

LEGISLATIVE COUNCIL.

Tuesday, September 24, 1957.

The **PRESIDENT (Sir Clifden Eager)** took the chair at 4.59 p.m., and read the prayer.

AUDIT BILL.

This Bill was received from the Assembly and, on the motion of **Sir ARTHUR WARNER** (Minister of Transport), was read a first time.

STAMPS BILL.

This Bill was received from the Assembly and, on the motion of the Hon. **G. S. McARTHUR** (Minister of Forests), was read a first time.

TRUSTEE COMPANIES BILL.

This Bill was received from the Assembly and, on the motion of the Hon. **E. P. CAMERON** (Minister of Health), was read a first time.

PORT MELBOURNE LAGOON LANDS BILL.

This Bill was received from the Assembly and, on the motion of the Hon. **E. P. CAMERON** (Minister of Health), was read a first time.

LOCAL GOVERNMENT BILL.

This Bill was received from the Assembly and, on the motion of the Hon. **G. L. CHANDLER** (Minister of Agriculture), was read a first time.

CONSOLIDATED REVENUE BILL
(No. 2).

This Bill was received from the Assembly and, on the motion of **Sir ARTHUR WARNER** (Minister of Transport), was read a first time.

YARRA BEND NATIONAL PARK TRUST.

EXTENSION OF GOLF COURSE.

The Hon. J. A. LITTLE (Melbourne North Province) asked the Minister of Transport—

(a) Is the Government aware of any proposal by the Yarra Bend National Park Trust to further alienate parklands under

its control by sponsoring the extension of an eighteen-hole golf course by a further nine holes; if so, what is the acreage involved?

(b) Has the Government any information that the Heidelberg, Kew and Collingwood councils propose using ratepayers' funds in the establishment of such a project; if so, what are the respective amounts involved?

(c) Has the Government received any request for State financial assistance in extending this golf course; if so, what amount was requested, and has the Government made a decision favourable or otherwise?

Sir ARTHUR WARNER (Minister of Transport).—The answers are—

(a) The Government is aware of a proposal approved in principle by the Yarra Bend National Park Trust to construct a further nine-hole public golf course in the park; the area involved is approximately 50 acres.

The present public golf course of eighteen holes is extremely popular and cannot meet the demand. Revenue received from green fees provides a substantial proportion of the cost of maintenance of the whole park.

As the area is reserved for a public park and for recreation, there would be no alienation of parklands in the project.

The PRESIDENT (Sir Clifden Eager).—Order! The Minister is going far beyond the scope of the question, which is whether the Government is aware of any proposal by the Yarra Bend National Park Trust to further alienate parklands under its control by sponsoring the extension of an eighteen-hole golf course by a further nine holes; and, if so, what is the acreage involved. The Minister furnished his answer to that part of the question, and then added what seemed to be propaganda. However, the Minister has said it now.

Sir ARTHUR WARNER.—The answers to parts (b) and (c) of the question are—

(b) No. No moneys will be provided by the three municipalities of Heidelberg, Kew and Collingwood for the construction of the proposed extension.

(c) No. The Government has provided money by way of loan and grant for general development and improvement of the whole park. The cost of construction of the nine-hole golf course will be met from a portion of these loan moneys and will be repaid in accordance with the terms of the loan.

RESPONSIBLE GOVERNMENT IN
VICTORIA.

CENTENARY: PUBLICATION OF BOOK.

The PRESIDENT (Sir Clifden Eager).

—I have received from the Clerk of the Parliaments a paper entitled *One Hundred Years of Responsible Government in Victoria 1856-1956*, which I now present to the House. This paper has been compiled from official sources and contains principally a review of the first one hundred years of responsible government from 1856 to 1956; it also contains the Roll of Parliament with a record of the various Parliaments, Ministries and members, an historical survey of the Constitution, and statistics of the progress of the State of Victoria.

I feel sure that this publication will be of great value not only to the members of this House but also to all the people of the State, and I recommend that the House authorize it to be printed as a parliamentary paper. Copies of the paper in the form of a book are now available and each member will be supplied with one during the course of the sitting.

It was ordered that the book be laid on the table and be printed.

STATUTE LAW REVISION BILL.

The Hon. G. S. McARTHUR (Minister of Forests).—I move—

That this Bill be now read a second time. This is another of those Bills that are submitted to Parliament from time to time to correct small errors that unfortunately creep into the legislation despite the vigilance of all connected with its preparation. The Bill is mainly concerned with the correction of small typographical and other minor mistakes, but there are one or two amendments that have been designed to overcome possible ambiguities in the law. There are also a few additional amendments providing for repeals that should have been made consequentially upon the passing of various other Acts. So that the exact effect of the proposed amendments may be fully understood by honorable members, I propose to move that the Bill be referred to the Statute Law Revision Committee for investigation and report.

The PRESIDENT (Sir Clifden Eager).

—It would be preferable if the Minister of Forests moved for the adjournment of the debate, so that the motion for the second reading of the Bill could be retained on the Notice Paper. It would then be competent for the honorable gentleman to move that the proposals contained in the Bill be referred to the Statute Law Revision Committee.

On the motion of the Hon. G. S. McARTHUR (Minister of Forests), the debate was adjourned until the next day of meeting.

The Hon. G. S. McARTHUR (Minister of Forests).—By leave, I move—

That the proposals contained in this Bill be referred to the Statute Law Revision Committee for examination and report.

The motion was agreed to.

RAILWAYS (FURLOUGH)
AMENDMENT BILL.

The debate (adjourned from September 10) on the motion of Sir Arthur Warner (Minister of Transport) for the second reading of this Bill was resumed.

The Hon. G. L. TILLEY (South-Eastern Province).—This measure relates to the computation of the period of service which entitles employees of the State Coal Mine to be granted long service leave, and represents the attainment of an objective which the miners' union at Wonthaggi has sought for a considerable time. Some miners in that district have spent the whole of their working lives continuously in the coal-mining industry but portion of their service has been with the State Coal Mine and the remainder in other mines. Heretofore, only length of service at the State Coal Mine has been recognized in the computation of long service leave entitlement. The purpose of this amending Bill is to empower the Railways Commissioners, when computing long service leave entitlement, to accord certain employees at the State Coal Mine credit for service in the coal-mining industry prior to their joining the State Coal Mine staff.

During the war years, when there was a shortage of petrol and transport was difficult to obtain, several employees of

the Victorian Coal Mine—a private concern at Kilcunda—transferred to the State Coal Mine at Wonthaggi. At that particular time, coal was a most important commodity and miners were scarce. Consequently, efforts were made to recruit miners from other parts of the world, including Scotland and the Continent of Europe. Miners from any source were then most welcome at Wonthaggi. In 1953, when the coal mine at Kilcunda closed down, the miners who had been employed there transferred to the State Coal Mine. Later, they discovered that because they were working under a Federal award when employed by the Victorian Coal Mine, their periods of service could not be recognized for the purposes of long service leave. Following negotiations with the Commonwealth Government, the then Premier—the late John Cain—made the suggestion that the men who had transferred from the Victorian Coal Mine should be given credit for service with that mine and that payment of the value of long service leave accruing from the service so credited be made to the State Coal Mine under the States Grants Act. That proposal was accepted by the Commonwealth Government, and this Bill is based on the agreement. In July, 1956, the States Grants (Coal Mining Industry Long Service Leave) Act 1949-50 was amended by Federal Parliament to provide that—

Where a State has notified the Commonwealth that, in determining the entitlement of State Coal Mine employees in that State to long service leave, a period of employment in the coal-mining industry in the service of an employer bound by an industrial award providing for long service leave will be treated as service as a State Coal Mine employee, there are payable to the State, in respect of expenditure incurred, or to be incurred, by the State by reason of such periods of employment being so treated, such amounts as the Treasurer from time to time determines.

Under the Railways (Furlough) Act, the Railways Commissioners have no power to provide that the period of employment in the coal-mining industry other than at the State Coal Mine shall be taken into account in computing the period of service of a State Coal Mine employee. Accordingly, this amending measure is

necessary. Needless to say, coal-miners in the Wonthaggi district are eagerly looking forward to this measure becoming law as quickly as possible.

Recently I was somewhat concerned lest some miners who had retired before the amending Commonwealth legislation was enacted in July, 1956, might be deprived of the long service leave which this measure will afford them. However, inquiries from an executive of the Railway Department revealed that to cover that contingency there is no necessity for this measure to be made retrospective to the date when the Commonwealth law was amended. Members of the party that I represent are pleased to support the Bill, which will enable the miners concerned to enjoy some of the fruits of their hard labour.

The Hon. W. O. FULTON (Gippsland Province).—The Country party has examined this measure and is of the opinion that it will afford to those men who work in the coal-mining industry, which is very important to this State, a measure of justice that has been denied them for some little time past. The Commonwealth Government, the State Government and the Railway Department have all agreed to recognize the long service leave claims of those men whose continuity of service to the State was disturbed by the exigencies of war. There is no need to delay the passage of this measure, which the Country party supports.

