action is in anticipation of the running of through services from Perth to Sydney with the inauguration of standard gauge passenger trains in 1969.

The position in the other States over which this train will operate is that liquor is served with meals in dining or buffet cars but in Western Australia this is not permitted. The amendment to the Licensing Act was to remedy this situation and thus enable passengers to receive the same service on the throughout journey.

I should also mention that whilst the principal object in effecting this amendment is to provide for the through interstate passenger service, it will have similar application on intrastate services between Perth and Kalgoorlie and other country railway passenger services on which a dining or buffet car is provided. It is intended that the extent to which liquor service will be implemented will be at the discretion of the commissioner. I believe this amendment, when passed, will bring our railway set-up as far as this matter is concerned, into line with other railway systems throughout the world. It will modernise our operations as far as liquor sales are concerned.

I believe that most of us who have travelled interstate have taken advantage of the liquor services on the Commonwealth line; and it is quite pleasing when travelling such distances for a person to have an opportunity to enjoy a drink with meals or at other times at the discretion of the commissioner. I believe this will be an advantage, not only to the railway system here, but to the passengers who wish to take advantage of this service.

Mr. Guthrie: Would liquor be served to passengers in compartments, or merely in the buffet car?

Mr. O'CONNOR: It will be served from the buffet car, but at other points at the discretion of the commissioner.

The second amendment in this Bill is to provide a new section 93A to enable classified railway officers to witness statutory declarations made in connection with the loss or destruction of a passenger ticket, luggage check, cloak room ticket, railway pass or other document issued to a person by or on behalf of the commissioner. The commissioner has for some time been concerned with the legal aspect in regard to declarations made in these circumstances.

To facilitate railway working, classified railway officers are required to obtain statutory declarations in connection with lost luggage checks, cloak room tickets, and passenger tickets. The practice has been for such officers to witness declarations of this nature, and, whilst the arrangement has been applied successfully for many years, they are not legally entitled to do so under the Declarations and Attestations Act. It would be appreciated that it would be difficult for these declarations to be enforced at law should it be necessary to take this action.

Although the system has functioned satisfactorily and avoided delay and inconvenience to passengers, lost tickets, and in particular those covering interstate journeys, represent considerable value and therefore it is desirable that correct legal procedure be followed. If the onus were placed on the passenger who loses his or her ticket to contact a justice of the peace or other authorised person for the purpose of witnessing the declaration, this could result in delay and undue hardship. Declarations are required at all hours of the day and night when passengers are waiting to travel, and the locating of an authorised witness would not be an easy task.

I believe that here again, by implementing this particular service, we will be giving an advantage to those travelling by the railways, and this is highly desirable and should, in many circumstances, make things more pleasant for railway users. I commend the Bill to the house.

Debate adjourned, on motion by Mr. Davies.

ADJOURNMENT OF THE HOUSE

MR. BRAND (Greenough—Premier) [10.21 p.m.]: I move—

That the House do now adjourn.

In moving this motion, I would like to remind members that we will be sitting after tea on Thursday night.

Question put and passed.

House adjourned at 10.22 p.m.

Legislative Council

Wednesday, the 8th November, 1967

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

QUESTIONS (4): ON NOTICE

1. *This question was postponed until Tuesday, the 14th November.*

PETROLEUM

Offshore Production: Royalties

2. The Hon. F. J. S. WISE asked the Minister for Mines:

   (1) Has the Minister information of the royalties collected by the Government of the United States from the petroleum products recovered from offshore operations at Santa Barbara on the West Coast, and in the Gulf of Mexico?

(2) Can the Minister advise the House of the royalties so received?

(3) Can the Minister advise the House of the royalties from offshore operations of such countries as Venezuela?

(4) Following the examination made by the various States of Australia and the Commonwealth in regard to the proposed Australian royalties, is the Minister satisfied that the royalties proposed in the current legislation are adequate and suitable at this stage of our development?

The Hon. A. F. GRIFFITH replied:

(1) In areas offshore in the United States of America under the jurisdiction of the United States Federal Government, beyond the limit of territorial waters, the royalty rate is 16⅔ per cent.

(2) In federally controlled outer continental shelf areas off the States of California, Florida, Louisiana, Oregon, Texas, and Washington, the amount of royalty for the year 1965 — the latest year of information — for oil and gas amounted to $92,051,000 (American). As I have stated in my second reading speech, it is understood that a sum in the vicinity of $800,000,000 is held in escrow pending determination by the American courts.

(3) It is understood that no petroleum exploration offshore is being carried on at present in Venezuela. Royalty is 12½ per cent. but with additional taxes imposed, companies could pay about 65 per cent. to 67 per cent.

(4) Yes. In my second reading speech, I mentioned the royalty rates in various countries including Canada, Italy, Nigeria, Norway, the United Kingdom, and the Netherlands, as well as the U.S.A. In Australia, a 10 per cent. royalty on petroleum has been a generally accepted standard for many years. In considering what rate of royalty should apply offshore, the Government took note of the widely diverging royalty rates that applied overseas and also of the circumstances which exist in Australia today in relation to the size of our potential home market, the difficulties of exploration, the urgent need to encourage exploration, and so on. It was decided that retention of 10 per cent. as a standart rate was reasonable, but that should operators wish to obtain additional areas from within their location, a further payment by way of an override royalty was justified. This override royalty was fixed at a minimum of 1 per cent. with an upper limit of 2½ per cent.

KALGOORLIE ABATTOIR

Sale to Mr. Iwankiw

3. The Hon. F. R. H. LAVERY (for The Hon. R. H. C. Stubbs) asked the Minister for Mines:

With further reference to my question on Wednesday, the 11th October, 1967, and the Minister's reply to my subsequent question on Wednesday, the 18th October, relating to the terms of sale of the Kalgoorlie Abattoir, will the Minister inform the House—

(a) when will the agreement be signed; and

(b) if the Minister is unable to reply to (a), what are the minor matters that have to be finalised?

The Hon. A. F. GRIFFITH replied:

(a) As soon as items mentioned in (b) are finalised; no long delay is envisaged.

(b) (i) Clarification of the time limits for the completion of improvements required by the Public Health Department.

(ii) The identification of the surveyed boundaries of the area concerned; *viz.* Hampton Locations 8 and 12.

MEDINA HIGH SCHOOL

Upgrading

4. The Hon. F. R. H. LAVERY asked the Minister for Mines:

In view of the intense increase in home building at Calista in 1966-1967, and 1968, and the increased attendance and status of Calista Primary School, will the Medina High School be upgraded to a 4th and 5th year high school in 1968?

The Hon. A. F. GRIFFITH replied:

There is no high school at Medina. No provision will be made at Kwinana High School to take fourth years in 1968.

The number of post-junior students is insufficient to warrant the provision of the full range of specialist Leaving Certificate courses. Unless such a range is available the students will be at a disadvantage compared with their present attendance at the John Curtin Senior High School.

BILLS (3): INTRODUCTION AND FIRST READING

1. Mining Act Amendment Bill.
2. Petroleum Bill.

   Bills introduced, on motions by The Hon. A. F. Griffith (Minister for Mines), and read a first time.

3. Married Persons and Children (Summary Relief) Act Amendment Bill.

   Bill introduced, on motion by The Hon. A. F. Griffith (Minister for Justice), and read a first time.

MOTOR VEHICLE (THIRD PARTY INSURANCE) ACT AMENDMENT BILL

Returned

Bill returned from the Assembly without amendment.

STATE FORESTS

Revocation of Dedication: Assembly's Resolution

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

> That the proposal for the partial revocation of State Forests Nos. 22, 38, 64 and 65 laid on the Table of the Legislative Assembly by command of His Excellency the Governor on 24th October, 1967, be carried out.

COUNTRY TOWNS SEWERAGE ACT AMENDMENT BILL

Receipt and First Reading

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

CREMATION ACT AMENDMENT BILL

Returned

Bill returned from the Assembly without amendment.

RAILWAY (COLLIE-GRIFFIN MINE RAILWAY) DISCONTINUANCE BILL

Second Reading

THE HON. G. C. MacKINNON (Lower West—Minister for Health) [4.48 p.m.]: I move—

> That the Bill be now read a second time.

The purpose of this Bill is to close portion of the Collie-Griffin mine railway to enable recovery of materials which could be used to advantage elsewhere on the railway system. It has been estimated that the value of recoverable materials exceeds $10,000.

This short railway, serving three sidings, extends two miles and 55 chains to the Griffin mine, which is its extremity. This mine was closed in 1955. At approximately the two mile ten chain point, there is positioned the Department of Industrial Development (grain distillery) siding which has not been used for about 15 years.

It is the section of the railway serving these two sidings which it is now proposed to close, leaving the 57-chain section serving the Worsley Timber Company Pty. Ltd. siding intact. That siding is still in use, so it is proposed to allow this section to remain.

I am able to inform members that the Department of Industrial Development has examined closely the possible use of this line for any future establishment of industry at Collie and has agreed that formal closure should proceed.

Furthermore, the Director-General of Transport has examined the position from the aspect of possible developments in Collie which might give rise to a need for the railway at some future time. He is satisfied that there is little probability of the portion, which is less than two miles in length, being required to play a part in the transport task in the Collie area and has accordingly recommended that it be closed.

This Bill, therefore, makes provision for the closure of the section of the line serving these two sidings, while leaving the railway intact to serve the Worsley Timber Company siding.

The land, on which the section of the railway to be discontinued is constructed, being former Crown land, will be surrendered to the Lands Department.

I desire to table the report submitted by the Director-General of Transport in accordance with the requirements of section 26 of the State Transport Co-ordination Act of 1966, and commend the Bill to the House.

The report was tabled.

THE HON. H. C. STRICKLAND (North) [4.50 p.m.]: It is with some reluctance that I support a Bill for the closure of a railway at Collie. The Griffin mine has not been worked for a number of years, as the Minister explained, and the line is of no importance at all. The same applies to the line to the old distillery. Therefore, it is very difficult indeed to do anything but agree with the Minister, and support the Bill.

However, as I have said, it is with some reluctance. Collie should be expanding and going ahead, because of the enormous quantities of coal which exist in that area, rather than slipping backwards. One would naturally expect to have industry placed right on the coalfield but, unfortunately, that is not the case, and there is no alternative but to support this measure.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by The Hon. G. C. MacKinnon (Minister for Health), and passed.

LEGAL CONTRIBUTION TRUST BILL

Second Reading

Debate resumed from the 7th November.

THE HON. H. K. WATSON (Metropolitan) [4.54 p.m.]: I regret that I find myself rather hopelessly at odds with the Minister for Justice with respect to this Bill. However, I take some comfort in the fact that in this House we simply deal with a Bill, whereas in the Legislative Assembly the members deal with the Government.

I propose to deal with the Bill rather trenchantly. It is about 15 years since I moved a reasoned amendment to a Bill, and I propose to do that again this afternoon. I think that indicates the alarm with which I view this measure.

At the outset, I want to emphasise that I am in favour of law reform. But I would point this out: Although the Minister devoted one-third of his speech to law reform, this Bill contains no reference at all to the establishment of a law reform committee. Law reform, so far as this Bill is concerned, is simply mentioned in a few words, as a residual legatee, on page 9 of the Bill. The Minister did mention, in his second reading speech, that the Government proposed to include in the Estimates an expenditure of $30,000 with respect to law reform.

The Hon. A. F. Griffith: It was better than that; I said the Government had included that amount in the Estimates—not "proposed to."

The Hon. H. K. WATSON: Following on the Minister's interjection, I would say that I am in favour of law reform, and I maintain law reform is a proper charge against the Consolidated Revenue Fund. If $30,000 is not enough, make it $40,000, or $50,000, but it is properly a charge against Consolidated Revenue.

Likewise, I am in favour of legal aid. But, again, I maintain that the cost of legal aid is something which should properly be paid out of Consolidated Revenue. I understand that for some years past a sum of $14,000—or thereabouts—has been paid out of Consolidated Revenue for the purpose of legal aid.

