

Second Reading

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the House) [2.43 p.m.]: I move—

That the Bill be now read a second time.

This is the usual measure introduced when Parliament meets, to grant the supply required for carrying on the services of the State. The amount of funds involved is clearly set out in the Bill before members.

The issue of \$175,000,000 from the Consolidated Revenue Fund, which is proposed, exceeds by \$30,000,000 the amount authorised by the Supply Act of 1970. This increased issue from the Consolidated Revenue Fund is necessary if we are to finance the higher expenditure on Government services which is due mainly to a steep rise in the Government's wage bill.

As is now fairly widely known, the wage movements of the financial year just concluded have greatly strained the Government's financial position. Though substantial provision was made in the 1970-71 Budget for wage increases which were expected during the year, it eventuated that the cost of award increases exceeded that provision by no less than \$14,240,000.

A further adverse effect on Government revenue occurred during the financial year just concluded when probate duty fell short of expectations by \$1,500,000, stamp duties on conveyances and transfers were down by \$2,300,000, and mining royalties and rents failed by \$2,300,000 to reach the estimated revenue collection.

On the credit side there were some small offsetting increases in other items of revenue. The fact that the deficit has been held at \$4,368,000 in respect of the year just ended was due to the additional financial assistance provided by the Commonwealth Government towards the end of the year. But for the special Commonwealth assistance of \$5,000,000, together with the upward revision of \$4,000,000 to the financial assistance grant payable to Western Australia under the formula, the State deficit would have been of unmanageable proportions.

Even so, the deficit of \$4,368,000 is very substantial indeed and the worrying feature is that we move into the 1971-72 financial year with current expenditure running ahead of revenue to that extent. Members will appreciate that any increase in revenue which becomes available to the Government this year will be required first to close that gap and only then to meet the additional full year cost of wage increases granted in the course of last year. The full cost of those increases will amount to \$40,000,000 during the current financial year.

Such a heavy increase in the cost of running Government services must give rise to concern for the reason that it becomes obvious that the first effect must

be to restrict severely the range and quality of services which the Government is able to provide.

While this problem is not restricted to Western Australia, but is common to all States, the impact in our case appears to have been relatively greater.

In recognition of the plight of the States the Commonwealth Government has, at the recent Premier's conference, agreed to provide additional assistance in 1971-72 over and above the amount we could expect to obtain from the operation of the financial assistance grants formula.

We will receive in the aggregate an additional \$7,000,000 from this source; yet it is already apparent that this will fall far short of the amount that will be needed to enable the present level of Government services to be maintained.

I am advised that the revenue Budget and the loan estimates for 1971-72 are presently in course of preparation and these will be presented to Parliament with the respective Appropriation Bills later in the session. Doubtless this will present occasion for Parliament to be advised in greater detail of developments arising from decisions taken at the Premiers' conference and our prospects for the current financial year.

The Supply Bill, now introduced to enable the Government to carry on in the meantime, proposes a grant of supply to Her Majesty of the sum of \$210,000,000, of which—as I mentioned previously—\$175,000,000 is sought from the Consolidated Revenue Fund. A sum of \$30,000,000 is sought from moneys to the credit of the General Loan Fund. The Bill makes provision also for an issue of \$5,000,000 from the Public Account to enable the Treasurer to make such temporary advances as may be necessary.

Debate adjourned, on motion by The Hon. A. F. Griffith (Leader of the Opposition).

ADDRESS-IN-REPLY: FOURTH DAY*Motion*

Debate resumed, from the 21st July, on the following motion by The Hon. L. D. Elliott:—

That the following Address be presented to His Excellency:—

May it please Your Excellency: We, the Members of the Legislative Council of the Parliament of Western Australia, in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign and to thank Your Excellency for the Speech you have been pleased to deliver to Parliament.

THE HON. R. J. L. WILLIAMS (Metropolitan) [2.48 p.m.]: Mr. President and honourable members: In rising to support

the motion for the adoption of the Address-in-Reply I would first like to congratulate the Leader of the Government and his fellow Ministers on their election to the Treasury benches. I cannot be hypocritical enough to wish them a long tenure of office, but I do hope they have a very successful period during that tenure.