The Hon. J. A. LITTLE (Melbourne North Province).—My party supports the Bill, which is much more important than would appear on the surface. The measure will extend to those employees who are mentioned in the principle of long service leave—now universally recognized in the State of Victoria—which was embodied in the excellent legislation that was framed by his Honour Judge Fraser when formerly he was Minister of Labour and Industry. That enactment made possible, for the first time, long service leave entitlement for State employees who were working under Federal awards. This Bill goes a step

farther, in the right direction. It provides that men who are employed in the State Coal Mine shall receive long service leave irrespective of the fact that a portion of their service was rendered in mines other than the State Coal Mine. That is a very important principle. Mr. Fulton observed that the Bill would confer a measure of justice on men who had been denied it for some time. That is true. However, justice is also denied many other men in the State of Victoria who work under Federal awards. I have in mind those who have been employed by more than one organization and who, through no fault of their own—perhaps because of slackness of trade or the bankruptcy of their employers they were dismissed—are denied the benefit of long service leave that is granted to those employees who have been fortunate enough to work for only one employer for the requisite period.

This Bill makes provision for the State Coal Mine to accept the responsibility of granting long service leave to persons who have served part of their time with outside employers. The Commonwealth will subsidize the State Coal Mine in respect of the long service leave accruing from service rendered in coal mines other than the State Coal Mine. It is high time that the whole question of long service leave was brought before Parliament with the object of considering the desirability of devising suitable means of creating a trust fund into which payments could be made so that long service leave might be provided for those workers who are now placed at a disadvantage through no fault of their own. After all, that is the commendable principle which is enunciated in this Bill. I congratulate the Government upon bringing the measure forward, and hope that it will have a speedy passage. Further, I trust that it will be followed by other Bills that are aimed at giving justice to those persons who are denied long service leave under the present law.

The motion was agreed to.

The Bill was read a second time, and passed through its remaining stages.

The Hon. J. A. Little.

ACTS INTERPRETATION (SERVICE BY POST) BILL.

The Hon. G. S. McARTHUR (Minister of Forests).—I move—

That this Bill be now read a second time. As honorable members are aware, certain Acts of Parliament require particular communications to be sent by registered post. If this Bill is accepted by Parliament, Government Departments will have the opportunity of adopting an alternative method of posting those documents by certified mail. An advantage of that system is that the addressee is required to give an acknowledgment of the receipt of the letter, and, if the sender requires it, the acknowledgment can be forwarded to him. If that service is availed of, the costs of certified mail are the same as for registered mail, but if the sender does not require the acknowledgment to be forwarded to him, certified mail is cheaper. The same safeguards for delivery apply to certified mail as are extended to registered post. The Government has introduced this Bill in response to suggestions made to it by the Postmaster General's Department, and it is considered that the provision of an alternative means of forwarding important mail will enable Departments to effect economies in their postal expenditure. No provision is made for insurance when postal articles are forwarded under the certified mail scheme, but a registered letter is automatically insured for £5 and, if application is made, and an additional fee is paid, the insurance can be raised to £50. I commend the Bill to the House.

On the motion of the Hon. WILLIAM SLATER (Doutta Galla Province), the debate was adjourned until Tuesday, October 1.

BREAD INDUSTRY BILL.

The debate (adjourned from September 10) on the motion of Sir Arthur Warner (Minister of Transport) for the second reading of this Bill was resumed.

The Hon. J. W. GALBALLY (Melbourne North Province).—Mr. President, if you had told me five years ago

that a Liberal party Government would have introduced a Bill of this nature, quite frankly I should not have believed you. However, that position has arisen and the Minister of Transport, the apostle of no controls, has presented it. It is interesting to hear the Liberal contention that controls are the philosophy of the Labour party and that the Liberal party does not believe in controlling anything—that everything should be left as free as the air. Yet here we are confronted by a Bill to control the bread industry in a strait-jacket. Under its provisions a supervisor is to be appointed and bread manufacturers will be directed where they shall deliver bread, under the threat of a penalty to be imposed by a court if there is a contravention. The supervisor will be able to direct investigations by appropriate officers into alleged contraventions of the provisions of the Bill. All this, of course, is part of the 1957 Liberal philosophy. The Minister of Transport in explaining this Bill said that in the past the actions of bread manufacturers had brought the industry into disrepute, but he will not entertain for a moment any suggestion that pawnbrokers or money-lenders—

The PRESIDENT (Sir Clifden Eager).

—Pawnbrokers or money-lenders have little to do with a bread industry Bill.

The Hon. J. W. GALBALLY.—Except, of course, that if there are sufficient pawnbrokers in the community, people will not be able to obtain enough money to purchase bread. Nobody could describe this measure as a good one, but bread is such an important commodity in our daily lives that we of the Labour party will be as constructive as possible in debating its provisions. I hope that when the Bill has been dealt with by this House it will be far better than when it was introduced into this Chamber. In its present form it will do nothing whatever to give the community a better loaf, nor will it encourage more people into the industry, or ensure that those at present engaged in the industry are competent. Amendments to be proposed by the Labour party will cure all those defects.

I think it is important for honorable members to realize certain facts about bread. The public demand is for a white flour and in order to produce it millers have to take out of the wheat a number of the B group vitamins, which our ancestors realized were necessary for health reasons. Of course, the lack of those vitamins is not so important when everybody is able to obtain plenty of meat, vegetables, eggs and butter. When the community has a balanced diet little harm is done, but if large numbers of our population rely mainly on bread for their nourishment, there is grave danger that the health of many will be impaired. Those remarks apply particularly to the school children of our community, for many of whom bread is the staple food. Indeed, practically all children attending school take sandwiches for their lunches. Under an amendment I propose to move, millers will be compelled to put back into the flour vitamins which are lost during the process of milling wheat. Let me say that I will not be proposing anything novel. The practice of adding certain substances to flour is compulsory in most of the States of America. When large numbers of American troops were stationed in Australia during the war, one of the first steps taken by responsible officers was to promulgate an order that no flour was to be received into American Army camps unless it was enriched in a fashion that will be set out in my amendment. Flour for export to the United Kingdom, to the Philippines and to Ceylon must be similarly enriched. All stock food sold in our community is treated in the same way. Our citizens should not be placed in any worse position than are Australian fowls.

The Hon. W. O. FULTON.—You do not want them to eat fowl food, do you?

The Hon. J. W. GALBALLY.—No, but I do not want them to be placed at a disadvantage. The substances to which I refer—thiamine, riboflavin, niacin, iron and calcium—are referred to in part C of the schedule to the Bill. The names of those substances are also to be found on every Vegemite jar.

Bread should be nutritious. The average loaf may appear rich and health-giving, but unless it is enriched in the way I have described, people might as well eat paper. Implementation of my proposals would not be expensive. All flour mills are equipped with the machinery for putting into the flour the minute quantities of vitamin B1 that are required. Indeed, it is put into stock feed and in much of the export flour. The purpose of the foreshadowed amendment is that Victorians shall have flour which is so enriched. The cost would not be more than 6d. per head of population per year, which is negligible. Thus, the poor people in the community who depend on bread as a staple diet would not be robbed of the essential vitamins necessary to prevent children from getting rickets and a number of other complaints. If a better loaf is required, bread should be improved in the manner I have outlined. I am not making any complaint against bakers when I say that the standard loaf to-day contains little or no nutriment and that children who eat sandwiches for lunch are not deriving nourishment.

The Hon. D. J. WALTERS.—They are filling their “tummies.”

The Hon. J. W. GALBALLY.—They are having something to relieve hunger, but the bread they eat does not contain anything to assist them to grow properly. Children need the essential vitamins. At the appropriate stage, I shall move an amendment with the object of ensuring that bread contains adequate nutriment. I am not introducing some new-fangled notion of my own. A law to this effect has been in force in the United States of America, in the United Kingdom, and in certain eastern countries for some years. In the East, the fact has emerged that in the milling of rice certain vitamins are removed, and steps have been taken to correct the situation. As I have pointed out, human beings require certain vitamins, and if they are obtained in another way it is not necessary that bread should contain them. However, my proposal is aimed at protecting the poorer classes of the community.

The second important matter I wish to stress is that good bread cannot be manufactured without good flour, nor can good flour be obtained from poor quality wheat. It is well known that Victorian wheats are low in gluten content. Once again, I do not blame anyone. The farmer sows his wheat crop to get a good yield to the acre, and in that process quality suffers. Victorian wheats are soft compared with some strains grown in New South Wales, and in Canada, where the gluten content is perhaps twice as large as that of local wheat. It is impossible for a good loaf to be produced unless the wheat is high in gluten. By a stroke of the pen, Victorian wheat farmers cannot be encouraged to alter their methods of production. I understand that the Department of Agriculture has given great attention to this matter, and country members will be able to enlarge on the subject.

I believe the baker should know the gluten content of the flour he buys, because it enables him to say whether he can produce a good loaf from it or whether it will be necessary to add gluten or other substances to improve the bread. In Committee, I intend to move an amendment designed to make it compulsory for millers selling flour for breadmaking—I emphasize this point—to describe on the label the gluten and malt content of the flour. I am sure Mr. Gawith will support my statement that, at present, bread does not turn out satisfactorily because bakers are dealing with the unknown as regards the flour they use. The buyer should know what he is purchasing and he should not have to indulge in guesswork. A requirement that the gluten and malt content of flour shall be stamped on its container would be a fair principle, and a similar one has been applied in other industries. Leather and textile goods are branded, and there are all sorts of requirements under the pure foods legislation to ensure that the purchaser knows just what he is buying. If the proposal is put into effect, the baker will know when he sees a bag of flour whether it will produce a good loaf of bread.

