

Legislative Council

Thursday, 17th October, 1957.

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The PRESIDENT took the Chair at 2.15 p.m., and read prayers.

QUESTIONS.

OBSERVATORY.

Availability of Site for Olympic Pool.

Hon. G. E. JEFFERY asked the Minister for Railways:

(1) Is there any truth in the rumour that Cabinet is considering the transfer of the Observatory to Greenmount?

(2) Is it proposed to make available the present site of the Observatory for an Olympic Pool?

(3) If the answers to Nos. (1) and (2) are "yes," when is it anticipated that this will occur?

The MINISTER replied:

Dame Rumour was ever a lying jade.

SUBURBAN RAILWAY OPERATIONS.

Income and Expenditure.

Hon. C. H. SIMPSON asked the Minister for Railways:

What would be the income and expenditure and losses in respect of suburban railway operations for each of the following years:—

(a) year ended the 30th June, 1955;

(b) year ended the 30th June, 1956;

(c) year ended the 30th June, 1957?

The MINISTER replied:

| | 1954-55. £ | 1955-56. £ | 1956-57. £ |
|-----------------------|---------------|---------------|---------------|
| Expenditure | 783,745 | 872,748 | 930,691 |
| Revenue | 302,221 | 372,421 | 401,776 |
| Direct Operating Loss | £481,524 | £500,327 | £528,915 |

LEAVE OF ABSENCE.

On motion by Hon. E. M. Davies, leave of absence for six consecutive sittings granted to the Chief Secretary (Hon. G. Fraser—West) on the ground of ill health.

BILLS (2)—REPORT.

- 1, Bush Fires Act Amendment.
- 2, Marketing of Potatoes Act Amendment.

Adopted.

BILL—CHIROPODISTS.

Further Recommittal.

On motion by Hon. J. G. Hislop, Bill again recommitted for the further consideration of Clause 12.

In Committee.

Hon. A. F. Griffith in the Chair; Hon. G. E. Jeffery in charge of the Bill.

Clause 12—Certain persons excluded from Act:

Hon. J. G. HISLOP: In order to make this Bill conform to the change made yesterday, it becomes necessary to delete the word "knee" in line 16 and substitute the word "ankle." I move an amendment—

That the word "knee" in line 16, page 6, be struck out and the word "ankle" inserted in lieu.

Amendment put and passed; the clause, as further amended, agreed to.

Bill again reported with a further amendment.

BILL—SUPPLY (No. 2), £18,000,000.

Second Reading.

Debate resumed from the previous day.

HON. C. H. SIMPSON (Midland) [2.24]: I secured the adjournment of the debate on this Bill, not because I had anything particular in mind about which to speak, but because I thought it advisable to give members of this House an opportunity of thinking over some matters they might wish to put before this Chamber.

The Supply Bill asks us to approve of a further advance of £18,000,000: £14,000,000 for the Consolidated Revenue Fund, and £4,000,000 for General Loan operations. It is in addition to £21,000,000 which was granted to the Government earlier in the year being £15,000,000, in round figures, for the Consolidated Revenue Fund; £4,000,000 for the General Loan Fund; and Treasurer's Advance, £2,000,000. This is necessary to enable the task of Government to be carried on, and is a measure which members will support.

Mention has been made of the heavy loss incurred by the railways, and it has been said that the deficit is approaching

£7,000,000. I again ask the Minister if he will be reasonably explicit in his reply to this debate, because we have previously posed the question why the losses should be so heavy this year when the losses for 1954-55 were £4.7 million; and for 1955-56, £4.8 million; and then there is a big jump up, which is now estimated at £2,500,000 for this year.

While I have no doubt there is some explanation of the figures that have been presented to us, I think it would be of interest to the House if the details were explained. I am not suggesting we ask the Minister for details at this stage down to the last £ or so; but as this is his department, he will be reasonably familiar with the incidence of the increased losses, and I think he could probably give us some explanation.

The Government will be receiving extra moneys this year, partly on account of the tax reimbursements from the Federal Government and partly as a result of the taxation measures passed last year. It might be interesting to those who were concerned at that stage to have the figures in regard to the increases in the estimates for the amounts involved. From land tax it is estimated there will be an increase of £321,827 and from income tax roughly £1,250,000. The probate duty increase is down £40,000 under the estimate.

This is rather surprising in a way. But one can never foresee what the incidence of probate duty may be; and having regard to the fact that the year before last the collections for probate duty were just over £1,000,000, as compared with an estimate of £1,225,000, it would appear that this year's estimate of £1,050,000 is an estimated increase of £40,000 on last year's realised collections.

It must be remembered, of course, that these collections were for a part of the year only. Obviously they had to be so, because after the taxation measures were passed in this House, they had to be proclaimed and put into operation. Therefore, they could apply to only a part of the year.

One thing that is giving country members considerable concern is the build-up of spendings in the metropolitan area as compared with the country. Only this morning we read that it is projected that £400,000 is to be spent on Parliament House. I am not saying that is not warranted—I think it is—but it is only one of many items that occur in the expenditure schedule that point to spendings in the metropolitan area; and they seem to us who live in the country, or who represent country areas, disproportionate when compared with the known needs in the country districts and the applications that are made from time to time for assistance in various directions.

For instance, at Geraldton a crying need is for improvements to the harbour. This harbour is, so far as tonnage is concerned, the second in importance in the State; and it may be called upon to handle even greater tonnage in the reasonably near future. In addition, there is the long-standing promise to Geraldton of a regional hospital; but as yet no move has been made to meet the wishes of the Geraldton community, beyond preparing plans. We think it might not be a bad idea if a start were made, and if even only part of the work could be done year by year, so that after a reasonable number of years we could expect to have the job completed. We know that different projects in the metropolitan area—such as Kwinana—required the finding of substantial amounts of money. I think we are all agreed that the money spent on Kwinana will have been well spent.

Another project is the Narrows Bridge, and there are people in the country who are inclined to view the money spent there as being spent earlier than need be, having regard to the developmental needs in country areas. I will just mention those two projects that concern the area I represent. No doubt other members can point to many productive works which are languishing simply because the Government is not finding the necessary money to go ahead with the programmes that are already mapped out. I support the Bill.

HON. J. G. HISLOP (Metropolitan) [2.33]: Those of us who watch with keen interest the building of the Narrows Bridge must still be in some doubt as to what is to be the future route to the northern suburbs. At the moment all the roads being prepared are on level ground and appear to take the traffic into the centre of the city. It was proposed that there would be a road, which would be excavated through the hill at the level of Mount-st., and this road would possibly go under Mount-st. and Malcolm-st. and come out at George-st. and thence to the other side of the railway.

From questions that have been asked and the answers given, I understand that the road to the northern suburbs is to be more towards the West Perth station than the original site of George-st., and there still seems to be the possibility of an easier way out by purchasing the home of the Anglican archbishop on the corner of Spring-st. and taking the road through there and the building known as Mia-Mia on the corner, and bringing the traffic out to a circus at that point.

I think we will regret that we did not insist on a building line in Milligan-st. when Carlyle & Co. built their new show-rooms. It would have been a simple matter, as I outlined before, to widen that street; and the ideal place for taking

overhead traffic across Wellington-st., the railway and Roe-st., is from the top of Murray-st. at the junction of Milligan-st.

It is of interest to a large number of people who will use this bridge, and those who live in proximity to it, to know whether the Government has changed its mind in regard to the bridge to the northern suburbs. I would appreciate some information being given on this question.

I think everyone in the State looks with gratitude to the public for the remarkable response which has been made to the appeal for medical funds, particularly in relation to the establishment of the Medical School. Now that the generosity of Mrs. Raine has reached such enormous proportions, we are in the position that in the foreseeable future there will be a large sum—possibly over £750,000—set aside for research in the field of medicine, surgery and allied sciences.

The public would feel very much reassured if the Senate of the University could see fit to make a statement that these funds will be regarded as a corpus and untouchable, so that only the interest is used. I realise that large amounts will have to be spent on equipment for research, but I feel that the public would continue to give generously in the future if they felt there was a permanency concerning their gift. Some portion at least of the amount we are receiving now could be regarded as permanent, and the income only of it applied to research.

