

Legislative Council

Tuesday, the 1st November, 1960

CONTENTS

	Page
ASSENT TO BILLS	2231
QUESTION ON NOTICE—	
Broken Hill Pty. Co. Ltd.—	
Area and value of land made available at Kwinana	2231
Price and quantity of electricity supplied	2231
Price and quantity of water supplied	2231
QUESTION WITHOUT NOTICE—	
Iron Ore : Export license	2232
GOLD PRICE—	
Ministerial Statement on Recent Developments	2232
RESOLUTION—	
State Forests : To revoke dedication	2266
BILLS—	
City of Fremantle (Free Literary Institute) Act Amendment Bill : Assent	2231
Country Areas Water Supply Act Amendment Bill : 1r.	2266
Dog Act Amendment Bill : Returned	2266
Esperance Lands Agreement Bill : Assent	2231
Fremantle Municipal Transport Board (Postponement of 1960 Elections) Bill : 1r.	2232
Local Government Bill : Assembly's message	2266
Lotteries (Control) Act Amendment Bill : 1r.	2266
Married Persons (Summary Relief) Bill : 1r.	2266
Northern Developments (Ord River) Pty. Ltd. Agreement Bill : Assent	2231
Optometrists Act Amendment Bill : 2r.	2262
Paper Mill Agreement Bill : 2r.	2257
Plant Diseases Act Amendment Bill : Assent	2231
Prevention of Pollution of Waters by Oil Bill : Assent	2231
Supply Bill (No. 2), £21,500,000 : 2r.	2251
Totalisator Agency Board Betting Bill : 2r.	2233
Veterinary Surgeons Bill : 1r.	2266

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

BILLS (5)—ASSENT

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

1. Northern Developments (Ord River) Pty. Ltd. Agreement Bill.
2. Prevention of Pollution of Waters by Oil Bill.
3. Plant Diseases Act Amendment Bill.
4. City of Fremantle (Free Literary Institute) Act Amendment Bill.
5. Esperance Lands Agreement Bill.

(101)

QUESTION ON NOTICE

BROKEN HILL PTY. CO. LTD.

Area and Value of Land Made Available at Kwinana

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

- (1) What area of land has been made available to the Broken Hill Pty. Co. Ltd. and its subsidiaries at Kwinana?
- (2) What was the value of the land at the time of the signing of the contract for the establishment of the above company and its subsidiaries?
- (3) What amount was paid by the Government by way of land resumption for the aforementioned company and its subsidiaries?

Price and Quantity of Water Supplied

- (4) What quantity of water and at what price was it supplied to the aforementioned company and its subsidiaries for the year ended the 30th June, 1960?
- (5) Was this a special concession price?

Price and Quantity of Electricity Supplied

- (6) What quantity of electricity was supplied to the aforementioned company and its subsidiaries for the year ended the 30th June, 1960?
- (7) Was this supplied at a special concession price?

The Hon. A. F. GRIFFITH replied:

- (1) 530 acres.
- (2) £63,000. Value for industry was £45,000. Evidently the properties resumed had a higher value for other existing use than for industry at the time.
- (3) £52,050. Part ex Commonwealth, £838, being cost in 1916 against current value of £16,500. Part resumed from several owners, £51,212. The whole was transferred to B.H.P. under agreement at cost—including administration charges—£55,174.
- (4) 145,989,000 gallons at 1s. 6d. per thousand gallons, and 6,663,000 gallons at 2s. 3d. per thousand gallons.
- (5) No.
- (6) 9,186,250 units.
- (7) No.

QUESTION WITHOUT NOTICE**IRON ORE***Export License*

The Hon. H. C. STRICKLAND asked the Minister for Mines:

Having in mind the recent discovery of extensive iron ore deposits in the south-west corner of the State, can the Minister give an assurance that the Government will continue to seek an export license to ship iron ore through Port Hedland?

The Hon. A. F. GRIFFITH replied:

The two matters are entirely different in their conception. The deposits that the honourable member refers to in the south-west are iron ore deposits of a low grade—something in the vicinity of 35 per cent. to 45 per cent.

The deposit in the north-west, when he refers to Port Hedland, no doubt is the Mt. Goldsworthy deposit, which is an isolated deposit estimated at some 10,000,000 tons of a grade very much in excess of the south-west deposits. The boring programme that the department is carrying out there has, in some of the assays, shown grades up to 69 per cent., which is indeed very pleasing.

Whilst I am not going to say—beyond expressing a personal view, as I have done in the House previously—that Mt. Goldsworthy is a very logical place from which to export iron ore in the event of the Commonwealth Government granting an export license, I could not conclusively say that that is the place whence the iron ore will go, if a license is granted. But I can assure the House that the Government will continue to pursue, with the Commonwealth Government, its desire to have granted an export license for iron ore; and if one is granted, overseas interests will want iron ore of a high grade, not of a low grade.

In regard to the deposits in the south-west referred to by Mr. Strickland, it is hoped that these will ultimately prove to be the foundation of a sponge iron industry in this State.

FREMANTLE MUNICIPAL TRANSPORT BOARD (POSTPONEMENT OF 1960 ELECTIONS) BILL

First Reading

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

GOLD PRICE*Ministerial Statement on Recent Developments*

THE HON. A. F. GRIFFITH (Suburban—Minister for Mines [4.42]): Last week, Mr. Heenan asked me whether I would make a statement to the House concerning what might be described as the rush buying of gold on the London market. I would like it to be understood that whilst I am endeavouring to give some reasons to the House, they are the only reasons I have been able to obtain up to date; and whether they are accurate, I do not know. For the information of the honourable member and the House generally, I might say that the position seems to be very confused indeed. However, it appears that the forthcoming presidential election in the United States of America has, to say the least of it, some bearing on the matter.

One of the presidential candidates (Senator Kennedy) is believed to have made a statement that, in the event of being appointed President, he will see to it that the price of gold is increased. America's gold stocks have fallen from 24,427 million dollars in 1949 to 18,583 million dollars at present. It is also said that America has an adverse trade balance of some 3,000 million dollars a year, mainly as a result of its foreign aid programme and private investments abroad. Short-term foreign claims are estimated at around 20,000 million dollars.

The present American Administration is inflexibly opposed to any increase in the price of gold; but should Senator Kennedy be elected, it is thought he might be forced to consider a devaluation of the dollar. Admittedly, speculators have had a good deal to do with the prevailing situation; and among those speculators are said to be, particularly, the oil-rich Arabs who, with a superabundance of dollars, have decided, in their wisdom, that the purchase of gold is a good bet and a reasonable gamble to take.

I would point out that the normal price of gold, at 35 dollars an ounce has risen as high as 41 dollars an ounce. Following the request made by Mr. Heenan, I sent a telegram to the Agent-General asking whether he could give some information on the position; but unfortunately it has been possible for him, at present, to send only a brief reply. However, I am expecting a fuller and more authoritative answer from him in the near future. The preliminary cable received from the Agent-General stated that authoritative English opinion was that the buying was highly speculative, and that it was impossible to say whether the demand was likely to continue.

That is all the information I have been able to obtain for the honourable member, and, personally, I think it is a matter of high speculation.

TOTALISATOR AGENCY BOARD BETTING BILL

Second Reading

Debate resumed from the 27th October.

THE HON. W. F. WILLESEE (North) [4.46]: The introduction of this Bill to the House has been accompanied by four subsidiary measures all of which are complementary to this parent measure, should it become law. This Bill contains provisions whereby a totalisator scheme will be established in various portions of the State to replace the present system of off-course betting as we know it today. The Betting Control Board will cease to exist if this Bill is agreed to, although the Betting Control Act will continue to remain on the statute book in an amended form.

It is proposed to introduce this scheme on a gradual basis, extending from the more central area of the State—that is, the metropolitan area—until, after the end of the first year, 50 or 60 agencies will in all probability be established to take the place of the present off-course licensed betting shops. The Betting Control Act, as amended, will apply to the remaining parts of the State which will not be embraced by the board, but which will be subject to its provisions from time to time.

The Minister explained that there were two main difficulties confronting the implementation of this Bill, one being the absence in this State of an off-course totalisator for the acceptance of bets on races held in the Eastern States; and the other—associated with this problem—is the risk entailed in launching successfully an off-course totalisator scheme, particularly in the early stages of its development. That can well be understood; and the Bill deals with this problem by providing that the totalisator agency board, when established, shall have the right to hold moneys itself and pay winning bets at the odds declared by the recognised totalisators in the Eastern States, rather than establish immediately a totalisator system of its own.

The totalisator agency board is to comprise a chairman to be nominated by the Government, three members to be nominated by the W.A. Turf Club, and three members to be nominated by the W.A. Trotting Association. In my view this board will be rather unbalanced, in that control will be given almost entirely to the two clubs mentioned. Between the two, they will have six members on the board against one Government representative. No other organisation is to be represented on the board.

Provision could well be made for a representative of the breeders' association—either gallopers or trotters—to be on the board. Possibly a further member could be one representing the betting section of the public. An attempt should be made to

increase the representation on the board, generally, beyond the immediate control of the two parent racing clubs in this State.

The Hon. A. F. Griffith: Would it not be possible for some of the representatives from the two clubs to be breeders?

The Hon. W. F. WILLESEE: That would be possible; but although a representative from one of the clubs may be a breeder, that does not mean that he would be an accredited representative of the breeders' association. It is possible to have on the board a member who is an owner and a breeder, but who is not an accredited representative of the Breeders and Owners' Association. Obviously a member appointed by the W.A.T.C. to the board will have the interests of that organisation at heart, in the same way as a member appointed by the breeders' association will have the interests of the breeders at heart.

If the scope of the representation on the board can be enlarged, it will lead to a better balance. However, this House will be able to give some thought to this aspect between the second reading stage and the Committee stage of the Bill. If the measure is to become law, and the proposed change in the betting system is adopted, members of the board carrying out the administrative functions of the Act will require to possess the broadest knowledge of the racing industry. We must bear in mind that in the years to come, as this State grows, so will the proposed totalisator agency board and its ramifications grow.

On the formation of the board, an amount of £25,000 will be contributed by the Turf Club, and a further £25,000 by the Trotting Association. The board will have the right to borrow money which, in the ultimate, it is anticipated will amount to £250,000. This borrowing is to be based on Treasury approval and with Treasury guarantee. So the total estimated requirements of the board are £300,000. The funds to be put up by the Turf Club and the Trotting Association, are to be repaid over a period of 10 years.

Provision is contained in the Bill for the making of bets with and through the totalisator agency board, and for the payment of dividends, all of which are to be calculated at the respective totalisator odds. That means that the present system, under which dividends are declared on the average on-course bookmakers' prices, will cease to apply, and all dividends payable by the board will be based on the totalisator dividends.

In respect of bets made on local gallops and trotting events, where the money is transmitted to the on-course totalisator, such investments will form part of the pool on which dividends are declared. That is quite understandable. Where the money is not transmitted, the bets are to be held by the board, and winning and place bets will be paid out at totalisator odds. It is

on this point that I consider a great difficulty will arise in assessing the ultimate total expenditure of the board. I do not see how that can be easily arrived at.

It seems that the board is to become a bookmaker. It could develop into a very large bookmaking organisation; and it is to be subject to losses as well as profits. In the event of a loss, the loss will have to be met from the finances of the board; but in the event of the board having to pay out more than it has received, I can see no alternative to the board calling upon the Treasury to meet its obligations.

In view of the risk that is taken by the Treasury, any profit that is made should go to the Treasury; but as I understand the Bill, that will not be the position, because the residue from any profits accruing to the board—after deducting the percentage on the turnover, and the percentage to meet the capital cost—will be distributed between the two racing clubs. It seems that the Treasury is to take all the risk for any possible loss, without the benefit of receiving any profits.

The Minister stated that until such time as the totalisator is established for Eastern States races, all bets on Eastern States races will be held by the board and will be paid at the odds declared by the respective Eastern States totalisators. So again the board is to act in the capacity of a bookmaker. The same probability with regard to losses applies, with the Treasury having to foot the bill in the event of losses on Eastern States races.

The amount to be deducted by way of commission from all bets received is to be 15 per cent. That is the amount which will be deducted by the board. There is some need for clarification of that statement. The Minister said during his second reading speech that under the Bill an amount of 15 per cent. is to be deducted by way of commission on all bets received by the board and transmitted to an on-course totalisator.

It seems to me there is a possibility that if the 15 per cent. is deducted by the board before it transmits money to the tote, it will be in the position—again quoting winning bets—of having to return a 100 per cent. dividend to the investor and only investing 85 per cent. on the tote. If it holds the money, obviously the 15 per cent. is in accordance with what the transaction would be if it went through the tote. Clause 24 reads—

Where the amount of any bet is received by the Board as agent for a racing club, the Board shall, before transmitting the amount of the bet to a totalisator on a race course, deduct therefrom by way of commission such portion of that amount as equals fifteen per centum thereof, and the amount so deducted shall be deemed

for all purposes to belong to the Board and to form part of the general funds of the Board.

That more or less bears out the passage which I quoted from the Minister's speech, and I feel that there will be some problem in the event of passing on late money which has been the subject of deduction. That provision does not clearly indicate to me just when that 15 per cent. is to be dealt with. I think the position should be made clear, and we should be told that it can only be taken off after it goes through a totalisator; or that it will be held completely by the board itself, if it is the board's intention to hold large sums of money in this manner.

The amounts ultimately to be paid to the various clubs are defined in the legislation and are apparently quite satisfactory to the two organisations concerned. Apparently the Turf Club and the Trotting Association have complete faith in this legislation.

It is noted that under the Bill the board has the first right to take over premises registered under the Betting Control Act; and that means, of course, that where established premises in the metropolitan area, at least, are considered to be satisfactory, the board will have the first right to such premises. The Bill gives the power to the board to cancel registered premises as they are now, and to cancel the licenses of the bookmakers registered under the Act referred to. This would occur as soon as a particular area was declared a totalisator region.

The Bill provides that bets can be made to the board in cash; by letter, if accompanied by cash; or by telegram or telephone, if credit has previously been arranged. The minimum bet is to be not less than 2s. 6d., but by regulation it will most likely be fixed at 5s. in order to conform to the present totalisator scheme. The off-course bettor, in metropolitan shops in particular, is a very small bettor in the main and limits his bets to 2s. 6d. The Government might well be advised to provide for 2s. 6d. bettors if this legislation is passed. In that way the board will at least hold the volume of turnover which is at the 2s. 6d. level.

I notice that on page 11, I think it is, of the Act—

The Hon. A. F. Griffith: Of the Act or the Bill?

The Hon. W. F. WILLESEE: On page 11 of the Minister's notes is the following:—

The Bill authorises the board, with the approval of the Governor, to make regulations for the operation of the Act in regard to—

- (a) the admission of persons to totalisator agencies;
- (b) any additional powers required by the board;

- (c) the establishment, maintenance, conduct and operation of the totalisator agencies including the lodging and receipt of bets and the transmission and holding of such bets;

He then goes on with various matters. This seems to me to be fairly wide, in view of the very comprehensive series of Bills which we have before us, and in view of the fact that it would appear that we have certain country areas which will be free of the provisions of this Bill in that they will carry on as they are now doing under the Betting Control Act. I am therefore prompted to ask the Minister whether it is the intention of the Government to take the privileges of betting from the present on-course bookmakers during the course of time.

The Hon. A. F. Griffith: It is only power to make regulations.

The Hon. W. F. WILLESEE: Is it? Well, in any case it is rather a wide scope, and I presume that as the Minister has just stated that it is only power to make regulations, such regulations will not obtain in the case of taking all of the on-course bookmakers off the course where they now operate.

The Hon. A. F. Griffith: All regulations are open to challenge by Parliament, as you know.

The Hon. W. F. WILLESEE: That is so; but very often regulations are made during a recess of Parliament.

The Hon. A. F. Griffith: That is right.

The Hon. W. F. WILLESEE: The substance and method of betting in the Eastern States with regard to racing and trotting seem to present great difficulties which this board will have to face. The Minister told us that until the totalisator scheme completely replaces licensed premises bookmakers in the metropolitan area, it is not deemed practicable to conduct a local off-course totalisator pool on Eastern States races. I must say that this is very wise because until a balanced market can be obtained together with a considerable turnover, it would be foolish to enter into competition with the Eastern States.

The Minister also indicated that there would be four or five agencies per week during the first 12 months of the operation of the Act: and, quite obviously, to hold a small quantity of money could easily prove disastrous to the board. Therefore, its only hope is to link itself and take whatever risk there is to be taken with regard to prices as they come from the Eastern States.

The actual time of betting will prove a considerable difficulty, because, in order to create interest, it will be necessary to accept bets as late as is possible, as it is the last-minute bet, shall we say, that holds

interest for many of the small investors. It will also be necessary to pay out as quickly as possible to small investors, because turnover hinges, to a great degree, on the continual reinvestment throughout a day's racing, whether it be off the course or on the course.

The Hon. G. Bennetts: The pay-out occurs the next day, doesn't it?

The Hon. W. F. WILLESEE: If this aspect of the system is not run efficiently, and a time lag exists in connection with the late acceptance of bets, or the early payment of winning bets, a considerable loss of turnover will occur.

