

Legislative Council

Thursday, the 29th October, 1959

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The PRESIDENT took the Chair at 2.30 p.m., and read prayers.

QUESTIONS ON NOTICE

1. *This question was postponed.*

MT. BARKER RAILWAY CROSSING

Accidents and Installation of Lights

2. The Hon. J. M. THOMSON asked the Minister for Local Government:
 - (1) What is the number of accidents which have occurred at the railway crossing near intersection of Lowood Road and Albany Highway, Mt. Barker?
 - (2) Has any consideration been given to the installation of warning signal lights at this crossing?
 - (3) If the answer to No. (2) is in the affirmative, when does the department propose to install these lights?
 - (4) What is the cost of installing crossing warning lights?

The Hon. A. F. GRIFFITH (for the Hon. L. A. Logan) replied:

- (1) One level crossing accident only is recorded.
- (2) Yes; the installation of flashing lights has been approved.
- (3) It is anticipated installation will be completed in July, 1960, depending on receipt of equipment.
- (4) £800.

QUESTION WITHOUT NOTICE

MINISTERIAL CONFERENCES

Tabling of Reports

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

Will he lay on the Table of the House the report of the Transport Ministers' conference held in Canberra on, I think, the 12th to the 15th February of this year; and also the report of the conference of Commonwealth and State Premiers held in Canberra on the 4th March of this year?

The Hon. A. F. GRIFFITH replied:

Mr. Strickland was good enough to give me notice of the question a little earlier in the day. I have the draft transcript of the proceedings of the conference of Commonwealth and State Ministers held in March, 1959, which I shall lay on the Table of the House.

I shall have to ask for a little time in order to inquire about the conference of transport Ministers on the 12th to the 15th February.

The transcript was tabled.

BILLS (3)—FIRST READING

1. Metropolitan Region Town Planning Scheme Bill.
2. Town Planning and Development Act Amendment Bill (No. 3).
3. Bunbury Harbour Board Act Amendment Bill.

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

BILLS (2)—THIRD READING

1. State Housing Act Amendment Bill.
2. Oil Refinery Industry (Anglo-Iranian Oil Company Limited) Act Amendment Bill.

Passed.

TRAFFIC ACT AMENDMENT BILL (No. 3)

Second Reading

Debate resumed from the previous day.

THE HON. H. C. STRICKLAND (North) [242]: The Minister for Local Government when introducing the Bill, appeared to be extremely keen to leave the impression that the responsibility for the legislation should be laid at anybody's door except that of the Liberal-Country Party Government. The opening remarks of the Minister were that the Bill was the outcome of a conference of Federal and State

Ministers in Canberra on the 12th and 15th of February, last. Western Australia was represented by Mr. Tonkin, the then Minister for Works.

Nobody denies that. It seems rather strange that the Government should claim that the Bill is the outcome of that conference, because that is absolutely incorrect. The Bill is the outcome of the Government's own decision, and nothing else. It has nothing to do with those who were at the conference; it is purely and simply a decision of the Brand Government. The Government decided to change the name of the new bridge. Mr. Tonkin had decided on one name, but this Government decided on another.

Mr. Tonkin fought hard at the conference against any change in the Commonwealth roads formula, which was a very satisfactory one from Western Australia's point of view. *The West Australian*, on the 14th February of this year, in an article told the people that Mr. Tonkin had said at the conference that Western Australia would not have a bar of any change in the formula. How the Minister can claim that this Bill is the outcome of that conference, and connect Mr. Tonkin with it, I fail to see. I repeat: It is the outcome of the Government's own decision. Further on the Minister said—these are his own words—

Unless local revenue from motor-vehicle fees during the past year of 1958-59 is increased, we will receive less from the Commonwealth Government for road work during the next five years than under the old formula.

Of course that is another statement which is absolutely misleading and not at all correct. We can understand a statement made to justify the Government's decision to extract another £500,000, or thereabouts, from the private motorist; the small motorist. To leave no doubt in members' minds as to my view on this matter, I shall tell the House what the Rt. Hon. Harold Holt had to say when he introduced the legislation in the House of Representatives on the 28th April of this year. At page 1624 of the 1959 Federal *Hansard* for the House of Representatives, Mr. Holt said—

I may mention here that State allocations for this purpose—

That is the purpose of the matching legislation—

—need not be confined to allocations from particular sources of revenue, such as motor tax revenues. Allocations from other State sources, including loan money, will be eligible. The main requirement is that they shall be made for the express purpose of expenditure on the construction, reconstruction and maintenance of roads.

The Hon. F. J. S. Wise: That knocks a big prop away.

The Hon. H. C. STRICKLAND: That is the explanation the Federal Minister gave when introducing the Commonwealth legislation in Canberra. The matching provisions required by the Commonwealth have nothing whatever to do with this legislation, which the Government has introduced here in a specific manner. Mr. Holt pointed out that the money need not come from motor revenue. Loan funds can be used; and revenue money from any source can be used.

So it is rather extraordinary that responsible Ministers here should give the impression, not to this House, which is rather vigilant and has a look at these matters, but to the readers of *Hansard* or to the public through the Press that it has no alternative but to impose the tax upon a section of motorists—those who can least afford to pay—in order to receive a similar amount from the Commonwealth Government.

The Hon. G. Bennetts: Including some of the poor old pensioners.