In discussing legal aid, I think we should remember that the sole pecuniary beneficiary of legal aid in the last resort is the legal practitioner. I am also in favour of legal practitioners having a fidelity bond, or a guarantee fund. However, the cost thereof should be borne by the legal practitioners as is done by land agents and debt collectors, and as is contemplated by part V of the existing Legal Practitioners Act.

What I do object to in this Bill, and what makes it repugnant to me, is the method by which it is proposed to raise the money necessary to finance the solicitors' guarantee fund, and legal aid. My opinion is that it plays fast and loose with first principles and with human rights. It intrudes into and dictates upon the private relations between banker and customer. It ordains that one-half of clients' moneys held by solicitors in their general trust accounts—and estimated at $3,000,000, or thereabouts—shall be invested at interest, and that such interest shall go not to the owner of the money but partly into the solicitors' guarantee fund and partly towards legal aid; and what is left is to go to law reform.

I stoutly maintain that if such money is to be invested the interest should go to the owner of the money, and nowhere else; and I stand hard and fast by that view.

The Hon. A. F. Griffith: But the law does not.

The Hon. H. K. WATSON: I am quite unimpressed by the Minister's assertion that this is not practicable. I would suggest to the Minister that any accountant will tell him that it is practicable, or that it ought to be practicable. For example, anyone having the particulars as to the amount paid into an account, the length of time it is there, and the rate of interest that the cumulative account may be bearing, could readily find out by a simple reference to Laurie's Interest Tables, or any other interest tables which give the daily rate of interest for one day, two days, or any number of days up to 365, and from there on in years.

If it were not practicable for the legal practitioners to do it, I am quite satisfied that the bank could do it in a few moments, and without any charge.

Having regard for the fact that the Bill apparently has the blessing of the Law Society, I would suggest that the measure is really an inducement to unethical practices; because whilst money goes into the trust account of a solicitor, or anyone else of a like nature for that matter—a land agent or a debt collector—it should go in and out as quickly as possible. But now the urge will be the other way—inasmuch as the greater the trust fund and the longer the money remains in the trust fund, the greater the fund will be, the greater the half share will be, and the greater the interest will be, the greater the contribution to the solicitors' guarantee fund will be, and the greater the amount for legal aid will be.

The urge will be to keep the money in the trust account as long as possible and that, to my mind, is undesirable.

I think it is worth while, too, to try to visualise—and the Minister did not give us much information on the point in his speech when introducing the Bill—the character of the money which rests for any length of time in a solicitor's general trust account. I would suggest that in respect of land dealings, settlements on transfers, settlements on registration, and settlements on the discharge of mortgages, the money would go in and out very quickly. It would not be too much to say that the money would go in and out in the one day, and I have personal knowledge of cases where that has been the position.

Where then does the money come from? It could possibly belong to widows and orphans, but I imagine that quite a bit of it could belong to injured persons—persons who have suffered accidents, either at work or on the road, and who have had claims settled and have become entitled to compensation or damages, one way or the other. I take a very dim view of the fact that half of the money belonging to those persons is to be invested at interest in a bank, or somewhere else, and that that interest is not going to them.

The Hon. A. F. Griffith: Who gets that interest at the moment?

The Hon. H. K. WATSON: That interest is going into the fund.

The Hon. A. F. Griffith: Who gets that interest at the moment?

The Hon. H. K. WATSON: That is beside the point.

The Hon. A. F. Griffith: Just answer the question. Who gets the interest at the moment?

The Hon. H. K. WATSON: No interest is paid at the moment and, therefore, the answer to the Minister's question is that nobody gets the interest.

The Hon. A. F. Griffith: Except the banks.

The Hon. H. K. WATSON: The banks do not get the interest.

The Hon. A. F. Griffith: They get the benefit of it, and you know they do.

The Hon. H. K. WATSON: They get the benefit of it?

The Hon. A. F. Griffith: Of course they do.

The Hon. H. K. WATSON: In what way?

The Hon. A. F. Griffith: You tell us how they do not get any benefit from it.

The Hon. H. K. WATSON: Very well. Am I to assume from the Minister's interjection that this is an attack on the banks—

The Hon. A. F. Griffith: Nothing of the kind.

The Hon. H. K. WATSON: —rather than on the funds of the persons I have mentioned—

The Hon. A. F. Griffith: Nothing of the kind.

The Hon. H. K. WATSON: —because it seems to me that if one has $3,000,000 lying in various trust accounts one avenue of law reform might be for a select committee to be appointed to see just how such huge funds go into and remain, in one way or another, in solicitors' trust accounts. It may well be that Parliament, in its wisdom, after investigating such a position, would do what it did with the Debt Collectors Licensing Act. I would remind members that in that Act there is a provision that all moneys held by a debt collector in his trust account must be paid within 14 days, upon demand by the client and, in any event, demand or no demand, within 45 days after going into the trust account.

The Hon. A. F. Griffith: Unless some other arrangement is made between the debt collector and the client.

The Hon. H. K. WATSON: Unless an expressed arrangement is made between the debt collector and the client.

The Hon. A. F. Griffith: Don't leave out the important bits.

The Hon. H. K. WATSON: That is implied in any agreement.

The Hon. A. F. Griffith: You would not say that is implied in this agreement?

The Hon. H. K. WATSON: Yes; I would go so far as to say that if in respect of moneys in a solicitor's trust account there was an expressed agreement between the solicitor and the client, well and good; but it must be left to the solicitor and the client and not for a third party to come in—

The Hon. A. F. Griffith: If there was an expressed agreement—

The Hon. H. K. WATSON: I wish the Minister would allow me to continue. I will get on better if I am allowed to continue my speech.

The Hon. A. F. Griffith: I am trying to help you.

The PRESIDENT: Order!

The Hon. H. K. WATSON: If a person, either as a principal or a trustee, chooses to allow his money to remain in a bank, on a current account, without interest, surely that is his affair, and his affair only; or, if he is a trustee, then it is a matter of arrangement between him and his *cestui que trust*.

On the question of allowing money to lie idle at the bank, and who gets the benefit of it, there is room for a considerable difference of opinion. Ever since the depression in 1930 I have made it a rule of my life to have a comfortable amount on the hip, and a more than comfortable amount lying at credit at the bank—lying idle if one likes to refer to it as that, but it is not lying idle; it is lying at the bank. It is protected; it is safe; it is much safer there than under the pillow, and it is

there for my convenience, to draw cheques upon and—

The Hon. F. J. S. Wise: What is the definition of the word "comfortable"?

The PRESIDENT: Order!

The Hon. H. K. WATSON: As with "Nights-Ease" mattresses, I would say it varies according to the nature of one's inclinations.

The Hon. A. F. Griffith: Who makes "Nights-Ease" mattresses?

The Hon. H. K. WATSON: In reply to the Minister's suggestion that the bank has the benefit of the money, if I said to the bank, "Where is my money?" the bank could say, "It is lying idle. We keep $1,000,000 or so lying idle to meet any contingencies. It is not earning anything and your money forms part of that"; and that answer would be just as tenable as my suggestion, "You have this money of mine and you have lent it at 6 or 7 per cent." The bank's attitude, in my opinion, would certainly be much more logical than the proposition submitted by the Minister in his second reading speech when he tried to convince us, in respect of legal aid charges, that a discount of 10 per cent. was really a discount of 25 per cent.

I would suggest that the brain which conceived the scheme contained in this Bill, in respect of solicitors' general trust accounts, would have no difficulty in extending the same idea to all trust accounts, and indeed, to all credit balances at a bank. For the introduction of such a preposterous state of affairs there could be a clear precedent in this Bill if it became law. I imagine that some bright person is already doing some deep thinking, and probably has a skeleton Bill already formulated in his mind to produce some such scheme in respect of the trust funds of land agents and debt collectors.

The Hon. F. J. S. Wise: What about stock brokers?

The Hon. H. K. WATSON: I will come to stock brokers shortly. The idea then would be to set up a scheme to protect persons against defalcations by solicitors. To do that there is no need whatever for the Bill. All that is required is to review the scheme which was inserted into the Legal Practitioners Act in 1944, but never proclaimed, and bring it up to date.

Mr. Wise asked, by way of interjection, about stock brokers. My advice is that the stock exchanges of Australia, or some of them, have schemes not dissimilar to that which exists in the Legal Practitioners Act as it stands today—they have collective schemes to which I understand they all contribute, and some insurance company or underwriter has guaranteed them. Members may have noticed that during the past month a stock broker in Sydney went through the hoop and, likewise, a stock broker in Melbourne went through the hoop. The stock exchange, under its indemnity scheme, would come to their rescue. I suggest that is all that is required here; the bringing up to date of the 1944 scheme.

I understand that a land agent has to take out a bond of $5,000, and the premium on that bond is in the order of $4 per $1,000; in other words, $400 per $100,000. Let us assume that in the case of a collective policy for legal practitioners, for $100,000 cover the premium is $10,000 per annum—I do not know what it would be, but the Minister might have had some discussion with the State Insurance Office and might be able to enlighten the House as to the estimated figure—

The Hon. A. F. Griffith: I am hoping I will have a chance to say something more about the Bill.

The Hon. H. K. WATSON: Let us assume there is a premium of $10,000 per annum for the collective cover of $100,000: that would necessitate an annual contribution of something less than $40 a year from each of the 271 holders of a current legal practitioner's license. Even if the premium works out at $80 a year I do not think that amount is unbearable, particularly when we remember that 50 per cent. of it will be saved in reduced income tax. I have many friends in the legal profession, and I hope I will still have after I have made this speech.

The Hon. W. F. Willesee: You are taking a bit of a risk.

The Hon. H. K. WATSON: I find it difficult to believe that any one of them would object to paying a premium of $100, or even $200 a year, for the purpose of carrying on and preserving the integrity of the profession. What the stock brokers pay I do not know; I imagine the premium would certainly be an amount of not less than the figure I have mentioned.

I draw attention to clause 14 (4) which provides for the State Insurance Office to effect insurances of the nature I have just indicated. In his speech the Minister explained that this was of an interim nature, and the idea was to carry on the policy only until the fund had been built up. I suggest the logical way to do this is to run it continuously on an insurance basis.

Then we come to clause 28 which, apart from the point I have mentioned, seems to be the star item in the Bill. It refers to a legal partnership. In such a partnership, just as in other partnerships, a partner is liable for the whole of the debts of the firm, but clause 28 provides to this effect: assuming the fund to be in existence, and assuming a partner in the legal partnership goes wrong and commits defalcations, the client shall have the right to claim against the partnership or the defaulting partner.

The Hon. A. F. Griffith: You will find another beneficiary.

The Hon. H. K. WATSON: This clause provides another beneficiary; it provides that a partner of the person who committed the defalcation may claim against the

fund. This is most extraordinary. I would suggest that this greatly enlarges one's ordinary understanding of the words "legal aid."

I regard the Bill as most objectionable. It would appear it has been drawn up by legal practitioners for the benefit of legal practitioners and without cost to legal practitioners. I sound the alarm and I say "Hands off other people's money."

Reasoned Amendment to Motion

The question before the Chair is that the Bill be now read a second time. For the reasons I have given I move an amendment—

> Delete all the words after the word "That" and substitute the following:—
>
> Whereas Banking transactions are essentially and exclusively a matter between Banker and customer; and whereas the beneficial owner of moneys held upon trust, should in no circumstances, without his consent, be deprived of any interest earned by such moneys; and whereas legitimate expenditure on Law Reform and on affording legal aid to necessitous persons ought properly to be met out of Consolidated Revenue; and whereas Legal Practitioners, either individually or collectively, should themselves (no less than Land Agents and Debt Collectors) bear the cost of providing a Bond or maintaining a Guarantee Fund against defalcations by members of the legal profession; and whereas partners of offending legal practitioners ought not to be entitled to any special privileges or to any rights other than those existing under the law of partnership; and whereas it is undesirable to extend the powers and activities of the State Government Insurance Office, this House declines to give this Bill a second reading.