It is more than likely that the betting operators in some of the nearer towns—I have in mind Geraldton, Albany, Kalgoorlie, and other large towns—will receive an increased turnover because the big investor, if he does not go to the course, will not bet on the tote because it will have a restrictive influence with regard to price. Therefore, if an owner wants to establish a commission on one of his horses, he will make his contacts with bookmakers in the areas remaining open to them; and this will, of course, increase such bookmakers' turnover, and decrease the amount expected to be received by the board. It means, of course, that as the time nears for the start of a race, the smaller will be the bets the board will accept; and if too much money is accepted by it, it will be forced to channel that money back to the totalisator on the course, and so reduce the price.

The Hon. A. L. Loton: Won't they be paid at totalisator odds?

The Hon. W. F. WILLESEE: Exactly. But let me put it this way: Let us say that the sum involved is £100; that £100 is to be put through the totalisator agency board in the metropolitan area; and that it is more than the board is prepared to hold. It channels the money back to the totalisator on-course and reduces the price. If the same £100 is channelled out to the country and split up among a certain number of bookmakers it does not go back to the totalisator on the course to shorten the price. Therefore it seems to me that the country bookmakers will have to take a lot of the heavy investment money during the period this totalisator agency board is being established. Alternatively, of course, the money can be invested with the on-course bookmakers.

As the Minister said, the success of the scheme is based quite clearly on a heavy turnover—a turnover, I think, of some £6,500,000 per annum plus an anticipated winning margin between bets received and bets paid; and an acknowledgment that the administrative costs of the scheme will not be greater than those which obtain in New Zealand, which I think is a reasonable assumption. If this scheme were completely an agency board scheme, the proviso with regard to bets received and bets

paid would not come into the question because the margin would definitely be well in favour of the board. However, I consider there is a very grave doubt about a winning margin being obtained when the whole of the money is not being channelled through one giant organisation.

This scheme is a hybrid one, if one might use that term, and it is not capable of controlling all of the money it will handle. The board will pass on only some of the money some of the time; it will hold some when it thinks fit, and it will have to pay on something which is beyond its control. In the case of Eastern States races it will have to pay on the odds dictated by an Eastern States totalisator; and there could be little relationship between the holdings by the agency board in this State and the situation which obtains in the Eastern States.

It will be a matter of judgment on the part of the individual as to what money will be laid off on our own State course. Obviously if the totalisator system has no control with regard to the percentage taken from the over-all figure the organisation could be subject to loss; whereas a totalisator in itself is not subject to any loss. Therefore premise No. 2 of the three upon which the success of the scheme hinges could be a weak one.

It could mean a loss to the totalisator board and, as such, would destroy the whole of the basis upon which the financial results hinge, and which would be essential to make the Act work and produce the same results as the existing scheme under which the Treasury obtains an income and from which the two parent racing bodies are subsidised. I think the estimate of a £12,100,000 turnover per annum now is a conservative one; and the Government recognises that with the introduction of this totalisator scheme there will be some loss of turnover because the Government has based its estimates on a turnover figure of £6,000,000.

At first glance that would appear to be a fairly conservative or safe estimate. But as I see it from a layman's point of view, and without any actuarial examination, I would say the figure could be wrong; it could be that it is not conservative enough, and that not sufficient thought has been given to this estimate. I doubt whether any proper estimate could be made until the scheme was put into practice; and it would appear to me that not sufficient thought has been given to item No. 2—the possibility of the board losing money when it acts as a bookmaker, which is what the agency board proposes to do under the second proviso. In other words, the agency board could lose and not consistently win.

If such were the case, the Treasurer would be in a worse position with regard to betting control than has been the case for many years; and the Act would be a

failure. The trouble is that once the first step is taken in the metropolitan area, and the bookmakers cease to exist, the agency board must continually expand until it becomes the one betting source. Among bookmakers I include the on-course bookmakers because they must eventually go if the scheme is carried to its ultimate conclusion.

At that point the sums of money being paid to the various racing and trotting clubs must be sufficient to compensate owners and people who are interested in racing; they must be sufficient to the extent that the stakes will be high enough to remove the incentive to bet with bookmakers of one kind or another. The scheme will have to be in operation for some time before it can reach that position, and these are all the pitfalls that will face putting a scheme such as this into operation. It will have to be on a trial and error basis because the population of the State is only 750,000 people, approximately, and they are scattered over a wide area. In addition our systems of communication are always liable to present difficulties.

When one examines the proposal one comes to the conclusion that the Government might well have waited and carried on, at least for a further period, with the present set-up; because under this set-up the Government has an assured income of some £400,000 per annum. I supported the betting control legislation in 1954 because the system of betting in this State at that time was a disgrace to any Government. The legislation then introduced had the effect of cleaning up that situation, establishing the present shops; and, by and large, our present system of betting is a model. Subsequent Treasurers have increased the taxation on the S.P. operators, as we know them, until now enormous sums of money find their way to the Treasury, and substantial sums are paid to the racing and trotting organisations in this State. The betting public, too, accepted the increased taxes placed upon them by way of turnover tax last year—they were satisfied to pay, and the bookmakers have carried on under that scheme.

I see no reason why at this stage the Government should destroy that system. The proposed system will take away the livelihood of the off-course bookmakers; it will put them completely out of existence; it will take away their living—something they have cherished, at least since 1954—even though they have conducted their businesses within the law. Those bookmakers kept faith with the public and various Governments; but now, as their reward, they are being told, "We don't want you any more; you're finished. We are going to displace you with a problematical scheme."

I do not say that this proposed scheme will not work; it will work; but will it work well enough to return to the Government

the same amount of money that it now receives without risk? Is it right for the Government to allow this board to be put into operation, under a Government guarantee, when it could be a losing proposition? The board will be given the authority to lease or purchase land or shops; and, over and above that, the Government is in the position of having to guarantee any losses made on any betting operations without, as I see it, any possibility of receiving a greater increment than it now receives.

The Government faces that risk and all it will get in return is a tax of 5 per cent. on an estimated turnover of £6,000,000. If the turnover is £3,000,000 or £4,000,000 the scheme will be in jeopardy. If the Turf Club and the Trotting Association do not receive the same money as they get now, the probabilities are that the stakes will fall and they will want more money from the Treasury. The Treasurer will by then be committed to this system and he will be in the invidious position of having the two major racing bodies in the State, which have put £50,000 into the scheme, saying to him, "What are you going to do to get us out of this? You put us into it."

As the present system is being capably run, and is a mighty revenue producer to the Government, and because of the views I have expressed, and the fact that this proposal will have to be introduced on a trial and error basis, I intend to vote against the Bill.

THE HON. R. THOMPSON (West) [5.30]: Like the previous speaker, I do not intend to support the Bill. One can cast one's mind back and appreciate why legislation of this nature has been introduced. Prior to the last State general elections, the present Government gave quite a lot of publicity to what should be done about betting. Such expressions as "gansterism," and so forth, were bandied about by people in the street, following upon the very bad publicity that was given to the system of betting that we have at present.

As a result of many vicious lies that were told, the Government decided to appoint a Royal Commission for the purpose of having a look at all aspects of betting in Western Australia. In his own words the Royal Commissioner said he knew nothing about betting. This is what the Royal Commissioner had to say—

I personally inspected a number of betting shops and received reports from my assisting officers on others. I attended a number of gallop and trotting meetings and for a new experience indulged in betting in a mild way, only to come to the conclusion expressed by all the informed witnesses, including the bookmakers, that for the punter betting is a "mug's game."

I agree with him in that. It also came out in evidence, and he admitted the fact, that he had very little knowledge of betting.

The Hon. A. F. Griffith: Did he say that in the report?

The Hon. R. THOMPSON: No; it came out in the evidence, and was quoted in the Press.

The Hon. A. F. Griffith: I did not know the Royal Commissioner gave evidence.

The Hon. R. THOMPSON: It was published in the Press that the Royal Commissioner knew very little about betting. However, the Royal Commissioner listened to all the witnesses who wished to give evidence before him, even though he found there were a number of people who were not prepared to give evidence. His conclusions are that a totalisator scheme would be the most desirable sort for Western Australia.

That might be his own honest opinion; but as one who knew very little about betting, and as one who did not, and does not, reside in this State, it would be very hard for him—even though he possessed great ability—to recommend something that would suit local conditions. Accordingly, I say that the Bill is ill-timed. In New Zealand itself, which has had a totalisator agency system for many years, we find that the experience in the South Island is that very heavy losses have been sustained as a result of this scheme.

I have had an opportunity to peruse the the Minister's notes on which I intend to comment. When introducing the Bill the Minister said that the present Betting Control Act would continue to apply in areas other than regions covered by the totalisator scheme; and that remote areas would always be covered by licensed premises bookmakers under the Betting Control Act. I would like to know from the Minister what he considers to be a remote area. Is Kalgoorlie or Geraldton likely to be considered such an area? Would the totalisator agency board be able to relay money into a pool in relation to Kalgoorlie and Geraldton; or would the Government become a bookmaker? Does the Minister consider remote areas such places as Cockatoo Island, Wittenoom Gorge—

The Hon. G. Bennetts. Esperance.

The Hon. R. THOMPSON: Yes, Esperance or Mt. Barker?

The Hon. A. F. Griffith: You would not please the goldfields members if you referred to Kalgoorlie as a remote area.

The Hon. R. THOMPSON: I merely ask the Minister whether he considers it a remote area; I do not say it is.

The Hon. A. F. Griffith: What do you think?

The Hon. R. THOMPSON: Are the towns between here and Kalgoorlie, or those between here and Geraldton, to be

considered remote areas? Are we to say to those small towns, "You are small fry and are to be considered remote areas, whilst those towns beyond you are not to be considered remote areas"? I know the Minister was not very happy when he introduced the Bill.

The Hon. A. F. Griffith: Don't you worry about the Minister.

The Hon. R. THOMPSON: I would like to ask whether the board will continue as at present constituted. If the remote areas are to have the continued services of the licensed premises bookmakers, is it proposed to have two boards functioning? Will it be economically or financially sound to have two boards functioning? I cannot see that it would be. At the present time we have a board constituted; it has a job to do, and it would be only fit and proper for that board to do that job, rather than set up a totalisator agency board as proposed in this legislation. The totalisator agency board, which is proposed, will be most undemocratic, because only two sections of the community are to be represented on it, namely, the Turf Club and the Trotting Association, together with an independent chairman. There is no direct representation of the public on the board whatever, and accordingly it will not be a very democratic board. The representatives of the two bodies concerned will carry out the whims of the bodies they represent.

This I consider is to be a State-owned gambling machine which has the power to borrow £250,000, together with the sum of £50,000 which the Turf Club and the Trotting Association are to lend free of interest, with no guarantee as to when the amount will be repaid. Out of that £300,000, the board will have to set up premises; and I think the sum is quite inadequate if it is proposed to establish premises throughout Western Australia.

I would now like to touch on the matter of the £50,000 which is to be the working capital from the Turf Club and the Trotting Association. I would like members to cast their minds back to a month ago, when six local favourites won, and when five favourites in the Eastern States won. If the totalisator pool had been in operation at that time, the £50,000 would have gone before the second race in Western Australia, because the average person bets in 2s., 5s. or 10s.—there are not many £1 bettors frequenting the betting premises. From inquiries I have made, my information is that the majority of the bettors bet in small quantities.

So this board will set itself up as a book-maker for the bets not transmitted into the pool. It could be open to systematic commissions being launched against its capital. It is futile to say, "We will not accept large sums of money immediately prior to a race being run," because it is not necessary to accept large sums of

money. From week to week attempts are made to beat the S.P. bookmakers with commissions launched against them. The people who launch these commissions do not go in and say, "I want £200 straight-out on this horse." The procedure is to channel that amount into £5 bets. If £5 is the limit, sufficient people will be found to go around the betting shops half an hour before the race to channel £1 bets in; and by this means they can bull the tote. That means that money would not be invested on the course on the horse they fancied. The money would be relayed to the course for all the horses they did not fancy. The normal betting would take place, but all money would be withheld from the course and invested in small sums just prior to the race, which would provide an extremely good return. It would not be a true return, but it would be in line with what is at the moment called an S.P. commission.

I do not think anyone in this Chamber would deny that that could happen; and it will happen. If one of these commissions is successful, or if a series of them is successful, the board will then have to pay out public moneys—public moneys which could have been used to relieve the excess charges that have been placed upon, say, water consumption, or to give some relief in respect to one of the many taxes that this Government has levied.

The Treasurer has guaranteed these loans. If the amount goes beyond the money that has to be paid out, the Treasurer must guarantee it; and therefore public moneys could be used to make the pay-out. It would be stupid for anybody to say that this scheme would be a success from start to finish. I know very little about gambling—I have not done much of it; and if I am one of the people who are betting, the Government could quite easily win, because whenever I have gambled I have lost my money. But the risk is there and any deficiency will have to be made up by the Treasurer. Therefore, public moneys will be expended.

If one likes to cast his mind back to when the Lotteries Commission was first constituted in Western Australia, one will remember that church bodies and many other people took part in a public outcry that the State was taking control of gambling. These organisations were up in arms. However, the State charities consultation has proved very successful. No one would deny that. It has helped many organisations; and revenue that it would not have been possible to obtain otherwise has been channelled through that source.

Under the betting legislation which is on our statute book much money is channelled into the Treasury; but if this Bill becomes law, there is no guarantee whatsoever as to how much money the Treasury will receive. Let us have a look at

the formula for the distribution of moneys to the Turf Club and the Trotting Association under this legislation. The Minister's notes state that 75 per cent. of the surplus from Eastern States racing will be distributed to the Turf Club and to the Trotting Association. Yet, these two bodies contribute nothing to Eastern States racing; not one thing. Yet, they are going to receive a percentage of the money invested on those race meetings. The two organisations I have referred to will receive the profits on Eastern States racing, but if there is a loss, the Government is to put up a guarantee.

Let us assume it is possible for £1,000 profit to be made on Eastern States racing. That would mean the Turf Club under this formula would receive £750 of that £1,000. The Turf Club would retain 80 per cent. of that £750, or £600 of that amount. It would then distribute £150 to the various racing clubs on the basis of the previous year's stakes. If the profit is £10,000, the Turf Club will distribute £1,500 in accordance with the previous year's stakes.

Even if this legislation is successful, I cannot see how the country clubs will survive on the basis of distribution set out in the Bill. I feel sure they could not survive. Country members, irrespective of the party to which they belong, should examine the percentage of moneys that is being received at the present time by country clubs in the areas they represent; and they should get the views of the clubs as to whether they will survive under this formula.

The Hon. A. F. Griffith: I remember you stopped the country clubs from getting a bit more last year.

The Hon. R. THOMPSON: It is this year we are talking about. In the past the Minister has opposed this sort of legislation in this Chamber, yet he had to introduce similar legislation last session and this session.

The Hon. A. F. Griffith: That is right. It is only a fool who cannot change his mind.

The Hon. R. THOMPSON: I realise that as much as does the Minister.

The Hon. C. R. Abbey: Most of the country clubs are happy with the proposals.

The Hon. R. THOMPSON: They must be dreaming that this is going to be a success.

The Hon. C. R. Abbey: They are very happy about it.

The Hon. R. THOMPSON: What country clubs are satisfied with it? I know of one that is very dissatisfied.

The Hon. C. R. Abbey: I will tell you later.

The Hon. R. THOMPSON: I would be pleased to know what clubs are satisfied, so that I can contact them. I say the

country clubs will not be getting their fair share. They have no chance of surviving on the percentage of money that it is proposed to pay them, particularly as the composition of the board is such that the country clubs will never have a voice on the board—it will be four to two at all times. We have reached the stage where £750 has been allocated to the Turf Club and the country clubs. Then, the W.A. Trotting Association comes in for its share of the Eastern States turnover, which is 25 per cent.

Still working on the formula of £1,000, the Trotting Association will receive £250, of which it will retain 85 per cent, or £212 10s., to be shared with the Fremantle Trotting Club. The country trotting clubs will share in the balance. I will be interested to know whether Mr. Abbey says that the country trotting clubs will be happy with their share of £37 10s.

The Hon. E. M. Heenan: Where does the punter come in?

The Hon. R. THOMPSON: The punter is the person who provides this money, whether it be in licensed premises, or on the totalisator. He is the person who keeps this business alive.

The Hon. E. M. Heenan: I thought that was so.

The PRESIDENT: Will the honourable member please address the Chair?

The Hon. R. THOMPSON: Practically no money at all is invested on Eastern States trotting meetings. This would happen only on rare occasions when a local horse was perhaps competing in the inter-dominion championships. Apart from such occasions, no money is channelled from this State into Eastern States trotting. Yet, we find that the Trotting Association is to receive £212 10s. out of a surplus of £1,000.

The Hon. A. F. Griffith: For a person who says he does not know much about racing you are well informed.

The Hon. R. THOMPSON: I obtained all my information from the Minister's notes which I studied last night at home.

The Hon. A. F. Griffith: Not every bit.

The Hon. R. THOMPSON: Definitely.

The Hon. A. F. Griffith: Afterwards I will tell you some that you didn't.

The Hon. R. THOMPSON: I have not spoken to a bookmaker for many years; if that is what the Minister is alluding to. I have not been in a betting shop for years.

The Hon. A. F. Griffith: I was not alluding to anything.

The Hon. R. THOMPSON: I extracted my information from the Minister's notes. The notes were so weak that anyone could see through them.

The Hon. A. F. Griffith: Even you!

The Hon. R. THOMPSON: Yes, even me.

The Hon. G. Bennetts: They are like water.