The Hon. I. A. SWINBURNE.—Do you propose that the flour in every bag should be tested?

The Hon. J. W. GALBALLY.—Mr. Swinburne appreciates the difficulty. A tag should be attached to the bag.

The Hon. I. A. SWINBURNE.—I wondered whether you envisaged the sale of wheat containing a certain gluten content by the ton or the bag.

The Hon. J. W. GALBALLY.—I advocate that when a bag of flour is sold, its gluten content should be known.

The Hon. I. A. SWINBURNE.—Do you contend that that information should be stated on every bag?

The Hon. J. W. GALBALLY.—Yes. Millers study very carefully the question of the gluten content of flour, and employ chemists for the purpose. There is no practical difficulty entailed in the branding of every bag of flour offered for sale to indicate its gluten content.

The Hon. P. T. BYRNES.—Each bag could bear a label stating that a certain minimum requirement had been complied with.

The Hon. J. W. GALBALLY.—The gluten content could be stated.

The PRESIDENT (Sir Clifden Eager).—Is Mr. Galbally speaking upon his proposed amendment?

The Hon. J. W. GALBALLY.—Yes, Mr. President.

The PRESIDENT.—It is in order for the honorable member to adumbrate that proposed amendment, but not now to debate the subject in detail.

The Hon. J. W. GALBALLY.—I am grateful for your help, Mr. President. Members have shown that they are interested in the question of branding, and later I shall deal with the subject in more particularity. All I am suggesting is that each bag shall be marked to show the gluten content of the flour it contains. Farmers will not be thrown out of business if that is done.

The Hon. P. T. BYRNES.—I was not considering the matter in that light.

The Hon. J. W. GALBALLY.—I am glad that Mr. Byrnes so quickly and readily received the impetus of the

suggested amendment. If the two suggestions I have made are adopted, the baker will be enabled to produce a better loaf. I presume that in addition to all the restrictive matters about which we have heard, some consideration has been given by the Government to that aspect of the Bill. I come now to the third matter I wish to raise, and I shall deal only generally with the amendment I intend to propose in Committee. The Bill contains no provision aimed at safeguarding the community concerning employees engaged in bake houses. At present, anyone can work in a bakery; there is no requirement of efficiency or competence; but that was not always the case. I am reliably informed by people in the trade that before the war only tradesmen could be employed as bakers. On this question, the experience of Mr. Gawith will be invaluable to the House.

However, on account of shortage of labour during the war, the practical requirements of those engaged in the industry had to be set aside, and since then the position has not improved. Baking is quite properly an apprenticeship trade, and apprentices are required to attend the William Angliss Food Trades School to receive proper instruction. I understand that they are apprenticed for either four or five years. It is highly desirable that competent men should be engaged in the manufacture and handling of foodstuffs. The principle of competency is recognized in other trades; it applies to plumbers, electricians, motor mechanics, hairdressers and others. Persons so engaged are highly skilled and have certificates.

I do not propose that employees already in the industry should be disturbed—it would be wrong to do so because I believe they have acquired certain rights. But for those who are venturing into the industry, I submit that they should be required to possess a certificate of competency, issued by the committee proposed to be set up under the Bill. Eventually, it would mean that only qualified tradesmen would work in bakeries. I am sure that this proposal will be heartily endorsed by Mr. Gawith. It is a fair proposition that those who

work in an industry should be competent, particularly when we are dealing with something as important as bread; the community should have some guarantee that the employees are skilled. I have now canvassed the three amendments that I intend to propose at the appropriate time. All are designed to make the Bill better and to ensure that the quality of bread will be improved.

There are other aspects of the measure, which, I regret to say, call for harsh comment. Without having an intimate knowledge of the bread industry, one must be appalled at the depletion in the number of bakers now in business. Baking is an honourable and ancient art, well suited to the small, independent, proprietor. One would have thought that the Government would have submitted some proposal designed to encourage the small man into the industry instead of handing it over to the "big fellows." The figures on the subject are somewhat startling. In 1942, there were 178 delivery bakeries in the metropolitan area; in January, 1953, 125; in February, 1955, 115; and in September, 1957, 118. The number has been reduced steadily, and the baking industry is at the mercy of a few big men. As time passes, of course, more bakers will be eliminated. That is a matter of alarm, but it is not novel. Judge Stretton directed attention to this state of the industry in his Royal Commission report some ten or fifteen years ago. What is this Government doing about it? Nothing! For obvious reasons, I do not wish to mention names, but in the *Bakers' and Millers' Journal*, there is an account of a very important English company which has large baking interests in Victoria. The report reveals that the chairman regards as satisfactory the amount of profit made in Victoria; it recounts the activities of the company here, and shareholders are assured that in the near future it is hoped to capture more of the Victorian market in bread.

Those things are not good for our bread industry. Bread is made from local products—water, salt, flour and yeast. There may be some other refinements of which Mr. Gawith can inform us, but those are the main

The Hon. J. W. Galbally.

ingredients, and there is no reason why a number of our people should not be engaged in a small way in the baking of bread.

The sitting was suspended at 6.5 p.m. until 8.37 p.m.

The Hon. J. W. GALBALLY.—Prior to the suspension of the sitting I had been discussing certain provisions of the Bill, and I now direct attention to the fact that the measure, as printed, provides for the appointment of a supervisor. In another place the relevant provisions relating to a supervisor were deleted, and his powers were vested in a committee. However, the Minister of Transport has brought down in this Chamber a Bill containing provisions pertaining to a supervisor. I do not know whether the honorable gentleman intended to do that, or whether he has asked the House to pass a measure that he has not studied.

Sir ARTHUR WARNER.—There has been a typographical error in one clause, and an amendment will be moved to correct it.

The Hon. J. W. GALBALLY.—It is unfortunate that the House was not informed of that fact earlier. However, I accept the Minister's explanation.

The PRESIDENT (Sir Clifden Eager).—The Bill is before this House in the form in which it was received from the Assembly and is printed.

The Hon. J. W. GALBALLY.—That is so, Mr. President, but the Minister of Transport has assured me that one provision has been printed wrongly.

The PRESIDENT.—The measure has been transmitted by the Assembly to the Council, with the usual message, together with a certificate that it was passed by the Legislative Assembly on the 6th day of June, 1957. The message is signed "H. K. McLachlan, Clerk of the Legislative Assembly." Therefore, the Bill before this House is the Bill as printed and certified.

The Hon. J. W. GALBALLY.—Sub-clause (6) of clause 9 states that the supervisor may grant to any bread manufacturer a certificate of exemption from certain provisions of the Bill, and that the supervisor may at any time revoke any such certificate. The Minister

of Transport has informed the House that the inclusion of the word "supervisor" is a typographical error.

Sir ARTHUR WARNER.—I did not assure the House. I thought it was a typographical error.

The PRESIDENT.—Order! It is not a typographical error. I repeat that the Bill is transmitted by the Assembly as it was passed by the Assembly.

The Hon. J. W. GALBALLY.—Thank you, Mr. President. I think the Minister of Transport will now be able to enlighten the House on at least the provisions relating to the supervisor a little more clearly than he has done so far.

Sir ARTHUR WARNER.—If I do not move an appropriate amendment in that regard, you may do so.

The Hon. J. W. GALBALLY.—As a matter of high principle, the Minister of Transport ought to know what is in the Bill that he is asking the House to pass. I shall now discuss a matter of real substance. Section 105 of the Labour and Industry Act properly places an employer in the same position as an employee in relation to working outside the fixed hours. That section was inserted in the Act some years ago, in response to many observations and reflections—I was almost tempted to say "demands"—by the Trades Hall Council. In the Bill, which is aimed at ensuring that the public shall be supplied with better quality bread, the Government proposes to break down those standards that have been fought for over the years. Let us consider what the measure will achieve. It will allow persons who enter the industry to work whatever hours they choose. It will permit the employer to have as many partners as he likes—or professes to have. They may, in effect, be only employees, but he will be enabled to use their sweated labour under the protection of the repeal of the section of the Act to which I referred. That is a damnable attempt to break down working-class conditions and standards that have been fought for, and we must condemn it in no uncertain terms.

It is well known that many new Australians—I am not necessarily directing my remarks solely at them—set up benches and arrange for a number of persons to pretend to work as partners. In those circumstances they will unfairly compete with other bakers who are employing labour and paying award rates and observing award conditions.

Sir ARTHUR WARNER.—Are you referring to big bakers?

The Hon. J. W. GALBALLY.—I trust that the big bakers observe award conditions just as I hope the little bakers do. This proposal of the Government is a side-door method of breaking down conditions which have been embodied in legislation as a result of 50 years of hard work and striving by persons interested in the protection of employees. It is part of the pattern of this so-called Liberal Government, and I trust that, when the Bill is being considered in Committee, we will have the warm support of our friends in the Country party who have never been slow to recognize the just demands of workers in industry.