The Hon. H. C. STRICKLAND: Yes, including the pensioners. It is amazing to me that the Government has not found a tax to put on wheel chairs! The Government, in an endeavour to raise this finance, seems to be scraping at those who can least afford to pay, despite the fact that the State has more funds in this financial year than it has ever previously had in its existence. I think the State will receive something like £1,500,000 more than it has ever previously received by way of reimbursement grants from the Commonwealth. Western Australia received more last year than it had received prior to then; and each year the grants go progressively higher.

To avoid further taxation, has the Government used loan moneys in order to obtain this extra £400,000 from the Commonwealth Government to spend on roads? Of course it has not. The Government says, "No. We have to tax somebody. Who are we going to tax?" and so it has a shot at the poor old motorist—the man who can least afford it. The only section affected covers the private motorist and the small van or utility owner—the man in a small business. Those who are to gain most, or who will benefit most from the improved roads are exempted from the tax; I refer to the heavy-vehicle owners—the owners of big trucks such as the ones that cart cement for the Cockburn Cement Company. Those trucks cart a heavy weight over the roads, and yet the owners of such vehicles are to be exempted. All farmers' vehicles are to be exempt from the tax, and pastoralists' vehicles will be exempt, but the people who live in the towns and the cities, and who use motor-cars for pleasure, or out of sheer necessity to get to their work, are to be penalised. They will have to provide the additional £400,000 this year to enable a similar amount to be obtained from Commonwealth funds.

The Commonwealth has held a gun at the Premiers' heads. That was demonstrated quite clearly when our own Premier argued very solidly at the Premiers' Conference in March this year for some concession. He argued so successfully that he obtained a substantial concession for Western Australia in the form of an assurance from the Prime Minister that, although the new formula, which the Commonwealth Government had insisted on, and which was initiated at the Transport Ministers' conference presided over by a Western Australian (Senator Shane Paltridge), would give Western Australia a lower basic amount for this financial year, the Commonwealth would make up the difference so that Western Australia would not suffer any penalty in the initial year. But that is to apply for one year only.

A gun was held at the Premiers' heads; and what a way to hold it, and what a gun to hold! Here we have the Commonwealth Government collecting huge sums by way of the petrol tax, yet distributing only a portion of it to the States for work on roads. Then the Commonwealth says to the States, "Here is an amount for you. If you are prepared to provide some fresh money for the purpose of expenditure on roads, we will be prepared to match that money on a £ for £ basis, up to a limited figure."

But where does that money come from? It comes from the petrol tax—from money which the Commonwealth withholds from the States. So, in effect, the Commonwealth says, "Provided you will tax your people further—if that is your approach to it—or you use some of your revenue moneys, or loan funds specifically on roads, we will match it £ for £ to a limited figure." That is the formula; that is the gun which the Commonwealth Government held at the Premiers' heads. And the Commonwealth got away with it.

I suggest that it is more than passing strange that such a thing should have happened at the first Premiers' conference after a new Commonwealth Treasurer was appointed. We know that the non-claimant States, Victoria in particular, have been claiming for years that the motorists in Victoria are, through the imposition of the petrol tax, subsidising work on roads in other States. At one stage Mr. Bolte claimed that the motorists in Victoria were building the Narrows Bridge. We know quite well that that argument, which has been going on over the years, has never borne fruit; certainly not while Sir Arthur Fadden, a Country Party member, was the Treasurer and represented Queensland.

But, as I say, it is more than passing strange that Victoria has won its way at the expense of Western Australia and Queensland; and, if this Bill passes, at the expense of the small motorist and every licensed motor driver in Western Australia. I think it is more than a coincidence that Victoria should have got its way just after

a new Commonwealth Treasurer was appointed. After all, both the Prime Minister and the Federal Treasurer (Mr. Holt) come from Victoria so, apparently, weight of numbers has prevailed at last.

To give members an idea of how much money is collected from the petrol tax, I would like to quote figures which I have showing the collections over the past five financial years. In 1955-56, the sum received from the petrol tax was £38,500,000. Of that sum, £26,066,000 was paid to the States. In the following year, 1956-57, an amount of £47,400,000 was collected, and only £30,714,000 was paid back to the States. It will be noticed that there was a big increase that year; that was the year when the Commonwealth Government increased the petrol tax by 3d. a gallon.

In 1957-58, the collections amounted to £55,800,000, and the contribution to the States was £34,868,000; so that although the Commonwealth collected £8,500,000 more in that particular year than in the previous year, it returned to the States only a further £4,000,000—50 per cent.—for them to spend on roads. This year the Commonwealth Government expected to collect £60,500,000—that was for the year ended the 30th June last—and it was prepared to give the States £37,250,000.

The figures reveal that in the four years—not five years as mentioned by me earlier—the Commonwealth Government collected £202,200,000 in petrol tax. It paid to the States £128,898,000, leaving a surplus to the Commonwealth of £73,302,000. That is an enormous amount of money. No wonder it is holding back these funds. It is paltry to do that, and then to say to the States, "If you match pound for pound the contribution which the Commonwealth Government is prepared to make, you can have some extra money."

It is a pity to see the original formula deteriorate into such a condition. That formula operated for about 30 years. It has now reached the stage when all the States are virtually held to ransom. It seems that they are to be placed on the rack.

The Hon. A. L. Loton: What is the petrol tax on each gallon?