The Hon. R. THOMPSON: Why should the Trotting Association obtain the percentage I have mentioned on Eastern States racing when that money should be channelled to the Government? Perhaps I can give the reason. It would be that Mr. Stratton, the President of the Trotting Association, has been advocating this system for many years; and he will do anything to see it put into operation.

The Hon. G. Bennetts: I think he has talked to the Government.

The Hon. R. THOMPSON: It was not so many years ago when Mr. Stratton offered quite a large sum of money to set up a totalisator system in Western Australia. However, he has now dropped that amount to £25,000. I am of the opinion that the Government is hopeful this legislation will be defeated in this House, because it is legislation that cannot better the conditions which now exist. The Government cannot be better off financially than it is at the present time, even if this legislation is 100 per cent. successful.

Under the Bill the totalisator board has the first right to take over premises registered under the Betting Control Act—any premises whatsoever. The Minister said this, so I assume it is correct. This is an attempt to socialise premises. I should have thought the Government would have nothing to do with a proposal of that nature. However, it intends to socialise premises in order to set up a gambling machine. The person occupying licensed premises may not be the owner of those premises, but the Government will take them for the purpose of setting up a totalisator system.

The Hon. G. Bennetts: It is wrong.

The Hon. R. THOMPSON: It is in the Minister's notes that the board has the right to take over premises under the Betting Control Act.

The Hon. A. R. Jones: Only with the permission of the lessee.

The Hon. R. THOMPSON: I have repeated what is in the Minister's notes: that under the Bill the board has the first right to take over premises registered under the Betting Control Act. The Minister also said that regulations will be drafted to provide for a minimum bet which could be 2s. 6d., but which will most likely be 5s. I think the regulations will more than likely provide for a minimum bet of 5s.

This is where the biggest fall in turnover will take place in off-course betting, because the average person who bets has a limited amount of money with which to bet. The average working man who has to provide for a family is limited to, say, £1 per week with which to bet if he is a gambling man. The amount could be 10s.

There are plenty of people who take their enjoyment in that manner; and there are plenty of womenfolk who take their enjoyment in the same manner; namely, by having a series of small bets of, say, 2s. Those bets of 2s. and 5s. are re-invested, perhaps, six, eight or 10 times a day; and at the present time the Government is getting 3d. on each bet, plus turnover tax and the complementary taxes that go with it. It is from the small bettor that the Government is going to lose the greatest amount of revenue. The average person who has, say, five 2s. bets pays 1s. 3d. in tax before he gets his tickets. If he is successful, the bettor reinvests that money perhaps six or eight times a day until he eventually wins or loses. But the Government is getting investment tax, turnover tax, and stamp duty while that person still has money in his pocket and continues betting.

Another interesting provision is the one by which the board may declare an area a totalisator region; and the Minister can then exempt any person from this provision where it is thought justified.

The Royal Commissioner, in his report, deals with various aspects of betting throughout Australia, and says that betting shops in South Australia were rejected during the war when there was no racing; and after the war the Government would not re-license them. Yet, in Port Pirie—an industrial centre—there is still a registered betting shop controlled by the South Australian Board. The Royal Commissioner also said that illegal betting carried high penalties and was controlled to a point.

If one got hold of an Adelaide newspaper one would find that during the course of 12 months, fines imposed every Monday morning for illegal betting in Adelaide amounted to about £1,000. I cannot see how, if this Bill is placed on the statute book, illegal betting will be prevented from springing up again here. A person who bets in small sums and who wishes to have a few bets during the day will take the risk of betting with somebody who is prepared to take his money. Even if he so wishes, he cannot, under the provisions of this Bill, have an up-the-lot bet, a double, or a concession bet. Even in Adelaide, where the penalty for the first offence is £100 illegal betting has not been stamped out; and this Bill will cause a reintroduction of illegal betting in Western Australia.

Let us cast our minds back to the time before licensed premises were opened in Western Australia. I do not think anyone liked to see men gather around corners or in public conveniences, or hide behind trees, or meet in motorcars in order to bet. Those were the conditions that prevailed at that time. I doubt whether any member of this Chamber can say that he has seen anything at which he could point his finger in regard to the control of betting

shops in Western Australia. I do not think one member could say that these shops are not conducted in a decent manner and are not well supervised. I cannot see why it is necessary to rob the State of revenue, and to bring in something that has a grave element of risk.

The Minister stated further—members cannot say that I did not peruse his remarks carefully—that people loitering or “nit-keeping” would constitute an offence under this Bill. I am going to ask the Minister, when speaking in reply, to give me an answer to that.

The Hon. A. F. Griffith: I went out of my way to obtain half a dozen copies of these notes in order that all members would have an opportunity of seeing them.

The Hon. R. THOMPSON: Who is going to define when a person is “nit-keeping” or loitering? Is it to be the policeman? If a policeman saw two or three men leaning against a fence, or talking, under the provisions of this Bill he could say to them, “You are loitering.” One could then be arraigned before a magistrate and gaoled merely on the say-so of a policeman. One might not have had a bet. There is nothing to define when a person is loitering or “nit-keeping.”

The Hon. A. F. Griffith: You have not much faith in magistrates, obviously.

The Hon. R. THOMPSON: I have every faith in magistrates and policemen. But there is always one individual, whether it be a policeman or a magistrate, who might not like a particular person and who might say, “I can get him on this charge.” Have no fear, those things are done.

The Hon. A. F. Griffith: Magistrates exercise judicial discretion. They are without prejudice. I think it is a poor thing that you should castigate them in such a way.

The Hon. R. THOMPSON: I am merely saying that this sort of thing could happen under this Bill. There is nothing in the measure to define when a person is loitering or acting as a “nit-keeper.” Who is going to be the person to determine that?

The Hon. A. F. Griffith: I think you are exaggerating the point.

The Hon. F. R. H. Lavery: There is a similar provision in the Crimes Act.

The Hon. R. THOMPSON: That point is in my mind. This provision is linked very closely with another provision in a Bill which is before another House at the present time. The provisions of that Bill tie up very closely with the Crimes Act. I do not think we should accept everything that is in this Bill, or take away the civil liberties of the public and subject people to what could be an unjustified charge.

The Minister stated also that the penalties and offences were consistent with those laid down in the home State of the

Royal Commissioner. The Royal Commissioner was brought to Western Australia, and yet illegal betting is still rife in his own State. He recommends something to us, when he has not approached the heads of his own State about a situation that exists there.

The Bill authorises the board, with the approval of the Governor, to make regulations for the operation of the Act in regard to—

- (a) the admission of persons to totalisator agencies.

This means that the board can, through regulation, debar anybody from entering a tote agency. It could also mean—although I do not think it does—that even juveniles could lay bets. The Bill authorises the board to make regulations regarding the admission of people to totalisator agencies, and it provides—

- (b) any additional powers required by the board.

Surely the Minister is not going to ask us to accept a provision of this nature. We are giving the board power to make regulations, and it may make regulations in regard to any additional powers it so requires. The board does not have to go to the Minister, and it does not have to approach Parliament. It can make regulations for any additional powers it requires to suit a particular occasion. It can also make regulations concerning the paying of dividends.

That is far reaching. Although we can accept at this stage that dividends will be paid after every race, the board could say, “We will pay dividends an hour after the race, or a day after the race.” Concerning the reinvesting of money after every race, metropolitan betting on country races will be practically non-existent. I think that within a few months of these agencies coming into operation country betting will receive no support from the metropolitan area.

Sitting suspended from 6.15 to 7.30 p.m.

The Hon. R. THOMPSON: Pensioners and other people on fixed incomes are the ones mainly responsible for the betting done in suburban licensed premises, on country races. Therefore I cannot see that these people will be able to invest much money if the minimum amount to be invested is 5s.; because, as I have previously said, they will be able to have one or two bets but will not be able to reinvest any winnings.

In order that the scheme envisaged by the Bill will function correctly, people will have to bet from 45 minutes to 60 minutes prior to the race on which they wish to invest their money. This will have to be done in order that the money can be relayed to the course and put into the pool. This means that people will have to place

their bets about an hour and a half or two hours before the race on which the bet takes place. Under the present system, people, can lay their bets up to the time the chap on the wireless says, "They're off!"

Under the system envisaged in the Bill, people will have to place their bets from 45 minutes to 60 minutes before the race, and as the races are conducted at approximately 30-minute intervals, there will not be too many investments during the early stages. If there are not too many bets, the Government will become the bookmaker; it will hold the money, and it will have to pay out. This could mean substantial losses.

It may be right to say that the bookmaker wins. But the place bettor who invests 5s. or 10s. usually bets on every race, and he is the person who shows a profit. The chappie who blows into a betting shop and splashes his money around, is the one who loses. The systematic bettor who invests small amounts usually exists for a long time.

I can recall an old T.P.I. fellow in Fremantle. I often used to speak to him prior to my getting into this job. One day he showed me where he had invested 22s. on 38 horses. He had had real enjoyment out of his up-the-jot bets, concession bets, and so on. Under the system described in the Bill, this man could have only four bets, because of the 5s. tote. He would not have the same opportunity of winning as he used to have; and mostly this man did win a few shillings because he studied the game. Many people who derive enjoyment from betting will be deprived that pleasure as a result of this measure.

I do not quite understand the Government's attitude. If it is not desirable that licensed premises bookmakers be kept in existence, why does not the Government adopt the views expressed by the Royal Commissioner with respect to other parts of the Commonwealth, and of New Zealand where a complete totalisator set-up is established, and where there are no licensed on-course bookmakers? Why should the on-course bookmaker be able to bet in competition with the tote? If we are going to have a tote system, why cannot we have a complete tote system?

I cannot understand why there should be legislation against one set of people and not against another. If one likes to analyse the facts, one will find that more on-course bookmakers than off-course bookmakers have refused to pay. Just recently we saw in the Press that one man had his license suspended because he suspected he had made out a betting ticket differently from the way in which a ticket that was presented to him by a bettor was made out. I have not heard of any off-course bookmaker who has refused to pay.

If only four or five totalisator agencies are to be opened each month for the first six or 12 months, the bulk of the bets on Eastern States racing, as the Minister knows, will be in the hands of the premises bookmakers operating outside the totalisator regions. Let us define an area—say, a section of Perth—in which totalisator agencies will be established. We are to say to people who want to bet on Eastern States racing, "Take your money out of this area; place your bets with the premises bookmakers."

Is the totalisator agency board going to accept money and channel it to the premises bookmakers; or is it going to hold the money and act as a bookmaker itself? I think the Minister's notes dealing with this aspect are rather confusing.

I consider the Government is defeating its own purposes by bringing forward a Bill in the manner in which this measure is being presented to us. I do not blame the person who drafted the Bill, or the officer who prepared the Minister's notes. I do think, however, sufficient cognisance has not been taken of the downfall of the tote in the other States in comparison with the present set-up in Western Australia. Much research should have been made into this question, and a more comprehensive and sure Bill—something without any element of risk—should have been placed before us. I consider the present measure is full of risks; and the Government and taxpayers are the ones who stand to lose.

If I recall correctly, one of the witnesses before the Royal Commission testified in regard to the New Zealand tote system. When he was cross-examined he said he would not invest his own money in a totalisator system. He said it was operating all right, but he did not consider it a sound investment. This Government should have the knowledge that the tote system does not work to the full satisfaction of either the people or the Government in New Zealand.

It is interesting to note that in New Zealand the totalisator shows a profit of 3 per cent. I point out that a 3 per cent. profit is not a very big one. With the turnover tax and all the other taxes, the money received into revenue, together with that received by the racing and trotting clubs in this State, is in excess of 3 per cent. of turnover.

Can the Minister say with any degree of certainty that this system is going to succeed? He could quite easily say it is possible that it will lose money; and I imagine we are all thinking along the same lines; and the money will be lost at the expense of schools, hospitals, and other institutions that we sadly need. This House has no guarantee that the legislation will succeed. Therefore, I think it is ill-timed; and the Government should withdraw it, have a more careful look at it, and put something more comprehensive before us.

I point out that £12,100,000 is the present turnover with respect to off-course betting in Western Australia. It is anticipated that in the first year of operation of the new scheme the turnover will be £6,500,000, rising to £11,500,000 when the major centres are covered.

The figures I have quoted represent just a pipe dream, for the simple reason that the Bill contains no provision for large credit betting; and, as we all know, large credit betting is carried out by certain big bookmakers around the town, and much money is reinvested from one bookmaker to another in between races. This money bears all the taxes which the Government receives. In view of the fact that this Bill does not provide for large amounts of credit betting, it will mean that thousands of pounds monthly will be lost in revenue to the Government.

In parts the Bill is extremely weak, especially so far as the guarantees to the racing clubs are concerned, and the regulations that are envisaged; and it contains features that will react to the detriment of the ordinary man in the street, the country racing clubs, and also the metropolitan racing and trotting clubs. I think it is quite possible that, during the first five years of operation of the off-course totalisator, the Turf Club and the Trotting Association will not receive the same amount of money they are receiving at present. I have no intention, therefore, of supporting the second reading, and I will certainly be debating many of the clauses in Committee.

THE HON. G. BENNETTS (South-East) [7.47]: I am surprised at the Government introducing this Bill. In taking our minds back over many years, members can trace the history of racing and trotting in this State. I can recall, before my election as a member of this Council, and when I was a member of a municipal council, that my local authority had a great deal of difficulty in regard to betting in unlicensed shops, in lanes, and even on the streets. There was no way of meeting the problem until the Hawke Labor Government saw fit to introduce legislation to establish off-course licensed betting shops both in the metropolitan area and in various country centres.

I am not a betting man, but I keep a careful watch on off-course licensed betting premises to check whether they are being conducted efficiently; and not in one instance have I seen a shop that has not been maintained at a high standard. All people interested in racing whom I have interviewed in regard to the introduction of an off-course totalisator, have been in favour of retaining the present system. Not yet have I heard anybody say that the totalisator system would be an improvement on the licensed betting premises.

In the last two weeks I have taken the trouble to inspect some of the betting shops that are conducted in Boulder; and, on Saturday last, I entered one of the largest for that purpose. This experience was rather fortunate for me. Although I am not a gambler, I was anxious to make inquiries in regard to the volume of money that was invested by punters in this shop, especially by the small bettors. No doubt in regard to this type of bet the Minister would have figures which would cover all betting shops throughout the State.

Whilst I was in this betting shop I noticed that before they placed their bets, all the bettors seemed to wait for the radio commentary which gave the odds for the various horses, their jockeys, barrier positions, and other information. I also noticed with interest that the majority of the bets were placed in the last few minutes before the race was run. I suppose that the Minister would, no doubt, have figures in regard to the volume of money that is invested on any race within the five minutes or so immediately prior to its commencement.

As I have already said, this visit to the betting shop in Boulder brought me good fortune because whilst there I spoke to a retired racing man and we commented on the entries for the Melbourne Cup which were up on the board. He asked me whether I had a bet and I replied that I did not bother very much, and he then said, "You had better back Howsie for a place." I took his advice and, as I have stated, this brought me good fortune.

In my opinion, the system which is now in operation is clean and wholesome. I would not say that most of the money invested on horses consists of small bets; but, no doubt, here again the Minister would have the official figures in regard to the number of bets invested, both large and small. Nevertheless, whilst I was in this Boulder betting shop, most of the bets seemed to be of amounts of about 2s. 6d. and 2s.

If this Bill becomes law and the off-course totalisator is introduced into Western Australia, it will mean that a bettor will have to place his bet one hour prior to the race being run. The Bill states that a bet can be as low as 2s. 6d., but the regulations may prescribe that the bet shall be a minimum of 5s. which would be in line with the minimum bet that can be placed on the on-course totalisator at present. This would not suit the small bettor who wished to invest amounts less than 5s.; therefore I am sure the Government, in the ultimate, would not receive as much in revenue as it does at present from the operation of licensed betting shops.

I believe one member asked whether a bettor could place a bet by telephone; and I have noticed from the Bill that if a person has a certain amount of money to his credit in the pool he can place a bet on

credit over the telephone. There is no doubt that there is a great volume of gambling and drinking indulged in by the community in these times; and the racing and trotting clubs seem to have no difficulty in obtaining financial assistance from the Government. Yet, according to this Bill the Turf Club and the Trotting Association have agreed to guarantee £25,000 for the establishment of the off-course totalisator in this State. It is therefore rather ironical to think that if they desire any money at the present time, they approach the Government for it. Why cannot institutions for the aged and other charitable organisations obtain money as easily as this?

The racing and trotting clubs are a small clique and do not worry about anyone else. I do not say that there will never be any more than two racing bodies in Western Australia; but that could be possible by the two existing organisations excluding others from the racing industry. I am pleased to see that the Bill provides for a representative of country racing clubs to be appointed to the board, but I still maintain that there could be a representative on the board whose interests were completely divorced from racing. The constitution of the board, as envisaged by this Bill, is all one way, and I do not agree with it.

I am led to believe that the Turf Club receives £6,000 a month from the pool at present and the Trotting Association gets £4,000; and I understand that over the year country racing clubs are allocated £20,000 between them per year, which is a very small amount compared with the money received by both the Turf Club and the Trotting Association in the metropolitan area.

Members will recall that, on the goldfields, there were originally two racing clubs, and the amount of money that was invested in racing on the events held by those racing bodies every year was considerable. People used to come from all over Australia to attend the Hannan's Handicap, the Kalgoorlie Cup, and the Boulder Cup. However, the combined Kalgoorlie-Boulder Racing Club is now in receipt of what can only be called a starvation sum of money.