Another matter which has concerned me considerably is the subject of public contributions to charitable organisations. I often wonder whether some of those charitable organisations, worthy though they may be, are not receiving an undue proportion of public response, compared to others that are equally worthy. There is only one common purse from which the contributions come; and every businessman in the community will say that his desk is simply besieged each week by appeals for contributions to this or that charitable organisation.

I understand that in certain places—and I think it works quite well in South Australia—there is a charities council. I do not know off-hand what the correct title of the organisation is but it controls the times and the frequency of appeals by organisations to the public, and thereby ensures a levelling out of the contributions according to the needs of the various organisations. The charities and the organisations appealing for public funds might well consider whether some authority of this sort would not be of benefit in Western Australia.

Clubs which have as their ideal service to the community have, I know, considered schemes of this sort; but it needs something more than a purely voluntary organisation, because it is essential that the majority of the bigger, and therefore more needy, charities join such a scheme.

It is quite possible that something in the nature of a community chest might be established to which firms and individuals could give an annual sum, and so avoid this constant appeal from innumerable quarters for funds. I agree that all charitable organisations are carrying out necessary work, and the money they seek is put to a worthy cause. But I suggest that there might be a better co-ordination, and by that means all these organisations would be able to receive the money they need and what can be afforded from the common public purse.

The only other suggestion I have to make is in regard to the Railway Department. I wondered whether it would be possible for it to consider a scheme by which the name of the railway station just passed and the railway station further on could be placed underneath the name of each station. In travelling throughout Japan we found that this system was in operation, and it was of great convenience to tourists. In a State like this I think it would have the same effect, and it would be much appreciated by those travelling around the State, especially tourists. As we came into a station we would look at the central board and on it we would see the name of the station, plus the name of the station just passed, and the station which we were approaching.

The Minister for Railways: Would that be in English or Japanese?

Hon. J. G. HISLOP: In English. Wherever we went we knew, one station ahead, that we were nearing our destination. Thus we had a warning; and for travellers in a State such as ours, I think it would be a great convenience. Many of our station names are unknown, and many of the names are uncommon. We found that to be the case in Japan also; and as I do not think it would be a costly alteration, it would be a worth-while suggestion to offer to the department. I support the Bill.

On motion by Hon. L. A. Logan, debate adjourned.

BILL—BETTING CONTROL ACT CONTINUANCE.

Second Reading.

Debate resumed from the 15th October.

HON. J. MURRAY (South-West) [2.42]: As has been said, this is a very small Bill and it proposes to amend only one section of the Act. But the subject matter of the measure is most important; and while Ministers of the Crown have been introducing the Bill merely as a continuance measure, its effect will be that the Act will remain on the statute book for all time, without further reference to Parliament—unless, of course, as the Minister said, some private member takes steps to amend portions of it.

Both Ministers who introduced the Bill in the respective Houses said that the present position is a great improvement on our previous experience with betting. I am in total agreement with that statement. But they went on to say—and this was the only thing the Minister in another place stressed—that everybody was perfectly happy with the present control. The Minister for Railways, when introducing the Bill in this House, had this to say—

In connection with the policing of the Act, it is pleasing to note that the Betting Control Board is satisfied with the assistance the Western Australian Police Force has rendered in organising the control of off-course betting in a general way. Through its vigilance the number of offences have been restricted so that there have been very few convictions—42 in all—in 12 months.

He further said—

This goes to show, as I said earlier, that the operations of the Act have been most successful; and there is not the slightest doubt that from all angles a continuance of the legislation will mean that betting will be kept under the strict vigilance and control which is a credit to all those who are authorised to police the Act.

I raise considerable doubt about the correctness of that statement. I agree that in the first year of operation there was a considerable number of prosecutions—about 175 in all—and in the second year the number was reduced to about 42. But is that because the offences are not being committed? I very much doubt it from my inspection of various premises during the course of their operation.

I would say it means that in the first trial period of the Act, bookmakers themselves were concerned to see that everything went according to Hoyle so that when the Act was reviewed few people could take exception to it. It was with the co-operation of bookmakers that the Act was vigilantly policed during the early period. But I would say that subsequently those who are entrusted with the control of and the lodging of prosecutions under the Act have reached the stage where they feel that conditions are much the same as when illegal betting was rife in this State, when in my opinion they said, "Because the Government will not arm us with the powers to do this and that we are not really interested."

Apart from the fact that during the period prior to licensing they launched periodical prosecutions, as a revenue producer, little else was done about it; and practically nothing was done to stamp out illegal betting as it was practised in those days.

I would say that today a similar set of circumstances is coming about; and whilst a few prosecutions are being launched, the biggest number is in regard to juveniles—juveniles on premises and juveniles betting on premises. In both cases—whether the juvenile remains on premises or bets on premises—the bookmaker is equally liable to prosecution. He has committed a grave offence under the Act.

But were there any prosecutions for these offences? Juveniles were prosecuted, but on only three occasions were the bookmakers prosecuted. From the information that I have obtained, in respect of the period since the operation of the parent Act, during which a large volume of the prosecutions were connected with the offence of juvenile betting, there were 94 prosecutions against juveniles for being found and remaining on licensed premises, and 34 prosecutions against juveniles for having placed bets on licensed premises.

Let us see how the police obtained such prosecutions. Was it as a result of police officers visiting betting shops and charging the juveniles found in them for being on registered premises, or for having made bets? Of course not! In those days it was with the wholehearted support of the registered s.p. bookmakers that the police obtained the information, because those bookmakers wanted to ensure that Parliament would re-enact the legislation. It was well known that the majority of prosecutions against juveniles resulted from information given by the bookmakers to the police that juveniles were on registered premises.

That was not so bad, and the bookmakers might be said to have been trying to restrict the use of the premises to the purpose for which they were registered. What was bad; what was done and proved in a court of law, was that a youth, obviously under age, went into a betting establishment and made a winning bet. Before he had time to collect his ill-gotten gains—if that is the way to refer to the winnings—the police were informed.

It was not the bookmaker, who had accepted the bet and who had informed the police, who was charged, but the youth in question. When he was convicted of the charge, his solicitor endeavoured to get a refund of the stake. Because there is no provision in the Act for that to be done, and because that bet was illegal, the court could not order a refund of the stake. The money was not handed over to the Crown; it remained in the bookmaker's pockets. Those are the types of thing that go on under this legislation. The statement of the Minister or the Government that everything is working well is very much open to doubt, very much indeed.

The other serious matter that I wish to refer to in regard to the legislation is this: When the original Bill was piloted through another place and in this House, although it cannot be clearly shown that the Government gave an undertaking that no bookmaking premises would be established alongside hotels, the tenor of the debate, mainly from the Government side, indicated that of the two evils, betting was the lesser and drinking was the greater.

One member on the Government side had this to say—it appears on page 2848 of 1954 Hansard—when he was quoting the report of the Commissioner of Police in another State—

I have the honour to report for your information that since the licensed betting shops have been operating in this district there has been a marked improvement on race days, especially on Saturday afternoons, as regards drunkenness.

The hotels now on race days are practically empty during the time the betting shops are open, and very little drinking takes place in the hotels. The people gather around the betting shops and usually remain there now until the last race is run. Previous to this they would spend their time in the hotels drinking, especially on Saturday afternoons, and many of them would be under the influence of liquor at the time the hotels were closing.

That was the tenor of the debate throughout: that if the Government were to license s.p. betting, the establishments should be kept separate from the hotels. Several members mentioned in their speeches that drinking and gambling should not be mixed, if there was to be any sane gambling.

Another matter which concerns me is that Ministers of the Crown make statements that in their view the policing and control of this legislation is very satisfactory. When the original Bill was introduced by the Minister for Police in another place some member, by way of interjection, raised the point in regard to dummying. I suppose every member knows what that term means.

Under this Act it means the breaking of the law very severely, because a stiff penalty is provided. Furthermore, the Betting Control Board has power to cancel a licence forthwith if such an offence is proved against him. The Minister for Police had this to say in regard to dummying—

There are ways and means and there are also risks to be taken. It is not improbable that some people will endeavour to dummy, but if they are caught dummying they will not

only lose their licence, but if they run a registered shop they will also lose that privilege.

In speaking to a measure which it was hoped to amend, with a view to increasing taxation, I endeavoured to prove—and I had convinced myself and many people, although not all of them—that at that period there was a large number of shops registered purely and simply as dummies of bookmakers operating from other registered premises. It was practically proved by the figures that were given to this House with regard to a few select people making a very lucrative business out of betting.

