, I think the Deputy Leader of the Opposition has, as a private member, been more than ordinarily successful in many of his endeavours to place legislation on the Statute book.

Mr. Graham: He has had many tries and a few successes.

Mr. ROSS HUTCHINSON: I recall when the honourable member first made essays in this regard—at least in my experience as a member of this House—he did not have much success, but as time went on he seemed to be able to persuade the House more and more as to what should be done and as, no doubt, he still has room for improvement one never knows what successes may be in store for him in this regard in the years to come; unless, of course, some dire consequence befalls him and he eventually moves over to this side of the House. The honourable member made some query on the liberalisation of this Bill.

Mr. Graham: I do not like that word.

Mr. ROSS HUTCHINSON: He also queried the wisdom of the type of witness and called it a clumsy device and said it was too wide. Apart from this he raised the point whether or not there was any value in having an adult person able to witness the documents in question and made some criticisms in this regard.

No doubt there is some strength in what the honourable member had to say; however I make the point that in actual fact this type of criticism can be made at the moment in regard to types of witnesses who can attest these documents. There is a whole list of them in section 145 which is to be repealed by the passage of this Bill. Any one of these persons could witness a signature which is as indecipherable as the one the honourable member passed over.

Mr. Graham: But they are all persons of repute.

Mr. ROSS HUTCHINSON: That may be so and we may add others to the list because at the end of the list we have the following words, "or any other person authorised by the Governor to be an attesting witness within the State for the purposes of this Act." We could have electoral registrars, postmasters, school teachers, and so on but it would still be possible for the situation outlined by the honourable member to arise.

In any case when the Bill was introduced it was said there was a great deal of delay in the smooth passage of documents of this kind and it would be wise to overcome these delays. I think the points made by the Deputy Leader of the Opposition are, in the main, academic and I feel there is no real reason for him to oppose this measure.

I also have some sympathy for the honourable member in regard to his attempt to straighten out the Act in the matter of terminology, but I imagine this could be done at the appropriate time. I will, however, bring this to the notice of the Minister in charge of the legislation.

The Deputy Leader of the Opposition also raised the use of the term "British Dominion." He felt it was outmoded. I understand that in this connection it has the same connotation as the term, "a member of the British Commonwealth of Nations"; but that is my understanding of the situation. I thank the honourable member for his support and commend the Bill to the House.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Mr. Ross Hutchinson (Minister for Works), and passed.

RESERVES BILL

Second Reading

MR. BOVELL (Vasse—Minister for Lands) [10.49 p.m.]: I move—

> That the Bill be now read a second time.

This is the usual Bill which is introduced towards the end of this part of the session each year. I have a copy of the notes and the lithographs for the Leader of the Opposition and I will now proceed to explain the proposals in the Bill.

The first provision refers to Class "A" Reserve No. 9914 at Broome which is subject to a 999-year lease, No. 402/42, held in trust by the Mayor and Councillors of the Broome Shire Council. Clause 2 of the Bill provides for the cancellation of lease No. 402/42 and for the reclassification of Reserve No. 9914 from Class "A" to Class "C." The Shire of Broome is anxious to have this area available for a shopping area and civic centre in conjunction with adjoining Reserve No. 8519 which was reduced from Class "A" to Class "C" in the 1967 Reserves Bill.

The next proposal refers to "A"-class Reserve No. 12636 at Anglesea Island, Bunbury, which is vested in the Bunbury Town Council. Extensions to the Bunbury Harbour are necessary, and it would be necessary to excise an area from this reserve, and reserve the area for "Bunbury Harbour Extensions." The Town of Bunbury is in agreement with the proposal.