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Justice) [5.23 p.m.]: The amendment moved by Mr. Watson is referred to as a reasoned amendment. In our Standing Orders the nearest I can get to a reasoned amendment is found in Standing Orders 182, 183, and 184. Standing Order 184 provides that no other amendment may be moved to such a question except in the form of a resolution strictly relevant to the Bill. Beyond that there is no mention in our Standing Orders of what is termed as a reasoned amendment; but *May's Parliamentary Practice* has it that this is an accepted practice. That practice has been followed in this House before, and I can find no fault with it.

However, the amendment itself appears to be a second reading speech. It puts in brief terms exactly what Mr. Watson gave us in much more elaborate terms when he spoke to the Bill. I am sure members realise that the matter now before the House is not the Legal Contribution Trust Bill, but an amendment moved by Mr. Watson to the motion that the Bill be now read a second time.

If a member were to get to his feet now, and try to speak to the Bill, I have every reason to believe that you, Mr. President, would prevent him from doing so. Of course you will allow him to speak on the amendment . What sort of situation do we find ourselves in? I have introduced the second reading of the Bill, and in my humble opinion I explained it in the greatest possible detail. The Bill was supported by the Leader of the Opposition, almost without qualification. Mr. Watson has risen to destroy the Bill, to the best of his ability, by the criticisms he offered, and in the terms of the amendment he is saying, "Now that I have had my say let nobody else have his say."

The Hon. H. K. Watson: I disagree with that.

The Hon. A. F. GRIFFITH: I am merely putting my point of view. At this stage, because I am speaking to the amendment, I cannot answer the points which have been raised by Mr. Watson, although they can be answered very easily. If it is the will of the House that the Bill be read a second time, then by agreeing to the amendment it will be destroyed. I hope it will not be destroyed. If it is not then I will have the opportunity to reply to the points made by Mr. Watson when I close the debate. I repeat that they can be answered very easily.

The speech I have to make at this point of time is, of necessity, a brief one, because in my humble opinion it can only be on the amendment. I want to warn members that the last six or seven words of the amendment say that this House declines to give the Bill a second reading. If the amendment is agreed to the Bill cannot be proceeded with, and it will be defeated. In that event there would be no purpose in proceeding with the next measure on the notice paper, because it is complementary to the one before us. In a matter of this nature surely that is not what the House wants.

I go so far as to say I do not think Mr. Watson would want to make his speech in opposition to the Bill and then to close the issue by preventing other members from either supporting or opposing the legislation. When I introduce Bills I am quite prepared to have them decided on their merits, and debated if possible. I do not regard this as a political measure. This is certainly a Government Bill, supported by the Government, but I do not regard it as having any political implication. I regard it as having a good purpose, and that is that as far as I am concerned.

I repeat again that if this amendment is agreed to then the opportunity for any further debate on the merits or demerits of the Bill will be lost. I hope at this stage there will not be an adjournment of the debate on the amendment. I am quite prepared to have the House discuss its merits. Members should appreciate that what the amendment states—and it does represent a second reading speech, in fewer words—is that this piece of legislation should not be proceeded with any further.

I leave the matter at that, hopeful in my mind that the House will negative the amendment and will allow the second reading debate to continue so that members who want to speak to the Bill will have the opportunity to do so. I oppose the amendment.

Point of Order

The Hon. H. K. WATSON: On a point of order, my understanding of the practice in respect of a reasoned amendment—which is a complete negative of the motion that the Bill be now read a second time—is that we proceed to debate it as though the Bill were before the House. The debate continues as fully and as freely as though it was a debate on the question that the Bill be now read a second time.

President's Ruling

The PRESIDENT: I think there are certain strictures in this regard and I would like the reasoned amendment to be treated as an amendment to the motion.

Debate (on reasoned amendment) Resumed

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the Opposition) [5.32 p.m.]: In the first instance, let me correct Mr. Watson. It was not 14 years ago that he last moved a reasoned amendment; it was 13 years ago.

The Hon. J. Dolan: An unlucky year!

The Hon. W. F. WILLESEE: It happened to be my first year in Parliament when this little gnome-like member rose and tore the Government to pieces. However, his amendment on that occasion was lost, and I hope he will lose on this occasion.

The Hon. H. K. Watson: But there was a full debate on the reasoned amendment.

The Hon. W. F. WILLESEE: There was a full debate, but only on the reasoned amendment, and nothing else. The honourable member confined it exclusively to his reasoned amendment.

The Hon. H. K. Watson: It was a full debate.

The Hon. W. F. WILLESEE: I am sure the honourable member is right! He has already said it was 14 years ago, and it was only 13 years ago; so he has already lost a year there. How can he be so sure he can remember so well? He has admitted recently that he is getting old. I think he might be getting a little pedantic, too. Of course we respect age in this House.

The Hon. A. F. Griffith: I will send him a copy of the 1954 debate, which I read before I made my remarks.

The PRESIDENT: Order!

The Hon. W. F. WILLESEE: We also respect ability above all. Having regard for the great capacity of Mr. Watson, and having regard for the fact that this Bill was placed on the notice paper on Wednesday, and the second reading was moved on Thursday of last week, why did the honourable member not place his amendment on the notice paper on Tuesday? Why did he allow me, in my capacity as Leader of the Opposition—the acknowledged Opposition of this House—to make a speech in favour of the Bill when he knew full well that if he had made his attack beforehand he would not have had my support, the support of members of my party, or the support of the Government?

The Hon. H. K. Watson: Oh no, you are not fair there.

The Hon. W. F. WILLESEE: I have come to a reasoned conclusion in regard to what the honourable member has done. As we are on the subject of reasonableness, let us be careful about fairness; because I want to be completely just in my reasoning. I supported this Bill after I had considered it on its merits. Considerable time was spent by members of my party studying the proposed legislation, and we came to the conclusion that it would provide a better situation than that which exists at present. At the moment, money is lying idle in banks. We came to the conclusion that this was good legislation.

Now we find we are faced with what is termed a reasoned amendment. Mr. Watson wanted to know where the interest would go. We believe that under this legislation, the interest will be channelled into something which will do some good.

The Hon. A. F. Griffith: Some of it.

The Hon. W. F. WILLESEE: If innumerable thousands of dollars are lying idle in banks, and the Government desires to do something with it which will benefit the community at large, surely we should support the proposal. However, if we agree to this reasoned amendment, we will be throwing the proposal out the window; and I note that the windows are open!

I do not know that I can deal with this question at any length. The honourable member said that he thought this Bill was of benefit to the legal profession; but, side by side with that, it will be of considerable benefit to the accountancy profession because we will be providing considerable work for company auditors. I also believe this Bill will have a tightening effect on a very loose situation which has existed over the years because of the quantum of money which seems to be in a state of limbo. It is no-one's concern as to what happens to it.

I cannot at this stage support the reasoned amendment and, I repeat, it should

have been placed on the notice paper before we discussed the Bill.

Reasoned amendment put and negatived.

Debate (on motion) Resumed

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

Ayes—22

Hon. C. R. Abbey	Hon. G. C. MacKinnon
Hon. N. E. Baxter	Hon. N. McNeill
Hon. G. E. D. Brand	Hon. T. O. Perry
Hon. J. Dolan	Hon. R. Thompson
Hon. V. J. Ferry	Hon. S. T. J. Thompson
Hon. A. F. Griffith	Hon. J. M. Thomson
Hon. C. E. Griffiths	Hon. F. R. White
Hon. J. Heitman	Hon. W. F. Willesee
Hon. R. F. Hutchison	Hon. F. D. Willmott
Hon. F. R. H. Lavery	Hon. F. J. S. Wise
Hon. L. A. Logan	Hon. H. R. Robinson (*Teller*)

Noes—3

Hon. H. C. Strickland	Hon. J. G. Hislop
Hon. H. K. Watson	(*Teller*)

Question thus passed.

Bill read a second time.

FAUNA PROTECTION ACT AMENDMENT BILL

Returned

Bill returned from the Assembly with amendments.

RAILWAY (MIDLAND-WALKAWAY RAILWAY) DISCONTINUANCE BILL

Receipt and First Reading

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

LEGAL PRACTITIONERS ACT AMENDMENT BILL (No. 2)

Second Reading

Debate resumed from the 2nd November.

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the Opposition) [5.45 p.m.]: This measure is complementary to the Legal Contribution Trust Bill, which is having a somewhat hazardous journey through the orbit of the Legislative Council. In view of the debate that has taken place up to date on the Legal Contribution Trust Bill, I consider we should accept this legislation as being complementary to that measure. I do not consider there is need for any unduly lengthy debate, because this is merely a tidying up measure.

It will remove from the existing Act certain provisions which will no longer be necessary, because they will no longer be applicable when the legal contribution trust legislation is in operation. Many of the provisions in the Bill with which we are now dealing have merely been rewritten in conformity with the legislation to which I have just referred. In the main, the provisions apply to the application of trust moneys which must be paid to a trust account. A certain procedure is formulated and stipulation is made for the control of the trust moneys, including all the necessary paraphernalia that goes with the keeping and recording of such accounts.

The measure is comprehensive in this respect. It covers the requirements and it also provides for the complete audit of the accounts. The fact that they will be under audit would ensure that the accounts are correctly handled. There will be no possibility of these accounts being mishandled in any way within the ordinary confines of business. In fact, one could say that the element of risk will be kept to an absolute minimum. That is the purpose of the Bill, which I am pleased to support.

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Justice) [5.48 p.m.]: I rise merely to thank Mr. Willesee and to inform the House that the request I made in connection with the Legal Contribution Trust Bill will be made in connection with this Bill. I ask that the second reading be agreed to, but it is not my intention to go on with the Committee stage of the Legal Practitioners Act Amendment Bill (No. 2) until the Committee stage of the Legal Contribution Trust Bill has been attended to.

Question put and passed.

Bill read a second time.

PETROLEUM (SUBMERGED LANDS) BILL

Second Reading

Debate resumed from the 2nd November.

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the Opposition) [5.49 p.m.]: We are dealing with legislation which was meticulously presented to the House and we have had a considerable length of time to study all of the ramifications of the measure. The legislation has been given very great publicity in another Parliament which is strategically situated in Canberra.

I listened to some of the broadcast speeches of Federal members. They were speaking in connection with a move to defer the legislation. Without commenting on the views expressed by various members of that august Chamber, the Senate, I must say I was a little surprised at what I heard. I thought that when Senators were elected from a State, they would wear upon their chests the badge of the State which put them into Parliament.

The Hon. F. J. S. Wise: They often change overnight.

The Hon. W. F. WILLESEE: Indeed, overnight. When I heard some of them

talking, with tremors in their voices, about the sovereign rights of the Commonwealth I felt a little sick.

The Hon. A. F. Griffith: It was indignation, too, that the Commonwealth was giving the States too much.

The Hon. W. F. WILLESEE: Without takin anything from the Minister for Mines, who has had so much to do with the Bill, the one particular I would raise in opposition to the measure is that I believe the Commonwealth is receiving too much for doing too little. Australia is an island, but underwater petroleum must be the first responsibility of the respective States. Oil is being found on the western and eastern coasts of Australia. It is logical to assume that supplies of oil should pyramid to the north of the south. Of course we hope it will be found in both the north and the south. The Commonwealth Government will have nothing whatsoever to do with its discovery.

The structure of this Bill is such that it would be idle for a person of my capacity to try to criticise it. It is the result of four years' work by Premiers and State Ministers, in co-operation with the Commonwealth.

These people had a tremendous amount of assistance at their command by way of research and knowledge. I feel sure my assumption is correct when I say they also had the close collaboration of companies which are interested in the development of oil. It is easy to be critical of something that has been achieved or established. It is very easy, too, to be critical of royalties which are charged in respective countries.