But on going through the figures, it was obvious to most people that there were a large number of shops which, while making a business of s.p. betting, were just securing a comfortable living, judging by the report of turnover which must be supplied in connection with the turnover tax.

What do we find today after the first year of controlled operations by the bookmakers? What do we find took place after that momentous debate which occurred in this House and in another place when an endeavour was made to try to raise an increased amount of revenue from those few—and I still say "few"—registered bookmakers who were around the £250,000 mark with regard to turnover? There are some most interesting figures.

Questions were asked as to how many bookmakers had voluntarily surrendered their licences and how many were cancelled by the board. From the replies, we find that 57 operators voluntarily surrendered their licences and only four were cancelled for misdemeanours. An examination of the position of some of those 57 operators who voluntarily surrendered their licences indicates that a large number were doing reasonably well.

They were not situated in places where there was no business, as a result of which they said, "We are not going to carry on because it does not pay." They were in quite reasonably good business undertakings. But they voluntarily surrendered their licences for an exorbitant sum for goodwill—the goodwill of the business, not of the premises.

When introducing the original measure, the Minister said that dummying could be prevented. I venture to suggest that nine-tenths of those who voluntarily surrendered their licences in this last year surrendered them at the behest of one or other of four people, and that a dummy has gone into every shop under that classification for no other purpose than to defeat the suggestion raised last year and to give a better spread of the income of those operators. There is no other explanation to justify people with a lucrative business surrendering that business voluntarily.

Hon. J. G. Hislop: These licences have been transferred, have they?

Hon. J. MURRAY: It is rather interesting to find out what the Betting Control Board does in these circumstances. One would think that when an operator went out of business he would surrender his licence—as it was admitted was done in these cases—and that the board would then call for applications for bookmakers to operate the premises.

Hon. H. K. Watson: Call for tenders.

Hon. J. MURRAY: Yes. But that is not what happened. I have here information from the Betting Control Board itself and it reads as follows:—

Where a licensee desires to surrender his licence and dispose of his business chattels to another person who wishes to acquire the licence in his stead, the present holder advises the board accordingly. The other person concurrently applies for a new licence and—

this is the interesting part—

—supplies proof that he will have the right to occupy the premises. If he is a suitable person, the board will grant the licence.

Suppose I am running a business and I decide to walk out. I might have a most lucrative offer, and I say, "All right, I will chuck my licence in. You put in your application. But first see the owner of the premises to make sure that he will let them to you." The board makes a decision accordingly. There is another proviso, of course. It is stated—

The retiring licensee surrenders his licence. Where a licence is cancelled by the board, and an application is or applications are made for a new licence either for the premises previously registered or for other premises in the vicinity, such applications are dealt with on their merits.

If more than one application is received for particular premises, the owner or lessee is required to stipulate his order of preference as to tenants, and the board will deal with the applications in that order.

So when it comes to the control of this matter, it really lies more with the owner of the premises than with the board when premises have been licensed, as long as the person is a reputable citizen. I cannot visualise any of the four operators I suggested were getting control of a large number of these betting premises for a particular purpose dealing with other than reputable people.

Hon. H. K. Watson: Do these persons who surrender licences obtain goodwill from the incoming man?

Hon. J. MURRAY: Unfortunately, because it is a private transaction, we cannot obtain actual proof of what is paid. But because of the undoubted cheerfulness of some people who have acted in

this manner—and they are willing to state the sum—I would say now that some of those licences for people to carry on as bookmakers in registered premises have been transferred for a figure in the vicinity of £6,000. That is good business if one can get it after a year's operations.

There is one other matter I want to deal with at this stage and it concerns the question of the cost of this board. When the measure was originally discussed, this matter was referred to by several speakers. One member in this House made the statement that after the first year of operation, when premises had been selected and licensed and the agreed number of operators had been licensed in accordance with the decision of the board, there would be little or no need for any paid staff at all; that the board itself could manage its affairs more or less as a part-time job.

I am very much inclined to believe that that would be possible today, because the board itself does not prosecute. In fact, so far as I can see, it does not indicate to the police where a prosecution is desirable or necessary. It is left entirely to the police to find out where bookmakers are transgressing the law and to take action. Until that action is taken, the Betting Control Board could not care less, if one is to judge from its attitude. The Commissioner of Stamps, under complementary legislation has instituted prosecutions—and rightly so. But the board itself has done very little for a very large sum of money.

What does it cost? For the year ended the 30th June, 1957, the cost was £15,482. The board comprises five members, two of whom are full-time, and employs a staff of five. What on earth is that staff for? Because they toil not, neither do they spin.

The Minister for Railways: Tell us something cheerful!

Hon. A. R. Jones: Somebody has to go and collect the pay and hand it out!

Hon. J. MURRAY: It may be suggested that they would have the wherewithal to go to the betting course and indulge in a bit of betting themselves. An amount of £15,000 is a lot to pay for a sinecure of a job such as they have.

The Government tells us everything is perfectly happy and asks us to put this legislation on the statute book for all time. If that were done, unless some member cared to attack some particular provision and seek to amend it, the measure would not come before Parliament again. In my view, with regard to legislation of this kind, it is absolutely necessary that Parliament should have an opportunity of having another look at just what has been done with regard to betting control in this State. Therefore,

when this measure reaches the Committee stage I will move an amendment with the intention of inserting other figures in place of those the Minister desires to insert. I support the second reading.

HON. J. G. HISLOP (Metropolitan) [3.16]: I think the House must be grateful to Mr. Murray for having traversed the functions and working of this measure, but I think some of the statements he made were such as to warrant a very careful inquiry; and I trust that when the Minister replies, if he feels that there is real truth in some of those serious allegations, he will either institute an inquiry or advise us, in detail, of the position. I was one of those who opposed this legislation originally, as I felt it would legalise something in our lives that was not quite savoury.

I had serious doubts as to whether the legislation would prove beneficial to the community. I do not understand the inside details of this activity as does Mr. Murray; but I have been interested to see that at least one betting shop that I know of, and which was erected at considerable cost, has been closed down and the premises moved to a new site, adjacent to a nearby hotel, which rather suggests that it is almost essential for betting and drinking to go hand in hand.

Hon. J. Murray: According to the Government, yes.

Hon. J. G. HISLOP: The other side of the story is that I know of individuals who are hotel licensees and who have told me that, since the introduction of the measure and the moving away from the hotel of the unlicensed bookmaker, followed by the opening of licensed betting premises at a distance from the hotel, their Saturday takings have almost disappeared. While at one time I thought it was possible to control gambling, or even abolish it altogether, I have certainly changed my mind since then. It would appear that gambling is something which is inherent not only in our race, but also in all other sections of the human race.

On my recent journey abroad, I took particular note of the forms of betting and gambling in the various places that I visited. In Manila the main form of gambling seems to be a game called *hi-alai*. It is a form of what we played at school under the name of fives. There are three walls; and, on one long wall, there is a stiff wire mesh covering, through which the audience can watch the game. The game is played by very well trained individuals, who use a basket attached to the wrist, in which the ball is caught and thrown a long distance to the opposite wall, where the game is continued by the opponent endeavouring to catch the ball in his basket and throw it back again. Eventually one of the players fails to return the ball to the far wall, and he is the loser.

The ball is small, and even harder than a golf ball; and it is made in such a way that it is not completely spherical, with the result that it has a good deal of movement in the air. The game is extremely rapid, and the men who play it are, in the main, Basques, who have gone to Manila and started to learn the game very early in life.

This game is played in a very pretentious building. In a city where there are masses of unemployed, and where tremendous wealth and extreme poverty go side by side, there are audiences of 3,000 or 4,000 in this auditorium each night. I inquired how much money would be turned over on the game each evening, and was informed that it would be 200,000 or 300,000 pesos per night—the equivalent of £50,000 to £75,000 Australian. If members realise that the game is played six nights in the week, they will appreciate what an immense sum is turned over in these privately-owned sport houses, or whatever they are called.

The method of betting is that usually six players take part in the game, and there are singles contests, the loser moving out and another player coming in; and the winner is the one who first has five singles victories. Each individual contest lasts only a few minutes—the game lasts about a quarter of an hour—and the betting is on the first and second out of six players.