The next clause refers to Class "A" Reserve No. 15927 at Bunbury which is set apart for recreation with the Town of Bunbury as the board of management. The Town of Bunbury has requested this reserve and adjoining areas which form what is known as Queens Gardens should be amalgamated into a composite reserve for "Recreation and Parking" and vested in the council. To tidy up the area, it would be necessary to excise 2.3 perches from this reserve and include it in the Bunbury Yacht Club, Lot 361, and incorporate this land in Lease No. 184/153; also to change the purpose to "Recreation and Parking," cancel the board of management, and vest the whole area in the Town of Bunbury in trust with power to lease for a term not exceeding 21 years.

Clause 5 provides for the change of purpose of Class "A" Reserve No. 25337 at Denmark from "Park (Pioneer Park) and Kindergarten Site" to "Park (Pioneer Park), Kindergarten and Boy Scouts Hall Site." The Shire of Denmark has requested the change of purpose to enable a boy scouts' hall to be built on this reserve.

Under clause 6 the Shire of Augusta-Margaret River has requested better access roads to the ocean in the Flinders Bay area. A minor adjustment to the boundaries of Class "A" Reserves No. 25141 and 24653 is necessary. This clause provides for the excision of an area from Reserve No. 25141 and to include the area in Reserve No. 24653.

The next proposal relates to Class "A" Reserve No. 22429 at Peel Estate, Rockingham, which is set apart for "Recreation and Park Land." The Shire of Rockingham's request is for one-half of an acre for a pound yard. This clause provides for excision of an area for this purpose, and the area to be vested in the Shire of Rockingham.

The next clause provides for the cancellation of "A"-class Reserve No. 997 at Lake Clifton. This reserve is set apart for "Camping and Recreation" and the National Parks Board of Western Australia has requested that Reserve No. 997 be included in the Yalgorup National Park "A"-class Reserve No. 11710. Reserve No. 11710 is vested in the National Parks Board for the purpose of National Park.

Clause 9 refers to "A"-class Reserve No. 4379 at Malcolm which is set apart for a "Racecourse" and is held under Certificate of Title Volume 204, Folio 139, and leased to the Malcolm Racing Club for a period of 99 years. This club has not functioned for many years, nor has the reserve been used as a "Racecourse." This clause provides for cancellation of the lease and the reserve, and for the land to be incorporated in Reserve No. 7521, which is set aside as "Commons" and is under the control of the Leonora Shire Council.

Clause 10 provides for the cancellation of Class "A" Reserve No. 24689 at Ravensthorpe and for the area to be reserved again for recreation and vested in the Shire of Ravensthorpe. The council's request is for the area in this reserve to be amalgamated with adjacent land for a site for "Bowling Green, Golf Course, and a Club House," with power to lease to the bowling and golf clubs. An attractive sporting complex would be provided. This reserve is at present set apart for "Camping," but adequate facilities are already provided for the travelling public in Ravensthorpe.

Clause 11 provides for the change of purpose of Class "A" Reserve No. 1313 at Totadgin Rock, Merredin, from "Water and Stopping Place" to "Water and Conservation of Flora and Fauna." The request was from the Department of Fisheries and Fauna, and the Public Works Department has no objection, as long as the reserve remains vested in the Minister for Water Supplies.

The next proposal provides for the excision of one-half of an acre from Class "A" Reserve No. 27107 at Albany for the purpose of leasing the area for the purpose of "Commercial Fishing Station." Reserve No. 27107 is at the present time set apart for "Townsite—Extension (Albany) and National Park" and contains 5,335 acres. The Department of Fisheries and Fauna supports the application.

Clause 13 provides for the excision from Class "A" Reserve No. 29151 at Horrocks Beach, Northampton, of approximately 2 acres 1 rood 25 perches, and for the land to be included in Reserve No. 29152. Reserve No. 29152 has been reserved for a "Caravan Park" but is now built on to capacity. The Shire of Northampton's request is for portion of the adjoining Reserve No. 29151, set apart for "Camping and Public Recreation" to be included in Reserve No. 29152 (Caravan Park).