During the last goldfields racing carnival there were very poor fields in all the events; and there is no doubt that racing is declining on the goldfields, mainly because the prize money offered is so low. The club itself has provided picnic facilities for the racing patrons, and it conducts sports for the children. The Government hand-out to the country racing clubs could be more liberal, because this would bring about a better class of racing as a result of bigger prizes being offered by those clubs.

I do not know much about racing, although I used to indulge in a little betting some time ago; but I take no interest

in the sport now. Nevertheless, I wish to ensure that the Bill introduced by the Government will do all that is envisaged. There is no doubt that there are many obstacles in the path of the Government in what it is attempting to do, and it may be led up the garden path as a result of this proposed board being permitted to borrow money and expend it in any way it desires.

THE HON. J. D. TEAHAN (North-East) [7.58]: As I do not desire to record a silent vote on the Bill, I wish to make a few comments on the second reading. Regardless of what opinion may be held on the question of betting, I am afraid that people will continue to bet, no matter in which country they reside. In the country centres of this State several years ago, those people who desired to place a bet were able to do so, but, too often, it was done in unsavoury circumstances and surroundings. As a result, I do not think anyone relished having a bet in those days. For one thing, this practice led to possible corruption; and it also encouraged bribery and other illegal acts.

However, as previous speakers have said, no Government was anxious to interfere with what was going on; no Government was courageous enough to take the step which was felt to be the correct one. Therefore, what the Hawke Government did in 1954 deserved the greatest commendation. That Government introduced a system of betting which could be said to have failed in South Australia.

I studied the South Australian betting shop system, and I found it was a failure for many reasons. When the Hawke Government decided to introduce this system, I was doubtful of its success. However, the results of the betting shop system in this State have proved to be excellent, and today no-one can point the finger at the system.

Last year a Royal Commission was appointed to inquire into betting in this State, but it mainly indulged in personalities. It was pointed out that some people had nasty things to say before the Royal Commissioner—people with a direct interest wanting to put forward their comments. The same can be said of any Royal Commission; and whether it be one inquiring into grocer shops, butcher shops, or other commercial activities, we always find someone pointing the finger here and there.

On the whole, the betting shop system is above question. Who could truthfully say that there was any disorderly conduct in Perth streets following the establishment of betting shops? As a matter of fact today people in this State are able to place their bets in their own quiet way. They are not invited into the shops. There is no loudspeaker to attract the people. The bettors go into

the shops of their own free will to make their investments. They are able to place their bets with men of character, and they are aware that their bets will be honoured. All this happens under the prevailing system.

When legislation is introduced in Parliament we expect the legislation to improve existing conditions, but will the Bill before us do that? If the majority of the people are satisfied with the present set-up, why alter it? The new system has not been tried sufficiently in New Zealand, or anywhere else, to give us a fair indication of the result. Much of the result that is anticipated is hypothetical. The estimates of the financial operations of the board are open to grave doubts.

On the other hand, we now have in this State a satisfactory betting shop system; and there is no question of corruption, which we heard of in the 13 to 15 years before off-course betting was legalised. I am not blaming the Police Force for having been offered bribes in the past: I am merely pointing out that we have a set-up which is giving the large and small bettor every satisfaction, and a set-up over which the Government has control. Why should the Government attempt to alter that system by replacing it with one which could bring about the very undesirable state of affairs which existed previously?

It has been stated that the off-course tote will be able to cater for the wishes of all types of bettors. The method of operation will be partly under the premises betting system, and partly under the tote system. If it is adopted, the way will be open once again for illegal betting to flourish. I ask the Government not to give up the substance for the shadow—for some system which is very doubtful of success.

The totalisator will not be able to satisfy the needs of the small bettor. I do not think he wagers with a view to getting rich. The small bettor has 10s. or 15s. a week to spend, and he wants as many thrills out of that as he can get. For £1 he can have eight bets of 2s. 6d. each. If he has one or two winning bets among the eight, he will be able to reinvest his winnings. The greater the number of bets he can make, the more is his pleasure. I doubt whether he will be able to achieve the same result under the proposed totalisator system, because the dividends cannot be paid quickly enough. Therefore, the small bettor will not be satisfied by the tote system, and he will go elsewhere to make his bets—perhaps with some individual in a back lane.

The present set-up is satisfactory to all concerned. We know the amount of revenue which will be derived. The country racing clubs are thoroughly satisfied, although they do not always get a fair deal

from the parent body, which invariably asks the Government to be kind in its treatment towards the parent body itself.

At the recent annual round on the goldfields the Kalgoorlie-Boulder Racing Club had a complaint to make, because the W.A. Turf Club put on a main event in its programme on the Saturday in competition with the Kalgoorlie carnival. This resulted in headlines being printed in the newspapers that the goldfields carnivals were falling off. They would not fall off if the country racing clubs were treated fairly by the parent club. I oppose the measure.

THE HON. J. J. GARRIGAN (South-East) [8.61: I intend to oppose this measure. Mr. Willesee has given a very good outline of the whole situation. Under the present system the Government is receiving revenue without having to do any work for it. In fact, the S.P. bookmakers and clerks are the unpaid servants of the Government. The revenue is being paid directly into the Treasury, and neither the present Government nor the previous Government has had any worries about the collection of that revenue.

It looks as if the Turf Club and the Trotting Association are, on this occasion, dictating to the Government. Over the many years during which I have visited the Turf Club courses, the amenities on them have not been improved. A few weeks ago I paid a visit to one of the club's courses and found the amenities were practically the same as they were 20 years ago, yet the club expects the general public to patronise the course.

Over the years racing has been recognised as the sport of kings, but the betting facilities at the meetings conducted by the Turf Club cater for one class of people—the rich class, and not the pensioner, the middle-class, or the working-class person. In the ordinary stand, one often has to drink half-warm beer and eat half-dry sandwiches. However, in the member's stand it is a different story altogether. If this Bill goes through Parliament and the totalisator system is adopted, better amenities will have to be provided at the race courses under the control of the Turf Club.

When the Minister replies to the second reading debate I would like him to tell me how the proposed totalisator system will cater for the all-up bettor, the doubles bettor, or the pensioner-bettor who often finds it impossible to attend the courses. Many of the pensioners go into town on Saturday mornings and place their bets in the shops, and then listen to the radio to hear the running of the races. Many of them have all-up bets, but I doubt whether they will be able to do so under the new system. Only today the Melbourne Cup was run, and many pensioners took long

odds on the Caulfield-Melbourne Cup double months ago. How will they be catered for under the new system?

It is one of the maxims of racing that if one backs a winner one should not lose. Under the tote system that does happen at many country race meetings. Recently at a meeting at Cunderdin the winning horse paid a dividend of 3s. 6d. straight out, and less than that amount for a place, on a 5s. bet. Surely if one backs a winner one should not lose under any system. If the new tote system is put into operation I hope that people who back winners will be guaranteed a return of at least their stake.

The Turf Club gives very little assistance to country racing clubs. I am referring particularly to the assistance received by the Kalgoorlie-Boulder Racing Club which does its best every year to put on a carnival during the rounds. This year, for some unknown reason, the Turf Club saw fit to include a £1,000 race in its programme at the same time as the Kalgoorlie carnival was held. In the past the Kalgoorlie round has attracted many good horses, not only from Perth, but also from the Eastern States. It is hoped that when the new system comes into operation more consideration will be given to the country racing clubs. I have nothing more to add except to say that I am adamantly opposed to the measure.

THE HON. H. C. STRICKLAND (North) [8.10]: Like the previous speakers, I am also opposed to this measure. I oppose it because I believe it will do more harm than good to Western Australia so far as the conduct of betting is concerned. Members will recall that it was in 1954 when the Betting Control Bill was passed, and the legislation began to operate in 1955.

In my opinion, and in the opinion of most people, the Betting Control Act has brought about a great improvement in the conditions which prevailed prior to the introduction of that legislation.

The Hon. G. C. MacKinnon: It is a good idea to keep on improving.

The Hon. H. C. STRICKLAND: This measure before us will disrupt the conditions which now prevail. I believe it will scramble the betting conditions once again. For that reason I am firmly opposed to the measure.

Referring to the initial legislation for the control of betting from 1955 onwards, many members in this House vigorously opposed the measure on the ground that it would not improve the general conditions. Somebody brought the Rev. Woollacott from South Australia to address as many politicians as he could, and to organise a public rally on the Perth Esplanade. It is rather strange that on this occasion we have not seen the same reverend gentleman; nor have we heard

him tell the public of Western Australia what a disaster is likely to occur with the broadening of betting by a scheme under which the Government intends to act as a bookmaker as well as operate totalisators. In effect, the Government will become an S.P. bookmaker except that dividends will be paid at tote odds.

From a moral angle, it is amazing indeed that no-one came across from South Australia or from any other State on this occasion, when these measures were introduced in Parliament, to frighten the people and to rally them against the measures.

Nobody can deny that the conditions which exist today under the Betting Control Act are as perfect as it is possible to have them. Instead of betting flourishing under the present system, as the Rev. Woollacott and the Rev. Alan Walker told the people, we find the off-course figures show that betting has diminished during the last three years of the existing Act. I am referring to both on-course and off-course betting. It was said that the introduction of legalised off-course betting by the Hawke Government would ruin racing entirely, yet we find the present Government intending to extend legalised betting operations and to participate in them.

As I stated, the figures show that the dreadful things which were forecast by the critics and scaremongers, both inside Parliament and outside Parliament, in 1954 and 1955 did not eventuate—and there is nothing more conclusive than figures.

We find in the report of the Betting Control Board for the year ended the 31st July, 1960, that the off-course turnover deteriorated from £18,372,968 in 1958 to £17,071,589 in 1960—a drop of approximately £1,300,000. Therefore the dreadful state of affairs which members in this Chamber stated would occur, has not occurred off the course.

It is revealed in the same report that on the course in 1958 at the gallops the investments were £5,730,917; and in 1960, despite the fact that many thousands of pounds were given to the clubs to increase stakes and thereby attract patronage, the on-course bookmakers' turnover was £4,965,526—a drop of approximately £750,000.

In connection with trots we find that in 1958 the amount of turnover was £2,985,548; and in 1960 it was £2,816,647—a drop of approximately £125,000. It is revealed therefore that there was no substance at all in the arguments submitted in opposition to the Betting Control Act when it was stated that it would create a state of affairs which would be unsavoury and which would encourage gambling.

Now after six years' operations of the legalised bookmakers both on the course and off the course—they were not legally

authorised to make bets on the course, but the clubs were allowed to have bookmakers betting on the course—we find that a state of, I would say, very satisfactory conditions prevails in relation to the public and the community as a whole in connection with betting on horse racing.

The public is turning away from horse racing in this State and is taking an interest in other sports. The racing clubs themselves have not done a lot to encourage young people to attend racecourses. I think it is only in the last 12 or 18 months that the Turf Club has permitted children to enter the enclosures. It relaxed its rules to allow children to attend the racecourses.

A strange thing about this Bill is that it prohibits anyone under the age of 21 from entering or loitering in the vicinity of a totalisator agency off the course; but a baby in arms can be taken on to the racecourse, through the betting ring, or anywhere else.

The Hon. G. Bennetts: I have seen children of 10 years around the tote in Kalgoolie.

The Hon. H. C. STRICKLAND: If this is done in an attempt to drive the young people to the course to encourage them to bet, this Government will have turned a complete somersault since it raised the hue and cry when in Opposition. It was stated then that the legalising of bookmakers would encourage betting amongst the public. But here we find that anyone who is found loitering in the vicinity of an authorised tote agency, or anyone under the age of 21 who is inside without some lawful excuse—that is a tradesman or a telegraph boy—will be prosecuted. But the Government is prepared to allow anyone to attend the racecourse from the age of one year onwards; and, what is more, anyone is allowed anywhere on the racecourse.

In connection with the moral viewpoint and the effect that this Bill will have on the public, the existing situation proves in itself that rather than encourage gambling, the present legislation has had the effect of deterring people from betting. That fact is absolutely unchallengeable. Therefore why does the Government want to alter the situation? The Minister told us that the reason the Government desires to alter the situation is that it has been well known that it has had under consideration legislation to replace the existing licensed premises bookmakers with an off-course totalisator system, because this was recommended by the Royal Commissioner on betting, Sir George Ligertwood.

We all know that many Royal Commissions have been held on various subjects, but very few Governments have decided to attempt to carry out the recommendations of the Royal Commissioners; and I, for the life of me, cannot understand why this Government should want to upset the placid conditions which exist today on the

excuse that it is attempting to carry out the recommendation of a Royal Commissioner. I feel that the hybrid system which this Government is introducing will do all that the scaremongers and members of the present Government when in Opposition feared would happen in 1954.

After perusing the Bill, I find that the Government proposes to establish a betting control board which will be controlled by the Minister; and controlled a great deal by the Governor-in-Council. The Government is entering a sphere of revenue-raking which it should not. Last session every possible avenue of taxation in relation to betting was increased by the Government to obtain more revenue. In setting up this totalisator board, the Government intends again to increase taxation on betting. It intends to raise the totalisator tax from 13 per cent. to 15 per cent. which means that every bettor on the totalisator, on the course or off the course, will be paying an increased tax.

Those attending on the course, particularly, are going to pay more, merely because they attend. But the worst feature of the lot, in my opinion, is the Government's adamant contention that people who cannot or do not go to the races should pay a tax if they have a bet on a horse race. The Government intends to continue with its investment tax, this being 3d. on bets up to £1, and 6d. on bets from £1 1s. upwards to any number of guineas. Surely to goodness if bettors are unable to go to the racecourse—and I argued the same point 12 months ago—why should they be taxed? Why should the policeman, tramwayman, and those engaged in essential services, or those who live in remote areas, who like to have a bet on a horse race, but who are unable to attend the course to do so, be singled out and taxed?

The Hon. A. F. Griffith: Don't you pay tax on normal forms of entertainment?

The Hon. H. C. STRICKLAND: What is the entertainment when a person who has had a bet is sitting on a tractor?

The Hon. A. F. Griffith: Someone has to provide—

The Hon. H. C. STRICKLAND: Why tax those who cannot attend? I know the Government's policy in regard to entertainments. I know the Minister's idea. I can remember the time he put on a great show here because the previous Government did not cancel the entertainments tax when the Federal Government did. What do we find now? The patrons go to a show and part of the tax they pay goes back to the picture theatre proprietors. There is no relief given to the poor patrons—only to the theatre proprietors. The Minister wants the bettors who cannot go to a course, to pay for their entertainment. What is the entertainment gained, if a man is engaged on an essential job at some place where he

cannot even hear a broadcast? But the Minister classes it as amusement and so taxes the person because he cannot get to the racecourse.

But do not forget that those who invest through the totalisator are going to have 15 per cent. of their money taken away, without any 3d. or 6d. investment tax. Fifteen per cent. of all money will be taken completely out of the pool. A totalisator is no different from a one-armed bandit. Anyone who stands up to a totalisator with a fixed sum, and continues to bet, must lose that sum because the totalisator takes 15 per cent. every time he has a bet. There is no argument about that. But the Government intends to superimpose the investment tax on him.

Well, it is Government policy; but surely the Government can look elsewhere for revenue, rather than tax the unfortunate people who cannot attend a course—and tax them in a proportion which is most unfair. The person who will bet 2s. 6d., which is laid down as the minimum bet under the Bill, will pay 2s. in the pound, because the tax is 3d. for every 2s. 6d. bet; but the person who has £1,000 on a race will pay only 6d., because it is only 6d. on £1,000, or any amount above £1. So I think that aspect should be given serious consideration when the Government proposes to superimpose an investment tax on bets with the totalisator. I think the Bill contains some over-restrictive provisions. I know the Minister will tell us, "We have to have a death penalty as a deterrent for murder. We have to have all sorts of things in the Police Act, and in the Criminal Code."

The Hon. F. J. S. Wise: I thought you were going to say that some parts of this Bill were murder.

The Hon. H. C. STRICKLAND: I was going to say that some parts of the Bill are so severe that one begins to wonder whether the liberty of the individual is not going to be lost altogether under this Liberal Government, as it calls itself. We are getting a type of Government which is simply going to mean a police state.

The Hon. F. J. S. Wise: "Liberal" does not mean generous.

The Hon. H. C. STRICKLAND: Usually it means generous in politics; but, of course, it is a selling name and not necessarily a policy. We find a Bill of this nature being presented to us by a Liberal Government—a Bill which is terrifically restrictive and far-reaching in its scope. I mentioned persons loitering in the vicinity of a totalisator agency. Are we going to get back to the stage we reached a few years ago? I can remember many years ago in Perth when policemen doing their duty on the beat around the city were always moving persons on if they were standing around what

were then the illegal betting shops. We all know the scandalous state of affairs which existed in relation to prosecutions.

People were charged and prosecuted for obstructing the traffic, which was absolutely wrong. But still that was the position, and it prevailed for years under various types of Governments. Hundreds of people throughout the State were prosecuted every month; but not one bookmaker. On every occasion the bookmaker was forewarned that the police would be calling on a certain day; and some poor devil, who was looking for a way to earn a few pounds, would stand in for the bookmaker. It was a well-known fact. The police, the Government, and every person in the State knew very well that the people who were charged had nothing to do with the business, except that they had jobs as clerks, or something like that, until they were prosecuted once or twice, and then they had to move on and some other persons went up the next time.