On the average, while we were there, the betting was about 70 or 80 to one, and I believe the Chinese are the biggest bettors in those establishments. There are, I think, about seven games played. Some of them are of eight men, and occasionally there are doubles. A bettor can bet his winnings on the successive events—

Hon. Sir Charles Latham: Are you advocating this as a new idea for raising revenue here?

Hon. J. G. HISLOP: Yes; I was wondering whether we might introduce it here. It is not only in this country that vast sums of money are spent on gambling. Abroad, in communities where there is nothing like the general spread of wealth that we have here, one sees the people attending these place nightly, in very large numbers. When one travels further into the areas where the Chinese live, the gambling is not nearly so apparent; but those who are prepared to talk, inform one that fantastic sums are wagered on *fan-tan* and *mah jong*.

While travelling on the ship, one could hear the rattle of *mah jong* pieces every night as the game was played by the crew; and I understand that even in the Chinese community here, large sums are won and lost on this game. I understand that sums of £500 have been won by individuals in the *fan-tan* shops in Victoria.

When we reached Japan I wondered whether gambling would take place there in the same way; and I, and others with

me, were struck by the large numbers of men constantly standing in front of what we would call one-armed bandits. There were shops in that country which were probably legitimised in the same way as betting shops are here, and in one shop there were about 80 of these machines around the walls and in a centre block.

In front of each gambling machine there would be standing a Japanese man—or occasionally a woman—putting in coins which they had received in change for their money, or else little round balls. They would put them in; and then, with a completely unemotional face, pull the lever. They would put in ball after ball, and there would be returned to them a certain number of extra balls, if they won, according to whether they had struck the required section in the machine.

In those establishments the winner would be expected to—and as a rule did—purchase small things that were for sale; cigarettes and other kinds of small goods. I believe there were even nylon stockings and such things for sale, although not a large variety. However, the winners could receive money for their tokens if they insisted.

In Kobe, which was our last port of call, we stood in amazement to see, in the street just around from the International hotel, and near one of the main stations, a continuous row of eight of these gambling shops. Each of them would contain, on the average, 70 or 80 gambling machines, and there would seldom be one of them vacant. We were there for about 3½ days and often passed these establishments.

Throughout that country one saw shops of that nature in every town one visited. They were apparent even in the small ports at which we called; and we wondered how many men there would be in the whole of Japan, at any particular moment, just playing these machines. The result of such experience is that one returns home with the idea that it is impossible to eradicate from human nature the urge to gamble. If we cannot eradicate that urge, I think we should make every endeavour to control it as much as possible.

I had hoped that this Act would be working favourably; but I was distressed to hear what I believe are the perfectly genuine comments by Mr. Murray, which must raise considerable doubt in our minds as to whether betting is not becoming a monopoly here, as it could easily become if not properly controlled. I thought it might be of interest to members to realise that the urge for unearned income exists, not only in our race, but also in all the races that one meets while abroad.

On motion by Hon L. A. Logan, debate adjourned.

BILL—ASSOCIATIONS INCORPORATION ACT AMENDMENT.

Assembly's Amendments.

Schedule of three amendments made by the Assembly now considered.

In Committee.

Hon. W. R. Hall in the Chair; Hon. G. C. MacKinnon in charge of the Bill.

No. 1.

Clause 2, page 2, line 12—Add after the word "newspaper" the words "approved by the Registrar and."

Hon. G. C. MacKINNON: It may be recalled that Mr. Heenan moved to delete the word "approved by the Registrar" on the basis that it was a minor matter and the registrar would be quite happy to permit such an advertisement to be inserted in the local newspaper. However, the registrar subsequently indicated that he would be far from keen to give his approval, which is perfectly reasonable when one considers that there are many journals and periodicals that are registered as newspapers which, although perhaps satisfying the requirements of the legislation, would not be satisfactory. Therefore, it was considered that this clause should be reinserted. I move—

That the amendment be agreed to.

Question put and passed; the Assembly's amendment agreed to.

No. 2.

Clause 2, page 2, line 16—Delete the word "fourteen" and insert in lieu the words "twenty-eight."

Hon. G. C. MacKINNON: I move—

That the amendment be agreed to.

The object of this Committee in inserting the word "fourteen" was to create a spread of time. The amendment suggested by the Legislative Assembly merely seeks to increase the period to 28 days.

Question put and passed; the Assembly's amendment agreed to.

No. 3.

Page 2, line 27, paragraph (b)—Add after the word "words" the following:—"approved by the Registrar and."

Hon. G. C. MacKINNON: I move—

That the amendment be agreed to.

This amendment is similar to amendment No. 1.

Question put and passed; the Assembly's amendment agreed to.

Resolutions reported, the report adopted and a message accordingly returned to the Assembly.

BILL—LOCAL GOVERNMENT.

In Committee.

Resumed from the previous day. Hon. W. R. Hall in the Chair; Hon. J. D. Teahan in charge of the Bill.

Clause 524—Commissioner of Taxation to supply valuations:

The CHAIRMAN: Progress was reported on the clause, as amended, which had been recommitted for further consideration.

The MINISTER FOR RAILWAYS: I move an amendment—

That the subclause designation (1) be inserted after the number of the clause in line 2, page 388.

The object of this amendment is to provide for the insertion of another paragraph in this clause. The amendment seeks to supply a deficiency, which is most desirable. Land tax valuations under the Land Tax Act would not always be suitable for use by councils, especially where there are considerable holdings held by the Crown under lease.

Hon. R. C. MATTISKE: As the Minister has said, this amendment will supply a deficiency and this is not only desirable but also necessary. It relates to a paragraph that was omitted when the committee was previously considering this clause. I support the amendment.

Amendment put and passed.

The MINISTER FOR RAILWAYS: I move an amendment—

That after the word, "supplied" in line 11, page 388, the following new subclauses be added—

(2) Notwithstanding the provisions of subsection (1), of this section the Commissioner of Taxation, instead of supplying to the council of a municipality the unimproved value of land as assessed under the Land and Income Tax Assessment Act, 1907, may at the request of the council make and supply to the council of a municipality an assessment of the ratable property in the district as prepared in accordance with the definition of unimproved value which is set forth in subsection (3) of this section.

(3) For the purposes of this Act, "unimproved value" means—

(a) in respect of land granted in fee simple, the capital sum for which the fee simple in such land would sell under such reasonable conditions of sale as a *bona fide* seller would require assuming the actual improvements (if any) had not been made;

(b) in respect of land held under contract for conditional purchase under the Land Act, 1898, or any Act enacted in amendment of, or substitution for that Act thereby repealed, the capital sum

of which the fee simple of such land would sell on the assumption that the ratepayer is the owner in fee simple, under such reasonable conditions of sale as a *bona fide* seller would require, assuming the actual improvements (if any) had not been made; and

(c) in respect of a pastoral lease—a sum equal to twenty times the amount of the annual rent reserved by the lease.

(d) in respect of land temporarily used for private purposes but held by the Crown for a "public work" (other than for a "townsite") under the Public Works Act, or held by the Crown or any agency or instrumentality of the Crown pursuant to authority conferred by any other Act, a sum equal to twenty times the rental charged for the land, as distinct from the improvements thereon, or the unimproved value of the land in fee simple, whichever is the lesser;

(e) in respect of other land held under a Crown lease, a sum equal to twenty times the annual rent but if the land is within a city, town, or townsite it means the unimproved value of the land in fee simple; or

(f) in respect of other land of the Crown which is temporarily occupied without title or authority for private purposes, a sum equal to twenty times the rent which might reasonably be demanded for the land, or the value of the land in fee simple, whichever is the lesser.

Amendment put and passed; the clause, as further amended, agreed to.

Clause 525—Council bound to increase or reduce values in accordance with taxation values:

Hon. R. C. MATTISKE: I hope the Committee will not agree to this clause. I submitted an amendment to it; and, when it was considered, Mr. Watson drew attention to the fact that under this clause the council of a municipality may vary the valuation during the year, and in his opinion that was wrong. The Committee

was undecided on the course to follow; and the clause was postponed and considered at a subsequent date, when it was agreed that it should be given further consideration. I now think it is unnecessary.