Let us think back. It is only necessary to consider the position in 1952, which is not very long ago. Would there have been a member in this Chamber who would not have gone down on bended knee and applauded a company or an organisation which said it was prepared to spend an unlimited quantum of money in the search for oil in Western Australia. Perhaps it is easy to say, in answer, that we gave the companies a vast expanse of land to explore. I often wonder about the complete fluke of the discovery of oil at Exmouth If the first hole had not brought oil, what would have been the future of oil search in Western Australia? From that first success, the Wapet organisation has relentlessly carried on. The strike was not a financial success nor one whereby the company immediately could go into production, but it was a starting point. I am sure none of us at that time thought the future of oil would be offshore rather than onshore.

Because of what we read, and because of the knowledge of geologists, we say that the future of oil search in Australia lies in the submerged lands on the continental shelf of Australia, and particularly in Western Australia. That is the basis of my approach to the Bill. It is terribly important, because we need oil. I am not very much concerned that we should find oil and use it as a production factor immediately any more than I am concerned that the same situation should apply to gas. However, it is very reassuring to know that a quantity of oil or a quantity of gas exists in Western Australia.

I would like to draw a parallel with the responsibilities which I carry out as Leader of the Opposition in this House. I would be prepared to accept the responsibilities which could fall to me in a different Government. Legislation on issues such as this, which is put forward by the Government, is the kind of legislation with which I would like to be associated if the opportunity came my way; that is, it would be a privilege to deal with countries and companies on an international basis.

I am very aware that companies have been selling both petrol and oil to the people of Western Australia for many years. They are prominent, world-wide companies, but they did not put any money into investment until the first results were achieved by Wapet. Of course, then they came in. Naturally they wanted areas altered and they wanted to participate left, right, and centre. However, it took that initial movement on the part of Wapet to start the search going.

I would like to quote briefly from the *Petroleum Gazette* of September, 1967. The article I refer to appears on page 204. This illustrates that although the first hole drilled in which oil was found cost $2,000,000, the risk is so much greater under the conditions which apply in the legislation before us. In part, the article reads—

> The cost of finding, and particulary producing, in water becomes disproportionately high in depths beyond 100 ft. There will need to be reductions in costs if development of fields in deep water is to be commercially justifiable.
>
> Offshore exploration is a very expensive business. Drilling a well in the waters of the ocean can cost up to 10 times as much as a well on land. The big mobile rigs cost up to $10 million to build and in addition to hiring charges other essentials such as supplies, crews, services, shore bases, and transportation by helicopters and small boats can raise the operator's costs up to $25,000 a day for wildcat drilling.

Further down the same page appears this—

> The oil industry has invested up to $6,700 million in offshore operations in the Free World, and current spending is of the order $900 million an-

nually. Expenditure of $22,000 million is forecast in the next decade for exploration off the coasts of about 100 countries. Obviously there are good reasons for investments of such magnitude, in the face of the difficulties and hazards involved. The reasons are quite simple—the need to find more oil and natural gas, and the extent of the reserves believed to lie under the seas.

The world's demand for oil is increasing at the rate of about 2.5 million barrels a day, that is 18 per cent. more than the 1966 requirements of Japan, the third largest world consumer, or 4 per cent. more than the 1966 production of Saudi Arabia, the fourth largest producer.

In another column of this article the following appears:—

The continental shelves of the world, the submerged platforms on which the continental land masses stand, extend to about 200 metres water depth and occupy almost 20 per cent. of the total land area. The average petroleum content of offshore areas may be greater than on land because the shelves contain a high proportion of geologically younger sediments, such sediments are generally more prolific in petroleum content because the older rocks have been subjected to many disturbances from earth movements and have lost much of their original petroleum accumulations, or have had their porosity and permeability impaired.

I will not bore the House by reading the whole of this comprehensive article, but on the back cover of the publication there is a graph showing the world reserves and production of crude oil and natural gas in percentages of the world total for 1966. The percentage totals are divided between the total western hemisphere and the total eastern hemisphere. The graph shows that of a total crude oil production in the western hemisphere the United States produces 25.6 per cent.; Canada, 2.7 per cent.; Latin America and the Caribbean, 14.1 per cent., giving a total of 42.4 per cent. of the total world production.

In the eastern hemisphere the percentage production figures of the total world production are Western Europe, 1.1 per cent.; Africa, 8.2 per cent.; Middle East, 29.1 per cent.; Far East, 2.2 per cent.; and the Soviet Bloc and China, 17 per cent., making a total of 57.6 per cent. The reserves of crude oil in the western hemisphere represent 18.9 per cent. of the total world reserves, and in the eastern hemisphere, 81.1 per cent.

Those figures starkly illustrate the basic reason for our desire to discover oil in any part of Australia, be it on our continental shelf or on the hinterland.

The Hon. A. F. Griffith: And may Western Australia get its fair share!

The Hon. W. F. WILLESEE: I can hear the Minister saying something, apparently in an endeavour to help me, but I am not sure whether he is praying that Western Australia shall have its fair share or that it has its fair share.

The Hon. A. F. Griffith: In order to clear the record, I said: May Western Australia get its fair share.

The Hon. W. F. WILLESEE: Hallelujah!

Sitting suspended from 6.6 to 7.30 p.m.

The Hon. W. F. WILLESEE: I think we should be prepared to accept this legislation on the basis of the work that has been put into it. It is reasonably easy to be statistical and say that it had a lengthy introduction; that the Bill contains 161 clauses and has 147 pages. This would be comparable with other legislation that has come before us; and I refer now to the Companies Act, to the Local Government Act, and to other similar large measures which we accept on the basis that they are comprehensive and we are able to make any amendments necessary in the light of experience. That would be my concluding thought on this Bill.

We well know that the future of petroleum search lies more in the offshore field than it does in the onshore field. We must accept the basis of onshore legislation with regard to royalties and drilling. Incidentally, the question of diagonal drilling has been mentioned, and the doubt was raised as to what would happen in the event of underlapping as a result of diagonal drilling. If this is not specifically mentioned in the Bill there is sufficient to provide an understanding of the situation. If there were underlapping as a result of diagonal drilling it would be simple to add to this measure the requisites necessary to control it.

The Hon. A. F. Griffith: Diagonal drilling is dealt with.

The Hon. W. F. WILLESEE: It is not specifically dealt with, though I think it is dealt with generally. I mention that as a problem which I can think of as a layman. It would be beyond the capacity of anyone, unless he were very closely associated with the oil industry—both in the drilling field and in connection with its financial aspects—to embrace all the problems that could be encountered, and be able to deal with them.

It is sufficient to say that from this year onwards we can expect a development of onshore operations which will encompass all the States of Australia. Basically the legislation covers all the States of the Commonwealth, and there is the knowledge that in some instances there have been successful drilling operations; and there is also the hope that there will be success in the future development and search for oil on the continental shelf.

firmly believe that we in Western Australia—in association with the find at Barrow Island—are on the verge of a very great reward. There will be a great reward both to the company and to the people of Australia; indeed there will be a great reward on the aspect of international free-country thinking.

It is interesting to note that, in Western Australia, Wapet published the following in its recent annual report:—

> The year 1967 will always remain a most notable year in the story of WAPET's oil search in Western Australia. It was the year in which the Company received its first reward after 15 years of relentless and determined search which was commenced in 1952 and was continued without interruption in spite of the many disappointments and setbacks until oil was produced in commercial quantities from the Barrow Island oilfield.

In the statistics appended to the report the company said for the year 1966-67 the total footage drilled was 321,215 feet. It might not seem very much when one glances at the figures in a report, but those of us who have seen the rigs in action appreciate that every foot gained is hard-earned; that it was drilled into the depths of the earth. The report continues and states that the total cost of Wapet's search for oil in Western Australia is $A89,773,000.

If there is to be a success story let it be at the hands of this company. Surely it has paved the way in the field of oil search, and surely it should be considered when legislation is being prepared for a greater number of entrants into this field. Apparently the company has unbounded faith that it will achieve the ultimate in its consistent search and in the task before it. It is for us to accept this legislation as complementary to the success that could come with companies such as Wapet, with consequent benefits to Western Australia and Australia generally.

THE HON. J. DOLAN (South-East Metropolitan) [7.40 p.m.]: I might take a completely different line from that taken by my leader, yet at the same time, from the material I have prepared, I do not consider that I am at variance with the contents of the Bill. I suppose we have all heard over many years comments from the ordinary man in the street about the percentage we receive in royalties, and so on; we have all frequently heard it said that we are not getting sufficient out of our natural resources.

I propose to take the position that exists in a country in another part of the world where offshore drilling is carried on. This was the subject of a question asked by Mr. Wise today. Mr. Wise asked whether the Minister could advise the House of the royalties received from offshore operations by such countries as Venezuela. The Minister replied that it was understood that no petroleum exploration offshore is being carried out at present in Venezuela; that the royalty is 12½ per cent., but with additional taxes imposed companies could pay from 65 to 67 per cent.

I was quite surprised when I heard Mr. Wise ask his question, because I discussed the whole matter with my leader when I referred to the line I intended to take, and I mentioned Venezuela and the operations of the oil companies there; the royalties paid, and so on. My leader thought that Mr. Wise and I had put our heads together on the matter. I can assure the House, however, that until Mr. Wise mentioned Venezuela I had not heard it mention by anybody else.

The Hon. A. F. Griffith: It would not have been the first time you had heard it.

The Hon. J. DOLAN: I have heard it over the last 40 years. I would, however, like to give some information about Venezuela so that the House will be able to understand where it is, and the nature of the operations there. It is situated on the north coast of South America; it borders the Caribbean Sea, and is across from the Gulf of Mexico. It has a population of 8,500,000 people, and the peculiar thing is that 54 per cent. of its population are under 19 years of age. So it can be called a young country on that basis.

It is expected that by 1985 the population will probably have doubled what it is today. It is a bigger country by one-third than Texas, and it is larger than any European country with the exception of Soviet Russia. Running through the centre of Venezuela is the Orinoco River, which is over 1,600 miles long. A remarkable thing about the economy of the country is that every day of the year a sum of $3,500,000 is received, making a total of 1.1 billion dollars annually from oil alone. The country receives all this money without doing anything for it. Most of the work has been done by foreign companies.

To instance the wealth of the country it is said that one out of every four families has a car. That is almost unbelievable for a South American country. It might be understandable in parts of Australia—say at Mt. Isa—where that ratio would be exceeded, but for a country in South America the figure is almost unbelievable.

The Hon. A. F. Griffith: I thought you would instance W.A.

The Hon. J. DOLAN: The oil is obtained by drilling on Lake Maracaibo, which is an extension of the Gulf of Venezuela and has a connection with the sea. That lake is 75 miles wide and 130 miles long. It is a big stretch of water; and it is where one finds all the oil drills. The area over which drilling is carried out is 6,000 square

miles in extent; and there is a 34-mile channel connecting the lake to the Gulf of Venezuela.

Until the discoveries of oil in the Middle East countries, Venezuela was the richest oil country in the world. It produced about 12 per cent. of the world's oil; so it can be seen that Venezuela had something to offer those countries which wished to exploit the oil supplies. It has a very nationalistic people who hate the thought of foreign investments in their country and they have always felt that the oil belongs to them and that the companies of foreign origin should not be taking as much out of Venezuela from oil as they do.

The story of oil in Venezuela goes back to the 1920s; the companies concerned are three in number, and they are very well known in the oil world. One is the Creole Petroleum Corporation, a subsidiary of the Standard Oil Company, which is supposed to be the largest petroleum company in the world. There is the Royal Dutch Shell Company, which is well known in Australia, and the Gulf Company.

In 1963, the Creole Petroleum Corporation paid to the Venezuelan Government no less than $475,000,000, and the company's share amounted to $254,000,000. When the company started its operations, the Venezuelan Government got 20 per cent. as a royalty.

At this point perhaps I should interpolate by saying that in this comparison there is a difficulty in that Australia consists of six separate States which comprise a Commonwealth. Therefore seven parties are concerned in any agreement, whereas Venezuela is one country. So any comparisons I make are, to a certain extent, dissimilar.