The Hon. H. C. STRICKLAND: It was 8d. for some years. When the Little Budget was introduced, it was increased by 3d.

The Hon. A. F. Griffith: I think it is slightly in excess of 1s. today.

The Hon. H. C. STRICKLAND: I am not certain of the amount. However, the petrol tax produced a vast sum. The Road Transport Association, the motor industry, and everybody connected with motoring are assured that the consumption of petrol will increase year by year. Each year we find more motor-vehicle registrations. The oil companies, which know more about this business than anybody else, estimate that the increase over the next few years

will be at the rate of 7½ per cent. They are building storage facilities and distribution centres according to that rate of increase. They ought to know the position. So the increase can be expected at the rate of 7½ per cent. from year to year.

The Minister told us that, under the new formula, Western Australia would receive more money than it did under the old formula. How could that be the case? If the allocation under the old formula of the petrol tax to the State Governments is continued on a percentage basis, I suggest the States will receive much more than they are likely to receive under the proposal in the Bill.

The Minister rather intrigued me when he outlined the allocations to be given to the States under the matching grant. He was referring to the totals to be paid to all the States. The figures look impressive. There is to be a total of £30,000,000 to be paid over in the next five years by the Commonwealth Government on the matching basis. The estimated amounts that Western Australia is to receive are as follows:—

	£
1959-60	350,000
1960-61	700,000
1961-62	1,060,000
1962-63	1,400,000
1963-64	1,760,000

That is a total of £5,270,000 over the next five years. I am puzzled that the Minister should tell us in one breath that this taxing measure before us will raise over £400,000 this year, and in the next that the State is to receive only £350,000 from the Commonwealth as the matching grant. I shall be glad if he will clarify this point. If this measure is to extract between £50,000 and £60,000 more than is required for the matching grant, what does the Government intend to do with the extra money? Why is there the need to tax the public more than is required? This year £400,000 is required, but in the next year £700,000 will be required. Are there to be more taxes to be imposed next year?

The Hon. F. J. S. Wise: Sure to be.

The Hon. H. C. STRICKLAND: Of course there will be, unless the Government uses loan funds for this purpose. In my view the Government should use loan funds; or, alternatively, it could tax all categories of motor vehicles and not merely the poorer section of the motor-vehicle owners. I shall be pleased if the Minister will give the House more information on this aspect.

The Government anticipates that there will be vast sums available to be expended on roads. I claim that under the old formula, Western Australia would have received just as much as under the new formula; and there would not have been the need to impose additional taxes on the motoring public. We must realise that

the allocations of the petrol tax to Western Australia have increased by roughly 75 per cent. since 1954-55. In 1954-55 the amount was £4,389,504, and this year the amount was £7,498,105.

It will thus be seen that the allocation of petrol tax to this State increased by leaps and bounds. So there does not appear to be any justification for imposing additional taxes on the motoring public. The method of raising the State's portion of the matching grant depends entirely on the State itself. The State can determine in which direction those funds are to be raised. As the Federal Treasurer pointed out, the States can use whatever funds it possesses—except the funds earmarked for roads—as the matching fund.

It is rather amusing to see how the State Government proposes to distribute the matching grant from the Commonwealth Government. The Commonwealth Government is to match £ for £, the amount raised by the State; and, the State proposes to retain 10s. out of every pound so obtained from the Commonwealth. Will the State Government use the 10s. out of every pound of the Commonwealth's contribution for its own purposes?

I thought the Commonwealth Government was tough when it demanded a contribution on a £ for £ basis; but here the State is demanding 20s. for every 10s. it returns. I thought the days of the three knobs had disappeared from our streets. They may have shifted to the Treasury buildings in recent weeks. It seems rather unfair that the funds of local authorities should be used to obtain the Commonwealth matching grant, and then for the State to capitalise on the position and retain half of it.

Loan funds could be used for the purpose of the matching grant, because the Railway Department is not now burdened with £6,000,000 of overseas loan fund payments, as was the case in 1953. For that reason alone there must be an enormous amount of additional loan funds available for other purposes. I know that the Railway Department's need of loan funds is by no means as great as it was in 1953.

The total amount of loan funds available to the State this year is far in excess of the amount in any previous year, therefore the Government has sufficient funds to be used as contributions to the matching grant. Instead of doing that, the Government has resorted to extracting from the private motorists and from motor-vehicle drivers in this State a sum of over £400,000. At the same time, the Minister said that the State required only £350,000 for the matching grant. I cannot understand that part of the Minister's speech at all.

The Government should give some lucid explanation as to why the local authorities are to be used more or less as pawns, so

that the State Government will be able to grab 10s. out of every pound of the matching grant. This matter should be explained fully. It is to be hoped that the reason why only a section of the motorists is to be penalised will also be explained.

In his speech the Minister told us that the new formula was to be on the basis of one-third area, one-third population, and one-third motor registrations. Unfortunately, Western Australia is losing out on that scheme. It is not going to receive as much money as previously. It is estimated that it could be somewhere about £400,000 or £500,000 less than the amount received last year; but the Prime Minister has assured Mr. Hawke that any deficiency for this year, caused by that formula, would be reimbursed by the Commonwealth Government.