The Bill will accomplish nothing. It comes forward as part of the programme enunciated by the Liberal party before the last Assembly election when, by a windfall, they were returned to power. It has been dished up in any sort of fashion to enable the Premier to say, "There you are, we have completed our programme by giving you a new deal in bread." However, the Bill was never meant to achieve anything worth while, and I believe the Government will be very relieved when the House expresses its disapproval of it. I look forward to receiving some support from Government members for the amendments I propose to move to improve the only portions of the Bill that will help to give the people a better loaf. Those members who support the Government and who have had long experience in the bread industry should not remain silent when the House is discussing ways and means of ensuring the supply of a better quality loaf to the less wealthy sections of the community, who depend on bread for their daily sustenance.

The Hon. I. A. SWINBURNE (North-Eastern Province).—On behalf of the Country party I wish to say that this measure that we are now considering relates to one of the most controversial subjects discussed in this House over the period of almost twelve years during which I have been a member. Bread reform has been attempted on many occasions and failure has been the result. This Bill has been amended to such an extent since it was introduced in another place that its own "mother" would not recognize it, as has been the case with many other pieces of legislation sponsored by the present Government. I have listened intently to what has been said about the Government's proposals, especially the remarks about the quality of bread. The first part of the Bill deals with bread standards and related matters and the rest of it covers methods of controlling those associated with the industry. All sorts of rules and regulations are introduced to restrict the activities of those engaged in bread manufacture and the sale and delivery of bread. Many varied opinions are held about the quality of bread. Some remarks were made earlier that its quality depends largely upon what one eats with it. Many of the vitamins which Mr. Galbally said were removed from the wheat in order to make white flour can be obtained if the consumer selects the right commodity to eat with the bread.

I have moved around many different parts of Victoria and the other States and my experience has been that in areas in which bread is delivered daily, little complaint can be made about its quality. However, when one is residing in the more remote areas where bread often has to last a week, one realizes that some types keep better than others. Nevertheless, as bread is the staff of life one relishes it just the same even though it may be a little stale.

In considering this Bill members will adopt different points of view. So far as country people are concerned, we regard the measure as one which deals mainly with methods of controlling the industry. As a party, we have not endeavoured to control or restrict people unnecessarily, even though in the rural

areas there are leagues and associations of various types to protect the interests of people engaged in different industries. As I stated earlier, this measure has been watered down somewhat from its original form, and I presume that before honorable members of this House have finally dealt with it, further amendments will have been made. It is amazing that the present Government, which has always advocated freedom of trade, should bring forward a measure designed to restrict severely an industry and those associated with it.

When the Bill was originally drafted, one of the proposals was to appoint a supervisor to act as a little dictator in the bread industry. Now it is provided in the Bill that a committee of seven shall be appointed, but in his explanatory speech the Minister of Transport informed the House that he intends to propose an amendment to increase that number to nine. The Country party cannot see any reason why a committee of seven members should not be able to control the industry competently. Perhaps the Government has been influenced by suggestions in the press that discussions in the proposed committee are likely to resemble proceedings on the basis of the industry versus the consumer, and has therefore decided to increase the number of consumer representatives so that the battle might be more in the nature of consumers versus the industry. I believe that if two more consumer representatives are added to the proposed committee there will be four representatives on either side and the chairman, who originally was to be the supervisor, will hold the balance of power. If that is the case, he will be the one to exercise control. I am not sure whether the press supports the Government in this matter, or whether the Government supports the press. If the representatives of the bread manufacturers and of the unions line up together on the proposed committee, it will be the first time that such a thing has happened in this State. I feel that the interests of manufacturers and employees are so far apart that it will not happen.

I trust that by the time I have concluded my address, the Government will know exactly where the Country party stands. We do not intend to support the proposal to increase the size of the committee from seven to nine. So far as the quality of bread is concerned, I have listened with interest to the remarks of Mr. Galbally. Nevertheless, I am not certain whether he is as conversant with the ramifications of the flour-milling industry as he endeavoured to lead us to believe. My experience in the wheat industry makes it difficult for me to understand how it will be possible for flour millers to test every bag of wheat for its gluten content when supplies of that cereal are obtained from a silo which might hold wheat of half a dozen different varieties. I believe that the best way in which to encourage bread manufacturers to bake good bread is to allow them to carry out their own testing of the wheat and flour. If that were done and a flour miller obtained twenty bags of wheat, each of a different gluten content, he might well decide to mix them together in order to obtain an even quality. That would be the logical way in which to carry on the work.

The PRESIDENT (Sir Clifden Eager).

—Is Mr. Swinburne dealing with the proposed amendment?

The Hon. I. A. SWINBURNE.—I am dealing with the standards that are to be laid down as outlined in this measure, and I am relating the amendment to the proposed standards.

The PRESIDENT.—That is in order, but Mr. Swinburne must understand that the amendment is not yet before the House.

The Hon. I. A. SWINBURNE.—I realize that, Mr. President. As a person who grew wheat some years ago, I can say that if a grower is paid for high quality wheat, he will grow it. One way of encouraging farmers to grow wheat with a high gluten content is to pay a premium for those varieties. Of course, some difficulties will have to be overcome in relation to our present method of handling wheat, which is claimed to be the best in the world. I thoroughly agree that the Grain Elevators Board does handle the crop most efficiently, but probably the system does

not lend itself to encouraging farmers to grow the best varieties of wheat so far as gluten content is concerned.

As Mr. Galbally remarked, the way in which to improve bread is to adopt methods that will ensure that those vitamins which are taken out of the bread by present methods of manufacture are replaced. I think it better to allow the bread manufacturers to find ways and means of doing that in the interests of the people they serve. They have to meet demands for various types of bread in different parts of the State, and it is up to the bread manufacturers themselves to set their standards according to the needs of customers. Those remarks apply not only to bread but also to all other commodities. I have checked on the bread position throughout the country, and I believe that most of the bread manufacturers to-day are meeting the demands of the public. If the people demand a certain type of loaf, they are supplied with it. The Government sets out to control the bread industry by the implementation of certain methods of production, sales and deliveries. Under the measure, it is proposed that a committee shall be established to enforce controls regarding supplies.

Part I. deals with standards and I offer no objection to those stated except paragraph (c) of sub-clause (1) of clause 6, which provides—

Any person who—

(c) sells or offers for sale or has in his possession for sale as bread of any kind any bread which does not conform with section four of this Act and the relevant provisions of the said Schedule in respect of bread of that kind—

shall be guilty of an offence against this Act and liable to a penalty of not more than Two hundred pounds.

The Country party intends to submit an amendment to that provision, because it is felt that the paragraph quoted is capable of excessively wide interpretation. If the Bill is passed, as drafted, a seller may obtain his supplies from a manufacturer, who bakes the bread contrary to the standards laid down in the first part of the measure, and even though he does not unwrap the bread, the retailer will be liable to the

penalties stipulated. The Country party desires to safeguard the seller by providing that it shall be a good defence if he can prove that he purchased the bread believing it to be of good quality. The amendment to be submitted is based on a provision of the Health Act, and I believe the House will accept it.

Under Part II. of the Bill, it is proposed that a bread industry committee shall be appointed, whereas originally provision was made for the appointment of a supervisor. The Country party did not favour that proposal, and considers that the committee should consist of seven members, as provided for in the Bill as passed by the Assembly. The Leader of the House indicated that an amendment would be moved to have the committee enlarged by the appointment of two more members representative of the consumers. In our opinion, that would be tantamount to reverting to the proposal for the appointment of a dictator to control the industry. If the amendment foreshadowed by the Minister of Transport is agreed to, there will actually be four members representing the two main sections of the industry, with the ninth member as the chairman. That would not benefit anybody. Members of the Country party are satisfied that the membership of seven as provided for in the Bill will be sufficiently representative of all interested. In our opinion, this will allow the appointment of a balanced committee which will be able to make a reasonable approach to the problems encountered and enforce the conditions laid down in the Bill.

Part III., which relates to bread sales and deliveries, has evoked a good deal of comment. In another place, clause 9 was amended to apply only to the metropolitan area, but, on the application of the committee to the Governor in Council, its provisions may be applied to any other part of the State. Country party members in this House will adopt the same attitude as that taken by its members in another place. We oppose the method by which the Government is endeavouring to control the sale and delivery of bread. It may be argued that in the metropolis it is necessary to apply some controls to

overcome what has been termed zoning—this applies also in certain country districts—or agreements by which either bakers, bread manufacturers or delivery organizations have made arrangements allowing monopolies to operate in certain areas. The Government proposes to overcome this problem by the method set out in Part III. The tendency to-day seems to be for fewer bread manufacturers to operate. The small baker in the outer metropolitan districts works under the threat that the big master baker will compete with him by establishing a bread shop by means of which over-the-counter sales can be conducted.

I do not think the method proposed by the Government to overcome the difficulties is sound. Clause 9 refers to the delivery of bread within 2 miles of any bakery or distribution centre of the bread manufacturer or bread seller. It has been said that persons engaged in the sale and delivery of bread should be placed in the same category as those in the meat industry. Most people to-day buy their meat over the counter. Moreover, not many butchers outside the metropolitan area make deliveries of meat. At present most sales of groceries, meat, and other household commodities are sold direct from shops. Even in country towns, there is a tendency for deliveries to be reduced and for sales to be made over the counter to the consumer.

In my opinion, the Bill, in its present form, will not achieve the intention of the Government. In my opinion, in the metropolitan area bread will ultimately be sold only from shops. The same comment may be applied to the milk and other industries. It is becoming the normal practice for people to buy direct from the shops, and deliveries are gradually ceasing. Whether this tendency will eventually be reversed remains to be seen. Sales by deliveries are gradually declining against the competition from over-the-counter sales.