The next proposal provides for the excision of six-tenths of an acre from Class "A" Reserve No. 27956 at Two People's Bay for the purpose of leasing as a "Commercial Fishing Station." At the present time Reserve No. 27956 is set apart for "Conservation of Fauna—Noisy Scrub Bird," and contains 11,460 acres.

Mr. Jamieson: What will it be called—Bovell Park?

Mr. BOVELL: This applies to only six-tenths of an acre for a commercial fishing station. The Department of Fisheries and Fauna supports the application.

Under clause 15 the Shire of Cranbrook requests control of Class "A" Reserve No. 21534 at Cranbrook for recreational purposes. This clause provides for the cancellation of Reserve No. 21534, and for the land to be revested in Her Majesty as of Her former estate and removed from the operations of the Transfer of Land Act, 1893, and vested in the Shire of Cranbrook for recreation. The Royal Agricultural Society is in favour of this recommendation. Previously the reserve was set apart as "Agricultural Show Grounds."

The next proposal provides for the change of purpose of Class "A" Reserve No. 7535 near Katanning from "Conservation of Indigenous Flora" to "Conservation of Flora and Fauna." The Department of Fisheries and Fauna has made this request in order to develop the necessary management programme for the protection of fauna within this reserve.

The next proposal grants permission for the City of Fremantle to lease portion of Class "A" Reserve No. 6066 to the Australian Wool Bureau for a period of 20 years. Reserve No. 6066 is held in fee simple in trust for the purpose of "Cemetery." The subject portion has been leased twice previously to the bureau for five-year periods. The Minister for Local Government approves of the lease. Substantial buildings are erected on the land.

Clause 18 provides for the excision from and cancellation of 27 acres and 37.7 perches from "A"-class Reserve No. 12083. This reserve is at South Kalamunda, and is set apart for the purpose of "Public Education Endowment" and held in fee simple by the trustees of the public education endowment. The Public Works Department has requested portion of this reserve for a high school site and the trustees are in agreeance with the proposal. The portion of the reserve cancelled will be revested in Her Majesty, and then reserved for the purpose of "Schoolsite."

Clause 19 provides for the cancellation of "A"-class Reserve 6862 at Emu Point, Albany. Due consideration could be given to the future utilisation of this land with adjoining Reserves Nos. 15879 and 22698 for future residential purposes, including the possibility of establishing an aged persons' home, and a reservation of balance of the land for some alternative purposes.

I might add that the land available at Emu Point is almost built out, but representation has been made to me by some people in Albany for land at Emu Point for an aged persons' home, and this is in an ideal situation. The possibility of establishing such a home on this land or on some other land at Emu Point is under consideration. I commend the Bill to the House.

Debate adjourned, on motion by Mr. Graham (Deputy Leader of the Opposition).

RURAL AND INDUSTRIES BANK ACT AMENDMENT BILL

Second Reading

MR. BOVELL (Vasse — Minister for Lands) [11.3 p.m.]: I move—

That the Bill be now read a second time.

Very simply, this Bill is designed to enable the Rural and Industries Bank of Western Australia, with the approval of the Governor on the recommendation of the Minister, to take up equity capital or debentures in companies associated with or interested in the financing of the State's economic activities such as the development of our natural resources. Very often such ventures are typical of merchant banking operations. As such they widen the opportunities for greater local participation.

Whilst the Rural and Industries Bank has not sought previously to participate in the capital of any of the fringe banking institutions—as has been the practice of the private trading banks—preferring to meet its customers' needs from its own resources, there has been a recent development which the Government and the commissioners of the bank consider make it very desirable for the bank to have the power to participate in companies interested in the type of financing that I have already described.

This new development has been the formation of companies in which the major participants have been an Australian bank and one or more of the giant overseas banks. These new associations are providing channels for the inflow of off-shore capital for the development of new and growing industries. I will refer to these in greater detail in my later remarks.