As only registered vehicles are to be taken into account, it seems to me that Western Australia is going to lose out to some further extent. I do not know exactly to what extent, but I am referring to the large number of vehicles in the back country which are not registered. Even if a nominal registration fee were imposed on those vehicles—if only 1s. a year; or if they could be registered for nothing—they would be the means of earning some more petrol funds for Western Australian roads. I feel that no-one in the back country—and the Minister tells us that the man in the back country is to be the main beneficiary of this scheme—would complain at having his vehicle registered at a nominal fee so that Western Australia could at least obtain its true share of the petrol funds.

I do not know what the number would be, but there must be many, even throughout my province. I know that those in my province will have no objection to registering their vehicles at a nominal fee. I do not know whether it would be possible for the Government to do anything in this respect. I do not think it would require a Bill to rectify the position, although I am not too sure about that. I feel that the matter should be studied.

The Hon. H. K. Watson: You would be taking a bit of a risk.

The Hon. H. C. STRICKLAND: I am only going on the explanation given us by the Minister. It struck me that if a formula is to be based on one-third each of area, population, and registration, we should not have one vehicle unregistered in Western Australia. I am not saying they should pay the full license fee, because they only use their own roads.

The Hon. H. K. Watson: But some will soon think that they should pay the full fee.

The Hon. H. C. STRICKLAND: I do not know about that. Some of them should. There are other concessions, I know. I have seen motorcars in the city which have been registered in the North-West. I do

not know whether they are still about; but I know that the owners were not paying a full registration fee. They were on a concession of one-half because they were primary producers. I know that at least one car was in that category until at least a few years ago. I have not seen it in recent years.

The Hon. F. J. S. Wise: It is still about.

The Hon. H. C. STRICKLAND: That particular vehicle has never been in the North-West; in fact it has never been out of the city; but the owner enjoys a 50 per cent. concession. Heavens above! Is that situation going to be allowed to continue?

The Hon. H. K. Watson: No; I would put him on the list.

The Hon. H. C. STRICKLAND: I do not see why this situation should be allowed to continue, particularly when the Government is setting out to slug the small van owner who might be delivering a few vegetables, rabbits, or something like that. He has to pay, but not the big man who carts bulk orders from North Fremantle or anywhere else, and who does damage to the roads. Is that fair? Of course it is not! The situation should be studied.

When the legislation concerning the alteration of the formula was before the Federal Parliament, the Labor Party there attempted to amend the Act and have it redrafted. It tried to have it altered so that all the petrol funds collected by the Commonwealth would be distributed amongst the States. I notice that our Western Australian representatives in Canberra spoke very sympathetically towards the proposition and towards the State, and complained of the hardship that the State would be suffering under the formula; but they did not vote for the amendment which would have meant much more money. Only one person supported it, and that was the member for Fremantle.

I believe—and I think most members in this House would agree with me—that the Commonwealth should allocate the total amount of petrol tax funds to the States. The Commonwealth has other means of collecting funds from the motorists, and it does not hesitate to use them. It has sales tax, which is one of the most iniquitous taxes; and it certainly places a burden on the motorist. It also has diesel tax, which has been imposed since the war years.

The Commonwealth Government's reason for objecting to the distribution of the total petrol tax to the States is, in my opinion, an extremely weak one. The Prime Minister, at the Premiers' Conference, was reported to have told the Premiers that if the Commonwealth distributed all the petrol tax funds to the States, it would have to impose some other taxation to reimburse itself for the additional petrol tax money it gave away.

To my knowledge the Federal Government has never hesitated to impose taxation of any kind, but in each case it was not short of money; and it never professed to be short of funds. The reason it gave was to halt inflation; in other words, to take some of the spending power out of the public's hands.

The Hon. F. J. S. Wise: To take the cream off.

The Hon. H. C. STRICKLAND: Yes, to take the cream off people's incomes. Therefore, why does the Prime Minister complain when the States ask him to distribute the total amount? It does not add up. However, that was the reason the Prime Minister gave.

On page 1,626 of Federal *Hansard* on the 28th April, 1959, Mr. Holt is reported to have said—

Finally, it will be seen that the amount of money to be provided for roads under this legislation is in no way related to the revenues that will be obtained from taxes on petrol and other motor fuels. We are all familiar with the claim that since petrol taxation is paid by motorists the whole proceeds of petrol taxation should be spent on roads. However, no Commonwealth Government has ever accepted that claim. The Labour Government which preceded us resisted it just as steadily as we have done. Even as an argument it has always seemed to me to be very defective. Since a very large part of the petrol which bears tax—probably much more than half of the total consumption—is used in commercial and industrial transportation, we can suppose that a very large part of petrol taxation is not paid by motorists as such, but is passed on in transport charges or in the prices of goods, and so is paid by the public at large.

The public at large pays all the time, in any case. It would not matter where the tax was imposed, except on a personal income, when it is very hard to pass on. The wage-earner cannot pass it on, but it is easy for anyone in business to do so. Therefore it is a weak argument to say that because preceding Governments—whether they be Labor or any other type—had resisted it, this Government should do the same. It reminds me of the attitude of some people when they say, "Because a certain person said"—even though he may have said it a thousand years ago—"we must not swim in the Park, we cannot do so."

Surely it is time we grew up and lived in the present and looked ahead, not back over our shoulders at what has been. There were tremendous mistakes made in the past, together with some very good forward steps; but I think the job of legislators today is to look ahead and at least attempt to keep abreast of the times.