The Hon. W. O. FULTON.—Because of self-service shops.

The Hon. I. A. SWINBURNE.—That is undoubtedly so. This is the pattern for the future. In country towns the

prevailing practice is for meat to be wrapped ready for the customer to take home and place in his refrigerator. In spite of the intentions of the Government, as expressed in this measure, I consider that before long there will be few deliveries in the metropolitan area.

The Hon. W. O. FULTON.—What is the cause of this?

The Hon. I. A. SWINBURNE.—The high cost of deliveries and increased purchases direct from the shops. Country members approach this Bill from the viewpoint of ascertaining what its effect will be in rural centres. In a large number of country towns the house-to-house delivery has already practically ceased to exist, although in some localities it is still in vogue. It is proposed that it will be compulsory for a bread manufacturer to deliver within 2 miles of the bakery, but I am concerned as to what is likely to happen in the country where bakers now make long delivery runs. Probably, bakers will take the view that, as the law provides for deliveries up to 2 miles, everybody who lives beyond that distance must visit the town for his supplies.

In my district, bakers deliver up to 20 miles at present, but that is an economical proposition only because they have made certain arrangements with one another. When I first went to reside in this locality, there were two bakers; one delivered for 20 miles and the other for 14 miles, and many customers bought a loaf from each man on alternate days. The bakers soon realized that procedure was not profitable and decided that each would cover certain territory. To-day, one baker delivers to all customers in one part of the district and the other man supplies the rest. If the Bill is passed in its present form, such arrangements as that will doubtless cease, and deliveries will be restricted to a radius of 2 miles from the bakery. The Country party will not support clause 9.

Part V. of the Bill provides that arrangements precluding or hindering compliance with the Act are to be declared illegal. Agreements reached must be sanctioned by the proposed

committee. Members of the Country party believe that the clauses contained in this part of the Bill, or what will be left of them by the time the measure has been dealt with by this House, will not adversely affect the industry. Clause 15 relates to hours for bread making. This concerns the small baker who manufactures bread within the family circle. Under the Labour and Industry Act, bakers are not permitted to bake beyond certain hours or to flout the award conditions under which bread operators work. As Mr. Galbally pointed out, the trade union movement fought very strenuously for this principle over the years. Members of my party will vote against clause 15, which provides for the deletion of section 105 of the Labour and Industry Act; this section prohibits private bakers from working outside normal award hours. It is felt that the present conditions which operate should remain in force and that there should be uniformity.

When I read the Bill, I thought, "What would have happened if this Bill had been brought in by other than the Liberal party, and the member who introduced it had been in Opposition?" I am sure that the Minister of Transport would have been the first to protest and that there would have been no greater advocate for freedom of the bread industry from control. This measure is, in my opinion, completely foreign to his beliefs, and his previous statements of policy in this House. The honorable gentleman contends that the proposals in this measure are in the best interests of the bread industry. I did not think such a measure would ever be brought in by the Minister. He and I entered this chamber on the same day, and I recall that when he delivered his maiden speech he informed the House of the necessity for freedom of private enterprise, and the right of the individual to do his best to develop this great State. Evidently, he has changed his mind. I know that he has said, "Cartels are no good unless you are in them." Apparently, he is not in the bread cartel so he is trying to do something about it.

The Country party members are not prepared to support a measure to control an industry which, in their opinion, is quite capable of controlling itself.

I have had experience of the bread industry and I have also been associated with the policing of it. If there is a reasonable case to be advanced, those in the industry will take heed. If there is no such case, the association of this industry acts in the same manner as any other association formed to safeguard particular interests. In the same way, a union has certain ideas on how its members should be protected. I am not prepared to argue that its actions are right all the time. Perhaps some matters are taken too far but, if we were members of the bread industry, probably we would hold beliefs similar to those of its members. This Bill, however, goes too far in its endeavour to control an industry that has given the State good service over the years.

Much has been said of the standard of bread but, in my opinion, the Bill was not brought down in order to improve the quality of bread but with a desire to introduce a type of control that this Government said it would try to eliminate. I repeat that the Bill affects an industry which in the past has been well able to look after itself, and which has given the State a most efficient service.

The Hon. J. A. LITTLE (Melbourne North Province).—In the main, I support the Bill although I shall be critical of some clauses. By and large, it tries to apply some controls to the bread industry, and they meet with my approval. I do not agree with Mr. Swinburne's contention that control of this industry is unnecessary, and that it can conduct its own affairs in the best interests of the community. I have found that sections of the industry have done their best to further their own interests and that on many occasions the interests of the community have been ignored. In this connexion, I have had personal experiences. We must all realize that now conditions in the bread industry are entirely different from those that operated when bread was manufactured

in small bakeries with little mechanization, and was delivered to the community in the neighborhood of the place of production. To-day, the baking of bread is a big industry, and bread is delivered to the public from 10 to 15 miles from a bakery. Cartels that control the industry have crept in, and they have been brought into being in the interests of the manufacturers, not of those who eat bread.

Bread is an important item in the family diet and when a cartel of this description is established the Government should ensure that the interests of the people are safeguarded. The clauses relating to that aspect have my approval. The proposal to extend the consumer representation on the committee is a good one. In commenting on that aspect, Mr. Swinburne made much of the fact that various sections of the industry are not likely to vote together—that the manufacturers and the bread carters are not likely to see eye to eye. He said that if four representatives of consumers are appointed to the committee, an even vote will eventuate, but I fail to understand how he arrives at that conclusion. I am unable to comprehend his statement that under an independent chairman the representatives of the union and the manufacturers will not work together and so, in voting, there will be a dead heat, if four representatives of the consumers are appointed. The wider representation of the consumer group is highly important. Equally important sections in the industry are the manufacturers and the unions. I have a definite leaning towards the unions and I have every sympathy towards their cause, but, being a representative of the people, I also appreciate that the manufacturers should have equal representation at least. I see no danger in the balancing of power by having four consumer representatives on the committee, and members of my party are prepared to support that proposition.

I remember disastrous strikes that have occurred in the bread industry. If the Government persists with clause 15, an industrial war will develop. I recall the two bread strikes in 1950 in which

the bakers' union fought long and hard for a basic principle. Its members did not win their full demands, and it was a tribute to the union that ultimately the recommendations of the Trades Hall Disputes Committee at that time were accepted, in defiance of their own wishes. I remember the officers of the union suggesting that the members should accept the terms of settlement, which they did. That was to their credit because the people were then able to get the bread that they were entitled to receive. The two unions involved in the dispute did not hold unanimous views and for that reason the trade union movement recommended that the members of those unions should accept something less than their full demands.

That struggle proved the calibre of the employees in this industry. They knew of the shocking conditions that applied in bakehouses when it was usual for bakers to work all night; they encountered the worst possible conditions. Reasonable standards having been established, I believe that any suggestion such as is contained in clause 15 will be hotly contested if it is put into effect. I do not think the Government will be so foolish as to do so and there seems to be sufficient indication in this House that clause 15 is not likely to meet with success. The Government will not receive the support of members of our party on that aspect and we will join with members of any other party who vote against clause 15.

Mr. Swinburne's statement concerning future deliveries is true to an extent, but he did not refer to the fact that the motor vehicle will in the future affect the delivery of bread to housewives. The problem of delivery will become less important than it is at present, but I believe the Government is right in endeavouring to ensure that the reasonable requirements of persons who have not the advantage of being able to drive their own motor car to a shop are met. Like Mr. Swinburne, I believe that different circumstances will apply in the future, but that is not a sufficient reason why home deliveries should not be made now.

The Hon. G. L. CHANDLER.—Would you make the same remarks in relation to milk?

The Hon. J. A. LITTLE.—Yes, although different delivery times are applicable in that instance. However, future extension of refrigeration and other facilities may change those circumstances. No doubt, economic pressure of delivery cost will be felt. I believe that in future generations even workers' wives may have their own small motor vehicles in which to do their shopping, just as to-day ownership of a wireless set is within the reach of all families. Indeed cars may become just as commonly accepted for that reason as are perambulators in our present generation for the carriage of babies. The time has long since passed when the Western mother carried her baby on a sling over her back. However, we are concerned with the present. I see no reason why reasonable provision for deliveries should not be guaranteed for those who have not access to private transport. Whether the action proposed is adequate or correct is another matter.

I wish now to refer specifically to clause 11, which concerns bread industry supplies. I believe the Government has endeavoured to achieve a necessary reform in the first part of the clause, but that any possibility of its reasonable administration is removed by the second part of the clause. I remember when the particular disputes in the industry that I have referred to took place. Attempts were made to establish bakeries and great disputation arose from the efforts of certain bakers to produce bread at a price lower than the prevailing rate. They experienced difficulty in obtaining supplies of the basic materials required. Newspaper reports indicated that a *prima facie* case existed that such bakers were being deliberately denied supplies because of representations made by other persons. Such action should not be permitted. The Government must either believe in competition in an industry or take the other view. It should ensure that a person wishing to start off in an industry will have a reasonable opportunity of establishing himself, provided he is

prepared to obey the laws relating to the industry, concerning labour and health and cleanliness, without some cartel or clique already established being able to deny him supplies of materials. If a *prima facie* case had not been made out, the Government would not have even tampered with the ideas contained in clause 11, which includes a provision for the imposition of a penalty of not more than £200 for failure to comply with certain requirements. However, the latter part of the clause undermines the main provisions, because specific circumstances under which persons may avoid the responsibilities of those provisions are laid down.