Under Clause 524, every municipality is supplied on the 30th June of each year with an up-to-date valuation of properties in its area; and by not later than the 31st July of that year—one month later—that value must be adopted by the council and recorded by it; and on that value the rates are assessed.

Therefore, having worked on that value for a year, the council has carried out what is normally done at the present time. It is considered there should be no provision for a variation of that value during the currency of that year. The clause is redundant.

Hon. J. D. TEAHAN: I hope the Committee will retain this clause as printed. For instance, a mansion could be destroyed by fire within a month of an assessment being issued. The rates for the year—which could be from £20 to £40—could have been paid, the fire could have destroyed the building, and the annual value be reduced to nil. Similarly, it is possible that a factory could be built within months of an assessment and be occupied, and from that time it would have a variation. In one case it lacks in favour of the ratepayer, and in the other against him. In fairness, the clause should stand as printed.

Hon. R. C. MATTISKE: If we accepted Mr. Teahan's suggestion we would not know where we stood. It would mean that for every new building there would have to be a reassessment, and that would be impracticable. If the variations be confined to annual variations, it stops the property from remaining static. The annual adjustment is ample.

Hon. L. A. LOGAN: I would like Mr. Mattiske to tell me what happens when I get my rate assessment from the municipality, which I think is too high, and without knowing that the rate assessment is made on the taxation value I apply to the Taxation Department for a revaluation. When one receives a rate notice from the council one generally pays in one or two moieties—if it is a large amount, in two moieties. Although one wrote to the Taxation Department and allowed for the revaluation one would still have to pay the moiety. So one pays the first moiety; and after three or four months, the Taxation Department might decide to decrease the value of the block.

Hon. J. D. Teahan: And they do sometimes.

Hon. L. A. LOGAN: They have done so in my case. When the taxation valuation is returned, the municipal council says, "The value has been reduced and instead

of paying we will take it off the second moiety." It means I still have to pay for each assessment on the old value if Mr. Mattiske's view is accepted.

Hon. A. F. Griffith: What happens if you have paid for the full year?

Hon. L. A. LOGAN: I would probably receive a credit. There are times when the Taxation Department reduces the value because of incorrect information in the first place.

Hon. R. C. MATTISKE: There is provision for appeals to be heard before the 31st December each year, if it is considered that the valuation is too high; and action has been taken through the Taxation Department or direct with the local authority.

Hon. J. D. Teahan: Only within 30 days of receiving the assessment.

Hon. R. C. MATTISKE: There must be a time limit for administrative purposes. I trust the Committee will not agree to the clause.

Hon. L. C. DIVER: While I have no doubt that Mr. Mattiske may have looked at the Municipal Corporations Act, I do not think he has looked at the old Road Districts Act. In Section—

Hon. R. C. Mattiske: 232!

Hon. L. C. DIVER: In Section 232 of that Act—

Hon. R. C. Mattiske: That shows I have seen it.

Hon. L. C. DIVER: Then I cannot understand the logic of the hon. member's argument. That Act sets out clearly that if there is a revaluation by the Taxation Department, and even if there is no appeal, it is mandatory on a local authority to make adjustment to the ratepayers concerned. The clause alters Section 232 a little because it specifies that if the valuations have risen, then automatically the rise must take place. If we are to benefit anybody is it not fair that when there is an upward valuation, even though it is rare, it should take place? The clause should stand as printed.

Hon. R. C. MATTISKE: One cannot compare the Road Districts Act and the Municipal Corporations Act with the Local Government Bill on this aspect, because the provisions of the two existing Acts are different in form from what is included in this Bill. Section 232 of the Road Districts Act is, in effect, included in Clause 524 of this measure, which says that each year on the 30th June, there shall be an up-to-date value given to the municipality, and that value shall be recorded on the 31st July in that year and worked on in that year. The effect of Section 232 of the Road Districts Act is that any road district shall accept taxation values. If they vary from year to

year, these amended values shall be accepted by the road district. That provision is contained in Clause 524.

Clause put and a division called for.

The CHAIRMAN: Before the tellers tell, I give my vote with the ayes.

Division taken with the following result:—

| | | |
|------|-------|----|
| Ayes | ..... | 11 |
| Noes | ..... | 10 |

| | | |
|--------------|-------|---|
| Majority for | | 1 |
|--------------|-------|---|

Ayes.

| | |
|----------------------|-----------------------|
| Hon. E. M. Davies | Hon. H. L. Roche |
| Hon. L. C. Diver | Hon. H. C. Strickland |
| Hon. J. J. Garrigan | Hon. J. D. Teahan |
| Hon. W. R. Hall | Hon. F. J. S. Wise |
| Hon. P. R. H. Lavery | Hon. W. F. Willesee |
| Hon. L. A. Logan | (Teller.) |

Noes.

| | |
|-----------------------|---------------------|
| Hon. N. E. Baxter | Hon. R. C. Mattiske |
| Hon. J. G. Hislop | Hon. J. Murray |
| Hon. A. R. Jones | Hon. C. H. Simpson |
| Hon. Sir Chas. Latham | Hon. H. K. Watson |
| Hon. G. C. MacKinnon | Hon. F. D. Willmott |
| | (Teller.) |

Pairs.

| Ayes. | Noes. |
|-------------------|---------------------|
| Hon. G. Fraser | Hon. A. F. Griffith |
| Hon. G. Bennetts | Hon. J. Cunningham |
| Hon. E. M. Heenan | Hon. J. M. Thomson |

Clause thus passed.

Sitting suspended from 4.2 to 4.22 p.m.

Clause 527—Minimum value:

Hon. R. C. MATTISKE: This clause is redundant because what it provides for is fully covered in Clause 538.

Hon. Sir Charles Latham: What does it matter if it is?

Hon. J. D. TEAHAN: As Sir Charles says, what does it matter if it is? I suggest that we leave the clause as printed. The department says that although a minimum rate is provided by Clause 542, it is considered that a minimum valuation would facilitate administration, and therefore should be retained. It could be pointed out that a minimum valuation on annual values has already been incorporated in Clause 538. The department strongly suggests that this be retained.

Hon. R. C. MATTISKE: Normally I would be speechless, but this is so important in principle that I must raise an objection. The department, in the notes given to the Minister, has said that this is a duplication but it might as well be left in the Bill. What is wrong with the department? Is it not the intention of Parliament to pass legislation in a form as simple and complete as possible? If it is intended that there should be duplications, I have wasted a terrific amount of time.

Clause put and passed.

Clause 528B:

Hon. H. L. ROCHE: I do not wish to recapitulate all the arguments that were put forward last evening when the Committee agreed to the deletion of certain words in Clause 523. In conformity with what we did then, I ask the Committee to refuse to pass this clause.

Hon. R. C. MATTISKE: This amendment was inserted, with the support of the Government, in another place, for a special reason. On the division last night it seems that the pairs went awry; because when the matter was first considered by the Committee the voting was 13 to 9, but last night there was such a terrific swing that it seems there was something wrong. Therefore I hope the Committee will agree to the inclusion of the clause.

Clause put and negated.

Clause 530—Rate book. Sixteenth Schedule:

Hon. R. C. MATTISKE: I move an amendment—

That after the word "taxation," in line 41, page 394, the following words be inserted:—

or the unimproved value or annual value of the land as supplied from time to time by the valuer or valuers engaged by the council of such municipality as the case may be.

This is consequential on a previous amendment in which the Committee agreed to the unimproved value or the annual value as alternative methods of assessment.

Hon. J. D. TEAHAN: I raise no objection to the amendment.

Amendment put and passed; the clause, as amended, agreed to.

Clause 533—Alteration or amendment of rate book:

Hon. R. C. MATTISKE: As the Committee agreed to the retention of Clause 525, neither of my proposed amendments—to this clause and to Clause 535—will now be necessary, as they would have been consequential.

Clause 548—Provision of procedural matters relating to appeals and cases stated by adaptations, regulations and rules of Court:

Hon. R. C. MATTISKE: I move an amendment—

That after the word "valuation" in new Subclause 3A, line 26, page 408, the word "appeal" be inserted.

This is a very simple amendment. Apparently there was a slight omission in the wording of the amendment previously accepted by the Committee.

Hon. J. D. TEAHAN: There is no objection to this amendment.

Amendment put and passed; the clause, as further amended, agreed to.

Clause 600—Power to demand poll: .