Therefore I feel the argument submitted by the Federal Government against the distribution of the full amount derived from the petrol tax is very weak and very unjust indeed. It is very wrong to point the gun at the States and say that they must either contribute some of the loan or revenue moneys, or tax their people a little heavier in order to receive a little bit more. I think that is a type of Government which is rapidly approaching the dictator stage.

The Hon. F. J. S. Wise: The Commonwealth Government did not insist on its being done this way, though.

The Hon. H. C. STRICKLAND: The Commonwealth Government had nothing to do with this Bill. It made the position very plain that it was up to the States to provide the money from any source excepting from their own funds. It had to be from any new source.

The Hon. H. K. Watson: You yourself have proved that the Bill is the outcome of the conference at which the Commonwealth held the gun at the heads of the States.

The Hon. H. C. STRICKLAND: I am not denying that. What I am objecting to is the Minister stating that it is the outcome of the Transport Ministers' conference.

The Hon. H. K. Watson: It is in the sense the Minister used it.

The Hon. H. C. STRICKLAND: If it is, I would say that Senator Paltridge, who presided at that conference, would be extremely responsible because he is the Federal Minister for Transport.

I do not hold with the Minister's assertion that the Bill is the outcome of that conference. It is the outcome of the Federal Government's attitude, and the will of the State Government. This Government can please itself how it raises the money, and from which source; and I say that it should have used £350,000 or £400,000 of loan funds; because it has more loan funds at its disposal this year than any Government in this State has previously had.

The Hon. H. K. Watson: And it has a lot to do with the money.

The Hon. H. C. STRICKLAND: That is so. Although it occurred while I was a member of the previous Government, one thing to which I object as being a long while before its time is the expenditure of £500,000 or more on the two-storeyed goods shed at Victoria Quay for the use of larger overseas passenger ships. Let us examine that project and see what it means. It means that, instead of people on the higher decks of the ship getting into a lift and coming down to that deck which is at the level of the wharf, those lower down in the ship in future will get into a lift and go up higher in order to disembark. That is all it means. Of all the hundreds of thousands

of passengers who pass through Fremantle each year, how many disembark there? Very few.

The Hon. A. F. Griffith interjected.

The Hon. H. C. STRICKLAND: I was replying to Mr. Watson, who was interested in that angle. I am sorry to speak across the Chamber, Mr. President; but the Minister will provoke me.

The PRESIDENT: The Minister is out of order in interjecting.

The Hon. H. C. STRICKLAND: With regard to the total funds, it is no secret what the Australian Automobile Association thinks of the attitude of the Commonwealth Government. The retiring president (Mr. S. R. Ricketts of Queensland) told the delegates in Perth on Thursday, the 24th September last—

The community must strive to obtain a more adequate road system throughout the Commonwealth and relief from the present vicious sales tax on motor vehicles and parts. They must also continue to press for a reduction in the petrol tax or, alternatively, the allocation of the entire proceeds of the tax to expenditure on roads.

That is quite right. All the motorists belonging to that association—there are many thousands of them—believe that the total funds should be spent on the roads. The Commonwealth complained that it would have to raise more money. I disagree with that assertion and say the Commonwealth is deriving large amounts of money from sales tax, and in other directions, such as something like £4,500,000 in excise, which is taken directly from the motorists, plus 7d. per gallon on petrol. There is an enormous amount of money there. Although I have not checked up on those figures, one is entitled to believe that the Commonwealth could provide much more for roads.

I was interested to learn that the Main Roads Department in this State has a five-year programme, which includes sealing the Eyre Highway for 450 odd miles between Norseman and Eucla. I feel that to seal 450 miles of that road in the next five years, at an estimated cost of £2,500,000, at the rate of £500,000 per year, is unwarranted, when the money could be spent to better advantage in other areas where it would be more beneficial to the Western Australian motorists and to the industries of this State.

We all know that the Government is anxious to attract tourists to Western Australia; and we are aware that good roads induce tourists to travel along them; but I cannot for one moment imagine that the benefit to the State from the sealing of portion of Eyre Highway could compare with the savings that could be made in the cost of transporting cattle by road, if sealed roads were available from the East

Kimberleys and Northern Territory into the Wyndham Meatworks, and from Fitzroy Crossing to Derby.

It has been proved that tremendous savings could be made in that way. Vestey's, probably the biggest cattle producers in the Southern Hemisphere—if not in the world—have proved the economics of sealed roads; they will not take their cattle trains off sealed roads. As a result of the vast experience they have had, and their knowledge of the cost involved, they will not operate their cattle road-trains except on sealed roads.

The Hon. G. Bennetts: The cost of poor roads is bad enough to the private car owner.

The Hon. H. C. STRICKLAND: It is tremendous. If the Government is proposing to spend £500,000 per year on sealing portion of Eyre Highway, I think it should reconsider the matter; because the money could be spent to far greater advantage on sealing roads in our agricultural and pastoral areas. Here I have in mind the road to Meekatharra, and many roads in the Murchison area which require sealing. There is the road from Meekatharra to Nullagine, over which large numbers of stock would be transported if it were sealed. Large numbers of stock are transported over it now from Roy Hill and Ethel Creek stations and other big holdings in the area.