The Hon. A. F. Griffith: Therefore the $475,000,000 taken by the Venezuelan Government will include all other forms of taxes and charges.

The Hon. J. DOLAN: That is right. Venezuela is the only party with which the companies deal. The position here is different in that after Western Australia gets its share, the Commonwealth Government has to get its share; and this adds up to a considerable percentage of production. So I am not using 10 per cent. as the basis of royalties so far as any company is concerned.

Originally the Venezuelan Government was paid 20 per cent. by the oil companies and the companies received 80 per cent. net out of the oil production. The position has gradually changed. At one stage it reached parity—fifty-fifty—and that is generally the basis as between the oil companies and the countries in the Middle East. Today, as the Minister said in his answer, approximately 66 per cent. goes to the Venezuelan Government and approximately 34 per cent. to the companies.

The oil provides 65 per cent. of the country's national revenue and, as I said, it gives the country an annual income of 1.1 billion dollars, which is an enormous sum of money. Venezuela, by anyone's judgment or imagination, is one of the wealthiest countries in the world. In fact, not so long ago it was estimated to be the only country in the world that had no external or internal debts. I suppose that is a position which would be welcomed by any country. Some countries might be on the right side in regard to their external debts, or their internal debts, but they do have debts. However, this country had neither external nor internal debts.

The Hon. A. F. Griffith: I wonder, by comparison, what the economy was like 45 years ago.

The Hon. J. DOLAN: Venezuela was the greatest oil country in the world before oil was discovered in the Middle East countries. The oil companies in Venezuela are subjected to terminal dates in regard to their oil concessions. The first oil concession will expire in about 18 years' time, and the last before the end of the century. It seems to be pretty certain that no concessions to foreign countries will be entered into after the final one expires. Everything will be on a contract basis. Venezuela will contract with the companies to take the oil and it will renew those contracts, from time to time.

There is great resentment in Venezuela that the oil in their country is produced by foreign companies, and the people are looking to the day when that will not be the position. I do not say that in any disparaging way in regard to the companies there; it is just a result of the great national feeling which the people have.

I pose this question: How would the people of the United States of America feel if a German company had control of their steel industry or of their electronics industry? Venezuela has taken the lead on an international basis as the Government can see that the oil will not last for all time. It desired to avoid the possibility of overproduction in the world which could result in the price of oil going down to the extent that Venezuela would suffer. Therefore, in 1960 Venezuela invited 11 other nations to set up headquarters in Vienna and started an organisation known as the Organisation of Petroleum Exporting Countries. In European circles, the well-known name is OPEC, the initials of the organisation. It is hoped that eventually production will be regulated to the stage where Venezuela will be able to bargain with the countries to which oil is exported and in that way keep the industry on a satisfactory basis so far as that country is concerned.

I would mention that by comparison with Texas, there are no oil millionaires in Venezuela. According to the stories one hears, every Texan one meets is an oil millionaire. That is not the position in Venezuela.

The Hon. A. F. Griffith: It is not the position in Texas, either.

The Hon. J. DOLAN: There are a lot of millionaires in Texas, but there are none in Venezuela. Venezuela itself is the millionaire as it is getting the money which is used in various ways. As the Minister knows, Venezuela also has great supplies of iron ore, which are regarded as a diminishing asset. The Government is making provision that the money received from the oil fields will ensure that the economy in the future will be a viable one. There are many things that have been done with the use of the extensive sums of money derived from the oil fields of the country.

That is why tonight I want to pose the question of whether we are getting enough royalty. I express no opinion one way or another on this matter, but I pass it on to members so they may give some thought to it. It is a strange thing that in Venezuela oil provides 90 per cent. of the wealth of the country, but the industry employs only about 2 per cent. of the work force. It is one of those peculiar things that happen.

Perhaps I could take a few minutes to tell something of the benefits that can come out of this wonderful, natural asset we have in our country; and perhaps some day we might follow the example of Venezuela. That country has built a completely new city called Santo Tome de Guayana, which is inland from the capital, Caracas; and industries, which include a $360,000,000 iron and steel works have been set up. Works have been established for the treatment of aluminium. The people do not have American cars, which are a prohibited import. As a consequence, 13 motorcar companies, not only American but also European, have established factories. I would instance Italian and German companies, which have established motor works in Venezuela. This has considerably improved the economy of the country. American cigarettes cannot be brought in, so the American tobacco companies have set up factories in Venezuela, which have provided employment for the people.

The purpose of building this new city on a tributary of the Orinoco River, was to build a dam, which is supposed to be the third largest in the world, rivalled only by the Krasnoyarsk Dam in Russia and the Aswan Dam in Egypt. This dam provides an abundant supply of power for the establishment of industry and for the benefit of the country. The big aluminium plant is owned by a company we have all heard of—the Reynolds Company of America. Two large American mining companies have been active in the area for many years. These are Bethlehem and United States Steel which have been taking Venezuelan iron ore from some of the greatest deposits in the world.

I have used Venezuela as an example to show what can be done with oil royalties. I do not want to get off the Bill, Mr. President, because I know you would soon put me on the right track. Venezuela has used the wealth from oil to set up these companies which operate in iron and steel, and they pay heavy royalties. As a matter of fact, for many years they have been paying as much as 51 per cent. to the Venezuelan Government; and based on the exports of iron ore the Government has received over $50,000,000 a year.

I hope that some day in Western Australia, and in other parts of Australia, the wealth we can obtain from our natural resources will be such that all forms of industry will be established in this country which will increase the prosperity of our citizens.

I mentioned at the beginning of my speech that what I would have to say might vary from what my leader said. I would also say that in the two States which have Labor Governments, the same sort of legislation as this has been introduced and those States favour it. Therefore it would not do for me, as an individual, to express a voice entirely contrary to their beliefs.

I am sure the companies which are operating here will make more and more discoveries. Earlier in the session I expressed the opinion that the prawn industry would expand, and it has started to do so. I express the opinion now that with the discovery of oil in Bass Strait, in Central Australia, and on our northern coast, and down the coast, I would not be at all surprised if oil or natural gas were discovered just outside Perth, and that one day it will be a common sight to see oil derricks everywhere around Perth. I hope that when that time comes we will have taken advantage of the natural wealth we have to the extent of ensuring a viable economy in this country for the next 200 or 300 years. I support the Bill.

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [8 p.m.]: I am naturally very pleased with the attitude taken by Mr. Willesee and Mr Dolan in their support of this Bill. With regard to the remarks made by Mr. Willesee, I can only say that his unqualified support of the Bill brings me to the point of saying that we will very soon have to go into Committee and deal with 169 clauses. I am sure the House would wish that there could be a shorter way around the Committee stage instead of going though the clauses one after the other. However, there is not a shorter way. It is true that this is a Bill which we cannot amend. If we amend it it will be out of keeping with the Bills being dealt with in other Parliaments throughout Australia.

The Hon. F. J. S. Wise: That is a decision for Parliament to make.

The Hon. A. F. GRIFFITH: Of course. Not for a second have I lost sight of that fact. It would be competent for this Par-

liament, or this House, to throw the Bill out, but I sincerely hope that does not happen.

I, too, listened to some of the debate which took place in the Senate on this Bill. Had it not been so serious, it could have been regarded as funny. I refer to the attitude taken by some members in relation to the passage of the Bill. I believe that every company should be ordered to spend at least $1,000,000 on every holding. I think that some of the Federal members forget they are State people. They are not representatives of the Commonwealth; they go to Canberra to represent their States.

The Hon. F. R. H. Lavery: Lack of economic education is their trouble.

The Hon. A. F. GRIFFITH: There is no purpose in my mentioning any names, but I could not help but wonder at the attitude of some of the Federal members. Some were saying that under this Bill the States were getting too much. Yesterday afternoon, I indicated that in the United States there is about $800,000,000 lying in escrow because the law on the question is uncertain and has not been determined.

As I said during my introductory speech, ours is the first nation in the world to come to an agreement between the Federal Government and the State Governments not to involve themselves in litigation over this matter. There had to be some basis between the States and the Commonwealth regarding the sharing of the profits. Regarding the ownership of the territorial waters and the continental shelf, if we accepted the fact that, as a State, we were entitled to our three-mile limit of the continental shelf—and the shelf goes out further than that—we would lose on the fifty-fifty basis. Under the present system we will share in the potential right to the end of the continental shelf.

Diagonal drilling was referred to by Mr. Willesee, and this is sometimes referred to as offset drilling. It applies where a drill does not go straight down. Try as the petroleum engineers can, sometimes they cannot get a drill to go straight down, and it is deflected to some extent. This is usually caused by movements under the ground. Whilst this matter is not mentioned in the actual terms of diagonal or offset drilling, clause 100 of the Bill deals with the question of boundaries—that is, the boundary of the drilling authority. In that clause it is provided, that offset or diagonal drilling cannot go beyond a certain distance from the boundary. The distance is, to wit, 1,000 feet. The situation is covered so that a company cannot sit on a boundary and extract oil by deflectional drilling.

The Hon. J. Dolan: They do that in mining, if they get a chance. The temptation is to cross the boundary.

The Hon. A. F. GRIFFITH: But they do not get much chance. The owners of the mines are too zealous to allow that sort of thing to happen.

I saw a drilling site outside of Los Angeles, in America, where an island had been man-made five miles out to sea in order to make drilling easier. Diagonal, or offset drilling was going down from that point. The ends of the drill holes were a considerable distance from the island, but they were all contained in the one field. Petroleum engineers are quite practised in that sort of thing. However, the greater the depth of the drill, the more difficult it is to keep on target.

I was interested in the dissertation Mr. Dolan gave us on Venezuela. What struck me, of course, was that 47 years ago Venezuela was probably at the stage of its petroleum exploration which we are at today. I may be wrong, but it appears to me that Venezuela was prepared to allow foreign capital to go in and develop the oil reserves. Now higher royalties are gradually being imposed.

That country owes a considerable debt to the capital from other countries; and the pattern of development throughout the world, and the history of other countries is very little different from what happened in Venezuela. America was developed with English capital, and Australia is being assisted with capital from a number of countries, including America. The important thing, in my opinion—and this view is shared by every Mines Minister in Australia, including the Minister for National Development—is that one must not destroy incentive by imposing royalties which are too high in the first place. If the royalties are too high the incentive is taken away. As the saying goes, do not kill the goose that lays the golden egg long before it gets to the laying process.

While we have one very small field at Barrow Island, we have a country which is three times the size of Texas. If Venezuela is one and a bit times bigger than Texas, then we have a huge country in which to search. It is my desire to get more people into Western Australia, and into Australia from a national point of view, to search for oil; people who are willing and anxious and have the knowledge and capital to assist us in our search.

As Mr. Willesee said, it is a very expensive business and the risk is extraordinarily high. So much money has to be expended before an exploration company reaches the stage of putting down its first drill hole. When the drilling programme gets under way the expenditure rises remarkably. In waters offshore, in certain parts of the world, the cost of drilling is very great indeed.

So far as royalties are concerned, I repeat what I said to Mr. Wise this afternoon in answer to a question: I think

we are getting a fair assessment of the royalties. It is really important that a State should lay down the rules in respect of exploration. The State should encourage companies to come here with the knowledge that there is a set of rules which are not too flexible, and cannot be altered too easily. An incentive today can become a burden tomorrow if the policy of exploration is flexible.

When reference was made to the 66 per cent. which applies in Venezuela I interjected, because I believe it to be true, that that was on a basis of royalty tax on a share basis between the company and the country owning the mineral deposits.

The Hon. J. Dolan: The companies are not unhappy with that situation.

The Hon. A. F. GRIFFITH: I am not suggesting they are, but the £254,000,000 would be a net profit.

The Hon. F. J. S. Wise: Our trouble is that the Commonwealth gets most of the money.