The Rural and Industries Bank has now been approached by the Crown Agents in conjunction with the Continental Illinois National Bank and Trust Company of Chicago and Credit Lyonnais of Paris to set up an investing company in Australia with headquarters in Perth, and this Bill aims at enabling the bank and the State to take advantage of this opportunity.

Before explaining the proposal in detail and so that members might appreciate its full import, I should give some indication of the identity and standing of the three principals I have mentioned.

The Crown Agents' office dates from 1833. The agents were then styled Joint Agents General for Crown Colonies and although appointed by the Secretary of State of the British Government, bore responsibility direct to the several territories which they served.

By 1968 the Crown Agents were acting as financial and commercial agents for some 80 Governments—within and outside the Commonwealth—and for more than 160 public authorities and international bodies.

The Crown Agents' Office is not a department of the British Government, nor are the staff civil servants of that Government. The office is, however, as its title implies, a public service holding a brief to do all in its power to advance the economies and the finances of its principals. It has a staff of 1,700 including 200 engineers. Its purchases last year on behalf of its customer principals totalled $167,000,000 and over 1,000 staff are employed on this procurement side. Investment portfolios with which it is entrusted total more than $1,600,000,000.

The Crown Agents are not strangers to Western Australia. It is interesting to recall that they raised loans of £154,000 and £525,000 for the infant colony in 1884 and 1885 and I have seen photostats of the original documents relating to those arrangements. I might mention that in *The West Australian* of Friday last, the 24th October, there was an article headed "Merchant bank plan for Perth." The article reads—

> The Crown Agents of London yesterday announced plans to form a company in Perth to carry out the functions of a merchant bank.
>
> Others participating in the project will include Australian, French and United States financial institutions.

The article then went on to elaborate on the proposal. It did not mention that the Rural and Industries Bank is proposing to participate because, until Parliament gives its approval, the bank cannot indicate it is prepared to join with these overseas financial organisations.

The Continental Illinois National Bank and Trust Company of Chicago, more generally known as the Continental Bank, has assets of $6,640,000,000 and is the eighth largest bank in the United States of America. It conducts an impressive network of agents and correspondents throughout the world and is well regarded in financial circles as one of the foremost banking institutions of America.

The other principal participant is the Credit Lyonnais, a large State-owned French bank with assets of $5,950,000,000. This bank, with its close connections with banking houses of the free western world, brings to the proposal an interesting European ingredient.

This group, led by the Crown Agents, is now working toward setting up an investment company or merchant bank in Western Australia. That, as I say, is what was referred to in the article in *The West Australian* of Friday, the 24th October. Their proposal is that the company should have an authorised capital of $10,000,000 paid up to $5,000,000. Each of the three will take up 20 per cent. of the capital. The same proportion is being offered to the Rural and Industries Bank and the balance to other Australian interests, including an insurance company. I do not know the name of the insurance company so I cannot give it to members.

The Crown Agents took the lead in seeking an association with the Rural and Industries Bank because they wished to anchor the proposal to an indigenous bank. It was considered, too, that a demonstration of local confidence could best ensure the participation of the two wealthy overseas banking partners. Moreover, the Crown Agents wished to show a genuine concern in matters Western Australian.

In very general terms, the company's objectives would be—

(1) to arrange consortia finance and project management for local major developments, with an especial eye to the mineral field;

(2) to promote outside interest in Western Australia through the contacts and ramifications of the interests of the participants;

(3) to mobilise local financial resources and so create a money market operation to channel funds to the point where they are most required;

(4) to provide Australian portfolio management for off-shore and other funds which the company may attract.

Precedents have already been established for the formation of partnerships of local and overseas banks in order to bring the sophisticated techniques of the modern financial world to the Australian scene.

Recently the Bank of New South Wales joined with the Bank of America and the Bank of Tokyo in the formation of what is known as "Partnership Pacific" with an issued capital of $3,000,000.