I cannot for a moment see why £2,500,000 should be spent on the East-West road, which will bring more imports into Western Australia by road than the exports it will take out. That road will simply compete with the railways of the State and the Commonwealth; and it will not benefit Western Australia nearly as much financially or in any other way as if the money were spent elsewhere, particularly in our pastoral and rural areas. That has been proved over and over again by road hauliers. They have proved beyond doubt that the cost of operating road trains is tremendously more expensive over earthen roads than over sealed roads; and, after all, transport is an economic factor that should be uppermost in the mind of any Government which is looking towards further development of our outback areas.

I hope the Government will re-examine the proposal to seal the portion of Eyre Highway from Norseman to Eucla. The first I read of this five-year plan for Western Australian roads appeared in *Federal Hansard*. Whether it is correct or not, I do not know; but I imagine it would be correct, because the statement was made by a responsible member in the Federal House.

There is very little else that I wish to say in connection with the provisions of this measure, except that I think the rise from 10s. to 20s. in the fee for a motor driver's license is excessive. It appears to me to be an extraordinary way for a Government to secure money to enable it to

receive the matching amount from the Commonwealth Government. The present Government is certainly losing no time in imposing further charges; and I do not think it is giving very much consideration to the welfare of the people when it introduces into Parliament one measure after another for the purpose of raising more revenue and extracting it from the pockets of those who can least afford it.

The Hon. A. F. Griffith: Further down on the notice paper there are to be found some measures which propose to give it back.

On motion by the Hon. R. Thompson, debate adjourned.

Sitting suspended from 3.44 to 4.5 p.m.

ROAD DISTRICTS ACT AMENDMENT BILL (No. 2)

Second Reading

Debate resumed from the previous day.

THE HON. H. C. STRICKLAND (North) [4.5]: This Bill and the one to follow it are complementary to the measure we have just debated. They will enable local authorities to pay moneys into certain funds. As the progress of this Bill will depend on the passing of the previous measure, I suggest that the Minister should not proceed with it beyond the Committee stage at this juncture. I make that request because, without the principal Act, there could be, in my opinion, other ways of deriving money to establish the fund mentioned in the Bill; and if this were done, the legislation may not be necessary.

The Hon. A. F. Griffith: Would it suit the honourable member to allow the Bill to pass the second reading stage, and we could take the Bill into Committee at the next sitting?

The Hon. H. C. STRICKLAND: I raise no objection to the Minister's suggestion because, if it is necessary to debate the Bill further, there is always the third reading.

THE HON. A. F. GRIFFITH (Suburban—Minister for Mines—in reply) [4.8]: My colleague, the Minister for Local Government, introduced this Bill, but, unfortunately, he is absent this afternoon on urgent public business. I appreciate the co-operative attitude shown by Mr. Strickland, and I will give the undertaking that if the Bill is allowed to pass the second reading on the voices I will accept that as an indication that members will concur in facilitating the passage of the Traffic Act Amendment Bill (No. 3). The same arrangement would apply to the Municipal Corporations Act Amendment Bill (No. 2) when it is brought before the House for discussion.

Question put and passed.

Bill read a second time.

MUNICIPAL CORPORATIONS ACT AMENDMENT BILL (No. 2)

Second Reading

Debate resumed from the previous day.

THE HON. H. C. STRICKLAND (North) [4.11]: The same arrangement will apply to this Bill as has been applied to the Road Districts Act Amendment Bill (No. 2); and I support the second reading in the knowledge that the Minister does not intend to take the Bill into Committee this afternoon.

Question put and passed.

Bill read a second time.

ENTERTAINMENTS TAX ASSESSMENT ACT AMENDMENT BILL

Second Reading

Debate resumed from the 22nd October.

THE HON. F. J. S. WISE (North) [4.12]: When the Minister introduced this Bill he mentioned that it had been brought before Parliament to fulfil a promise made during the last general election campaign. The promise was that the entertainments tax would be reduced in some way. The Minister also pointed out that this promise had been made by representatives of both political parties. There can be a great difference, however—even though that statement is true—in the manner of handling a reduction in this or any other tax.

This Bill, which deals with the assessment of the tax, and the following measure, which deals with the imposition of the tax, contain two principles. Although the Bill intends to provide a trivial reduction in the entertainments tax, we know of substantial increases in other forms of taxation to be made. The Bill excludes from the payment of entertainments tax a number of shows which are termed "live" shows. The rating will apply to those shows which can, wholly and solely, be described—for taxation purposes and to the satisfaction of the Commissioner of Taxation—as live shows. These shows include—

- A stage play
- A ballet
- A performance of music, whether vocal or instrumental
- A lecture
- A music hall or other variety entertainment
- A circus or travelling show.

There is another one which is not described by the Minister—a recitatorial. That is a word for which one would have to look in two, three or more dictionaries before one would find it.

The Hon. A. F. Griffith: It was not in my second reading speech.

The Hon. F. J. S. WISE: It was in the Minister's second reading speech. It will be found on page 2365 of the *Parliamentary Debates* of Thursday, the 22nd October, 1959, in the fifth paragraph of the second column. It will be found there that the Minister used that word.

The Hon. A. F. Griffith: The Minister is purported to have used the word.

The Hon. F. J. S. WISE: The difference being, apparently, that the Minister did not use the word, but he handed *Hansard* his notes.

The Hon. A. F. Griffith: The honourable member will make it difficult for *Hansard* if he pursues that line.