The Hon. A. F. GRIFFITH: The Commonwealth gets 6 per cent. under this Bill. Then, of course, it gets company taxes on the net profit and that would not fall far short of the figure which prevails in Venezuela. The only difference is, of course, that the tax by the Commonwealth is on a net profit and that returns me to the point that one cannot tax what one has not got. In Western Australia, at the present time, we just have not got the golden goose. However, I share the optimism of Mr. Dolan. The geologists tell me the indications are that Western Australia is potentially a good place in which to employ capital in the search for hydrocarbons, both onshore and offshore.

I am anxious to do everything I can to encourage more people and more companies to assist in the search. I believe this Bill will do just that. It is a set of rules laid down uniformly throughout Australia and which has now been accepted by the Commonwealth and the States. It is an indication to the exploration companies that with our political stability—if I can use that expression—they can come here and employ their capital and be entitled to some reward for their efforts, if they are successful.

I conclude by thanking the members who have spoken to the Bill and by saying that no doubt, in time, improvements will be made to this legislation. If this is the case, the States and the Commonwealth will get together again.

One thing has come to my mind since Mr Dolan spoke about the wealth of oil and gas off the Victorian coast. When we started to put this legislation together, nearly four years ago, Victoria was not regarded as having many prospects with regard to oil and gas. However, that State is now in the happy position of having more development in that regard than any other State in Australia. So times can change and I share the optimism of Mr. Dolan. Although today we are not in the same happy position as Victoria is in, may we, by our continued efforts in exploration, reach that situation in the not too far distant future.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (The Hon. N. E. Baxter) in the Chair; The Hon. A. F. Griffith (Minister for Mines) in charge of the Bill.

Clauses 1 to 22 put and passed.

Clause 23: Application for permit in respect of surrendered, etc., blocks—

The Hon. A. F. GRIFFITH: It has been pointed out to me by the Clerk (Mr. Roberts) that a number of purely formal printing errors appear in the Bill. He has also been good enough to point out to me that Standing Order 211 deals with the manner in which these can be attended to. For example, on page 21, the first word in subclause (4) is "an." That word requires a capital "A." Another error appears in line 32 on page 47.

The Hon. F. J. S. Wise: They are typographical errors.

The Hon. A. F. GRIFFITH: Yes. There is a number of them. I take it, Mr. Chairman, that you will direct the Clerk, in accordance with Standing Order 211, to make the alterations where necessary.

The CHAIRMAN: I will do that.

Clause put and passed.

Clauses 24 to 161 put and passed.

First and second schedules put and passed.

Preamble put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

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

GOVERNMENT RAILWAYS ACT AMENDMENT BILL

Receipt and First Reading

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

PETROLEUM (SUBMERGED LANDS) REGISTRATION FEES BILL

Second Reading

Debate resumed from the 2nd November.

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the Opposition) [8.36 p.m.]: This Bill is part and

parcel of the measure which has just been passed—the Petroleum (Submerged Lands) Bill. For reasons obvious to all in this Chamber, it has been introduced separately to deal with fees in particular, and the remarks which I made to the previous measure are applicable to this. I support the Bill, which is complementary to the one just passed.

THE HON. J. DOLAN (South-East Metropolitan) [8.37 p.m.]: My leader used the word "complementary" in one sense, but I would like to use the word "complimentary" in another sense. I compliment the draftsman that at long last through the Bill before us he has spelt the noun "licence" correctly with a "c", although the word had appeared in this Bill at least 300 times.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

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

MARRIED PERSONS AND CHILDREN (SUMMARY RELIEF) ACT AMENDMENT BILL

Second Reading

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Justice) [8.40 p.m.]: I move—

> That the Bill be now read a second time.

It will be recalled that when the parent Act was enacted it had the effect of repealing part V of the Child Welfare Act, 1947, and of amending the Guardianship of Infants Act, 1926; the intention being to repose in the summary relief court the jurisdiction previously exercised by the children's courts in the field of maintenance and custody of children, except with respect to neglected children.

Experience over the past two years has shown that, in certain areas, gaps between the two jurisdictions were not entirely closed; and my colleague, the Minister for Child Welfare, directed the attention of Cabinet to this position. Consequently, we have had the position examined and have arrived at the point where this Bill is being introduced to clarify the position by Statute.

I shall touch on one or two points of particular interest and the first of these comes in an amendment to section 5, which makes provision for an application to be made in respect of partly self-supporting children up to the age of 18 years, thus permitting the extension and variation of a maintenance order in pursuance of an application made under section 26 of the Act. The definition of "dependant" so enables it to include a child who is a ward of the State and who is receiving instruction in a training establishment.

Sittings of the court for the hearing of applications for interim orders are being delayed because of the present constitution of the court, whereby it is necessary for a justice of the peace to sit with the magistrate and, further, the justices are subject to inconvenience, having to come to court for cases which normally take a few minutes only. By adding to section 7 a new subsection (3), these applications, which are of no finality, can then be heard by a magistrate sitting alone.

The interpretation of the expression "legal custody" in paragraph (c) of subsection (1) of section 11 has caused some difficulty. To clarify this, it is necessary to delete the word "legal." "Legal" can be interpreted as being only a custody order granted by a court, and this was never intended.

There is another amendment which will ensure that maintenance shall be paid to the clerk of the court. This will ensure that the clerk is able to maintain a record of payments, which he may thus certify.

Another amendment concerning legal custody appears necessary as affecting section 14, and this also will make it clear that the ancillary orders for maintenance depend on the making of the custody order.

Members may be interested in the amendment affecting section 15, whereby the word "committed" is being changed to "granted." "Committed" is, I suggest, generally associated with committal orders under other Acts and, therefore, it is proposed to substitute the preferred word "granted."

Custody orders under the Act need to be restricted to children who are not already the subject of an order; and to clarify the position, a new section needs to be enacted, providing that a custody order shall not be made and, if made, is of no effect while the child is—

> (1) a ward of the State; or
>
> (2) subject to a custody order in the Supreme Court of any State.

Under section 16, it will be noticed that a child, other than a child of the marriage, may be affected. Interim orders, made on the grounds that divorce proceedings are pending in the Supreme Court, are being allowed to run on and be enforced, when there is clearly no intention of proceeding with the petition before the Supreme Court. It is proposed that these orders be limited to a period of 12 months with power to extend on application.

No specific provision has been made for interim orders to be enforced as to arrears after they have ceased to have effect. To

bring this section into line with section 22 (7), a new subsection (8) has been added.

There is no provision in section 18 for the clerk of court to pay out the moneys he receives; and for better administration of the section, subsection (8) is being repealed and re-enacted with amendments enabling the clerk, in his discretion, to pay out moneys he receives but providing that, in case of doubt, he can apply to the court for directions.

Under the provisions of section 18A of the Act, where an application is made under section 18 for preliminary expenses before or after the birth of the child, the court now has power to make an order in accordance with section 17 for future maintenance of the child. This necessitates another appearance in the court after the child is three months old, and involves the parties in another hearing and further cost. To remedy this situation, a new section has been enacted to make provision for the court in certain cases to deal with future maintenance at the same time as the making of an order for preliminary expenses.

A very necessary amendment to section 19 is made to ensure that the order speaks as to the person to whom moneys are to be paid. One of the material changes proposed is that of enabling the person, for whose benefit a maintenance order or an order for preliminary expenses has been made, to apply to the court for an order for payment of medical expenses that cannot be met by the moneys resulting from the prior order. All States, other than ours, have such a provision.

There is no provision under the Act for the Director of Child Welfare to obtain a maintenance order for a ward of the State when, at the time of committal, no order was made or was required. There are many cases of this kind and it is therefore necessary to enact a new section—namely, section 19B—to make provision to cover them.

Under section 21, a party other than a "party to a marriage" will be involved in making application and an amendment is made to provide that application may be made by "a party to the proceedings." Due to difficulty of interpretation, the word "legal" is being deleted, and to bring the section into line with other sections, substitution is made of the word "granted" for the word "committed."

Under section 22, a new subsection is introduced to enable the Director of Child Welfare to make application under the section to discharge orders.

Another provision that has been found necessary is one to enable the court to back date an order and for the arrears for any such period to be payable in a lump sum or by instalments, and this is distinct from the periodical payments of future maintenance. A new section is required here. "Lump sum" orders are not now permissible.

Section 26, at present, enables a person with an order for custody to make an application, but in view of the provision in section 11, whereby an order for maintenance can be made without custody, an amendment is made to enable a person having an order for maintenance of a child, but not custody, to apply to have it extended.

Another provision of the Bill would enable a person for whose benefit a maintenance order has been made, to forgo the enforcement of any provision that ought not properly to be enforced, while still enforcing others. For example, where a decree in divorce that provides for maintenance of a wife and children is registered for enforcement in the court, and the wife remarries, she is unable, by reason of the provisions of the Justices Act, 1902, to enforce the order as to maintenance of the children only. It is true that one or other of the parties to the divorce could have the decree amended, but inquiry shows that this would be a costly procedure and could occasion financial hardship to one or both of the parties of their children unnecessarily.

Under the provisions of our Act, the court fixes in advance a penalty of imprisonment that is to take effect upon default of payments or maintenance or the like. Where it was sought to enforce such an order in Queensland, the view was taken by legal authorities there that, as the sanction was already imposed by the original order, the Queensland courts could not enforce it in terms of their Statute that provides for the fixing of the penalty only after default. Provision has been made in the Bill for the court, on the application of the collector of maintenance, to delete from an order sought to be enforced outside the State, the penal provision that was imposed in advance. Conversely, upon the return to this State of the person against whom the order was made, the court is enabled to restore the penal provision.

As regards the provisions in section 29, I might mention that a child other than a "child of the family" may be affected, and therefore the words "of the family" have been deleted.

Under section 49, the definition of "interstate order" does not provide for the transfer to another State of an order of another State registered in this State for enforcement. Amendment is therefore necessary to permit the transfer of any order registered to be enforced between States. A passage is added to section 55 to clarify the position as to orders made in a Supreme Court of another State.

Section 62 does not make it clear that courts are not to go behind the order, but are to enforce it according to its terms.

It is hoped all States will amend this section, as provided by this clause, to make the point clear.

A further necessary subsection has been added to provide for enforcement of orders that have ceased to have effect as regards outstanding arrears.

With regard to section 67, all States need to add a subsection similar to that added by this amending clause, to provide that the collector informs the court making a provisional order of the result of the proceedings taken to confirm it.

The amendment to section 97 requires no elaboration, I think, as it merely makes provision for a certificate of the clerk to be produced as *prima facie* evidence.

Provision is required to be made in section 99A for the case where a child becomes a ward of the State, so that any moneys received under a maintenance order concerning that child shall be paid to the Director of Child Welfare and, further, that the director shall become a party to such order so far as it relates to that child. The new section 99A is therefore enacted.

Finally, further and more adequate protection has been provided in the Bill for justices issuing warrants in reliance of orders made and affidavits sworn that may be, but are not on the face of them, effective or incorrect.

Adverting now to my opening remarks, I would mention that, in addition to the main provisions contained in this measure, opportunity has been taken to incorporate other amendments that will assist either in the interpretation of the Act's provisions or in its administration. I commend the Bill to the House.

Debate adjourned, on motion by The Hon. J. Dolan.

WEIGHTS AND MEASURES ACT AMENDMENT BILL

Second Reading

Debate resumed from the 7th November.

THE HON. R. THOMPSON (South Metropolitan) [8.53 p.m.]: When debating other Bills tonight, members have expressed the opinion that, under Commonwealth legislation, the Commonwealth gets too big a share of the cake. However, this Bill is somewhat different, because there is no analogy between a Commonwealth Act and uniform legislation; and I consider this Bill to be a move in the right direction.

We hope and trust that all States will pass this legislation, because it is most desirable that it be uniform. In due course the housewife will be the one to benefit under this Bill, which I have studied very carefully. I have also studied the regulations which are likely to be made. However, I feel that possibly an amendment to another Act will be necessary, because it is most important that some steps be taken in connection with the weight of bread, and I do not think this matter can be dealt with in the regulations under this Bill.

The Hon. F. R. H. Lavery: Not many consumers would know the weight of the bread they buy today.