I would also like to extend my thanks to those Ministers and members who have received me with the greatest courtesy. That courtesy has made it much easier for me to commence my parliamentary duties in what I hope is an efficient manner. In particular, I would express my appreciation to The Hon. Ian Medcalf whose advice and help has been freely given to me before, during, and after my entry into this Parliament. I do value that assistance.

To the Clerk of this House, and his staff, I would also extend appreciation for the efficient and kindly way in which they have always succeeded in treating newcomers. All members will know what I mean because they have been afforded the same treatment themselves, from time to time. Indeed, when one sees the amount of hard work done by the staff of this Council it only serves to refute absolutely that old Confucian piece of logic which says, "if bread be the staff of life then the life of the staff is one long loaf."

I would be failing in my duty this afternoon if I did not also pay tribute to my predecessor, Dr. Gordon Hislop, who served this Parliament and the State for 29½ years. He served the people of his electorate with the same dedication that he gave to his profession. In both fields he served with great distinction and I wish him and Mrs. Hislop a long and happy retirement.

Naturally, in such an august assembly I feel humble, but I also feel quite proud of the fact that I have attained this position. This has been made possible by three distinct groups of people whom I would not leave out on any account: firstly, my parents, whose unwavering attitude provided me with the very best education they could provide, at great personal cost to themselves; secondly, as in the case of other members, my wife, who had to put up with a very long, arduous, and difficult electoral campaign—never was that part of the marriage contract which says "for better, for worse, for richer, for poorer" more amply demonstrated than in the latter part of the campaign—and, thirdly, the 69,000 members of the Metropolitan Province who, of course, had the final say.

I, personally, shall never forget the tremendous amount of encouragement and support that was given to me by all loyal members of the Liberal Party in the Metropolitan Province. I thank each and every one of them, and I assure them that

I shall always be at their service to uphold and promote all the promises I was able to make before and during the elections. I shall do that to the best of my ability.

That eminent columnist, Mr. Kirwan Ward, in his column in the *Daily News* on Tuesday, the 20th July, raised a subject which made me think how close his observations were to the observations I wish to make on the subject this afternoon. In this day and age we are bedevilled by what I term "in words." I think all members know what I mean, but, to my consternation, I find that people use these words with very little knowledge of what they mean in the true sense, unless they are lexicographers.

One such word is "viable," which, coupled with the word "proposition," hit the high spots for some time. A "viable proposition" is nothing more than a workable idea. We understand parliamentary language, terminological inexactitudes, etc., but now the general public is being foisted with such "in words" as "viable proposition." Mr. Kirwan Ward mentioned the word "over-react."

But there is one word which bedevils us all. In a recent survey in a national Gallup poll it was found that only 12 per cent. of the people interviewed knew reasonably accurately what it meant; yet it has been taken for granted that the general public knows this word well, its implications, and its meanings. This word in its true meaning affects each and every member of the community. It is this word which prompted me to make these observations today. The word is "productivity."

I do not need to explain to members of this House what "productivity" means, but I know they would like me to refresh their memories and make sure we are on the same wavelength. Firstly, what it does not mean: it does not mean production, which, by definition, is the volume of goods and services measured without regard to the resources that are used up. Productivity means the volume of goods and services measured in relation to the resources that are used up. The more resources that are used up, the higher the unit cost. The better the use we make of our resources, the higher will be the level of our productivity. To say we need higher productivity is to say we need to reduce the unit cost of everything we produce, whether it be goods or services.

As I see it, it is the duty of every honourable member to do what he can to encourage a positive attitude amongst people towards this word "productivity." Efficiently applied, it can only result in a far higher standard of living for everyone. What is more, in the long run, it will decide a real standard of living which people in society can enjoy, but before we can enjoy benefits we must achieve more to share. In other words, it is incumbent

upon us to think productivity. The attitude needs to be encouraged and stimulated; then we will find that all the people will respond in their own particular fields.