Hon. R. C. MATTISKE: I move an amendment—

That the word "are" in line 26, page 453, be struck out and the word "is" inserted in lieu.

This is a minor amendment, but it is necessary grammatically. I contacted Mr. D'Arcy, the Parliamentary Draftsman, and he actually raised the point with me. He contended that the wording in the Bill was quite correct; but I asked him whether, as I was still not satisfied, he would mind if I contacted someone in the Education Department. When he said "No," I asked Mr. Dettman, the Assistant Director of Education, about it and showed him the complete subclause. He said that while it was common usage it was an error grammatically and that the word "is" is correct and that the word "are" should be altered.

Amendment put and passed.

Hon. R. C. MATTISKE: I have a further amendment on the notice paper similar to that one in which the word "are," appearing twice in line 28, should be altered to the word "is."

The MINISTER FOR RAILWAYS: I have an amendment before the word "are" appearing secondly in line 28. I think it would be better if the hon. member moved the first part of his amendment; and then if my amendment is agreed to, the word "are" appearing secondly, would need to remain.

Hon. R. C. MATTISKE: I move an amendment—

That the word "are" first appearing in line 28, page 453, be struck out and the word "is" inserted in lieu.

Amendment put and passed.

The MINISTER FOR RAILWAYS: I move an amendment—

That after the word "or" in line 28, page 453, the words "the valid votes cast against the loan" be inserted.

This is to tighten up and clarify the position, and the department advises that it is a most desirable amendment.

Amendment put and passed; the clause, as amended, agreed to.

Clause 615—Books of accounts and inspection by persons interested:

Hon. R. C. MATTISKE: I move an amendment—

That Subclause (3) in lines 1 to 5, page 463, be struck out.

This is a consequential amendment, because Clause 614 has been amended. That clause previously stated that "books means records kept in such manner and form as the Minister directs." The Committee altered it to read "books means records kept in such a manner and form as the council of the municipality directs." Therefore Subclause (3) in this clause is redundant.

Hon. J. D. TEAHAN: The department considers that this amendment should be opposed. It advises that it is necessary and desirable that ratepayers, creditors, Government departments which are asked to give assistance to local authorities, and statisticians, etc. should be able to ascertain without undue trouble what is the official position of a local authority, and to compare that district with others, and also to compare the position of that district at various times.

Hon. Sir Charles Latham: They want uniformity.

Hon. J. D. TEAHAN: That could be said about it. This could only be accomplished if there was some reasonable standard of accountancy; and therefore the provision in the Bill that the system shall be as approved by the Minister is most desirable. It will provide for flexibility and still preserve the essential requirements mentioned.

Hon. H. K. Watson: How does that square with the amendment made to Clause 614? It is a direct contradiction.

Hon. J. D. TEAHAN: This amendment was submitted to the Local Government Office and I have already read its comments.

Hon. Sir Charles Latham: They do not like to admit mistakes.

Hon. J. D. TEAHAN: From my experience it is better to have uniformity rather than have each local authority setting out its accounts in its own way.

Hon. R. C. MATTISKE: This matter was debated at length when we previously considered Clause 614, and the Committee in its wisdom agreed to vary the provision in the Bill regarding the method of keeping books, but omitted to make the consequential amendment. I would point out that the comments of the departmental officer were made after the Committee had varied the system in principle. No weight can be placed on those comments. The Committee should act in conformity with the decision already passed.

Amendment put and passed; the clause, as amended, agreed to.

Clause 619—Annual financial statement:

Hon. R. C. MATTISKE: I move an amendment—

That the words "in the form directed by the Minister" in lines 33 and 34, page 465, be struck out.

This is also a consequential amendment on the amendment to Clause 614.

Amendment put and passed.

Hon. R. C. MATTISKE: I move an amendment—

That the words "assets and" in line 4, page 466, be struck out.

I have discussed this clause with the principals of two accountancy institutes in Perth. The principals of those institutes, who are experienced local government auditors, have stated that it would be impracticable to prepare a financial statement showing the assets and liabilities, and setting out the current assets and fixed assets; or the current and fixed liabilities. The liabilities can be ascertained easily, and that is the main information required by ratepayers. But so far as the assets are concerned, once money has been spent on the construction of roads or footpaths, difficulty will be experienced in assessing the value in the following years. Will depreciation have to be written off; and if so, at what rate?

The need to keep an account of the assets in that manner will involve a terrific amount of work. The main assets with which ratepayers are concerned include rollingstock, tools, etc., which in the ordinary course are checked in detail by the auditors. I contend that the reference to current and fixed assets is unnecessary.

Hon. J. D. TEAHAN: The department has commented that ratepayers, creditors and others interested should be able to ascertain the value of assets and liabilities of the local authority; and therefore these should be shown in the annual statement, and the form should be reasonably standardised so that any person picking up the accounts of a local authority may be able to understand them.

Hon. R. C. MATTISKE: The departmental officer has not told us why a statement of all assets should be prepared. I have told the Committee why it would be impracticable to do that. Even if it were practicable, the accounts would serve no useful purpose.

The MINISTER FOR RAILWAYS: More than footpaths and roads are involved in the assets of a local authority. The reason given by Mr. Mattiske for the deletion of the words was the great amount of accountancy work required, and auditors of local authorities have brought that matter under his notice. Surely the work of auditors is the checking of accounts against receipts and payments. The actual work of accounting is done by the staff of the local authorities.

It is only right and proper that the ratepayers should be able to obtain a statement of the financial position. The larger the local authority the more important is the information. Where hundreds of thousands of pounds are involved annually,

a correct statement should be prepared. I cannot see that any greater difficulty would face local authorities in preparing a statement of accounts as required under this clause, than would face road or building contractors. At the end of the financial year those contractors have assets, the value of which cannot be accurately assessed. They are, however, assessed in proportion to the work completed up to that date.

Hon. R. C. MATTISKE: I would refer to the existing provision for the preparation of annual financial statements, to be found in Section 329 of the Road Districts Act. I would draw attention to the wording in the three subsections. What is required to be done there is precisely what is required to be done in the clause under discussion. If a comparison were made of the wording of the clause as proposed to be amended with the wording of the section I have referred to, it would be seen that they are almost identical.

In my capacity as a public accountant, I have been very conscious of the fact that in recent years there has been a strong tendency towards the simplification of accounts, so that people not trained in accountancy can readily understand them and the story they convey. If the statements are to be cluttered up with unnecessary and meaningless information then the ratepayers will be confused.

Hon. Sir CHARLES LATHAM: This clause refers to financial statements. As we know, in every business firm, at the end of the financial year, stocktaking takes place. This is done to ascertain the assets on hand. Assets include the plant used by a local authority. During the stocktaking, plant purchased in the year, or carried over from the previous year, has to be accounted for. Anyone interested in the affairs of a particular local authority would desire information on the plant purchased during the year, and that taken over from the previous year.

Hon. R. C. MATTISKE: In checking a statement of this nature, the auditor would require an inventory of the plant and equipment. He would check that against the plant purchased and carried forward.

Hon. Sir CHARLES LATHAM: In my opinion, all that municipalities and road boards are concerned with is the financial statement, and nothing else. Any concerns with which I have been associated have had an annual stocktaking; and if the plant was worn out it was written off, and that was shown in the statement and had to be verified by a senior officer. It is stretching it to the extreme to suggest that this provision would cover roads and footpaths. But I would say that if any land were purchased during the year that would be included.

Hon. R. C. MATTISKE: If this clause stands, as roads and footpaths are definitely assets, they would have to be continued in perpetuity in the accounts.

Hon. Sir CHARLES LATHAM: Assets of that sort could not be sold; but if a block of land were purchased and not taken into account at the beginning of the next year, would the hon. member, as an accountant, not want to know why it was not shown as an asset?

Hon. R. C. MATTISKE: That is included in the statement at present and would be included under the Bill as it is proposed to be amended.

Hon. Sir CHARLES LATHAM: To my way of thinking it is stretching it tremendously to include roads, footpaths and bridges.

Hon. L. A. LOGAN: If I were told that a statement could be made up of the assets and liabilities of the council without fixed assets being included, I would say there was something wrong with the accountant. Why argue the point about it since they have to be included?