Do we want that state of affairs to return, now that it has all been cleaned up? It is a well-known fact that before the war—I do not know about afterwards—and during the depression years, a pool or a fund existed, set up by the S.P. bookmakers, and we know that some of that money went to officers to whom it should not have gone. It was common knowledge; everyone knew it; and they were the conditions that existed. They have all been wiped out since 1955, and from a moral point of view conditions have never been better.

On reading through the report made under the Betting Control Act I cannot find any mention of anything to which anybody could take exception regarding the conduct of betting shops. Prosecutions under the Betting Control Act—and the penalties are pretty severe—from the 1st August, 1959, to the 31st July, 1960, totalled 67, made up as follows:—Betting with persons under 21 years of age—2; persons under 21 years of age entering and remaining on registered premises—40. Just fancy that! Forty persons under 21 years of age entered registered premises, and they were prosecuted; but 400 or more could enter a racecourse and they would not be prosecuted; they are not liable to be prosecuted. We can see how ridiculous it is.

The report goes on to state that there were 17 persons under 21 years of age betting on registered premises and one making bets on unregistered premises. There was one illegal bettor and one person allowing another to have a financial interest in his bookmaking business. There were six people who placed bets for persons under 21 years of age; and I would suggest that if members of the Police Force visited the racecourse on any of the principal days, particularly around Christmas time, they would be able to fill a book

with those types of offences—that is, betting with persons under 21 years of age, or seeing people loitering around the totalisator.

But the Bill does not cover that; it covers only totalisator agencies, and they are not totalisators on the racecourse. Therefore it is obvious that the restrictions which this Government proposes to force upon the public are of a severe nature and should not be tolerated in a police-free State which we enjoy, and have enjoyed for many years.

I was saying that the revenue on the racecourses had fallen, and that racing generally was not popular with the public here. It is not attracting spectators any more, and there is no doubt that the reason for it is the poor quality of the racing itself. It is only when the Turf Club invites Eastern States jockeys to come here for some of the principal races that one sees a good attendance of spectators at the courses, except of course on the big days such as during the Easter meeting and the Christmas meeting. But generally the racing in this State is poor, and I think the Turf Club itself is largely responsible for that state of affairs.

I believe the club could organise its racing programme much better and could exercise more jurisdiction over the type of horses it allows to run in the different types of races. I mentioned some years ago in this House that the racing clubs allow horses to start in races which they could not win if they were given half a furlong start. That is a fact. Tickets for those horses are sold at the tote because somewhere in the legislation governing totalisators there is a provision that the totalisator must sell tickets on every horse in the race. I think that provision should be wiped out of the legislation because, as I think Mr. Garrigan said, "If you can't win with a bet it should not be a bet at all."

If there is no chance of winning, a person should not be taxed on his ticket. Over the last two Saturdays we have seen, in two races, where horses which should run only in two mile races have been started in six furlong races. The same sort of thing has been happening for years. Those horses could not possibly win, even if they were given half a furlong start. Yet the racing club allows them to start. The Government gets its rake-off from the investments in the totalisator; the racing club gets its rake-off; and any bookmaker fortunate enough to lay a bet will also get a rake-off because those horses have not even a dog's chance of winning.

When racing gets into a condition like that—and it has been like it for many years; as long as I can remember—I feel it is time the club looked around and altered the whole set-up.

It is a rather striking fact that the most ardent supporter of totalisators in this State—I suppose he could be termed the father of totalisators—Mr. J. P. Stratton, although he races horses, does not race them in Western Australia. He had two or three horses racing in Melbourne today; in fact, one of them won its race. When we see these leading sportsmen, as they call themselves, not patronising our own local clubs, surely there is something wrong. Surely they should have a look at the position and put their sport on a decent footing and not ask and expect Governments to tax out of existence those who follow the sport; because that is exactly what this Government is doing. In my opinion it will tax the racing game out of existence.

I said last year that the Government would kill the goose which lays the golden eggs. I have not the slightest doubt that by such heavy taxation it will do that. I gave figures a little while ago to show how the revenue had dropped but, strangely enough, the amount of tax increased. While revenue in 1960 dropped by £1,300,000, approximately—that is from turnover off-course—the tax collected off-course increased by something above £65,000.

The Hon. F. J. S. Wise: The punters' tax is in that.

The Hon. H. C. STRICKLAND: Yes, the investors' tax. We find also that on-course, while the bookmakers' turnover dropped by £750,000 the tax collected increased by £8,000. At the trots, while bookmakers' turnover dropped by £125,000 the tax increased by £3,000. So it was not only the investment tax on off-course tickets which increased. We find that those who went to the course were also responsible for paying an additional £11,000 tax, despite a drop in turnover between on-course gallops and trots of £1,000,000.

So I think it can safely be said that the goose which lays the golden eggs has certainly been wounded; and when the Government intends to push another 2 per cent. tax on to those who patronise the totalisator, plus the investment tax, I feel there will be a further drop; and I consider that the Government is making a great mistake by rushing this type of legislation through. The Government says that it was a recommendation of the Royal Commissioner; but we know that it is the policy of the parties which now form the Government; that was their policy when in Opposition. Had it not been for three members of those parties supporting the then Government, the Betting Control Act would never have become law.

I think those members have something to feel proud of when they see the results of the legislation which exists today, as compared with the conditions which prevailed previously. There is one provision I have not seen in the Bill, namely, where the Government intends to establish a

totalisator agency, naturally it will put a licensed bookmaker out of business. There are several licensed bookmakers who have entered into long-term leases for the premises they now occupy. There are some such bookmakers who would not have tolerated a long-term lease at a high rental had it not been for the Government of the day, or the Parliament of the day, introducing the Act and extending it until this year.

On top of that, I think the main assurance which they drew to themselves came from a bookmakers' dinner which was held after the Act had operated for two years: it might have been one year, though I am not too certain. If not every member of Parliament, I should say a large number of members of Parliament were invited to attend that dinner. I did not have the time to dine on that occasion, but I understand it was a very good affair, and that some members who strongly opposed the betting control legislation when it was submitted to Parliament, and who attended the dinner, got up and made speeches at that dinner and said, "We did not think it would work; we opposed it strenuously; but we are satisfied that we were wrong, because it is working very well."

That gave a number of bookmakers a lot of inducement. I do not know whether the two present Ministers attended that dinner, but I have a hazy idea that they might have done.

The Hon. A. F. Griffith: Is it very hazy?

The Hon. H. C. STRICKLAND: I think they might have done. I know one of them supported the legislation, and the other opposed it. I know that our previous President attended that dinner.

The Hon. A. F. Griffith: I was at that dinner, and I have no hazy recollection of what I said; I have a complete knowledge of it.

The Hon. H. C. STRICKLAND: Did the Minister condemn the set-up? He was certainly pleased to dine with the bookmakers, and enjoy their good food, and wines. The point I wish to make is that following a function such as this, some of the bookmakers—and not small ones, either—considered that conditions were such that they could enter into long-term contracts, which some of them did. Although it is provided the board can take over some of the premises—and I presume that empty shops will not be easy to come by, and the board will probably take over some of the existing bookmakers' premises—I hope it will take over the lot.

What about those bookmakers who will be pushed out of business? Will the Government compensate them for their loss of business? We all know that a bookmaker can go broke; but on the other hand we cannot break a totalisator—the totalisator breaks us.

Some of those who are to be pushed out might still have a contract around their necks for the payment of high rents for a number of years. So if this legislation becomes law, I hope the Government will consider that aspect; because there are some members belonging to Government parties who said in as many words, when they attended that dinner, that betting conditions were most satisfactory.

The Hon. A. F. Griffith: Does not a lot of what you say hinge on the fact that the present Act expires at the end of this year?

The Hon. H. C. STRICKLAND: The present Act expires at the end of this year, but the Minister has a Bill to make it permanent.

The Hon. A. F. Griffith: You are talking about the people who took long-term leases knowing that the legislation expired at the end of this year.

The Hon. H. C. STRICKLAND: I am talking about what transpired amongst the speakers at the dinner given by the bookmakers in Perth a few years ago.

The Hon. L. A. Logan: You were not there.

The Hon. H. C. STRICKLAND: I was told of it by one who was there—the previous President of this Chamber; and I am sure he will not mind my mentioning the fact. He came back here and told us what transpired, and his remarks must be treated with a degree of respect.

The Hon. E. M. Heenan: Is this dinner an annual affair?

The Hon. H. C. STRICKLAND: I am not sure, but I think it is. I notice from the remarks of the Minister that the Government itself does not feel at all certain about the legislation. That is how I feel from the remarks made by the Minister. I must congratulate the Minister for the comprehensive coverage he gave the Bill while introducing the second reading. I must say he covered it very well indeed; he did not leave out anything that the Council should know.

In the course of his speech the Minister said it was generally agreed that the success of the scheme depended on three things. This means that the Government agrees that the success of an off-course totalisator system will substantially turn on three things. This would indicate that the Government is not too sure of itself in this respect; and it therefore amazes me why it allowed itself to be driven, or pushed, into this sort of legislation. The first of the three things referred to by the Minister was the turnover. As he explained, it was problematical how much turnover the totalisator agency board might handle in the first 12 months, or in any period of its operations.

It will certainly be difficult in the first 12 months when, say, the centre of the city is proclaimed an agency area, and a

person can go and bet in the suburbs, as he can now, with the off-course bookmaker. He can also listen to a broadcast of each race. I notice the Bill provides that if the volume of noise from the broadcast interferes with anybody outside the shop—of course nobody is supposed to loiter there in the first place—it will not be allowed to continue; the volume must be subdued.

Accordingly, we find that a lot of the turnover which perhaps the sponsors of this Bill expect to handle when they set up their totalisator agency board will drift out to the bookmakers outside the proclaimed zone. We know the tax still operates there; but the 15 per cent. rake-off will not operate. The Minister also mentioned the margin between bets received and bets paid; and the cost of administering the scheme. I think the cost of administering the scheme could possibly cripple it, because of the wide area which the Government proposes to cover ultimately.

I feel that in relation to setting itself up as an S.P. bookmaker paying tote odds, nothing very much could happen, because the bets are to be restricted to small bets only. I understand from the Minister's speech it would not be very much use anybody going along half an hour before the starting time of the Perth Cup, and wanting to place £50 on a horse. The bet necessarily would have to be a small one. The same would apply, I suppose, to Eastern States races generally. That restriction in itself will rob the totalisator agency board of a lot of turnover.

It is interesting to notice from the Betting Control Board's report that the average bet off the course is only 18s. 2d.—less than £1; while on the course it is in the vicinity of £2. So while it might be possible, if this legislation becomes law, to finance it, I have my doubts in the matter.

I feel it is no function of the Government, and it is certainly no responsibility of the taxpayers, generally, to finance or underwrite a scheme of that nature. This goes far beyond the legislation which the Government parties opposed when in Opposition. The legislation of that day never at any time suggested that public funds, or moneys, were likely to be used in setting up the betting control legislation.

This is a different proposition altogether. This Government, which opposed that legislation, now proposes to underwrite the responsibilities of an off-course totalisator. It is most amazing how the Government has somersaulted; and I cannot for the life of me make out how it allowed itself to be pushed into that position. There must be pressure somewhere.

If I understand the recommendation of the Royal Commissioner, it referred to either totalisators generally or off-course

bookmakers. It wanted no shandy-gaff affair; no half-baked scheme. He recommended either the totalisator or the bookmaker. It is interesting to know that there has never been a legalised bookmaker in New Zealand.

No bookmaker ever bet on a racecourse in New Zealand. That country started there with totalisators. The illegal bookmaker became rife off the course, so the Government then set up the totalisators off the course. But New Zealand comprises simply one State, and it should be rather easy to control the totalisator system there. However, I understand it has not been easy. A lot of men are in gaol for illegal betting—and there will be more. When racing first started in Western Australia, bookmakers began operating; and it is an understood thing that those who follow racing and who bet on racing will bet with a bookmaker.

To force upon the public of Western Australia this half-baked legislation, with all the restrictions contained in the Bill, is something which should not be done by the type of Government which occupies the Treasury bench today; and it certainly would never be supported by a Labor Government. I oppose the Bill.

On motion by The Hon. E. M. Heenan, debate adjourned.

SUPPLY BILL (No. 2), £21,500,000

Second Reading

Debate resumed from the 27th October.

THE HON. E. M. DAVIES (West) [9.2]: This Bill is usual at this time of the year. It proposes to make available to the Government the sum of £21,500,000 for the services of the year from the 1st July, 1960, to the 30th June, 1961. Like individuals, the Government must have funds to carry on the business of the State.

Having regard to the fact that this Bill proposes to make funds available for the Government of the State, I was pleased recently to have the opportunity of looking at a report from the Library Board of Western Australia. I was pleased to have the opportunity of seeing what was taking place in regard to some of the facilities that are made available from time to time. The Library Board of Western Australia can be given a certain amount of credit for its activities, having in mind that it is not long since the Bill to establish the board was introduced into the legislative halls of this State. The intention of that Bill was to bring about the creation of the Library Board and also the creation of libraries in various parts of the State.

I note that books have been supplied to the six new libraries that have been established at Kelmescott, Boyup Brook, Dowerin, Beverley, Norseman, and Osborne Central at Tuart Hill. An additional service in the form of a children's library has been

provided at Margaret River and Scarborough. This will enlarge the services in those areas. Members generally should be pleased to know that libraries provide means for the people to read good literature and extend their knowledge, thus giving them a broader outlook on life. One of the pleasing features is that the Library Board of Western Australia is able to establish children's libraries. I believe that these are of great educational value to the children as they enable them to have books chosen by the librarians. This will help fit the children to be worthy citizens of this State.

The demand for books, particularly at Fremantle, is phenomenal. The children were demanding so many books from the children's library that it was necessary for the board to increase the stock. That was most gratifying, particularly as the first free lending library was established at Fremantle. It was the first free lending library established in this State; and it was established before the board came into existence.

I can recall the debate that took place in this Chamber at that time. Some members were rather dubious over the cost of this library, and said it would cost the ratepayers quite a sum of money; and in some instances, we were told that the residents of the town would have the facility at the cost of the people who lived in the country. It is very gratifying to see that the library service has extended into country districts, as it must be a great boon to those people who live in the outback parts of this State.

For my own part, I have always taken an interest in the library movement of the State. I was associated with the provision of a free lending library in the Fremantle district before the Library Board of Western Australia was created. I would like to take this opportunity of expressing to the librarian in Fremantle (Mr. J. B. Birch) and the children's librarian (Miss Best) my sincere thanks for what they have done for the Fremantle reading public. I would also like to extend my thanks to several local authorities in the State for making a library possible in their districts. It is a great facility that has been provided, particularly for people in the outback districts, because they are enabled to be supplied with instructive literature on such subjects as industrial management, farming, and travel.

Since the creation of the Library Board, an attempt has been made to have people read a better class of literature. We know that some people look upon reading as a form of relaxation; and those people who work in the professions or trades which require a great deal of concentration require some type of light reading. Therefore, in my opinion, I believe it is necessary that from time to time people should be given the opportunity to take the type of literature they like. However, the librarians do recommend to people a better class of

literature. So, we find now that it is possible to take one book of fiction and another book which is non-fiction. From what I can learn, a great number of people who for some considerable time have been reading fiction, are now reading better class literature, which I feel is of great benefit to themselves and to the State generally.

I would now like to make reference to one or two matters, as I am permitted to do when dealing with this Bill. It is interesting to note that the Federal Liberal Government has now changed its policy with regard to the export of iron ore.

The Hon. A. F. Griffith: I wish you were right.

The Hon. E. M. DAVIES: From what I read in the Press, I know the Minister would like to think I was right—and so would everybody else. The previous Government did its best to try to impress upon the Federal authorities the necessity to allow this State to export iron ore for the benefit of the State's economy. The Premier said that the latest information was great news. I feel sure we all hope he is right. However, it is rather peculiar that when the Hawke Government made the request to the Federal authorities—the Federal Liberal Government—for permission to export a limited amount of iron ore, that permission was not forthcoming. As far as I can recall, one of the reasons given was that the limited amount of iron ore that existed in Australia was required to be conserved for the future of the Commonwealth.

Now we find the Commonwealth Government is considering the possibility of exporting the iron ore because it has discovered there are ample supplies in Australia. It is rather remarkable that the Federal Government has just found that out. I wonder whether that means the Federal Government considers the requests of Western Australia in accordance with the political colour of the State Government which happens to be in power when the requests are made. Like everybody else, I am hoping that the export of some of our minerals will be permitted because this State can do with the extra money to help its economy. The export of iron ore will improve our financial balances overseas; and it will be to the benefit not only of Western Australia but to Australia as a whole.

I think we would all agree that Western Australia contains the largest area of the Commonwealth and, with Tasmania, the lowest population. However, Western Australia, over the years, has played its part in the economy of the Australian continent. In the early days of the century, when gold was discovered in this State, it not only improved the economy of this State, but it was beneficial to the whole of the continent of Australia. When the late Sir James Mitchell was Premier of this State his policy of opening up the

agricultural lands throughout the State and exporting the bountiful harvests overseas was responsible for bringing finance into this country and expanding our economy. So I say that the export of iron ore will be beneficial not only to this State but to the whole of Australia generally.

One sometimes wonders why we have had to wait so long for consideration to be given to this question. The matter emanated from Western Australia and we were told that the reason permission could not be granted was because it was necessary to conserve that type of mineral for the future of this country. We now find that there is quite a large area of this State, and other States, where this mineral can be obtained; and there seems to be no reason why it cannot be exported and the money used for the benefit of this State and Australia as a whole.