The Commercial Bank of Australia Ltd. has also linked up with the Midland Bank Ltd., the Standard Bank of South Africa, and the Toronto Dominion Bank, and established the "Midland and International Banks Ltd." with an authorised capital of $10,000,000.

More recently again, the National Bank of Australasia Ltd., the Chase Manhattan Bank, and A. C. Goode Associates Ltd., have set up the "Chase-N.B.A. Group Ltd." with $5,000,000 capital.

The purposes of such consortia are to bring about a direct participation of overseas funds in the development of Australian national resources and to provide the expansion of productive enterprises.

It is this same motivation which promises to bring the Crown Agents and their substantial partners to Western Australia where they see such growth potential, and has led them to approach the Rural and Industries Bank of Western Australia, the only bank with headquarters in this State,

with the suggestion that they participate and in such fashion anchor the proposal firmly to Western Australia.

The Crown Agents' proposals represent something that rarely comes Western Australia's way and the commissioners of the bank feel that if their participation will build up the confidence of the overseas participants, they are keen to take advantage of the wonderfully good opportunity now presented to introduce capital and expertise to local growth industries.

At the same time, however, the commissioners see their primary role as that of bankers to the community and for this reason would prefer to limit their initial participation in the new venture to a maximum of $500,000, and this is what is presently envisaged. The commissioners will have the right to increase their participation to $1,000,000 to equal that of the other major shareholders, if later this proves beneficial.

I mentioned earlier that the Crown Agents last year bought $160,000,000 worth of goods for their customer principals. These procurement activities of the Crown Agents, with their interests in South East Asia and the emerging nations of Africa, must be of some interest to our local manufacturers and exporters and it would definitely be advantageous for them if the Crown Agents were represented in Perth.

Earlier, I explained the new company's proposals in general terms. What it will mean to the State's industry and commerce is that the company—

(a) will bring substantial capital to Western Australia at once;

(b) will be managed locally;

(c) from its resources of expertise will give local companies technical and administrative help;

(d) will arrange finance for local companies, often the "hard core" of their requirements which trading banks seek to avoid;

(e) will find equity capital to help float promising ventures;

(f) can provide key management personnel for major developments;

(g) with its overseas principals is in a position to arrange consortia finance of considerable magnitude for proposals ranging from city development to mineral exploration and exploitation;

(h) with its substantial paid-up capital, will have sufficient status to enable it to marshal and apply local company funds in conventional money market transactions, that is, meeting the financial needs of some companies from the credit funds—often temporary—of others. This is a valuable service in industry and commerce today which is presently more highly developed in the Eastern States and overseas than locally;

(i) intends to provide advice in the management of individual and corporate investment portfolios;

(j) will promote outside interest in the State through its European and American participants;

(k) with the Crown Agents representing 80 countries and purchasing as agents for their principals goods to the value of $167,000,000 last year, will be admirably placed to actively foster Western Australian exports especially to South-East Asia and the Pacific area, as mentioned earlier;

(l) will be able to offer alternatives to propositions which would involve the loss of Western Australian control of valuable local industries.

I would mention that the proposed company still needs to obtain the approval of the Reserve Bank of Australia, under its guidelines policy for full-scale operation locally, and with the involvement of the Rural and Industries Bank, it is thought the Reserve Bank's approval will be more readily forthcoming to the resultant advantage of the State of Western Australia.

The bank, of course, should be able to protect its interests by arranging, where it considers necessary, for the appointment of board representation in those companies with which it becomes involved in pursuance of the powers given in this Bill, including the company which should evolve from current discussions; and members will see that this is provided for with ministerial approval and the consent of the Governor-in-Executive-Council.

This Bill will give the Rural and Industries Bank powers in line with those presently enjoyed by other banks in the matter of share and debenture investment and in particular will enable it to seize an opportunity to base a new financial enterprise in Perth.

I commend the Bill and submit it for the favourable consideration of the House.

Mr. Jamieson: Another good move into socialism.