Hon. H. K. WATSON: I think we could very well delete the words. The provisions in the Act are adequate having regard to the class of business we are dealing with. The words employed in paragraph (b) have apparently been taken from the Companies Act but seem to be out of place with reference to a municipal council.

Hon. R. C. MATTISKE: I discussed this matter with the Town Clerk of the City of Perth; and he said that when he assumed office the statistical records were incomplete and he set certain members of the staff to work to bring them up to date. The task was terrific and extended over a period of years, but the council now knows where it stands. If this provision is included in its present form, however, the whole of the assets of the council will have to be valued; and he does not know what value it could place on roads and footpaths and such conveniences constructed since the council has been in operation. If a statement is to be made, then, as Mr. Logan said, it must be a complete one of all the assets and liabilities; otherwise the auditor would not be able to pass the statement. It would be practically impossible to carry out this task.

Hon. A. R. JONES: Am I to understand that if this provision is left in, all the assets, including footpaths, etc. will have to be valued, and at the end of each year a writing-down or a writing-up of those assets undertaken? If so, it would be absolutely impossible. Even with regard to a moderately sized road board an extra couple of staff would have to be employed.

The MINISTER FOR RAILWAYS: The argument that roads and footpaths would be included is far-fetched. The

proposal in the Bill and that in the Municipal Corporations Act appear to me to mean the same thing. The only point is that they are phrased differently.

Hon. L. C. DIVER: I intend to support the amendment in order that there will be an opportunity to have another look at this matter and for new light to be thrown on it. I agree with the contention that roads and footpaths would not be taken as fixed assets. If Mr. Mattiske's contention is sound the provision would become almost impossible to apply. I cannot think that it was the intention of those drafting the Bill that the situation should be as stated.

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

| | | | | |
|--------------|------|------|------|----|
| Ayes | .... | .... | .... | 12 |
| Noes | .... | .... | .... | 10 |
| Majority for | | | | 2 |

| Ayes | |
|-----------------------|-----------------------|
| Hon. N. E. Baxter | Hon. J. Murray |
| Hon. L. C. Diver | Hon. H. L. Roche |
| Hon. J. G. Hislop | Hon. C. H. Simpson |
| Hon. L. A. Logan | Hon. H. K. Watson |
| Hon. G. C. MacKinnon | Hon. F. D. Willmott |
| Hon. R. C. Mattiske | Hon. A. R. Jones |
| (Teller.) | |
| Noes. | |
| Hon. J. J. Garrigan | Hon. H. C. Strickland |
| Hon. R. F. Hutchison | Hon. J. D. Teahan |
| Hon. G. E. Jeffery | Hon. W. F. Willesee |
| Hon. Sir Chas. Latham | Hon. F. J. S. Wise |
| Hon. F. R. H. Lavery | Hon. E. M. Davies |
| (Teller.) | |

| Pairs. | |
|---------------------|-------------------|
| Ayes. | Noes. |
| Hon. A. F. Griffith | Hon. G. Fraser |
| Hon. J. Cunningham | Hon. G. Bennetts |
| Hon. J. M. Thomson | Hon. E. M. Heenan |

Amendment thus passed.

Hon. R. C. MATTISKE: I move an amendment—

That the words "current assets and fixed assets and" in lines 5 and 6, page 466, be struck out.

Amendment put and passed; the clause, as amended, agreed to.

Clause 620—Auditor to report errors and deficiencies:

Hon. R. C. MATTISKE: I propose to move an amendment—

That all words from and including the word "unless" in line 36, page 466, down to and including the word "deficient" in line 6, page 467, be struck out and the following words inserted in lieu:—

report thereon and forward his findings to the Minister and the Council shall be entitled to have a copy of the auditor's report delivered to it by registered post addressed to the Town Clerk.

This clause is taken from the Municipal Corporations Act and the Road Districts Act, but I submit it is wrong in principle. It goes far beyond the normal scope of an audit. Under the amendment,

if an auditor found an account to be erroneous, he would report thereon and forward his findings to the Minister; and the council would be entitled to a copy to be delivered to it by registered post, addressed to the town clerk. It would then be for the Minister to decide what action should be taken.

Hon. L. C. DIVER: Should not the mayor or president receive the copy of the report?

Hon. R. C. MATTISKE: I see the point; and I think that would be desirable. I move an amendment—

That all words from and including the word "unless" in line 36, page 466, down to and including the word "deficient" in line 6, page 467, be struck out and the following words inserted in lieu:—

report thereon and forward his findings to the Minister and the council shall be entitled to have a copy of the auditor's report delivered to it by registered post addressed to the mayor or president as the case may be.

Hon. J. D. TEAHAN: I agree to the amendment.

Hon. W. F. WILLESEE: I think the mayor as the head of the municipality should receive the original and that a copy should be sent to the Minister.

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

| | | | |
|--------------|------|------|----|
| Ayes | .... | .... | 16 |
| Noes | .... | .... | 6 |
| Majority for | .... | .... | 10 |

Ayes.

| | |
|---------------------|-----------------------|
| Hon. N. E. Baxter | Hon. R. C. Mattiske |
| Hon. E. M. Davies | Hon. J. Murray |
| Hon. L. C. Diver | Hon. H. L. Roche |
| Hon. J. J. Garrigan | Hon. C. H. Simpson |
| Hon. J. G. Hislop | Hon. H. C. Strickland |
| Hon. A. R. Jones | Hon. J. D. Teahan |
| Hon. L. A. Logan | Hon. F. D. Willmott |
| Hon. G. MacKinnon | Hon. H. K. Watson |

(Teller.)

Noes.

| | |
|-----------------------|----------------------|
| Hon. R. F. Hutchison | Hon. W. F. Willesee |
| Hon. G. E. Jeffery | Hon. F. J. S. Wise |
| Hon. Sir Chas. Latham | Hon. F. R. H. Lavery |

(Teller.)

Amendment thus passed; the clause, as amended, agreed to.

Clause 621—Duties of auditors as to unauthorised expenditure:

Hon. R. C. MATTISKE: On reflection, I think it would be wrong to delete Subclause (2) and so I will not move the first amendment appearing in my name on the notice paper. I move an amendment—

That Subclause (3), in lines 28 to 32, page 467, be struck out.

It is the duty of the auditor to check the statements of a municipality and, now, to report any irregularity to both the

council and the Minister; and that is the end of his duty. It is the prerogative of the Minister to take whatever action he thinks fit.

Amendment put and passed.

Hon. R. C. MATTISKE: I move an amendment—

That Subclause (5) in lines 4 to 12, page 468, be struck out.

This amendment is consequential.

Amendment put and passed.

Hon. R. C. MATTISKE: I move an amendment—

That the words "direct the auditor to" in line 19, page 468, be struck out.

This amendment, also, is consequential.

Amendment put and passed.

Hon. R. C. MATTISKE: I move an amendment—

That the words "in which case the provisions of subsection (5) of this section apply as if repeated mutatis mutandis in this subsection" in lines 19 to 21, page 468, be struck out.

Amendment put and passed.

Hon. R. C. MATTISKE: I move an amendment—

That the word "and" in line 25 and paragraph (b) of Subsection (7), lines 26 to 31, page 468, be struck out.

Amendment put and passed.

Hon. R. C. MATTISKE: I move an amendment—

That the words "the auditor recovers money he shall pay it to the council", in lines 37 and 38, page 468, be struck out and the words "any money is recovered such money shall be paid to the council" inserted in lieu.

In view of the previous amendment it will not be the auditor who recovers the money. It may be the Crown Solicitor or anybody else. Therefore, it will be necessary for this amendment to be made.

Amendment put and passed; the clause, as amended, agreed to.

Clause 625—Office of Government Inspector of Municipalities:

Hon. R. C. MATTISKE: I move an amendment—

That after the word "auditor" in line 30, page 469, the following proviso be added:—

Provided that this subsection shall not apply where an auditor has been elected by the electors of a municipality in accordance with section six hundred and fourteen.

This amendment is consequential upon one that has already been agreed to by the Committee. An auditor may be a Government auditor or one elected by the council.

Amendment put and passed; the clause, as amended, agreed to.

Clause 634—Council may direct prosecutions:

Hon. R. C. MATTISKE: I move an amendment—

That the word "was" in line 18, page 473, be struck out and the word "were" inserted in lieu.

This is simply another grammatical error which I propose to rectify.