This Bill authorises the issue and application of £21,500,000 to the Crown. This, I pointed out, was necessary for the Government of the State, just as money is necessary for individuals. One is at a loss to understand the reasoning of some people when we hear suggested—particularly by members of the present Government, and by *The Western Australian* newspaper—that there should be no quarterly adjustments to the basic wage. When price fixing was proposed, it met with considerable opposition, particularly from those people who are opposing quarterly adjustments to the basic wage. Prices of goods for sale need not be controlled, but the wages and salaries of those who barter their labour must be controlled. Not satisfied with the basic wage being struck on a cost of living basis, objection is continually raised as to the fallacy of the quarterly adjustments.

During the depression when the policy was to consider and strike the basic wage annually, and when the cost of living began to fall, in order to do something about the situation the policy of quarterly adjustments to the basic wage was introduced by those who did not think that the workers should receive any benefit. The same people now find that when the cost of living is rising they want to do away with the quarterly adjustments to the basic wage and to strike the basic wage annually. This means that salaried people and wage earners will be 12 months behind the cost of living instead of being a quarter behind.

I feel it is time that somebody took a realistic attitude in regard to this matter. Those who work for wages or salaries depend on that money for the livelihood of themselves and their families; and if the basic wage is to be increased only once annually, they will be 12 months behind. Even when they get it quarterly, they are still a quarter behind because they only receive the increase in the basic wage in accordance with the general cost of living.

If I remember correctly, the Harvester judgment was the first attempt to bring in a basic wage. I think it was in 1907, when the basic wage for a man, his wife, and two children was £2 a week. Since then, standards of living have risen. The cost of living has increased, and the basic wage has always followed it—but has always been behind it.

I cannot understand people who, when the cost of living started to fall during the depression years, advocated adjustments to the basic wage on a quarterly basis instead of an annual basis. This was to prevent the worker from receiving the benefit of a reduction in the cost of living and still retain a basic wage for 12 months. Quarterly adjustments have existed for some time; and for a while—particularly in this State, and in the Federal sphere—the basic wage was frozen. There was no increase in the quarterly adjustment of wages and salaries. But I venture to say that this fact did not prevent the cost of living from rising. I am wondering how many millions of pounds were lost to the workers during the period when the basic wage was frozen.

During the depression the then Government—which, I think, was the Mitchell-Latham Government—brought down legislation to reduce wages and salaries 18 per cent. to 22 per cent. without going to the court. It also brought down another Bill giving employers the right to reduce the salaries and wages of their employees by 22 per cent. or 18 per cent.; and if the employees asked for it back they were told to go to the court. The Government of the day, of course, did not go to the court to try to get a reduction; but simply brought down legislation and interfered with the industrial arbitration laws of the State.

Everybody desires money, whether it be the Government or an individual. I propose to quote a statement from the economist John Eddy, which appeared in *The West Australian* of the 22nd October. The article which appeared under the heading, "It All Comes Back to Money," is as follows:—

Businessmen, bankers and brokers are debating the credit squeeze. They say it is damping down growth and investment.

The Hawke Government was accused of being responsible for certain people in the building trades leaving this State to go East. When we examine the position we find the reason for this was that restriction on credit brought about by the Commonwealth Government at that particular time was so severe that it was impossible for reputable organisations to find sufficient finance to build factories or to enlarge existing factories in Western Australia.

I feel I am in a position to know, because I am Chairman of the Town Planning Committee of the local authority with which I am associated, which has the responsibility of allocating land to people for the establishment of industry in the district of O'Connor, which comes within the boundaries of the Municipality of Fremantle.

Although land was made available to such people, they were asked, in the agreement, to commence building within 12 months. Quite a number of reputable firms which were endeavouring to erect factories, or to enlarge factories that already existed, found it necessary to ask for an extension of time due to the fact that they were unable to obtain sufficient finance for building purposes.

I think we all agree that one of the basic economic factors of any particular State, or of any country, is the importance of having substantial buildings and factories. We know we have to have people; but unless there are factories and work for those people, the economy of the country will fall to a low level. I fail to understand the reason for the credit restriction on building. I feel sure that if money is made available to those organisations which desire to erect homes and—which is more important—factories, it would result in the greatest stability which a city or country could have. I hope the time will soon come when restriction on credit will be lifted.

Another important point that the Federal Government seems to have overlooked is that Western Australia is part of the Commonwealth of Australia and, as I have already stated, has played an important part in the Commonwealth—both as a Commonwealth and as a continent—irrespective of the imaginary lines of demarcation between the various States. I notice that the Federal Government has rejected an application for financial aid to extend the comprehensive water supply scheme. In view of the fact that numbers of large works are proceeding in the Eastern States, particularly along the Murray River, I am most concerned that the Federal Government is unable to find some means of making financial aid available to Western Australia for this scheme.

Water is necessary for the development of any country. Those of us who travel about the State fully realise that if water could be supplied to far greater areas, the State itself would benefit; the people of the State would benefit; and the Commonwealth of Australia would benefit. I trust there will be a reversal of opinion in the Federal sphere and that this State will receive greater financial aid towards its development.

I am beginning to wonder whether the State Government governs in Western Australia, or whether the Grants Commission governs. I know that we have

uniform taxation throughout Australia; and I have yet to learn that Western Australia is not a part of the Commonwealth.

If we throw our minds back to the period when World War II was being waged, we will recall that Western Australia was definitely in the war zone, just the same as were the north of Queensland and the Northern Territory. But the other States of Australia were safe from invasion.

As a result quite a number of industries and factories were established in those States, because it was necessary to provide war materials and munitions. But no factories were erected in Western Australia, because it was considered that this State was definitely in the war zone and that it was possible for invasion to take place on the north-west shores of the State. So Western Australia was considered to be of some importance; and quite a large assembly of troops was stationed around the north-west parts of Western Australia, and much war material was scattered throughout the State.

Those who live in the metropolitan area will recall that Fremantle had a total black-out and Perth had a brown-out. It was known that the metropolitan area could be bombed by the enemy. But the fact is that it was a little too far for the enemy to come here and return to their bases. But I do not think that fact meant much to the Japanese, because with their suicidal tactics it would not matter to them whether they got back or not. So we considered ourselves very fortunate that we did not have any blitzes on the metropolitan area.

The Federal Government recognised the importance of Western Australia then from the point of view of war; and it is a pity when millions of pounds can be spent during a war, that in times of peace some extra finance cannot be made available for the development of Western Australia, which will benefit not only this State but the Commonwealth as a whole.

THE HON. J. G. HISLOP (Metropolitan) [1933]: I desire to say a few words in relation to the financial situation in which we attempt to exist today; and I wish to draw attention to the fact that whilst we gave away a large amount of our power to the Commonwealth Government when we agreed to uniform taxation, I do not think any of us anticipated the control which would be used by an extra-Parliamentary body for Government finances. I refer to the relationship between the Commonwealth Grants Commission and the States.

As the Minister for Local Government said recently, we have no complaint to make against the Grants Commission, because in the past it has been very generous

to us. But the formula under which it works must, of necessity, react at times against the State.

I just wonder how, with the use of the present formula, we can ever hope to avoid inflation. Let me put forward a few suppositional cases, because I do not want to refer to legislation which has been before the House or which is likely to come before the House. Suppose for a moment that the Government has proposed a tax for a specific purpose to which objection is raised—either that it is too high or that it might be levied in some other way, such as being paid out of Consolidated Revenue. All the thinking in regard to the tax must be done purely in relation to its effect on the formula under which the Grants Commission works.

Let me instance that last year the Premier made a promise that he would reduce the land tax by 25 per cent. At the time it looked possible that the Premier would be able to do that. But I doubt very much whether even the 10 per cent. which has now been either arranged or promised could be implemented without interfering with the Grants Commission formula, for the simple reason that one other State has raised its land tax until it has reached a maximum equivalent to about 50 per cent. above the tax imposed in this State.

It is quite possible that the Grants Commission in looking at that tax will simply say that the reduction must react against the State's finances because our tax does not measure up to the average of the taxes of the other States.

Therefore I cannot see how one can expect any modification or lessening of the imposition of taxes within the foreseeable future whilst such a formula exists. If the Government said, "We will remove this unwelcome tax and will attempt to pay it out of Consolidated Revenue," the Government would simply be faced with the fact that the Grants Commission, acting under its formula, would say, "You cannot do this without imposing a burden, for the simple reason that no other State pays this money out of its Consolidated Revenue; or because the majority of States do not pay it out of Consolidated Revenue." So the question of what the Government can do, or of what either House can do, comes within the scope of the Grants Commission formula.

It does seem to me that whilst this formula exists, the financial power of the State Government is very limited—and so is the power of either House—in regard to altering a tax by suggesting that it should be applied in some other manner. It is practically fruitless for either House to attempt to do anything like that, unless the suggestion comes within the status of equality with other States in relation to a similar tax. Therefore it seems to me there can only be a constant rise in taxation, because so long as one State puts

up a tax, that becomes an established principle, and any mendicant State—and we come under that inappropriate title—can adjust its affairs only in accordance with such increased tax.

This is not a type of financial set-up which can give any one of us an assurance that there can be a steadying of Government expenditure; or which can give us any idea that the imposition of taxation in this State, or the adjustment of the formula, will be on the basis of the wealth of one State compared with the wealth of another. It would be interesting to compare the taxation with the average level of income in the various States.

Therefore it does seem to me that the bringing of a financial measure to either House of Parliament in a State that is dependent upon an annual grant, is almost useless. I feel also that it is possible that a State, if it used some of its Government services to assist in some avenue of life in the community which was dealt with in another State by an independent organisation, could be in danger of incurring a penalty, because it provided the services of its officers. It is an extraordinary position in which the States find themselves; but I am sure the present set-up cannot continue indefinitely.

Our only ray of hope, so far as I can see at this stage, is that if we were able to export sufficient minerals we might be able to get to the stage of being able to balance our Budget and so make ourselves independent of any grant by the commission under its formula. We could then endeavour to organise the finances of the State and impose taxation such as we thought justifiable in accordance with the conditions that existed.

Whilst our whole financial set-up is based on what the wealthier States do—the bigger States; the more popular States—then I think there will always be a certain amount of difficulty. This emphasises the need for State Governments to make another attempt, fairly soon, to discuss with the Commonwealth some further financial measures, beyond those that exist in relation to State and Commonwealth financial interests, for the future.

There are only one or two other small points I wish to mention. We have had a dry October—probably drier than usual—and it may account for the position that exists at the moment in King's Park which, along the cultivated area, almost looks like it does in the early or middle summer. I understand that in King's Park there is a bore close to the reservoir. I believe this bore was used at one time by the King's Park tennis club; and I understand the capacity of the bore was increased about two years ago.

Would it be possible, with not very much expenditure, to reticulate the cultivated area; remembering that if something is not done, and if we have a

winter in 1962 such as we have had in 1960, the park will not be the attraction to the many visitors we expect here, that we would desire? I believe that by using this bore, a great deal more watering of the cultivated area could be done than is being carried out at the moment. I may be wrong, but I would like the Minister—he will not be able to reply to the debate on the Bill at the moment—to supply the information later.

If the cultivated strip, which is not a very big area of the park, were kept constantly watered, I believe it would form a great attraction to our people; and certainly it would be a great attraction to our visitors in November, 1962. In another three weeks, with no water, or insufficient water, the cultivated area will look just like the other parts of the park in the middle of summer.

Sitting suspended from 9.45 to 10.5 p.m.

The Hon. J. G. HISLOP: My remaining remarks relate to cross-walks in the city, and to the control of pedestrian crossings, and motor-traffic crossings. At the present moment the position is not satisfactory either to the pedestrian or to the motorist. Some thought should be given to bringing about stricter control over both aspects.

I understand that in London at present if a car is waiting at a cross-walk, no pedestrian shall enter the cross-walk; and while a pedestrian is on the cross-walk, no car shall traverse that cross-walk.

The Hon. A. F. Griffith: If one were to go into Hay Street at lunch-time, one's car would not be able to move in those circumstances.

The Hon. G. C. MacKinnon: Neither the motorist nor the pedestrian would be able to move.

The Hon. J. G. HISLOP: It would be possible to assist by widening the cross-walks to three or four times the existing width, and by decreasing the number of cross-walks. In Murray Street there are far too many narrow cross-walks between William Street and Barrack Street. The same position exists, to a lesser extent, in Hay Street. In both streets traffic is held up quite definitely.

Let me take Melbourne as an example where the streets are wider. In Bourke Street there is a very wide cross-walk outside Myer's Emporium, extending up to Buckley & Nunn's. A policeman controls that cross-walk. One seldom sees any pedestrians trying to cross the street, apart from the cross-walks at Swanson Street and Elizabeth Street, except at the central cross-walk. Traffic is thus considerably speeded up.

It may be possible to provide central cross-walks in both Murray Street and Hay Street. By urging pedestrians to use the central cross-walks, traffic would be hastened. That is all I have to say to the Bill, to which I give my support.

THE HON. G. BENNETTS (South-East) [10.10]: I have one or two matters to refer to. Reference was made by Mr. Davies to the iron and other mineral deposits of this State. Western Australia is at one extremity of the continent of Australia. This State can handle only certain types of industries efficiently. Minerals form part of the large assets of the State, together with wool and wheat. In addition, we have the goldmining industry which is also very important, and at Norseman we have the mining of pyrites from which sulphur is subtracted. These industries provide much revenue to the State. At Ravensthorpe copper is now being mined.

I do not wish to see the Government throwing away too much money in trying to attract and establish secondary industries in this State. The Government can go too far. If the opportunity exists in this State, some industries will be prepared to come here and finance their own establishment without Government assistance. They will be prepared to come here if there is a ready market for the goods which they produce.

In a large State like Western Australia, which is small in population, there are long distances between the main towns. Consequently high freight rates are involved in the transport of goods. If the goods produced in this State have to be sold in the Eastern States, the transport costs present a great difficulty. Industries producing goods required in the southern as well as the northern portions of this State will be established successfully.

I want to see the iron ore industry established, because it is a good source of revenue to the State. There are many iron ore deposits here, and the revenue so derived could be used for the provision of water supplies for irrigation purposes. This is very important for the development of the State. If more water can be provided, many more portions of the State will be capable of development. More land will thus be opened and more employment offered to the youth of this State.

Today a big population is leaving school each year, and employment has to be found for these youths. The lack of employment in the goldfields and remote country areas is causing discontent among the people because opportunities for employment exist only in the mining industry. If other industries can be attracted to the country and remote areas by the provision of water for irrigation, the problem of finding employment for the youths will be overcome.

I have here an article which was published in the *Kalgoorlie Miner* on the 19th August, 1960. It caused some discontent among the people of the goldfields. The

article contains a statement made by Mr. Chaney, Liberal member for Perth. It is as follows:—

Canberra, Aug. 18.—Mr. F. C. Chaney (Lib., W.A.) told the House of Representatives today that unless some action was taken by the Federal Government to help the gold mining industry there was a possibility that Kalgoorlie could disappear.

He was speaking during the debate on a motion tabled by Mr. P. Browne (Lib., W.A.) that the decline in gold production should be arrested.

Mr. Chaney said that Kalgoorlie, a town that had blossomed with green lawns, gardens and swimming pools in the desert, could disappear.

The goldfields people are very perturbed by this statement, because an attempt is being made to foster the tourist industry and to attract visitors to this State; yet, the Federal member for Perth made that statement. The article goes on—

"Ghost towns in the goldmining areas of Western Australia prove this," he said.

Producers had reached maximum efficiency. Production methods could not be changed and attempts to get a price rise had failed.

The Chamber of Mines published a statement in the *Kalgoorlie Miner* of the 23rd October in which it was stated that it was perturbed about the statement of Mr. Chaney. I had that paragraph cut out ready to bring because I intended to read it, but I have come without it. The Chamber of Mines said that the statement could have an effect upon the gold industry and on the State generally; and I was asked by several of the business people to ascertain from the Government whether it had seen the letters and what action it would take to counteract the statement made by Mr. Chaney in order to protect the State, and Kalgoorlie particularly, against the possibility of people losing interest in the goldmining areas. The business people are perturbed because the statement made in the Federal Parliament that Kalgoorlie is a town of the past and could disappear at any time, is not true, because today Kalgoorlie is in a very healthy position. There are certain mines, as the Minister knows—

The Hon. A. F. Griffith: I think Mr. Chaney was trying to be helpful.

The Hon. G. BENNETTS: The Chamber does not seem to think so.

The Hon. A. F. Griffith: He was supporting a motion moved by Peter Browne on the goldmining industry.

The Hon. G. BENNETTS: Yes; but the complaint is that his statement about Kalgoorlie could affect the town.

The Hon. J. G. Hislop: That is only a small portion of quite a considerable speech.

The Hon. G. BENNETTS: That is the position. I will hand over both statements to the Minister, because there may be something he could reply to the Chamber which may be helpful to it.

The Hon. A. F. Griffith: Thank heavens. State Governments are not responsible for what Federal Ministers say!

The Hon. G. BENNETTS: I hope that through this Supply Bill the Government will find some money available to complete the Ravensthorpe-Esperance road which will be a great help to the people in that area now that Esperance has come into being. I know the Government is doing a certain section, but if the work were completed it would be of great assistance to the State. I also hope that the Minister for Education will attend to the school-rooms at Norseman, and that the Minister for Water Supplies will hurry along with the water supply for Norseman. I support the Bill.