I would like to quote a remark made by The Hon. Phillip Lynch, Minister for Labour and National Service, at a national conference on training for industry and commerce which was held in Canberra on the 11th May. Mr. Lynch said—

Australia's productivity growth is significantly below that of many other industrial nations with which we like to make comparisons. Our annual rate of growth of G.N.P. per worker over the long term is in the order of 2½% per annum. Sweden, Norway, The Netherlands and Denmark, countries with a similar or smaller population to ours, are achieving more than 3%, France and Germany more than 4%, Italy and Japan more than 5%.

At the moment there are 182 productivity groups across Australia, representing some 3,700 undertakings. The Productivity Promotion Council of Australia was inaugurated in 1969, and has some 550 member firms, from the largest to the smallest. Representation from these firms consists, in part, of more than 70 organisations. Along with these are the institutes of technology, the Australian Institute of Management, and the Institute of Engineers; but still the message of productivity does not get across. There is a complete communication block.

How do we explain that one day's absence involves 200,000 people in one year? Absences may be justifiable on the ground of sickness, but we have all heard that familiar phrase, "I don't feel like it today, so I will take a sickie." How do we explain that rapid job changing costs this country \$15,000,000 a year? How do we explain to managers that strong efforts are needed to make job satisfaction more attractive to their workers, rather than repelling them? How do we explain that injuries and accidents cause some 17,000 people a year to withdraw from the work force? This figure does not include the accident rate outside of their work.

Let no member of this House read into these words any attempt to pinpoint villain and culprit. There can be no attitude until the proposition "productivity" is understood, following which ordinary people will respond because they will understand. To make people aware of the word "productivity" is to help them to understand, and as I see it that is the prime duty of any legislative body in this State or in this country, if we wish to stay in the international market.

Productivity has many contributory factors and resources working to achieve it; but the greatest factor of all is the human being, and that is the one factor we waste to the highest degree. We in this country,

and particularly in this State, can ill afford to waste the efforts of the human being. Yet we do. We never seem to have the time or to be able to afford to train our people.

If one mentions the word "training" what immediately springs to mind is post-school training for the student who has just left school. Yet if we go back in history we find that the code for apprenticeships was laid down in the code of Hammurabi in the year 2,100 B.C.; and until very recently—no more than a decade ago—we had not changed that code very much. There have always been artisans, masons, craftsmen, and carpenters. Witness the archaeological discoveries of the Sumerian Palace of Kish, in Mesopotamia, which was built in 3,500 B.C. It was constructed entirely of brick and someone had to do some training to be able to erect such an edifice. Somewhere along the line someone sat down and thought about it.

We know that in our history, and in fact in the history of the whole of the British Commonwealth, following the agricultural revolution there came an interim period and it was in that interim period that the guilds and the craftsmen came into the training picture. But nothing was co-ordinated. It was left to the master, and even after the industrial revolution—and in this State until about 1959—it was still considered a viable proposition that an apprentice should serve seven years.

Where is the apprentice cooper of today? He does not have a job because we do not make barrels any more. Yet we refuse steadfastly to update our thinking on this matter, but update it we must if we are to survive. It is estimated that between 1750 and 1900 man doubled his mechanical knowledge—in other words, from the start of the industrial revolution to the beginning of this century. From 1900 to 1950, in a period of only 50 years, he doubled it again; and then from 1959, when the first propulsion rocket appeared, to 1964, he doubled it yet again.

In other words, man is progressing with his knowledge, but where is the support coming from? Where is the human factor being trained to support this wealth of technological knowledge that we have? I do not think my friends from the Country Party will disagree with me when I say that in the agricultural field we are in a transitional period. We are approaching very tremulously as a State and as a nation the start of an industrial revolution in this country. Although we have the resources of man's knowledge we are doing very little to encourage people to enter new fields. It will be incumbent upon this assembly, and upon other assemblies throughout the Commonwealth of Australia, to introduce large scale training schemes—that is, if we are to survive and if we are to uplift our productivity.