The Hon. R. THOMPSON: That is quite true. I am in complete agreement with the 33 clauses in the Bill which amend, repeal, or substitute sections. Possibly we will be faced with a period of trial and error in respect of some of the provisions, because a study of our Act and those of the other States reveals that no 100 per cent. guarantee exists that amendments will not be necessary.

As the Minister explained when he introduced the Bill, the legislation before us is a result of an inquiry instituted by Mr. Rylah of Victoria. He appointed stipendiary magistrate Cuthill who, over 18 months, examined the weights and measures legislation in all States. His lengthy report of 2,300-odd pages must have entailed a great deal of thought. Further time was necessary in order to draft a uniform code to be presented for consideration by the various State Ministers.

The Ministers have met on four occasions since 1964 to study the report and, as a result, this uniform legislation is to be presented to all State Parliaments. If and when amendments, which could seriously upset the smooth working of the legislation in Western Australia, are passed in other States, I trust that the Minister will acquaint the House of them because there is virtually no other way by which we could find out. I would say it would be practically impossible to compare amending legislation with the principal Acts in other States, especially when that legislation concerns weights and measures.

Our Act has stood the test of time, and although amendments have been made from time to time, the legislation has been accepted most agreeably by all sections of the community. I said earlier that I consider the housewife will, in due course, benefit under this legislation. I would like to mention some facts concerning a particular product, and this was drawn to my notice only last week. It is blue Omo, a detergent powder which is used throughout Western Australia. The firm packages what is known as an economy pack which previously contained 1 lb. 6 oz. This information is contained on the back of the pack. However, for some strange reason, although the economy pack is still available, it now contains only 20 oz. which is 2 oz. less than previously. I checked this again last Friday to make doubly sure my facts were correct. Therefore, without even being aware of it, the housewife is being sold 2 oz. less. She has not been given any advice of the change.

Unfortunately a gimmick has crept into the manufacturing side of affairs. People buy king size, greater size, larger than king size, economy size, and so forth. Be-

cause of the use of the gimmick, under the amending legislation it will be necessary to state the weight in large letters immediately under the size, whether it is king size or whatever the case might be. For example, a packet of blue Omo would have the words, "economy size" in large letters and "20 oz." would be printed immediately underneath. The result will be that people who pick up a package will be able to see immediately the size of the package and the number of ounces it contains. I have a question to ask the Minister for Local Government, because I think he usually handles the legislation. I am thinking of the Wheat Industry Stabilisation Act which, I understand, sets out the weight of bread.

The Hon. G. C. MacKinnon: I have it here. It is the Bread Act.

The Hon. R. THOMPSON: I did not realise it was the Bread Act, but I do know that Act is tied to the Wheat Industry Stabilisation Act.

The Hon. G. C. MacKinnon: I have it here, and I will make some comment on it.

The Hon. R. THOMPSON: I consider there should be some control in respect of the Bread Act. I am not casting any reflection on officers in the Department of Labour, because I know it is virtually impossible to check every baker's cart or motor delivery van which travels around the suburbs. However, in the manufacture of bread a dough weight is used and, I believe, allowance is made for evaporation. I suppose it would be called evaporation, but in any event it is the loss due to the rising process which occurs when bread is baked in the oven.

I have seen bread, not in the metropolitan area but in near country areas, which is not as it should be. I know a baker who admitted quite openly that he had had a bad night at the trots the previous Saturday, but by pinching a bit of dough after it went on the automatic weigher, he maintained he could make up his losses in a very short time. This is completely true, and these are the things which the public has to put up with just because somebody has had a bad night at the trots. The people lose by it.

The Hon. L. A. Logan: They all lose dough.

The Hon. R. THOMPSON: Yes, everyone loses dough except the baker. He does not lose any dough at all.

The Hon. J. Dolan: He "needs" it.

The Hon. R. THOMPSON: There are other matters which I think should be looked at by the Parliament of Western Australia. People are constantly being misled through buying certain goods. This is something which should be taken into consideration, particularly when we consider those persons who now receive a fixed income. All workers are virtually on a fixed income because of the pegging of the State basic wage to the Federal basic wage. As a matter of fact, that is a misnomer because there is no Commonwealth basic wage. This is another dilemma with which we are faced. We have a basic wage against a total wage.

For many years tinned fruit had a content of 30 oz. A similar tin of approximately the same size is now on the market, but it contains only 29 oz. Unless the housewife reads the label very carefully, again she will be misled and will think that she has one ounce more than she really has. In addition, some unscrupulous packaging occurs, particularly in connection with canned fruits. In my own home I have seen my wife open a can of peach halves and there were only three or four halves in the can. My wife has drawn my attention to it and, naturally, we have looked at the brand and agreed not to buy it any more but to go for a more reputable brand. These are the things which some fruit packing companies are putting over the housewife. One cannot see into an unopened can of fruit. It is a question of trial and error. Possibly that brand would be bought only once, but this does not stop the manufacturers. Sometimes they have even employed the ruse of changing the brand periodically.

The Hon. G. C. MacKinnon: The advertisements tell us that the best things come in glass. You can at least see what you are getting.

The Hon. R. THOMPSON: It is not possible to buy canned fruit in glass. It can only be bottled if it is done at home with a Vacola outfit. The problem of canned fruit is something which should be looked at seriously. The net fruit weight as against the sugar and water content of each can should be shown. This is particularly true because of the chain store selling which occurs nowadays. Whether this is the reason, or whether the companies are being asked to put something a little inferior, or with less fruit content, onto the market, I do not know. It might be that some of the cut price chain stores consider they can use it as a gimmick.

Right throughout the grocery trade, which is the basic trade so far as the average householder is concerned, gimmicks upon gimmicks are employed. In the end it is the housewife who is losing out through those gimmicks. If one looks at some of the balance sheets of the different companies one sees that their profits are soaring. If I were in a position to take action against the companies, I would take it, because it is underhand robbery. Certain produce is enclosed by a can and there is no way of seeing what is being bought.

I wish to support the Bill and I hope it has a speedy passage, because in matters relating to food and other articles which are used daily we need to have uniformity.

The need exists for a clear understanding from State to State that the weight of articles will not vary. There is provision within the Bill to deal with some articles which are packaged for overseas use. In this connection permission can be given whereby these articles can be sold without the necessity to comply with the regulations which will apply when the measure becomes law.

I fail to see that other parts of the legislation will ever be completely policed and put into operation. The Bill stipulates that a person who weighs only goods in a shop or establishment for the purpose of selling—for example, a pound of sugar —shall weigh them on the scales in such a way that the weight is clearly visible to the purchaser. If we consider the modern types of scales which are used nowadays, we realise it would be necessary to bend down to see the weight. The person would need to be directly in front of the scales and, in addition, have a very keen eye to see whether or not he was receiving the right weight. This applies particularly to butchers' scales, and probably to some grocers' scales as well. I am sure the chain stores which sell sweets have very sensitive scales so that they will not give a fraction of an ounce over weight.

There is also the position of the small store. I do not think it would be practicable to bring this provision into operation. Let us consider a small store which sells, say, pollard, bran, and wheat. In most cases a storeroom is attached to the back of the store and it is there the scales are situated. Usually they are large scales; in fact there might be a set of 56-lb. scales in the back of the shop.

The storekeeper goes to the back room to weigh his goods—but legally he is contravening the law if he does not package in view of the public—and brings the packaged commodity back to the shop to sell over the counter. Although legally this is breaking the law, I think it is stretching the long bow to apply this provision in such a case. I do not think shop or factory inspectors would be so ruthless as to take action in such cases.

The Hon. G. C. MacKinnon: I think it depends on the amount.

The Hon. R. THOMPSON: Yes, to a certain extent it does depend on the weight. I believe that if an article weighs over 1 cwt. it does not need to be packaged in the shop. However, some packaged goods cannot exceed 10 lb. They must be greater than 2 oz. but not more than 10 lb. The regulations vary from commodity to commodity.

The Hon. G. C. MacKinnon: If it is over 60 lb., it is not necessary to stamp the weight on it.

The Hon. R. THOMPSON: I consider the regulations are much more important than the Bill.

The Hon. G. C. MacKinnon: The Bill is only enabling legislation.

The Hon. R. THOMPSON: Yes, the Bill is enabling legislation. The Minister was kind enough to allow me to look at the regulations and I consider they are very good. Probably it will be necessary to add to them from time to time. It may not be practicable to put some things into operation. However, in the main I give the Bill my support. In addition, I think members would be interested to know when changes are made in the legislation which applies in other States. If the existing legislation which applies to other States is amended, I think this State should be notified. I give my support to the measure.

THE HON. G. C. MacKINNON (Lower West—Minister for Health) [9.12 p.m.]: I thank Mr. Ron Thompson for the support which he has given to the legislation on behalf of his party. As I have said, it is enabling legislation and, to a very big extent, the regulations are really all-important. This has been brought about by the very problem which Mr. Ron Thompson raised with regard to possible modifications and changes in the legislation which applies in other States. If it is found necessary to modify the legislation, it can be done with comparative simplicity by alteration to the regulations. In a field which is as complex as the marketing field, frequently it is necessary to do this. I hope I have made that point clear.

I will bring to the attention of the Minister in charge of the legislation the honourable member's wish that any alterations should be brought to the notice of Parliament. The whole idea of having the legislation in regulation form is to facilitate the implementation of any modifications. It is thought that the regulations will provide the means of doing this with greater ease and rapidity, and it will consequently safeguard the buying public.

Mr. Ron Thompson also raised a question relating to bread. It is true that the weight is dough weight, and this is stipulated under the Bread Act. To a large extent, this is because of the marked variations in weight which occur in different types of bread. Certain classifications of bread require more water. What the customer is looking to buy when he goes into a shop is the actual sold food weight of the bread. It is very difficult to arrive at a system whereby a weight can be given to bread which can still be guaranteed once the bread is cooked. I understand that, with sliced bread, marked variations in weight can occur, depending on the weather. Certainly with unwrapped bread, very big variations are brought about merely because the bread is left in the oven for a little longer.

The Hon. R. Thompson: The same applies with drying out on hot days.

The Hon. G. C. MacKINNON: That is right. All sorts of factors make a difference. However, the dough weight is what is laid down in the legislation.

We all know it is possible for some retailers to cheat a little at times when weighing various commodities, but I think all housewives watch the position very carefully. It is only fair to indicate that sometimes it is not altogether a bad thing that companies change the weight of the products they manufacture. For instance, instead of increasing the price of an article the manufacturer may reduce the weight of the container or the pack by 1 oz., but in future the reduction in weight must be indicated on the pack or container.

The Hon. F. R. H. Lavery: That is done so that no increase will be made in the basic wage.

The Hon. G. C. MacKINNON: That could be, but it may still be desirable from the point of view of many people to reduce the weight of an article rather than to increase the price. The practice demands intelligent application and also calls for intelligent buying. In regard to the provision referred to by the honourable member, which states that the customer must be able to see the article being weighed, I think many of us, particularly those members representing country areas, patronise a local storekeeper and know he can be trusted. Of course, there are other storekeepers who cannot be trusted, and it is because of this that it has been made obligatory that the storekeeper, the vendor, or the seller must ensure that the customer can see the article or the product being weighed.

No doubt the regulations will be changed from time to time but I believe this is a step in the right direction. This is the sort of thing that a number of consumer groups and others have been looking for, so that the position is reached where it becomes a matter of the application of one's intelligence to ensure that value is being obtained. Of course, this is not always easy. For example, a particular line of pineapple juice may be retailed in a 26 oz. can for 22c, but another brand is retailed in a 32 oz. can for 28c, and one has to work out mentally which gives the better value. This is not always easy without the aid of a small pocket ready reckoner. At least one knows, with the weight of the product being printed on the container, that one is getting what has been advertised, and that is the object of this legislation.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (The Hon. N. E. Baxter) in the Chair; The Hon. G. C. MacKinnon (Minister for Health) in charge of the Bill.

Clauses 1 to 6 put and passed.