The Hon. F. J. S. WISE: The Minister started that. I merely took the word from *Hansard*.

The Hon. A. F. Griffith: To be perfectly frank, I crossed the word out from my speech, and, if it was not taken out by *Hansard*, that is not my fault.

Point of Order

The Hon. A. L. LOTON: On a point of order, Mr. President, *Hansard* is accepted as a true record of the proceedings of Parliament, is it not?

The PRESIDENT: Yes, of course it is.

Debate Resumed

The Hon. F. J. S. WISE: I am sorry if I have embarrassed the Minister or anybody else, but I am merely drawing attention to the word because it is recorded in the debates of both Houses. I sometimes go off at half-cock, I admit, but never when replying to a debate on a Bill, because I take the utmost care to see what was said in both places; although you, Sir, will not allow me to refer to what was said in another place. But the word appeared and my attention was drawn to it as being a most unusual one. However, we are to have recitationals—whatever they might be.

The Hon. G. C. MacKinnon: I can vouch that the Minister did not use that word.

The Hon. A. F. Griffith: I think it would be a lot easier if you did not pursue that.

The PRESIDENT: Order! The Minister is only making the matter worse.

The Hon. F. J. S. WISE: I merely mentioned it because it appeared in *Hansard*. There is some benefit in the fact that the rate is not to be so high; and also some benefit in the rate to be imposed on the smaller shows, such as cinemas and other family shows. I hope the Minister did mention the question of television; because I

think he did. I think I heard him mention that the impact of television will be considerable and the attendances at cinemas and other legitimate shows.

The Hon. G. Bennetts: Especially suburban cinemas.

The Hon. F. J. S. WISE: The forecast has been that television will affect the number of people attending picture theatres and live shows. That may be so in the long run, but in the early stages of television in this State I would suggest there will be nothing in it that will prove a challenge to the live shows or to any other shows.

The Hon. J. G. Hislop: Except for itself.

The Hon. F. J. S. WISE: I suppose we should give it a chance to establish itself before being too critical. The preparation in the technical sphere—in the supervision by the experts to get something on the television screen—was a very remarkable effort; but surely the programmes being paraded were given many months of preparation and thought, as was the technical side! I would like to quote a few examples of the type of Press publicity we are having served to us. Programmes are being published every day of the week, and some of them are being portrayed and marked as unfit and unsuitable for children under 15. It will take a lot more than the average home discipline to be able to ensure that children under 15 will not be seeing the shows.

The Hon. G. Bennetts: They will be looking through the keyholes.

The Hon. F. J. S. WISE: I would like to quote a few examples of the sort of thing that is being published in the Press in relation to television programmes. This programme is entitled "Tombstone Territory" and is described as follows:—

A young lawyer successfully defends the victim of a frame-up and finds himself stalked by two killers.

The next one to which I would like to refer is one entitled, "The Case of the Drowning Duck" which is described in the following manner:—

A duck that almost drowned in a water trough is a prelude to a case of blackmail and homicide.

The next is entitled "The Shanghai Gesture," and is described thus—

A 1941 film about a business tycoon who is drawn into an Oriental gambling den with his daughter as one of the lures.

The next programme says that "Susie plays the part of a siren to cure her boss's niece of an infatuation for an elderly man."

Those are the details of programmes appearing in the columns of our Press to encourage people to view television. We know that in the American channels of television the crime series, the murder series, and the case books of detectives are all featured. But surely we can do better than that! So I get back to my starting point that television at this stage should not be any particular challenge, or reason for challenge, to any other entertainment in this State. I am prepared to say that it must be given a chance, but the chance is in its establishment of programmes; and surely we should not have such American syndicated stuff served up to us. We will have many more reasons than we have today for the difficulties experienced by our juveniles; because there is nothing wrong with our juveniles, unless the wrong is fostered and featured by that sort of publicity.

I fully appreciate that this Bill and its associate measure are designed to reduce tax. It would appear to be difficult to approve a tax deduction, but I think it would be a good thing if the Minister would look at one or two aspects which I propose to raise, because I believe there is nothing very supporting in the argument that when the Commonwealth vacated the field of entertainments tax we, as a State, were in the minority when we took up that taxing right. I think the State was entitled to take up the taxing right; and it was for the reason that the States might do so that the Commonwealth relinquished it. Indeed, the Commonwealth said as much; namely, that that field was open to the States if they cared to reimpose that tax, which this State did.

I believe the tax on entertainments is a tax placed on things used by people which they need not use; but it is a valid field for taxation. In this case when we are not so flush with our revenue that £80,000 can be thrown aside, it appears that we are to say that we will vacate the field of entertainments tax to the extent of that amount. But we take a lot more from other sources. That does not make sense at all. To relinquish £80,000 in this field, and to step up other forms of tax which are not so valid, has nothing to justify it.

The principle of relinquishing entirely the 60 per cent. provision for charitable entertainments appears to be quite a risky proposition. At present the law provides that where the expenses do not exceed 60 per cent. for charitable and philanthropic entertainment, no tax may be levied. To say there should be no restriction at all on the amount of expenses could bring about all sorts of extravagances; and it could be that out of an entertainment bringing in, say, £300 an amount of £25 might be allowed to go to the charity concerned,

because there are people who like to do things in a flamboyant fashion; who like to indulge in all sorts of trimmings which are quite unnecessary. As has been pointed out in a statement in connection with this tax, it could be the hire of an expensive orchestra or an extraordinarily generous supper provision; in all sorts of ways the expenses in connection with the running of a charity show could go up to 80 per cent. or 90 per cent. The figure of 60 per cent. has curbed the people, and it has been a great inducement to make sure that expenses are kept at a reasonable level.