However, in this direction things have been going too slowly. In Perth we have had the Pan Indian Conference on Training and a group of experts were sent to the United Kingdom. They compiled the Tregillis Report and recently, as I said earlier, on the 11th May there was the national training conference in Canberra.

When we compare what we are doing now with what has been done elsewhere we find that we are still only in the talking stage—particularly when we compare it with what some of our competitors in international markets are doing. I quote—

In 1964, Britain introduced the Industrial Training Act, a far-sighted measure which has revolutionised industrial training in that country.

In 1962, the United States introduced the Manpower Development and Training Act and in 1967 the President, in his Manpower Report to Congress, called for a further Federal training commitment.

New Zealand recognised the importance of developing sound training policies by the appointment in 1969 of a National Vocational Training Council.

I do not think anyone can deny that those three countries who are so farsighted will go ahead in this race; and unless we do something, and do it quickly, to catch up, we will be sadly lagging. Admittedly, we can allow them to pilot the steering schemes, and maybe we can take them up at a later date. However, I do not think we can leave it too late because if we do then we are going to be in awful trouble.

When we talk about training people we should not think, as some people do, that somebody is sent to a course, they come away with a piece of paper, and that is the end of it. In this State we have to involve the whole community because training is an ongoing thing; it does not stand still. There may be other members here who feel like I do, but with the vagaries of politics perhaps any string to the bow would not be too bad. Perhaps we should go out and learn to become "A"-class welders and get \$164 a week for doing the work. It might help, too, if we did more to rehabilitate some of those who are discharged from the Armed Forces. However, whatever is done, it must be complete and the training must be carried out in conjunction with the learning institutions that we have.

We need block training for apprenticeships; that is the modern method. We have reduced the time for some apprenticeships to three years, but do not let us stop at apprentices. We need to instruct supervisors; we need to instruct managers; right the way through the whole gamut we need training, retraining, and continued training. If we can be this flexible then we have the mobility in the labour force of this country that will be very much needed;

because as one economist once described it, what retards the growth of Australia is the tyranny of distance.

We do have problems; no-one can deny that, and in this regard I should like to quote some statistics that show that in 1967-68, 70 per cent. of all factories were employing no more than 10 employees; 13 per cent. were employing between 13 and 20; 9 per cent. were employing between 21 and 50; 6 per cent. were employing between 51 and 200; and only 2 per cent. were employing over 200. So we are not talking about large-scale industry. Goodness me, in capital goods in Perth there is not one large mass production firm; they are still only in the era of batch production.

I fear that if mass production came about we would be caught in a rather uncomfortable position. We would not have the manpower to deal with it unless we followed the lead given in the recommendations of the committee which met after the training conference was held. If any honourable member is interested in reading the whole of the committee's report he can gladly borrow my copy, because I feel its recommendations are vital to the growth of the State and the nation. For the information of members I will quote the first paragraph contained in the report of this committee. It reads as follows:—

1. Training the workforce is not an objective in itself. Its purpose is to increase job satisfaction and to improve the standard of living of the community through increased productivity.

A workforce of five and a half million people is involved and their skills can be improved by training.

I hope I have said enough and, what is more, said it simply enough for this message to be understood. To the members of this House who are charged with the leadership of this State I make this final plea: we need training to increase our productivity, and we need it to survive. I sincerely hope that any legislation introduced to this Parliament with a view to this end will be passed with ease and eventually have the greatest amount of money expended on the administration of it. I thank you, Mr. President, and the members of the House for the kind attention you have afforded me.

THE HON. J. L. HUNT (North) [3.12 p.m.]: In speaking to the debate on the Address-in-Reply, I would, first of all, like to refer to two former members of this House. I am speaking of The Hon. F. J. S. Wise who, in this House and in another place served the people in the north and in the North Province for approximately 37 years. The contribution that Frank Wise made to the progress of this State is fully appreciated by the people of the North Province and I would like to place on record their appreciation of the sterling job he performed over this long period.