Clause 7: Section 21 repealed and re-enacted—

The Hon. F. R. H. LAVERY: I would like to have the department in charge of weights and measures investigate the situation that was outlined by Mr. Ron Thompson on the weight of soaps. In England in April last Unilever and the British Board of Trade waged a vicious battle not only in the Press but in other places, and finally the British Board of Trade forced Unilever to change the markings on its soap packs retailed in England and Scotland. This was effected practically overnight, about the 10th April. I have watched the position very carefully to ascertain whether the products of Unilever retailed in this State have been dealt with similarly. I have some papers on the matter which I could make available to the Minister if he so desires.

The Hon. G. C. MacKINNON: There is a special section in the uniform code dealing with the packaging of bar soaps and soap powders, excluding detergents. The weight variation of these products can be extreme, but would still make no difference to the value; in this case the washing value. It has been proved that such products can lose or absorb considerable quantities of water without affecting the basic product.

The Hon. R. THOMPSON: In the Bill there is a new section which deals with the diminution of weights, especially the weight of products that are in store, and this provides that the weight of the product must be clearly marked on the package or the container. In particular, my comments are directed towards subsection (2) of proposed new section 21. I would like to know if this provision is to be enforced in its entirety, particularly in regard to the sale of firewood. I suppose about one wood merchant in a dozen, when delivering a load of wood, hands the customer an invoice or delivery note showing the weight of the load after it has been placed on the weighbridge. Over the years wood merchants have been very lax in this respect and the average man does not like to be making complaints all the time, but I am inclined to think that if a wood merchant does not issue a proper delivery note with the load of wood he delivers he should not be allowed to sell it.

The Hon. G. C. MacKINNON: I think decisions made in regard to the handling of a number of articles will have to be decided after trial and error. A wood merchant would be required to put his load of firewood over a weighbridge in order to obtain the specified weight. Of course, once a customer has the wood delivered and stacked in his backyard he would be very loth to take steps to have it weighed to prove the load was underweight.

The Hon. R. Thompson: That section is already in the Act.

The Hon. G. C. MacKINNON: It is well known that many of these provisions are observed in the breach. A person can always take action if he considers he is being cheated and that is about as far as we can go without employing a large inspectorial force.

The Hon. J. DOLAN: In subsection (5) of proposed new section 21, I notice that in the sale of beer a 10-gallon keg shall contain not less than 9½ gallons and a 5-gallon keg not less than 4½ gallons. I also notice that the 9-gallon keg and the kilderkin, which contains 18 gallons, must contain 8½ and 17 gallons respectively. Therefore, one would expect that only 9 gallons would be placed in a 10-gallon keg on that basis. Can the Minister explain why that happens, or is it just one of those things?

The Hon. G. C. MacKINNON: This ranks as one of the greatest disappointments of my life. We have come to expect from Mr. Dolan the sort of erudition that would allow him to answer such a question off the cuff. In this instance I have not a clue.

Clause put and passed.

Clauses 8 to 13 put and passed.

Clause 14: Section 27C added—

The Hon. R. THOMPSON: I wish to refer to paragraph (b) of subsection (1) of the proposed new section. One finds many proprietary lines are packaged by large stores on which is printed words such as, "made expressly for Coles," "made expressly for Woolworths," and so on. Is the person who performs the packaging, or is the manufacturer called upon also to print his name on the container, the label, or on the band encircling the article, or will a trade name such as "Embassy" suffice? I cannot understand this particular provision.

The Hon. G. C. MacKINNON: The object of the provision is to ensure that the responsible person can be traced. A manufacturer who is selling an article wholesale is covered by the provision appearing at the bottom of page 9 of the Bill. On the pack he has to indicate his name and address and the place where the article has been packed.

It will be noticed that the term, "approved brand" is also mentioned. As I.X.L. is an approved brand it will suffice, because it is traceable. If a company is packing for a corporation it can use a corporation's brand. It is traceable to the responsible authority. This is necessary to keep control of packaged goods.

Clause put and passed.

Clauses 15 to 33 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by The Hon. G. C. MacKinnon (Minister for Health), and passed.

DISCHARGED SERVICEMEN'S BADGES BILL

Second Reading

Debate resumed from the 31st October.

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [9.35 p.m.]: I support the measure. My interpretation of the Bill is that it gives legislative effect to the members of two bodies of ex-servicemen. I think the emphasis is on service to the community; and by becoming a member of an ex-servicemen's association one has the privilege of wearing a badge.

While the Bill authorises the Governor to make a proclamation in regard to any body of people, it also provides that he can cancel by proclamation the rights that were formerly given. The Bill also provides that a person who is not a member of an association is not entitled to wear the badge. Basically it affords a form of protection to people who seek the right to wear a badge.

It is noticeable that the Returned Services League is not included in the Bill, because the R.S.L. has an Act of its own. It has had this Act for some time. I see Mr. Dolan has a couple of amendments on the notice paper although I cannot see any reason for them. I support the Bill.

THE HON. J. DOLAN (South-East Metropolitan) [9.37 p.m.]: We have not the slightest objection to covering the organisations named in the Bill; but the first time a Bill of this nature was before Parliament was in 1953. At that time it related to the wearing of the Returned Services League badge. It has taken 14 years for two other organisations to seek protection for their particular badges.

These are most worthy organisations which have distinct reasons for wanting this protection, because they enjoy certain privileges on buses, and in connection with entertainments and so on. In such circumstances such protection is probably desirable. If we can go for 14 years before two organisations decide they require protection it must be obvious there is no urgency for this type of legislation.

We have no objection to any other bodies of servicemen making application at the appropriate time. I understand at the moment there are no fewer than 30 organisations which the R.S.L. recognises as ex-servicemen's organisations, and these have been mentioned from time to time in the R.S.L.'s official organ called, I think, *Listening Post*. These organisations at some time in the future may desire some

form of protection, and I have no objection to that. They are all worthy organisations.

If next year a couple of organisations want this privilege there will be no difficulty in getting Parliament—it should be the body to do it—to amend the schedule by adding the names of the organisations concerned. We should let the Bill go through, and include the two organisations mentioned; but I feel that clause 3—which gives the Governor the right to add, by proclamation, the name of a particular body to the schedule—should be taken out. This addition should be made by Parliament. I would like to quote the remarks of a gentleman in another Parliament on this matter. He is a Q.C. and had this to say—

> Any attempt to derogate the duty of parliament to enact legislation in the interests of the people was striking at the institution of parliament and was against the constitution.

We have handed over power—and quite rightly so—in Bills dealing with agreements between the Government and industrial bodies. Power exists for those agreements to be changed by regulation without reference back to Parliament.

But this is a case where such occasion would not arise, and where the necessity would not suddenly occur. It is wrong in principle for the Governor to do the job in connection with returned servicemen's organisations which might want protection, particularly when we know that 14 years have elapsed since the previous legislation was introduced. This job should be done by Parliament.

Our objection is not to the Bill or the organisations mentioned in the schedule, but purely to the fact that it is a matter of principle, and that Parliament should be the body which should consider whether these organisations are worthy of protection. That is the reason for my amendments. They mainly concern clause 3 which gives power to the Governor to specify by proclamation which bodies should be included. We feel that is wrong in principle.

The Hon. A. F. Griffith: If your amendment is agreed to how would other organisations become part of the schedule? Would you amend the legislation each time?

The Hon. J. DOLAN: That is so. I see no difficulty in that. It has taken a long time for these other two organisations to decide they wanted protection. If the Governor is given the power we might find ourselves complaining when we have nine or 10 organisations making application, particularly if there is a problem to differentiate between them. I have no objection to any of these bodies, but the correct place for these changes to be made is in Parliament. That is why I ask the House to consider seriously the proposals I have on the notice paper.

THE HON. H. K. WATSON (Metropolitan) [9.43 p.m.]: I thank the Minister for Mines and Mr. Dolan for their contributions to the debate. I find it very difficult to resist the logic contained in the remarks made by Mr. Dolan. I do not intend to oppose his amendment when we are in Committee. When I moved the second reading of the Bill I mentioned that applications had been received by Mr. Durack from two other organisations, namely, the Australian Flying Corps and Royal Australian Air Force Association, and the Australian Legion of ex-Servicemen and Women. My proposal, subject to the concurrence of the Committee, will be to accept the amendments Mr. Dolan proposes to move; and I will move for the two additional names to be included in the schedule.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (The Hon. F. R. H. Lavery) in the Chair; The Hon. H. K. Watson in charge of the Bill.

Clause 1 put and passed.

Clause 2: Interpretation—

The Hon. J. DOLAN: I move an amendment—

> Page 1, lines 11 and 12—Delete all words commencing with the word "and" down to and including the word "Act."

If this amendment is accepted it will make it possible for us to vote against clause 3.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 3 put and negatived.

Clauses 4 and 5 put and passed.

Schedule—

The Hon. H. K. WATSON: I move an amendment—

> Page 2—Add the following to the schedule:—
>
> The Australian Flying Corps and Royal Australian Air Force Association (Western Australia Division) Incorporated.
>
> Australian Legion of Ex-servicemen and Women (Incorporated) West Australian Branch.

These are the names of the associations which have been in touch with Mr. Durack asking for inclusion in the schedule.

The Hon. J. DOLAN: This is in keeping with the principle that names of associations in the schedule should be approved by Parliament. As the mover considers these two associations to be worthy of inclusion, we agree to their being added to the schedule.

Amendment put and passed.

The Hon. A. F. GRIFFITH: Is there any other ex-service association, qualified to the same extent as these two associations, which might want to be included in the schedule at this point of time?

The Hon. H. K. WATSON: My informations is, "No."

Schedule, as amended, put and passed.

Title put and passed.

Bill reported with amendments.

House adjourned at 9.50 p.m.

Legislative Assembly

Wednesday, the 8th November, 1967

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

WORKERS' COMPENSATION ACT AMENDMENT BILL

Introduction and First Reading

Bill introduced, on motion by Mr. O'Neil (Minister for Labour), and read a first time.

QUESTIONS (21): ON NOTICE

HOUSING FOR NATIVES

Closure of Allawah Grove

1. Mr. BRADY asked the Minister for Native Welfare:

   (1) Is a move being made to close down the Allawah Grove native housing settlement?

   (2) Has any consideration been given to providing more up-to-date housing for natives generally?

   (3) Is the property purchased by the Labor Government in Benara Road in the Eden Hill area for native housing to be utilised by the State Housing Commission for State rental homes?

   Mr. LEWIS replied:

   (1) The Allawah Grove administration has asked the Department of Native Welfare to resume control of Allawah Grove, and I am meeting representatives of the administration tomorrow. At this stage no decisions have been made.

   (2) Yes. The provision of improved housing throughout the State is one of the major preoccupations of the department.

   (3) It is understood that this is an urban deferred area not at present available for subdivision. Any further information required could no doubt be obtained from the Minister for Housing.

TECHNICAL EDUCATION

Advisory Committees

2. Mr. BRADY asked the Minister for Education:

   (1) How many advisory committees are associated with technical schools in Western Australia?

   (2) From what organisations are the personnel for the committees drawn?

   (3) What has been the effect of the technical school publicity campaign in 1966?

   (4) Is there any follow-up to be made through colleges, schools, and youth clubs to further interest in technical training?

   Mr. LEWIS replied:

   (1) Trade—24.

   Professional—5.

   General attached to schools and centres—4.

   (2) Trade—Equal numbers from employer and employee organisations with chairmen from Education Department.

   Professional—University and appropriate professional representation together with education.

   General—Commercial and trade organisations—education, prominent citizens in civic affairs.

   (3) There are strong indications of an increased awareness of the value of technical education in industry.

   (4) There is continuous activity in providing information on further education through every available means, particularly in supporting career exhibitions in schools and colleges.

UNIVERSITIES

University of Western Australia: Students

3. Mr. BRADY asked the Premier:

   (1) What is the maximum number of students which can be catered for at the W.A. University?

   (2) What is the number of students enrolled at present?