The Hon. P. V. FELTHAM.—Do you object to paragraph (a) of sub-clause (3) as well as to paragraph (b)?

The Hon. J. A. LITTLE.—No. Paragraph (a) may be a reasonable proposition, although it is not always fair to require the payment of cash for supplies. I suppose it can be said that a person commencing in an industry should be under some liability. It would not be reasonable to expect a supplier to carry a specified amount of credit, but even so the provision appears to be somewhat harsh. If a person established in the industry had been in the habit of receiving supplies and paying for them at the end of 30 days or three months, a supplier of raw materials could well escape the earlier provisions of the clause by saying, "From now on you shall pay cash or else..." If the baker's credit had been good, that action should not be taken unless the supplier had some doubts regarding his future credit position. If the baker concerned could display his potential ability to pay in the future as in the past, a sudden demand for cash could be construed as a deliberate attempt to cut off his supplies. I have more objection to paragraph (b), which has a definite undermining effect. I have had some experience with similar provisions in the labour laws concerning the dismissal of personnel. If an employer states that he has not any work, it is difficult or impossible to disprove his statement to the relevant Board, even though one is aware that he has many orders. Cases of victimiza-

tion of members of the trade union movement have occurred in relation to unwarranted dismissal from employment. In this instance, if the supplier of raw materials states that he has other contractual commitments, it will be difficult to prove that he is deliberately withholding supplies. Paragraph (b) of sub-clause (3) of clause 11 gives the perfect let-out to offences committed under the earlier provisions of the clause. If the Government has a sincere desire to correct one of the greatest evils in the bread industry, it should carefully examine paragraph (b). In the early 1950's the accumulation of many years' problems was compiled and issued in printed form. The highlight was the non-supply of raw materials to persons establishing or endeavouring to establish themselves in the industry, or who were not obeying the wishes of certain interests. For the reasons I have stated, I do not support all clauses of the Bill. I shall be interested at the Committee stage to see the amendments already foreshadowed. I trust that an opportunity will be afforded honorable members closely to examine them in the interests of the community before being called upon to vote on them. I agree with some of the amendments proposed, and I shall strongly support the deletion of clause 15 so that the established provisions of the Labour and Industry Act will not be interfered with.

The Hon. J. J. JONES (Ballarat Province).—The Bill is good in a few aspects, but a number of clauses do not meet with the approval of my party. In his second-reading speech, the Minister of Transport referred to the need for an improved standard of bread, which in this State does not compare favourably with that produced overseas. However, I fail to see much in the Bill that will assist in achieving that objective. Mr. Galbally has indicated his intention to move several amendments, one of which will require millers to stipulate the gluten content on sacks of flour. I think that is desirable but suggest the problem should be tackled at an earlier stage, namely, when the grain is produced. Victoria is at a disadvantage as compared with other States

in that the protein content of local wheat is low. Flour produced from wheat with a protein content of less than 9 per cent. is not desirable for the manufacture of bread. Good bread cannot be made from bad flour but, on the other hand, good bread is not always made from good flour because individual bakers adopt different methods of treating the raw material. Figures provided by the Department of Agriculture indicate that the quality of our wheat has not improved in the last 25 years. Indeed it is clear that in the last ten years the protein content of Victorian wheat has declined. Perhaps I should endeavour to explain to the House the part the protein element plays in the manufacture of bread. I have seen wheat tested in various places. The flour from the crushed grain is mixed with moisture and tested for some minutes. At the end of that time the mixture is taken out and it can be clearly seen, even by the untrained person, that flour of high protein content is similar to a piece of chewing gum. The high protein mixture can be stretched without breaking, but the low protein mixture will break immediately it is stretched. If this is applied to bread making, it is found that when the dough is subjected to the gas pressure from the yeast the cells in the good quality protein flour do not break down, but if poor quality protein flour is used, the cells break down, and a poor quality loaf is produced.

At page 546 of the September issue of the *Journal of Agriculture*, published by the Department of Agriculture, there appear pictures of two loaves of bread made from the one variety of wheat. One loaf was made from wheat having a grain protein content of 11 per cent.; it is a high, well-formed loaf. The other loaf, which was made from wheat having a grain protein content of 7 per cent., is an inferior type of loaf. If honorable members were to study these pictures they would be able to make an interesting comparison. I have some statistics relating to flour obtained from the western part of Victoria, which clearly indicate the deterioration that has taken place in the quality

of Victorian wheat in recent years. Samples of wheat were taken from the Sheep Hills wheat area, which is in the North-Western Province. In 1942, a test of flour produced from the wheat showed a wet gluten content of 29½ per cent.—the wet gluten content is approximately three times the dried gluten content—and a protein content of 10 per cent. In 1947, the wet gluten content had decreased to 22½ per cent. This is equivalent to a protein content of less than 8 per cent., which would be entirely unsuitable for bread. In 1945-46, which followed a drought year, the figures show a very high gluten content in our wheat—it was up to 39 per cent.—which gave a protein content of 13 per cent. Wheat of this quality would produce very good flour for bread making. The soil had been affected by the drought and consequently a better quality wheat was produced. The figures for the Beulah district reveal a fall in the gluten content of the wheat from 30 per cent. in 1942 to 18 per cent., in 1950. Obviously, a gluten content of only 18 per cent. would be unsuitable for bread making. At Roseberry, the gluten content dropped to as low a figure as 19½ per cent. In recent years the policy of seeking quantity rather than quality has meant that the quality of our wheat has decreased.

The Hon. A. K. BRADBURY.—Do you not think the wet seasons had something to do with it?

The Hon. J. J. JONES.—Probably. The protein content of wheat depends largely upon the nitrogen content of the soil and, in wet years, the nitrogen content decreases. Possibly because of the dry conditions experienced this year, the nitrogen content of the soil will be higher. This will enable a high-grade flour to be produced.

Some encouragement should be given to wheat growers to produce a type of grain containing a higher protein content than that at present being grown. The Department of Agriculture is always experimenting with new types of grain to achieve that end, which would result in a better quality flour being produced. I do not go so far as to advocate the methods adopted in New

South Wales where a premium is paid by the millers to growers—it ranges from 2d. to 3d. per bushel—for high-grade wheat. If the New South Wales method were adopted, it would probably mean an increase in the price of bread, and we do not wish that to happen.

Modern baking methods do not always tend to bring about a better quality bread. In some large bread-baking establishments, from the time the dough is prepared until the bread is baked, a moving chain type of system is adopted, and in seeking greater production the loaves of bread are not always left in the oven for the full time. Consequently, soggy loaves of poor-keeping quality are sometimes produced. No doubt, these methods could be checked by means of closer supervision, although I do not favour the existing method of policing that is carried out by inspectors of the Department. In some cases inspectors are harassing bakers who are keeping within the law. Bakeries have been visited by inspectors with a view to ascertaining whether or not the bakers concerned are observing the times prescribed for the baking of bread. I agree that a certain degree of supervision is desirable, but it can be overdone. During the Committee stage, members on this side of the House will have a further opportunity of discussing the amendments foreshadowed by Mr. Galbally.

The Hon. P. T. BYRNES (North-Western Province).—I do not wish to speak at length on this Bill as Mr. Swinburne has clearly outlined the views of the Country party. We have examined the Bill thoroughly, and a special committee comprising members of our party, studied its implications. The objective behind the Bill is to seek a better class of bread. A good deal of criticism has been levelled at the people engaged in this industry, right from the wheat grower to the baker. The continual criticism of the wheat grower in Australia is not altogether justified. The bread industry's failure to produce good bread is being attributed almost entirely to the wheat grower,

whereas there could be other reasons for the position. We have increased the wheat yield in Victoria over the years. Wheat is grown mainly in the north-east, the Wimmera and the Mallee districts. A considerable amount of research has gone into producing wheat, with a view to enabling the farmers to grow the type of wheat most suited to this particular country. The first improved wheat of any consequence grown in Australia was produced by Farrar—the variety of Federation—and since then, several other types have been grown. Whilst certain types of wheat which give a higher yield per acre have a lower protein content, other types of wheat grown have a comparatively high protein content.

As Mr. Jones pointed out, it is a practice in New South Wales for millers to pay to wheat growers a premium for certain types of wheat, one such type being Gabo wheat, which has a high protein content. Mr. Jones fears that the payment of premiums might mean an increase in the price of bread. It should be understood that the yield per acre of high-protein wheat is very much less than that of wheat recommended by the Department of Agriculture. For example, the difference in yield between Insignia wheat, which is grown in the Mallee and the Wimmera, and Gabo wheat is in the proportion of 25 per cent. in favour of the Insignia wheat. If a wheat grower is to make a living off his farm, and if he is to concentrate on growing a better type of wheat which produces less bags to the acre, he should receive a higher price for it.