Amendment put and passed, the clause, as amended, agreed to.

Clause 635—Fences and gates to be kept in repair:

Hon. R. C. MATTISKE: I move an amendment—

That after the word "offence" in line 31, page 473, the words "where such land is used for the depasturing of livestock" be added.

The purport of this amendment is simply to tidy up a query that I raised when the Committee was previously considering this clause—which query was answered by Sir Charles Latham. The amendment will obviate any possible confusion in the metropolitan or suburban area.

Hon. J. D. TEAHAN: I cannot see why the restriction proposed by this amendment is necessary. Apparently it is assumed that this provision would apply only to land in the country. But could it not also apply to land in the metropolitan area where a person has a fence that is leaning over which could be an obstruction or a danger to the general public?

Amendment put and negatived.

Clause put and passed.

New clause:

Hon. R. C. MATTISKE: I move—

That the following new clause be inserted in lieu of that struck out by a previous committee:—

627. In the case of an auditor to be elected by the electors of a municipality in accordance with section six hundred and fourteen, the following provisions shall apply:—

- (a) For each municipality there shall be one auditor who shall be elected for two years by the persons whose names are on the electoral roll in force for the time being.
- (b) No mayor, president or councillor shall be qualified for election as an auditor for the municipality of which he is mayor, president or councillor.
- (c) The Governor may at any time remove an auditor elected for a municipality on the petition of the council thereof.

(d) Notwithstanding the division into wards of any municipal district the auditor shall be elected for the whole district and the election shall be conducted in the same manner as an election of mayor and shall take place at the same time and at the same polling place or places.

(e) All the provisions of Part IV of this Act so far as such provisions apply to or in connection with the election of the mayor shall apply mutatis mutandis to and in connection with the election of the auditor.

(f) Upon the union of municipalities the auditor of the municipal district having the largest population shall be the auditor of the united district until the first election of auditor for such united district when he shall go out of office, but shall be eligible for election as auditor of the united district.

(g) (i) On any vacancy occurring in the office of an auditor by death, removal, disqualification or resignation or by reason of any other circumstances like proceedings shall be taken to fill such vacancy as upon an extraordinary vacancy in the office of mayor.

(ii) Every person elected to fill such vacancy shall be deemed, for the purpose of retirement, to have been elected when his predecessor in office was elected, and shall retire accordingly; but an auditor so retiring may be re-elected if duly qualified.

(iii) Whenever an extraordinary vacancy occurs in the office of auditor for a municipality the Minister may appoint a person qualified under subsection (1) of section six hundred

and fourteen as an acting auditor for the municipality until a person is elected as auditor to fill the said vacancy.

- (iv) When the Minister appoints an acting auditor under subparagraph (iii) of this paragraph such acting auditor while he so acts shall have and exercise the same powers and be subject to the same duties as an auditor who has been duly elected as such under the provisions of this Act.

- (h) The auditor for every municipality shall be paid out of the municipal fund such remuneration as the council may from time to time determine.

Previously the Committee altered the provision for the election of auditor making it possible for a local authority to engage either its own auditor or to accept a Government auditor. At the time, no machinery provision was submitted to cover the appointment and remuneration of outside auditors. This new clause is to rectify that omission; and I might mention that it has been taken from existing legislation.

New clause put and passed.

Bill again reported with further amendments.

BILL—CHURCH OF ENGLAND SCHOOL LANDS ACT AMENDMENT.

Second Reading.

HON. E. M. DAVIES (West) [5.44] in moving the second reading said: This Bill is introduced as the result of a request from the chancellor for the Perth Diocese that an alteration be made in the terms of trust of certain property in St. George's Terrace held by the diocesan trustees for school purposes.

This property is Perth Lots H1 and H7 which are bounded by St. George's Terrace and Hay-st. and on which several buildings are erected, the principal of which are "The Cloisters," Tivoli Building, and Cumberland House.

The land was first acquired in 1840 by Mr. T. R. C. Walters, a merchant of Perth. In 1858, Lot H7 was transferred to the Bishop of Perth for £900, and Lot H1 was transferred to the bishop in 1861 for £200. In 1865, both lots were purchased for £1,650 by a corporate body known as the Governors of the Perth Church of England Collegiate School, the intention

being to erect a school. This body failed, and was dissolved by legislation in 1885. Both lots were then vested in The Standing Committee of the Synod of the West Australian Branch of the Church of England for such educational purposes as the committee considered to be as nearly in accordance as possible with the objects for which the school was originally established.

In 1896 the principal Act was assented to. This Act empowered the Diocesan Trustees of the Church of England in Western Australia to sell, mortgage and extend the term for which the lands could be leased, subject to the present trusts. It appears that this was the result of the site becoming unsuitable for school purposes. In 1918 the trustees' name was changed to The Perth Diocesan Trustees, and they still operate under this name.

Since 1865, portions of the lands comprised in the lots have been mortgaged and leased, and this has given rise to the Synod's resolution that the terms of the trust on which they hold the land and which were formulated years ago, be varied.

In general terms, the resolution approves the retention of the property by the Diocesan Trustees, with power to sell, lease or mortgage the property or any part thereof. The income derived, after paying interest, rates, etc. is to be paid to the Guildford Grammar School and Christ Church School in certain proportions and for such educational purposes from time to time as the trustees think fit.

Considerable time and discussion has been given to the drafting of the Bill by the Crown Law Department and the chancellor of the Diocese, who is a member of a Perth legal firm. It is understood that one pressing necessity is the provision of a residence for the newly-appointed headmaster of Guildford Grammar School. The terms of the out-moded trust, however, preclude the trustees from carrying out this and other objects. There are one or two ambiguities in the Bill and I hope to move certain amendments during the Committee stage. I move—

That the Bill be now read a second time.

HON. F. D. WILLMOTT (South-West) [5.49]: There is no need for me to delay the House long on this measure, because it is a fairly simple Bill. As members no doubt are aware, for some time there has been a considerable difference of opinion between the Church of England Diocesan Trustees and the Guildford Grammar School as to the use of moneys derived from different sources in St. George's Terrace. This Bill is the result of an agreement that has been reached between the various bodies concerned as to how the moneys should be distributed. I commend the Bill to the House. I have taken up

with the solicitor representing the Guildford Grammar School the amendments that Mr. Davies proposes to move, and both he and the Diocesan Trustees are in complete agreement with those amendments.

Question put and passed.

Bill read a second time.

BILL—ROMAN CATHOLIC VICARIATE OF THE KIMBERLEYS PROPERTY.

Second Reading.

HON. W. F. WILLESEE (North) [5.50] in moving the second reading said: This is one of the several Bills concerning ecclesiastical property that occasionally come before Parliament. The purpose of the measure is to vest in the Roman Catholic Vicar Apostolic of the Kimberleys all Roman Catholic Church property in the vicariate. Members will realise the vicariate is the Kimberleys diocese and the Vicar Apostolic is equivalent to the bishop of the diocese.

At present, the church property in the vicariate is held in trust by the Roman Catholic Bishops of Perth and Geraldton, and by the Pious Society of Missions of Broome. The two bishops and the society have indicated by letter they agree to the proposals in the Bill, which seeks to vest the property concerned in the Vicar Apostolic; to create the vicar a corporation sole with perpetual succession and a common seal; and to authorise him to sell, mortgage and lease any of the lands under the jurisdiction of the corporation.

Power is given in the Bill for the vicar to appoint one or more priests of the vicariate as his attorneys; and, on the death of a vicar, for a duly appointed provicar to exercise and perform all powers and duties until the appointment of a new vicar. I move—

That the Bill be now read a second time.

On motion by Hon. C. H. Simpson, debate adjourned.

House adjourned at 5.53 p.m.

Legislative Assembly

Thursday, 17th October, 1957.

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The Speaker took the Chair at 2.15 p.m. and read prayers.

QUESTIONS.

FISHERIES.

Policing of Territorial Waters.

Mr. NORTON asked the Minister for Fisheries:

(1) Has he read an article entitled "Indonesian Fishing Activities in Australian Seas" published in the "Australian Geographer," Volume 6, No. 1, 1952?

(2) If so, can he advise the House if the Indonesian fishing boats are still operating in our territorial waters?

(3) Do the islands referred to in the article mentioned in No. (1) come under State or Federal control?