On motion by The Hon. H. C. Strickland, debate adjourned.

PAPER MILL AGREEMENT BILL

Second Reading

Debate resumed from the 27th October.

THE HON. H. C. STRICKLAND (North) [10.19]: Whilst recognising the fact that it is essential for this agreement to be passed, because it has been entered into by the Government and the company concerned, there are aspects of it which are due for some criticism. This company acquired land in the Spearwood area in 1957 or 1958 for the purpose of ultimately establishing itself in this State. It appears that in its anxiety to ensure that the industry was established in Western Australia, the Government has in effect become very generous to this company in regard to this agreement and the Government's responsibilities under the agreement.

There was no doubt that the company decided that in time it would establish itself in Western Australia; and as it did not intend to do so in a hurry, the Government was somewhat hasty in finalising the agreement. The Minister told us that the company would not be doing very much towards the establishment of its mill before 1963, which is two years hence. The Minister explained that there would be no Government loan funds required by the company before that year. Under the agreement, the Government has committed itself to provide loan funds to the limit of £2,500,000 spread over 10 years, with possibly a maximum of £300,000 in any one year. That is quite a lot of money for a Government to commit itself to commence finding two years hence, and to continue to find for a further ten years. It means, of course, that the loan funds will be tied up for some considerable period ahead.

The company, whilst paying interest on those funds, will not be required to make any repayments of them until very late in the century. It will not have completed repayment until something like 1995, which is a long way off. In the meantime, the Government itself is complaining of a shortage of funds for the erection of schools, hospitals, essential social service buildings, wharves, extension of water supplies, and so on. When a Government finds itself in that position, it should not commit itself and future Governments, over a long period, to terms such as are embodied in this agreement, with a company of this nature. This company is by no means poor. As a matter of fact, it is very wealthy, and it surely could, on its own assets, raise capital to establish itself in Western Australia, which it originally intended to do.

Mention has been made of the Grants Commission being critical of the handling of public finances. I know that the Grants Commission does not deal directly with loan funds, this being a matter for the Loan Council; but the Grants Commission could in this case be quite critical of a Government which is committing itself to £2,500,000 to be advanced between 1963 and 1971 to a company which intended to establish itself here and which, no doubt, has the assets to raise the capital to do so.

Apart from the tying up of the State's resources in that respect, the agreement also commits the State to an expenditure which must come from loan funds. We know that as far as roads are concerned, there is a special fund which can be used for their construction. They are necessary to any industry and should be provided. Of course they should be provided by road users who pay petrol and diesel oil tax. In effect, road users pay for their own road construction. But when it is a matter of providing a water supply, the Minister stated that not a very great quantity of water will be required. However, mention is made in the Bill of some millions of gallons which will be needed at certain times. This means that the Metropolitan Water Supply Department must find that additional amount of water and supply the mains to carry it.

In addition, the Government is also required, if necessary, and when the time comes, to provide drainage to dispose of excess effluent. Drainage and water supplies are things which all Governments supply as services; but it is going to be quite an expensive demand upon the already insufficient loan funds to meet the normal requirements of the State.

The Hon. A. F. Griffith: You are talking about the sewerage effluent?

The Hon. H. C. STRICKLAND: Yes.

The Hon. A. F. Griffith: That is part and parcel of a State plan, not only just for A.P.M.

The Hon. H. C. STRICKLAND: But there is also the waste effluent. Under subclause (d) of clause 5 of the schedule, the Government is committed to dispose of excess sewage and effluent. The Government is also required to procure a site suitable to the company for the erection of wharves by the company which could, if the company was particular, be quite an expensive item in repurchasing land somewhere. However, I think that in the area under consideration it should be possible to satisfy the company without very great expense in that direction.

Here an Australian company with its own assets, which could be used to raise the capital necessary to commence this mill at Spearwood, has really obtained a very satisfactory bargain with the Government. I am not blaming the Government at all for wanting to have industries established here as quickly as possible. I think that is most desirable, and I congratulate the Government on its efforts in that direction. However, I am criticising the Government for the extent to which it committed the State's finances in relation to the establishment of this industry.

I know the Minister will say that the previous Government was even more generous in its offer to establish an industry in Western Australia. That is a fact in some directions. But this company had already purchased its land some two years ago, and the Government has now seen fit to reimburse the company for half the purchase price of that land. It is true, too, that the previous Government did offer free land to an overseas company; but that was costing the then Government nothing. It did not have to reimburse any money; and another difference is that one is an established Australian company; whereas the company to which the Hawke Government offered generous terms in relation to free land, the provision of water supplies, the disposal of effluent, and so on, was Laporte Industries Ltd., which the Government was trying to establish at Bunbury.

I am pleased to say that the principals of that company are either here or are arriving shortly to have a look at the potential in that area. I have no doubt that this Government will offer the company the same facilities as were offered by the previous Government; and, if necessary, perhaps stretch them a little further to bring that type of overseas capital into the State.

But there is quite a difference between the two propositions. One company is already established in Australia, and the other is intending to come here. The first one is an Australian company and would ultimately have established itself in this State. I have no objection to the establishment of the company in this State; my objection is to the fact that while the State

is in a perpetual state of poverty it agrees to grant to this company a loan of £2,500,000.

The Minister said, "There will be some repayments of loan funds from previous long-term loans, such as to the fertiliser company at Albany, and so on." It is to be hoped that there will be sufficient money coming from those payments, and that that source will ease the position. However, I do not think the Minister really meant that all of the money necessary would come from that source. I know some payments are due, but there is a big difference between payments being due and money being actually paid.

The Hon. A. F. Griffith: If I remember rightly, what I said was, "The sources you referred to and other sources."

The Hon. H. C. STRICKLAND: Repayments of loan funds. However, it is still loan money being used, no matter from where it comes. We are in a perpetual state of poverty in Western Australia; and we cannot find sufficient money to meet our school and water supply requirements and the provision of essential services. That is my only criticism of the Bill. I have no thought of opposing the establishment of the company here, especially as it is one which will create an avenue of employment and benefit the economy of the State. It is good to see it; but I believe that this is a case where the Government has been over-generous.

THE HON. A. L. LOTON (South) [110.34]: There are two points about which I am not particularly pleased, and the first one concerns water supplies. We find that ultimately the company will require 1,000,000,000 gallons of water per annum which, at this stage of our development, means approximately a fortnight's maximum consumption for the metropolitan area. I think the maximum quantity of water used in the State up to date has been 110,000,000 gallons in one day. Therefore, the company's requirements equal approximately a fortnight's supply of water for Perth. That is a lot of water.

I know that the company is required to undertake certain borings to try to anticipate the supply of water in that area. It can bore to a depth of 500 feet; and it must notify the Public Works Department the depth of the borings and the quantity of water that could be obtained from those borings. But there does not appear to be any requirement in the agreement to say that the company shall see whether it is possible to make any use of salt water. As the company is to be established so close to the seafloor, and being of the nature that it is, I expected that it would have been required to make some endeavours to convert salt water to such a stage that it could be recirculated; because I know that the company is required to make as much use of the water as possible by recirculating.

We have been told time after time that the growth of Perth is limited because of the quantity of water available; and the quantity of water we can impound in our hills reservoirs is limited. The installation of septic systems is limited by the quantity of water available; and in this evening's *Daily News* I read where someone had drawn attention to the fact that the water table in the metropolitan area had fallen by some feet in the last two years.

The Hon. H. C. Strickland: Four and a half feet.

The Hon. A. L. LOTON: That is so. It all points to the fact that we are using more and more water all the time and it is not being replenished from the only place whence it can come—the sky. We do not have a series of rivers running into the three big catchment areas; and most of the water has to come from seepage, or from rain that falls during the two or three months of a normal winter.

The reason why I asked several questions a few days ago regarding B.P. (Kwinana), and B.H.P., was to ascertain the quantity of water and electricity those two companies were using. B.P. (Kwinana) in the last financial year used 450,000,000 gallons of water; and B.H.P. used 146,000,000 gallons. That is a fair quantity, particularly in a city such as Perth, which has such a limited supply of water. It might be all right if we had a catchment area that could impound the yearly flow of a river like the Ord, or if we had several rivers flowing into our catchment areas. But that is not the position with our water supplies; and it is a source of concern.

The second point I wish to raise concerns the financial arrangement. It says on page 7 of the agreement that if A.P.M. expends a sum in excess of £450,000 in any one year, the State agrees to pay interest on two-thirds of the amount at a rate equal to the difference between the company's bank overdraft rate and a rate of 5 per cent. Knowing how the rate of interest on borrowed money has increased over the last three years, one wonders what the position will be by the time this money is to be spent. If anyone can visualise what the rate will be in 15 years' time, and say that the Government will pay so much by meeting two-thirds of the difference between the overdraft rate and 5 per cent., he is crystal-gazing. I think the matter should be subject to review every two or three years so that at least the taxpayers will know what commitments the State has over a two or three-year period.

In his speech the other day the Minister said that most of the finance for this company is expected to come from repayments of advances made to Cockburn Cement and another company. That will mean that the costs in this instance will

not make such a big impact on the financial resources of the State as one would think at first sight. I forget the name of the other company the Minister mentioned, but I understand that Cockburn Cement next year will be starting to repay its loan at the rate of £150,000 a year. Unfortunately, again, I was one of those who missed out on the Minister's notes, and I more or less had to memorise what he said, which makes it somewhat difficult to work out. Also, I did not anticipate we would get down to this legislation this evening. With those remarks I support the Bill.

THE HON. F. R. H. LAVERY (West) [10.40]: Members will recall that a few weeks ago, when speaking to another measure, I mentioned that a leading public servant in this State had advised me of the serious water supply position. He was referring particularly to the Jandakot area. I do not know whether the Minister is aware of the fact that a roadway has been planned from Jandakot to link up with another bridge which will be built over the Canning River. All land on the north side of that road, according to the Stephenson Plan—it is two miles south of High Road—is for residential purposes.

The land between that road and the railway line at Jandakot, a depth of approximately two miles, is also of the same type. It is absolutely useless for farming purposes; although, under the Stephenson Plan, it is set down as future agricultural land, and in the plans of the Lands Department it is defined as agricultural land. It would be good land for poultry farmers—those who wanted only three to five acres—and it would be absolutely marvellous building land.

When I was discussing this matter with this particular departmental officer, and I asked him what the position would be in 25 years' time, he said, "Of course the limiting factor for making these areas residential areas is the acute water supply position with which we in the metropolitan area will be faced in the not too distant future."

Like Mr. Loton, I am concerned about the matter. I heard him quote the amount of 1,000,000,000 gallons of water. According to my reading of the Bill it is 200,000,000 gallons per annum. I am referring to clause 4 of the agreement on page 8. However, I see now that it is 1,000,000,000 gallons per annum. That is a large quantity of water.

There is a vast quantity of underground water in the Mandogalup area which was known as the old seven mile; and when the Peel Estate was being developed, water was found at 90 feet. It was good potable water; and if it can be found at such shallow depths, I have no doubt that good water can be found at 500 feet. Whatever the agreement might state, the

water supply position is something to which the Government and the company will have to give serious consideration. All members would have received a book a few weeks ago written about the shortage of water in America and Australia over the next 50 years; and it is a matter to which serious consideration must be given.

It is important that we should bring such firms as A.P.M. to our State, but we should do everything possible to see that the water they require has no effect on the amount of drinking water available. I want to support Mr. Loton's remarks about water supplies generally. Probably I would not have been so interested in the matter had it not been for this departmental officer who spoke to me about it, and who has paid a great deal of attention to the water situation in the metropolitan area.

I suppose there is very little point in being opposed to the Bill, because these agreements which come before the House are generally already signed and sealed. We can, however, offer fair criticism which we think might be necessary. It will be approximately another six years before this company commences production. So in the period between now and the time the company starts producing, something will need to be done by the relevant department of this State to see that the water from the hills is not used for the purposes of the mill.

THE HON. A. F. GRIFFITH (Suburban—Minister for Mines—in reply) [10.46]: It must be remembered that before an agreement of this nature is entered into, a Government makes quite sure that the various departments have the ability to fulfil their part of the contract in respect to such agreements. I will reply to the last speeches that were made before passing on to the others.

I appreciate the point of view expressed by Mr. Lavery. I know, too, that probably the greatest problem we have in Western Australia is the conservation of water; and every endeavour has been made over a period of time by successive Governments to do what they can, not so much to overcome the problem—because I do not think it will ever be overcome—but at least to try to cope with the development, and to build dams and reservoirs to the greatest extent possible ahead of demand.

If Mr. Lavery and Mr. Loton would refer to page 9 of the Bill they would see that in respect of water, the demand upon the Government is not immediate. The company is required to give notice in writing, and then there is a period of up to two years before the water requirement under the agreement is required to be fulfilled by the Government. It is also expected that the company will, as provided for in the agreement, do its best to obtain water from wells and bores sunk into the subsoil, as the company thinks fit, to a depth of 500 feet.

The matter of the company using salt water is out of the question; because quite apart from the fact that it is still expensive to convert salt water into fresh water, salt water is not suitable for treatment of this nature. However, I feel sure that one of these days the experiments being conducted by the countries of the world will reach such a stage as will enable us to benefit from them.

On the point raised by Mr. Loton in respect of interest, I would point out that it is hard to say what the interest rate will be in the next 15 years; but I would add that the rate of interest in the last three years has not changed substantially. Probably one-half per cent. would be the extent to which it has moved on loans in the past three years in this State.

The Hon. A. L. Loton: Mortgage rates have gone up at least 1 per cent.

The Hon. A. F. GRIFFITH: We are not talking about mortgage rates with reference to this agreement. The application of money in respect of an agreement like this would not be at mortgage rates, but at the ruling bank rate of interest.

The Hon. A. L. Loton: In the agreement there is repeated reference to mortgage.

The Hon. A. F. GRIFFITH: Because the company does, in effect, mortgage some of its property; it is the term used where a security is given. The money that the Government will lend is to come from repayments from Cockburn Cement, as Mr. Loton said; the Albany super works, from where certain moneys are coming back to the Government; and loans from other concerns.

I was very interested in the remarks, and the approach made to this matter by Mr. Strickland; and I want to thank him also for supporting the measure. When we were dealing with another Bill a little while ago, I remember Mr. Bennetts telling us how necessary it was to provide employment for children on the goldfields. It is necessary not only to provide money for children coming out of school on the goldfields, but also for such children coming from all centres of the State.

In doing so it is no use our sitting down and saying to ourselves, "Today we are primarily an agricultural State; at some unknown date in 1961 or 1962 we will immediately blossom out and become an industrial State." We must plan for that time; and what the Government is endeavouring to do is to plan a policy of industrial expansion.

Maybe we are treating this company a little generously, to say the least; but, as I said in my second reading speech, the company did not intend to embark on this project here as early as this. The Government has, however, been able to persuade it to do so.

If this State is to reach the point where secondary industry is to be a worthy consideration in the State's economy, we must go out, and plan now for the specific type of industries we want to secure. We should not wait for the year 1961, in the hope of receiving benefits in the year 1965; we should look to the next generation. We will then reap some reward by the fact that we have been able to plan for the future.

As you know, Mr. President, being a practical farmer, it is all very well to say we must depend substantially upon our agricultural produce for our income. That is quite right to a point; but we must have a balanced economy, and we must look for the right type of industries to bring to Western Australia—industries which will assist us in the type of economy we hope to set up. The Government's objective is to sign up contracts with reputable firms, such as Australian Paper Manufacturers, and others which we can seek out, and have come to Western Australia. I take the criticism in the way it is intended; that it is not substantially castigating the Government for a move of this nature, because it cannot be said that anything but good can come to Western Australia by having established in this State a company with the reputation and of the importance of the Australian Paper Manufacturers.

It is, of course, a company of some worth; but surely there is not much use in the State using its money to encourage a company which is not financially sound to come to Western Australia. It is no use our throwing good money down the drain; it is better that we back a company that has more than a reasonable chance of success.

I would remind members that our predecessors in office—and Mr. Strickland himself was a Minister in that Government—had a policy laid down of formal assistance which provided for a free loan of 20 per cent. of the established cost; and interest-free loans for a period of 10 years, in addition to the normal assurances of essential services.

I also well remember the promises made by Mr. Tonkin when he went overseas to secure industries for Western Australia. His intentions were no doubt well meaning; and I do not question them for a moment. He realised the importance of getting industries to come to Western Australia; and we did think at the time—when members speak of generosity—that he was offering, on behalf of the Government of Western Australia, very generous terms indeed to the people he wanted to come here.

I repeat that it is necessary, in the interests of the future of the State, to go out and look for these industries; and then, when members such as Mr. Bennetts talk about children in their areas; and

those in other areas, being given employment, because of our long-range planning and looking so far ahead, we will be able to provide the employment for those children, and Western Australia will reap the benefit.

We will not be in a position to say we realise, in respect of our loans, that we have not the money to do this, or to do that. Victoria has built itself to the point where it has not those worries, because both from an agricultural and an industrial point of view the Government of that State has been able to build up to the stage where it is in strong demand, and is able to make a call upon foreign capital to go to Victoria to set itself up, and invest its money. That is what we hope we will be able to do in Western Australia; and the adoption of this agreement and the passage of this Bill will be one more step in the right direction.

Question put and passed.

Bill read a second time.

OPTOMETRISTS ACT AMENDMENT BILL

Second Reading

Debate resumed from the 27th October.