Some millers in Victoria are already offering premiums to wheat growers. In one particular district, the millers said to the farmers, "If you grow a certain type of wheat, we will provide the seed at a reduced price and pay you a premium of 2s. on it." Because the bulk-handling system is in vogue in Victoria, it is often difficult to segregate the wheat into different grades. The wheat growers of Victoria are alive to the problems that have been mentioned. They are not content with continuing to produce grain, such as Insignia wheat, which has a good yield per acre but a

low protein content. In the last twelve months there has been produced a brand of wheat called Olympic wheat, which has a much higher protein content and which, before long, will displace Insignia wheat. Research which is continuing is being encouraged by wheat growers and wheat organizations, who are working in conjunction with the Department of Agriculture to produce the wheat most suitable for Australian conditions.

Most of the discussion to-night has centred around the production of wheat for the bread industry. However, Australian wheat, which is regarded highly throughout the world, and which sells well overseas, is eminently suitable for all types of baking, cooking, and for other purposes. The semi-soft type of wheat grown here is very good, whereas the hard, high-protein types of wheat, are difficult to grist, and there are many reasons why they are not popular. Canada is supposed to grow large quantities of high-protein wheat. The quality of our wheat is being criticized continually, but much of the criticism is unjustified. In a recent statement published in the *Herald*, a businessman said, "We are sick and tired of these farmers who grow second-grade wheat." Wheat produced in Victoria is not second grade. If it is inferior to the Canadian product, why is it that Canada has large stocks stacked in silos and other places and we in Australia have practically no surplus? The value of our sales to India increased from £2,000,000 to £15,000,000 in twelve months.

The Hon. R. R. RAWSON.—Was that because it was cheaper?

The Hon. P. T. BYRNES.—No. Canada enjoys lower freight charges to England and should be able to undersell Australia in that country. Australian wheat and the Canadian product are both worth about 17s. on the English market. Australian wheat is selling well in overseas countries. I admit that its quality could be improved, but that will be achieved by co-operation between the Department of Agriculture and the industry. I believe that in the near future wheat of a higher average protein content with a high yield per acre will be produced in this country and the farmer will benefit.

The Hon. G. L. CHANDLER.—There are encouraging signs that that situation is developing.

The Hon. P. T. BYRNES.—It has been said that good bread cannot be produced from Victorian wheat, but I point out that all farmers are not good farmers and all bread manufacturers are not good bakers. I have eaten large quantities of bread for many years and, as is evident, I have not died of starvation. I think the standard of bread in this State is reasonable. The standard of living in Australia is high. Perhaps we have gone too far in making it possible for the average person to obtain a well-balanced diet, including fish, meat and other commodities. Moreover, by the use of additives the quality of our bread may have been improved, although some of the rougher ingredients that the poorer people in other communities have to live on have been left out, with a resultant loss of a great deal of protein value.

The Country party is prepared to approve of reasonable steps being taken to improve the bread industry, but that objective will not be achieved by imposing controls that will mean increased costs to the industry. The evils associated with the industry will not be cured in that way. It is easy to pass legislation and not achieve the objective aimed at. I agree with Mr. Swinburne that the restrictions proposed to be placed on the delivery of bread will ultimately drive the small baker in Melbourne out of business. He is probably on the way out now because of the actions of the larger bakers, as is the small grocer because of competition from supermarkets. Large companies have established bread shops throughout the suburbs and the small man is gradually being driven out of existence. Whilst the Country party is prepared to support the second-reading motion on this Bill, the amendments forecast by Mr. Swinburne will be submitted during the Committee stage. We think those amendments will assist in effecting an improvement in the quality of bread without increasing the burden on consumers and bakers.

The Hon. G. L. TILLEY (South-Eastern Province).—The Labour party, as are all other parties, is interested in ensuring that the public of Victoria obtains a better loaf of bread. Why is this Bill necessary, and if it is necessary will it do much to improve the position? In the old days, as Mr. Byrnes said, men in country towns and cities baked bread in the old-fashioned way in brick ovens. A craftsman was on the job and a good loaf was produced. During the early war years I was in charge of a bakery in Wonthaggi and the main difficulties encountered then were in obtaining good flour and other materials, as well as the craftsmen to bake the bread.

I was fortunate in that an employee of mine, a man of about 78 years of age, was a good, old-fashioned craftsman, to whom the baking of a good loaf of bread was an art. He would make the dough, watch it rise, put it in the oven, watch it being cooked and then bring it out. He took a pride in his job. As a result, ours was the largest private enterprise bakery in the area. Doubtless, the same situation applied in Melbourne in many instances. However, the position is different now because the larger bakeries have virtually taken over the industry. In addition, there has been an increase in the use of machines and the main interest now is in the production of quantity and not quality. It is not a question of baking a good loaf but of how much bread can pass through the ovens in a given time. In order that a good loaf may be baked it is necessary that there be some standardization. To produce bread of a particular standard the flour used in the process must be of a certain quality. Consumers want good bread. I believe that the actions of monopolists, with their lack of personal interest, can be countered only by the introduction of standards. This Bill should, and is intended to do something in that regard. The Labour party, and I am sure any other party that has the interests of the people at heart, realizes that that aspect is important. The more widespread unemployment becomes in a community and the lesser amount of money there is to spend, the more important bread becomes as part of our diet.

The Bill is divided into six parts, and in my opinion the only one of real importance to the community is the first, which deals with bread standards. The part relating to the appointment of a bread industry committee may be of importance, but it does not concern the consumer. Clause 4 provides that all materials used in the making and baking of bread of any kind and all bread of any kind made and baked for sale or trade shall be clean, pure, sound and wholesome. In my opinion, that is the kernel of the Bill. When I was in charge of a small country bakery fifteen years ago, I had what I considered was clean, pure and wholesome flour with which to produce bread. Inspectors visited the premises to ensure that the flour was in good condition and to inspect the bakehouse. Union officials made sure that the employees worked under award conditions. I do not think the provisions of clause 4 will bring about any change that will benefit the bread industry in Victoria.

Sub-clause (1) of clause 5 provides that all flour or meal sold or offered for sale to any bread manufacturer for use in the making or baking of bread shall comply with the provisions of clause 4. Then, sub-clause (2) provides that all bread of any kind made for trade or sale shall, in respect of the flour, meal and other ingredients used, comply with the provisions of clause 4. Those provisions refer to the ingredients being pure, clean, sound and wholesome. I do not believe the Bill will have any effect on the manufactured product because I think the quality of bread in Victoria is already good. What is really wanted is better flour. I consider that a bag of flour should have branded on it an indication of its gluten content.

Clause 9, which relates to the delivery of bread, is most contentious, and I do not think it will assist in improving the quality of the loaf. Sub-clause (1) provides, *inter alia*—

Every bread manufacturer who ordinarily delivers bread to the premises of customers and every bread seller shall, if so required verbally or in writing by any person—

(a) regularly sell to that person (hereinafter called "the customer"); and

- (b) regularly deliver to any premises stipulated by the customer (whether those of a consumer or the proprietor of a bread shop or otherwise) which are within two miles of any bakery or distribution centre of that bread manufacturer or bread seller—

bread of such kinds and in such reasonable quantities and at such reasonable times and intervals as are from time to time stipulated upon the customer.

Surely nobody imagines that it will be possible to put this particular provision into effect. It is absolutely absurd to propose that a baker shall be directed and compelled to deliver a certain type of bread at a certain hour of the day to a customer's home. People should be able to get good bread—an article of the highest quality, in fact—without anybody being compelled. To-day, trade is becoming more and more desperately competitive and soon we shall find bakers willing to serve anyone anywhere in order to obtain custom. I am sure that quite 60 per cent. of the people to-day walk to shops and make their own purchases in order to save the money they would be compelled to pay if their bread supplies were delivered to their homes.

With respect to another controversial provision of the Bill, namely clause 15, I was glad to hear most members who addressed themselves to the Bill oppose that clause, which the Government regards as the kernel of the Bill. The Government is not worried about providing the public with better bread, nor is it particularly interested in the delivery of bread to customers at a cheap price. It is concerned only with following its general policy of favouring the opening of small shops at all hours, the opening of petrol stations day and night, and the opening of retail places at all hours of the day, seven days a week, if it can get away with this. The Government should concentrate upon making bread baking a sound trade in which apprentices can be taught to become good craftsmen to enable them to earn a decent living while, at the same time working under congenial conditions.

The Government prefers to have all those engaged in the industry become owners or shareholders so that they

can work day and night for as long as they wish. It looks forward to the time when, eventually, the good conditions in industry that we have worked for over the years will be cast aside and broken down. Then the big monopolies will be able to step in and the small men, the craftsmen, and the apprentices, will be where the Government wants them. I certainly hope clause 15 will be negatived.

The Bill generally is not what the public expect or want it to be. The Government has come along with something directed—it says—at bringing about a better loaf. This Bill has nothing to do with a better loaf. It is just a fabrication. Everything is to be left wide open, and people are to be permitted to work 24 hours a day for 7 days a week and without any security of employment, if the Government can get its way.

The Hon. R. R. RAWSON (Southern Province).—I think the Government can be satisfied with one aspect of this Bill; that is, that it has aroused considerable interest. Members of this House must feel a little disappointed, however, that the one among their fellow members who is qualified to speak on the subject of the legislation has not seen fit to do so.

HONORABLE MEMBERS.—He is gagged.