Mr. BOVELL: No, that is not so. It is normal banking practice. The Rural and Industries Bank, like the Commonwealth Banking Corporation, is a trading bank and is not receiving any privileges. This system is already in operation with the Bank of New South Wales, and the Commercial Bank of Australia Ltd. Those banks have entered into partnerships and the Rural and Industries Bank is also entitled to enter into a partnership. It is a great advantage to Western Australia to have the consortia established in Perth, and especially with "the bank that lives here."

Debate adjourned, on motion by Mr. H. D. Evans.

ADJOURNMENT OF THE HOUSE

SIR DAVID BRAND (Greenough—Premier) [11.19 p.m.]: I move—

That the House do now adjourn.

With your permission, Mr. Speaker, might I suggest to members that, as there is a possibility of finishing this part of the session on Friday week, the 7th November, we sit on Wednesday week at 2.15 p.m. and on Friday week at 11 a.m. This week will continue normally with the exception that we will sit on Thursday night.

Question put and passed.

House adjourned at 11.20 p.m.

Legislative Council

Wednesday, the 29th October, 1969

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

SWAN RIVER

Reclamation at Alfred Cove: Order Discharged

Order discharged from the notice paper, on motion by The Hon. A. F. Griffith (Minister for Mines).

LAND TAX ASSESSMENT ACT AMENDMENT BILL

Second Reading

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [4.34 p.m.]: I move—

That the Bill be now read a second time.

This Bill and the Land Tax Act Amendment Bill are complementary measures. I propose to deal with the suggested amendments to the Land Tax Act after having informed members of the provisions contained in this Bill.

The two Bills give effect to the proposals announced by the Premier in the Budget speech. They are designed to remove or reduce the incidence of land tax and metropolitan region improvement tax on the great majority of home owners, while providing for a further increase in the rate of tax on unimproved land.

In addition, this Bill provides for the complete exemption from land tax and metropolitan region improvement tax of land owned by local authorities. Members will recall that last year Parliament agreed to measures that provided for separate scales of land tax to be applied to improved land and unimproved land.

The position now is that all improved land in one ownership is aggregated and the improved land scale is applied to the aggregate value of the holdings. Similarly, all unimproved land in one ownership is aggregated and the scale of tax for unimproved land is applied in the same way. Where a person owns both improved and unimproved land, the tax payable on each is determined in the manner I have described and the total assessment is simply the sum of the two amounts.

This separation of improved and unimproved land for the purpose of assessment made it possible for a reduced scale of tax to be applied to improved land while permitting the tax payable on unimproved land to be increased. At the time, the Premier stated that the separation of the tax scales would give greater flexibility, enabling further increases in the unimproved land scale to be introduced, if this were thought to be necessary, without affecting the tax paid on improved land.

Since that time, the Government has continued to give close attention to the impact of land tax on home owners, as the cycle of revaluation results in an increasing number of assessments being based on higher land values. The move last year to reduce the rate of land tax on improved land—on values below $5,000, the rate was almost halved—was a first step to counter the effect on assessments of increasing land valuations.

However, we acknowledge that for the person whose only land holding is that on which his home stands, the combined effect of land tax and metropolitan region improvement tax is unduly heavy where the rates are applied to current valuations. Consequently, this Bill provides for aggregate holdings of improved land valued at $6,000 or less to be exempt from payment of land tax and also, as I shall explain in a few moments, from metropolitan region improvement tax.

A tapered concession is to be applied to aggregate valuations from $6,000 to $18,000 in such a way that the concession cuts out at a valuation of $18,000. The Bill provides for the concession to be applied in the following way: Where the aggregate value of improved land in one ownership does not exceed $6,000, the whole is to be exempt. That is, an exemption of up to but not exceeding $6,000 is to be granted. For aggregate values above $6,000, the maximum exemption of $6,000 is to be reduced by $1 for each $2 by which the valuation exceeds $6,000.