THE HON. J. G. HISLOP (Metropolitan) [10.58]: This is a Bill of few clauses, but of very wide ramifications. The clauses in the Bill open up so many avenues of consideration that it must, I would say, be treated as a major piece of legislation. The intention of this Bill is mainly to protect the practise of optometry, and to define optometry in such a manner that those practising the profession, or art, shall be limited strictly to those who fulfil the qualifications intended in the measure.

To do this the Bill proposes to alter the Act so that instead of the word "and" between paragraphs (a) and (b)—the paragraphs designating the two types of work which could be more or less roughly summarised as the testing of sight, and the preparation and selling of lenses—the word "or" is to be substituted.

The contention of the optometrists is that legally the use of this word "and" makes it obligatory on those who will register as optometrists to practise both (a) and (b) sections as defined under the section of definitions; and if a person practises either (a) or (b), but not both, there is no need for that person to register as an optometrist. The desire of the Optometrists Board is that it shall be so defined in future that a person who practises either (a) or (b)—I use these letters to shorten the explanation—must register as an optometrist.

That sounds quite a simple request; but it is not quite as simple as it sounds. There are certain difficulties which have arisen and which must be smoothed out in some way in order to maintain a balance in the

field of optometry. It is of interest that the optometrists, while testing sight as one of the major reasons for their existence, also claim that the fitting of glasses and spectacles frames in which the lenses are fitted is part of their experienced work; and that to do either one or the other, the individual should be trained in both.

It is of interest, however, that very few of the optometrists go to the extent of grinding the lenses which are ordered by the ophthalmologist or oculist, but purchase those lenses from certain factories. There is one firm here which makes a considerable number; there is another firm in Sydney which supplies a large number to this State; and there is one other about which I do not know very much. There are very few optometrists who employ their own technicians who are capable of grinding the lenses to the order of the oculist's prescription. After receiving the lenses the optometrist then attaches and fits them according to the pupillary distance—that is the distance between the two pupils—and in accordance with various other refinements. He fits these glasses to the patient. Therefore, his business is virtually one of sight testing; but his monetary return is from the sale of glasses. I think I can make that statement with all justice.

There has, in the last year or so, come into this State those who call themselves dispensing opticians and who fulfil the prescriptions of the oculist, but who, in the main, purchase their lenses from the wholesale houses to which I have referred. In some States, they have their own factories, as it were. These people do not test the sight at all. Therefore, they are coming into the field of practice by only practising (b) as defined in the Act.

The optometrist claims that the fitting of the glasses to the patient's face, the measurement of the required distance, and so on, infringes (a); and so a difference of opinion has existed between these people. The question of endeavouring to find a solution to this problem, is the reason why this measure is before us tonight. I do not know whether I would like to see a large increase in the number of dispensing opticians to the exclusion of the optometrist; and I am afraid even under wider conditions, this would not be the case. However, I believe that some alteration in the relationship between these people should be made possible by this measure.

It is not going to be as simple as one would think it would be. The inclusion of new section 34C, as provided for in clause 9 of the Bill, is to allow one person whom we might call a dispensing optician to continue to practise. This person has had considerable experience in the making of a certain type of spectacles frame. Here again, this man infringes the rules and regulations—if we may call them such—of the Optometrists Board because he receives prescriptions from the oculist.

He, also, does not grind his lenses, but purchases them from one or other of the factories I have mentioned. However, he does fit the lenses to the spectacles frames and does measure the distance between the pupils. Therefore, he infringes some section of the sight-testing that is laid down in (a). What this man really specialises in is the fitting of frames to young children. His services have been ostensibly used at Princess Margaret Hospital; and I understand also by the Royal Perth Hospital in a different sense.

At the Princess Margaret Hospital he attends to children born with congenital cataracts; and when the operation on these cataracts has been performed by the oculist, it is necessary to provide high-power glasses. It is also necessary to have a special fitting spectacles frame. It is in this regard that this man has specialised. He is also making spectacles frames that will fit those who have been facially injured by accident, or those who have some malformation of the face, nose, etc. He makes glasses that will fit. He even goes to the extent of making glasses with a band which fits entirely around the head in order that those with peculiarly shaped noses can have glasses which will fit with comfort. This special training has been of extreme use to the profession; and the moment this Bill was contemplated, requests came from many directions that steps be taken in this Bill to see that this man was allowed to continue practising.

To me, the registration of this man brings up quite a considerable problem. If members read clause 9 they will see that because of the fact that this man has been practising for five years solely and *bona fide* engaged in the dispensing of prescriptions made or given by oculists or optometrists, as distinct from the craft of lens-grinding and spectacles-making, he shall be entitled—after payment of the prescribed registration fee—to be registered as an optometrist.

That man, if he is registered under that clause, is surely not entitled to test sight, and should not be registered as an optometrist. Whilst that applies to only one man, and we know he will not practise in any way as an optometrist and carry on sight-testing and spectacles-making, etc—the whole gamut of an optometrist's vocation—it is a bad principle to give to someone registration to which he is not really entitled.

Therefore, it might be necessary to pass this Bill in its present form with an alteration to clause 9. If we are going to continue to provide for this one person to continue practising, I wonder whether the House would not consider it best to provide for a continuance of those who, within the last 12 months—knowing our Act—have practised as dispensing opticians. They are employed in the firm of O.P.S.M. Spectacle Makers Pty. Ltd.; and they are carrying out the second half of the definition of "optometry"—the dispensing of spectacles

—and the fitting of glasses to patients. They, too, are buying their lenses from either the Eastern States firms or from one of the other factories which produce the lenses; and they are fitting the frames. In the fitting of the spectacles those people have offended against the rules of optometry.

It might be better to consider an amendment to clause 9 to allow not only this one particular man to continue practising, but also to allow those who have been practising as dispensing opticians for 12 months to continue practising, limiting all three to the measurement of sight. Then I think we would be doing justice to all three; and we would curtail the entry of dispensing opticians into this State until this whole matter is fully discussed by all concerned.

The Hon. F. R. H. Lavery: Discussed by whom?

The Hon. J. G. HISLOP: I would say by the Minister, the Optometrists Board, and others who are interested in the matter. It would need to be a wide discussion, because some sort of arrangement must be arrived at in regard to this matter.

I understand that dispensing opticians are welcomed in Great Britain and are allowed to practise. They have never grown to about more than one in eight of the practising optometrists. There is a similar field in this State which, I think, should be looked at. I have with me a list of requirements for the training of optometrists. In order to qualify as an optometrist, four years of training is necessary. One wonders whether, with a complete investigation of this matter, it could not be found that there is room for a lessening of that period.

In drawing up any Act at all we must give consideration to the needs of the public. The number of students applying for the optometry course is very small. A course is not very efficient which interests only about two or three students per year. I may be wrong, but I believe that is the number of students that are in each of these years.

Members who are interested may like to have a look through the material I have here. There is a tremendous amount of verbiage in the lectures and studies which these students must absorb in their four years. Many other occupations find three years of training sufficient; and if some lessening of the optometry course were made possible one might find that optometry would become more acceptable to students.

The complete shutting of the door on everybody else but optometrists, which this Bill will bring about, should be considered from the point of view of whether it is wise, or even just. I do not think any one of us is competent to give an opinion on what is wise and just in relation to optometry. I certainly am not. But I can raise points which I think should be

considered. I would be willing to pass this measure through the Committee stage, and then request that it be held up long enough for a complete overhaul of clause 9. I would agree to its being passed as a temporary measure while the whole of the subject was reviewed, in order that legislation could be brought in next year which would put the whole of optometry on to a proper basis.

With your permission, Mr. President, I would like to go a little further into this field. I think we have reached a stage in connection with a number of these occupations when consideration should be given to their co-ordination and control in a proper sense. I have had this idea in mind for a long time; namely, that there are a number of ancillary services on which the medical profession now relies very greatly. In this State they are small in number, but they are governed by their own boards. They have no real cohesion, yet they are all assisting in the treatment of the individual.

When speaking to the Secretary of the British Medical Association on this matter I learned that attempts had already been made in Great Britain to do exactly what I had in mind; that is, to organise these ancillary services under a council. If I remember rightly, the University told such bodies as physiotherapists and occupational therapists that they must, in future, look more to the technical school than to the University for their training, because the University had reached a stage where it was expanding so fast that some of these diploma courses should be dealt with outside the University.

My proposal is that we should form an ancillary medical council; and whilst each of these bodies has its own local governing committee, it should be represented on a central body in much the same way as the faculties of the University are represented on the Senate. The Senate is the controlling body of the University. This council could be the body controlling and guiding the affairs of all the ancillary services.

A few years ago physiotherapists were in difficulties and a measure was brought before this House. The difficulties facing optometrists have been brought before this House with a view to correcting them by legislation. I was recently approached by X-ray technicians, who also have a problem. Even though they handle the most highly-complicated electrical apparatus, they have to be licensed by the State Electricity Commission on a professional basis.

The State Electricity Commission deals more with commercial electricity than with the intricate pieces of machinery which are used by the medical profession, and which will continue to grow in intricacy. It has been necessary to bring a physicist to the Royal Perth Hospital. His presence

in Perth is vitally necessary in order to use the linear accelerator. The medical profession is beginning to rely to a large extent on the growing use of these ancillary services, electrical and otherwise; and it is quite probable that nuclear fission will in the future be used as a means of power and a means of treatment in various cases.

I was able to find back issues of the *British Medical Journal* and the *Lancet* referring to the attempt to gather these bodies together. Let me say at the outset that the attempt was a failure. However, I think we can learn from that failure and realise exactly the reason for it.

In 1931 a board of registration of medical auxiliaries was formed in Great Britain. It became rather a useless body because it was purely a voluntary one and became merely a board of registry of all those who registered under their own particular vocations. No real organisation was attempted. Then, in 1949, eight committees of the various ancillary services were appointed. Mr. Zachary Cope, one of Britain's leading surgeons, was appointed to each of the committees and became chairman of the whole body. The matter was inquired into for about two years, and many difficulties were encountered.

Some of the points raised by the committee are worth considering here. Let me say, first of all, that I think their failure was due really to the fact that the ancillary services did not have sufficient representation on the proposed council. The council was to consist of 21 members; and, if I remember correctly, only six represented the ancillary services. However, members of the medical profession were heavily represented. Each of the colleges was to be represented; and certain of the various organisations objected to some of the terms which were laid down in connection with the council.

The Cope committee decided that a single council, with a system of statutory registration, was required, and that this council could be assisted by a number of committees representative of each of the joined vocations. This fits in with my own idea: that these small committees should continue but should be governed by a central council.

It was pointed out that continuing machinery was needed for joint consultation on the co-ordination of training wherever such co-ordination seemed desirable. I quote—

We do not think such co-ordination should be left entirely, as at present, to the initiative of individual professional associations of medical auxiliaries. Machinery needed to ensure training should keep pace with medical thought and practice.

In an article in the *Lancet* in 1956, Dr. T. F. Fox provides a very interesting resume of the subject. He points out how

the profession has come to use these ancillary services in an ever-increasing manner. He mentions, for instance, that in the hospital the doctor has, to assist him, the biochemist, the physicist, the pharmacist, nurses, almoners, records officers, laboratory technicians, radiographers, physiotherapists, chiroprodists; and—outside—the district nurse, health visitor, social worker, psychologist, psychotherapist, and even the statistician, the entomologist, and the ambulance driver, in the magnificent work that he does in connection with accidents on the road. Fox says this, in the opening remarks of his address—

Our profession, as usually defined, consists (and consists only) of people who have gone through a prescribed training and gained a medical qualification. We do not recognise as medical anyone who has not had just the same sequence of experience as ourselves—the frog, the dissecting room, the nerve-muscle preparations, the post mortem room, the ward, the theatre, outpatients and examination hall.

But actually we are not the only people interested in health and disease, or the only people with brains; and the plain fact is that nowadays leading positions in medical research teaching are held increasingly by men and women who do not happen to have taken a medical qualification.

It is interesting to record that the person who shared the Nobel Peace Prize for medicine with Sir Macfarlane Burnett and Professor P. B. Medawah is not a member of the medical profession. I wonder how many of us enjoyed his series of articles, which were printed in the *British Listener*, when he contributed to the Reith lectures. Recently, in our own State, we have had Professor F. G. Young, a noted biochemist, who is sought the world over to give lectures to the medical profession, but who is not a member of the medical profession.

So there is great truth in what Dr. Fox said; namely, that we are relying to a greater extent on those who have not had a strict medical education, but who have taken up other vocations to render service to the sick. Dr. Fox goes on to conclude his article by saying—

To my mind the unanswerable reason why we should accept the so-called auxiliaries as members of a greater medical profession and welcome them as colleagues, is that we want them to go on sharing with us that very difficult but very important professional code according to which the patient's interests come first.

In a service which, after all, exists solely for patients, this code is as valid for the radiographer and the records officer as it is for the surgeon; they

should equally accept, for example, the obligation to respect professional confidence.

We have a great tradition and we have a duty to pass it on to all our associates who will accept it.

Though the practice of medicine now depends on so many who never went through our (medical) schools the virtue need not, and must not, go out of it.

Members can see, therefore, the need to join together into a combined body all these associated and auxiliary services. This thought is not only my own, but it has exercised the minds of members of the profession the world over, for something like ten years. It is something I would like to ask the Minister to consider; and if the department is able to do something in this respect it will render a tremendous service to this State.

With your permission, Mr. President, I might go a little further and point out that the next step should be the organisation of the technical school into a university of technology. I think the idea of calling it a technical school is outmoded: we should use it as a university of technology and give it the right to grant diplomas. This would be of great benefit not only to this service but also to many other services. For instance, I will cite one. The Rotary clubs the world over have been organising fellowships for young men and women of outstanding character to spend a year in any country of their choice; preferably one with whose language they are acquainted. However, they must hold a degree of Bachelor of Arts, or a similar diploma, which debars all candidates who are graduates or students of a technical school.

It is common practice the world over, nowadays, to raise the status of technical schools to universities of technology, and for them to issue diplomas to those students who have completed the various courses set by such universities. Some very interesting steps have been taken in the last few years in the whole field of medical training. During the time I qualified as a medical practitioner the possession of a university degree was the greatest achievement of one's life because it conferred upon the individual the hallmark of success and gave to him the rights and privileges of practising within such profession.

However, universities have ceased at that point, and today all they confer upon the individual is the right to practise; but even that is being taken away from those who have graduated by registration boards which lay down that a person holding a degree from a university shall not enter into general practice without serving one year in a hospital. Further, at a recent conference held in Sydney it was decided to request that that period should be increased to two years.

At this point I want to mention optometrists because I believe their move is to seek for a degree in optometry, believing that it would raise the status of their profession very greatly. However, it is curious that the professions in general have moved to the point of regarding their diplomas as of the greatest worth because the universities have ceased their teaching, to a very large extent, at that point where they permit the individual the right to practise.

It is the colleges of the various sections which have raised the status of the profession; and the granting of a diploma by the particular college in which the individual is carrying on his practice is now regarded as the hallmark of achievement.

The College of General Practitioners is raising the standard of general practice. The diploma of the Royal Australasian College of Physicians is regarded as an absolute necessity for certain appointments today. Terms have been laid down which will mean 14 years of study from the day of entry to a university to the acceptance of a position as a consultant physician; and the same period of study will be regarded as essential before one can be accepted as a consultant surgeon. The future of these ancillary bodies is very much the same. Their object should be to form, in this instance, a college of optometry, so that its graduates could constantly improve their value to the community. Once they had received the right to practise they could then go on to receive the diploma issued by their particular college, and so the whole standard of this service would be improved to meet world requirements.

I think I have said enough to make it quite clear to everyone that this problem is not as simple as it looks. We are altering the whole picture in the field of optometry, or we are tightening up the requirements as requested without being quite certain that what we are doing is to the benefit of the community; or without being certain that we should not begin to consider providing some cohesion between all these ancillaries and to introduce into the State a council of medical ancillaries. I am certain that the introduction of such a body into this State would bring about a state of affairs for the treatment of patients that we have never seen before. We would bring these groups together. There is a certain amount of overlapping between them, and we could find that some of these groups could be brought together so as to form one body.

The problem is not beyond solution. The conditions have all been laid down for this proposed council by the attempt made in Great Britain. If we formed a body, with powers similar to those held by the Senate of the University, to govern, to

control, and to guide these ancillary services, such services would go from strength to strength and would be of greater value to the community than they are now. I support the Bill, but I ask the Minister to allow us sufficient time to discuss the proposed amendment both with him and the Minister for Health to ensure that, by passing this measure, we are not being unjust to anyone.

On motion by The Hon. R. F. Hutchison, debate adjourned.

BILLS (4)—FIRST READING

1. Country Areas Water Supply Act Amendment Bill.

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

2. Married Persons (Summary Relief) Bill.

3. Veterinary Surgeons Bill.

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

4. Lotteries (Control) Act Amendment Bill.

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

LOCAL GOVERNMENT BILL

Assembly's Message

Message from the Assembly received and read notifying that it had agreed to the amendments made by the Council.

DOG ACT AMENDMENT BILL

Returned

Bill returned from the Assembly with amendments.

STATE FORESTS

To Revoke Dedication

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

That the proposal for the partial revocation of State Forests Nos. 4, 21, 24, 27, 28, 30, 42, 47, 51, 52, 53 and 63 laid on the Table of the Legislative Assembly by command of His Excellency the Governor on Wednesday, the 19th October, 1960, be carried out.

House adjourned at 11.46 p.m.