I do not know whether the Government is adamant on this, and I do not intend to move any amendment in connection with the matter, but I think it is worth while that more thought should be given to that angle. We do not want a lot of extravagance in the running of entertainments for charity by simply removing the provision which at present obtains.

The Bill, because of its application to live shows, will certainly encourage a lot of local talent to do very much for entertainment in this State.

On the point of the levy to be associated with the reduction in tax which belongs to the other measure, I intend to make some comment. But, for the time being, I think that of the two provisions in this Bill, only one should meet with the approval of this House. I refer to that provision which reduces and removes the tax from live entertainment.

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

ENTERTAINMENTS TAX ACT AMENDMENT BILL

Second Reading

Debate resumed from the 22nd October.

THE HON. F. J. S. WISE (North) [4.28]: This is the Bill that makes provision for the tax. It provides for a maximum rate of 2s. after allowing for exemptions in the case of the cinema and those other things which constitute family shows. My objection to this flat rate, starting as it does at 12s. 6d. and making the charge a little over 13s., is insufficient when we get to the high charges for entertainment of different kinds. Members will find in the Press this week where preferential bookings for a certain entertainment are to cost 22s. 6d.

It will also be found, on other occasions and for other forms of entertainment, that the price of the seats goes up to as much as £3. Surely a 2s. flat rate is insufficient to apply in those cases. Even if only Mum and Dad care to go to something of that kind, it would be quite proper

for more than a 2s. rate to apply; because, after all, they are not family shows. Whether it be a Jack Kramer entertainment, or a boxing tournament, or even visiting shows by celebrities, it would be hard to convince one that the imposition of a fair tax on the charges would keep celebrity concerts away from us; because people will go as frequently, or infrequently, as they do now when such attractions come to Perth. In my view it is a field to be quite validly used as a form of State taxation.

The Hon. G. Bennetts: It is better than the increase in motorcar license fees, and the increase in the water rate.

The Hon. F. J. S. WISE: The entire exemption of entertainments costing 2s. 6d. is certainly not objectionable, but the maximum tax of 2s. is far too generous. There can be no objection at all to giving encouragement to our local people. Surely 2s. tax is far too low for the high priced seats when vacating a taxation field which does not affect family people; those who take their whole family to a show of some sort.

They do not attend the 22s. 6d. preferential booking type of show, because they just cannot afford to. While I applaud the easing of the tax and the removal of the tax on the lower priced shows and on the live shows, I think another look should be taken at the maximum of 2s. as applying to all shows.

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

MUNICIPALITY OF FREMANTLE ACT AMENDMENT BILL

Second Reading

THE HON. E. M. DAVIES (West) [4.32]: in moving the second reading said: The amendments that the Fremantle City Council are seeking, will bring the Municipality of Fremantle Act No. 19 of 1925, into line with the City of Perth Act, which has been amended in the same manner as that submitted in this Bill.

The principal Act, as it stands, reserves certain rights to owners where the council resumes land, but not to owners where the council purchases land; and it also prohibits an owner from carrying out certain works; but there is no prohibition governing persons other than an owner, such as a lessee or tenant. The amendments are considered necessary to rectify what appear to be anomalies or omissions in the drafting of the principal Act. Section 4 of the principal Act provides that the council may widen any street in accordance with the following provisions:—

- (a) The council may widen the carriage way of any street by including therein part or the

whole of the space occupied by footways, and by providing footways.

- (b) The council may purchase or resume, for the purpose of footways, land abutting on any street, and such purchase or resumption may extend, to a limited distance only, above and below or above or below ground level or the intended level of the footway.
- (c) Such purchase or resumption may be carried out on conditions reserving to the owners of the land resumed any of the following rights, that is to say:—
- (i) rights to the continued possession, use, and occupation of any existing cellars or rooms below the level of the new footways;
 - (ii) right to the continued possession, use, and occupation of existing buildings above such footway;
 - (iii) rights of erecting, possessing, using, and occupying buildings above such footway; and,
 - (iv) rights of support for such buildings.

It will be seen that these rights are reserved only to owners of land where it is resumed. The same rights are not extended to owners of land that is purchased. The purpose of the amendment is to provide the same rights to owners of land whether the land be purchased or resumed.

Section 5 (3) of the principal Act provides that no owner of any land or building, or work affected by a new building line, shall construct, build, place, reconstruct, rebuild, replace, etc., any building or work, or portion of a building or work, upon the land between the old alignment and the new alignment, except in respect to certain provisions. The restriction respecting construction, building, reconstruction, etc., applies only to owners of land.

There is no restriction in respect to lessees, tenants, or any other person who may be in occupancy of the premises. It is the opinion of the council that if an owner of land is restricted in the development of his land, the same restrictions should apply to persons other than the owner. The amendment provides that no person shall carry out the works referred to, whether he be the owner or any person whatsoever. I move—

That the Bill be now read a second time.

On motion by the Hon. A. F. Griffith (Minister for Mines), debate adjourned.

House adjourned at 4.37 p.m.