The Hon. R. R. RAWSON.—Mr. Gawith, as a prominent member of the Liberal party, must have had something to do with the drafting of this Bill. It would be very interesting to hear him, but as yet we have heard only the Minister of Transport in defence and explanation of the measure, and the honorable gentleman has spoken very briefly indeed. No one else has risen to defend what is one of the Government's major Bills—one that it promised in its election policy speeches to introduce and pass. In his explanation of the Bill, the Minister of Transport made one statement that both interested and amused me. He said—

In recent years there has been the notion that businesses are run for the benefit of the people in those businesses. I suggest, however, that businesses are

operated for the benefit of the consumers and that the consumers ought to be the first persons to be considered.

There we have a change of heart in a man who believes in private enterprise on the ground that the basis of private enterprise is to produce for a profit. Now we have heard the Minister as a convert to what he would term Socialism. It was an astounding statement on his part. Judging by the way in which this Bill has been drafted, it is evident that not only the Minister but all other members of Cabinet and the Government party have been converted towards things socialistic. This is a Bill which imposes controls. The Government is proud of the fact that it does not believe in controls. It has found, however, that the age of complete freedom of activity is long past, and that controls must be imposed.

It has been interesting to note that the original proposal in the Bill for the appointment of a supervisor has been passed over and that it is now proposed that a committee shall be appointed. We have been told that the Government gave a great deal of consideration to this measure. No doubt it was subject to the most severe scrutiny by both Cabinet and the Liberal party. So the Government cannot truthfully claim that it would not have considered whether the appointment of a committee would be preferable to the appointment of a supervisor. I am sure the Government must have preferred that power should be placed in the hands of a supervisor. However, in this instance it was compelled to heed the advice of the Country party and to accept the position that control should be vested in a more democratic body—a committee. I submit that the Government was forced to accept the amendment in order to save the Bill. In the interval between the passing of this measure by the Lower House and its transmission to this Chamber, the Government gave the measure further consideration and hit upon the idea of providing for the appointment of two more members to the proposed committee—these to represent the consumers.

The Hon. R. R. Rawson.

The party to which I belong is not opposed to the appointment of consumer representatives in such circumstances. If the Bill had originally made such provision we would have supported it. The fact is, however, that the Government does not want such representatives on the committee just for the reason that they will be representing the consumers but because the Government thinks it will thus achieve its original objective with respect to control of the industry. This is legislation of which we approve in general principle. We think it is good, generally speaking, and that it augurs well for the future. I point out that on the Notice Paper, in the name of Mr. Slater there is another Bill which is entitled "Monopolies and Restrictive Trade Practices Control Bill." If it is good to have controls in relation to one trade—that of bread baking—similar controls must be good for other trades. Their activities also should be supervised. Therefore, when Mr. Slater explains his Bill, I feel sure that it will receive a very sympathetic response from the Government and will be given a speedy passage, seeing that it will be in keeping with the ideas that have been expressed during consideration of the measure at present before the House.

I add my support to the appeal that has been made for the deletion of clause 15. As a party, we are delighted to have the support of the Country party, whose members have shown that they appreciate the fight that has been waged for good labour conditions and want to see those conditions perpetuated. We often speak of the Australian way of life, and in so speaking we have in mind the good working conditions that our people enjoy in this country. They have reasonable hours of work and are given opportunities for leisure, which we trust they spend profitably. That is the Australian way of life, built up over a great number of years and at sacrifice, but the Government is determined to destroy it. It wants to revert to unlimited working hours and to bring about a breaking down of the conditions that have been won over many years of effort.

That objective is altogether anti-Australian. It is aimed at lowering the standard of living of the Australian people. It is very pleasing, therefore, to realize that this objectionable clause 15 will be defeated. Although our party expresses opposition to many features of the Bill, we are not opposed to it as a whole. This has not been a good Bill but it has been very considerably improved, and we feel that before it is finally passed still further improvements will be made.

The Hon. BUCKLEY MACHIN (Melbourne West Province).—I would be remiss if I did not take the opportunity of making a few observations on this much mutilated Bill, the aim of which was purported to be the supply of better bread to the public of Victoria. The only factors necessary for good bread are high-quality wheat, favourable manufacturing conditions, proficient tradesmen, and certain additives which some of the more reputable bread manufacturers use to improve the quality of the loaf. In a film depicting the Olympic Games, 1956, which members viewed earlier to-night, a modern version of "Waltzing Matilda" was played. In this Bill the Government, in effect, has modernized the "Song of the Shirt"—"Stitch, stitch, stitch, in poverty, hunger and dirt"—to "Bake, bake, bake, for uncle, auntie and dad." The baking of bread on a family basis can be extended to include both members and relatives of the family. Apparently, so long as all are happy, it does not matter how many hours they work.

Some members of this Chamber are too young to remember that in the 1930's much trouble was experienced at Footscray as a result of the activities of a Miss Lucy Beech, who tried to have bread baked under conditions that were contrary to all decent standards in the industry. Work was done on the contract system, whereby a man paid a rental for the bakehouse. He was required to manufacture, I think, 58 large loaves from a bag of flour, and he worked 70 hours a week for which he was paid the sum of £3 7s. 6d. The Government ought to fight strenuously against working conditions of that character, but if clause 15—

which provides for the repeal of the relevant section of the Labour and Industry Act prohibiting bread-making outside of hours fixed for employees—becomes law, vicious competition will result, and conditions in the industry will worsen.

I pass now to the question of the proposed committee. This constitutes the joke of the year. Although it was intended to be a great deception, even the Country party saw through it at first glance. The proposal might be likened to the Biblical saying to the effect that although the voice is that of Jacob, the hand is that of Esau. In this instance, it would be tantamount to saying that although the voice is that of four members of the proposed committee the hand directing it is that of the chairman, whose decisions will accord with Government policy. I give the Government little credit for bringing forward such an ill-considered amendment to the law. I had thought that the Administration, with the helpful guidance of Mr. Gawith, would have been enabled to prepare a much better measure.

The delivery of bread has always presented a problem, and much has been said on this subject. Some years ago, when I lived in the north-eastern part of the State, everyone in that district bought bread from the one baker. They had no option, because there was no other manufacturer, but his product was of good quality. Delivery was effected by the mail-man who collected letters from the post office, picked up groceries from the local storekeeper, obtained bread from the bakehouse and meat from the butcher, and dropped the relevant supplies at the respective mail-boxes along the road. It was not surprising, on occasions, to find a note in one's mail-box to the effect that although the mail-man had a loaf of bread at the commencement of the journey he had lost it on the way. That happened to me more than once. Even to-day in some places, no bread is delivered, if the tin is not left out.

The Hon. WILLIAM SLATER.—It is not so much a matter of leaving out the tin as of leaving out the requisite money.

The Hon. BUCKLEY MACHIN.—The tin is put out so that the money can be placed in it, in payment for the bread that is to be delivered. However, the question of the 2-mile limit should be left well alone because that matter would cause hardship in the case of some deliveries.

The only pleasing feature of the Bill is that it does define certain types of bread. Under the old régime, vienna bread was defined as bread which had three slashes, and any loaf that had three slashes could be sold as vienna bread, without offending against the law. Obviously many people who have been paying for a 12-oz. loaf more than they should have been paying for a 16-oz. loaf of the same sort of bread, have been "taken for a ride" for a long time past. The Bill will clear up one anomaly, at least, but at the Committee stage our party will move certain amendments with the object of improving it. As has been stated by members of the Labour party and of the Country party, the Bill cannot be allowed to become law while the vicious clause 15 is included. Too much time and effort has been devoted to the task of securing proper working conditions for those engaged in the industry to risk having them wiped out overnight, as the Bill proposes to do. I am pleased to learn that the Country party, in its wisdom, has decided to support Labour members in this matter.

The Hon. C. S. GAWITH (Monash Province).—I have no intention of participating in this "doughty" debate, but intend to adhere to Standing Order No. 155 which governs the matter. It provides that—

No member shall be entitled to vote either in the Council or in any committee thereof upon any question in which he has a direct pecuniary interest, and the vote of any member so interested shall be disallowed. In the circumstances, I feel bound to follow the rules of this House.

The PRESIDENT (Sir Clifden Eager).—Mr. Gawith, of course, may or may not debate the matter, as he thinks fit, but his interpretation of Standing Order No. 155 cannot be allowed to stand. Under his interpretation, no member of this House who was a wheat farmer could discuss a measure pertaining to

wheat and no member who was a legal practitioner could discuss a Bill relating to the practices of the legal profession. The interest referred to in the Standing Order quoted by Mr. Gawith is some separate and particular private interest not enjoyed by or pertaining to the rest of the community or of those engaged in the general trade or occupation dealt with by the Bill. Although some of its provisions are not applicable to certain parts of the State, generally speaking, the Bill relates to the bread industry as a whole throughout Victoria. The fact that a member of this House is engaged in that industry does not, in my opinion, prevent him from voting or speaking upon the Bill.

That aspect ought to be made clear; otherwise, a very serious limitation could be placed on this House, because members who are most expert in particular subject-matters would, if that interpretation were correct, be debarred from speaking or voting on a Bill concerning which they could well inform the House. However, the honorable member may or may not speak, as he chooses. He must decide that matter himself.

The Hon. C. S. GAWITH.—The Bill also makes provision for increasing the price of a commodity which I manufacture. Although I value your opinion, Mr. President, I will continue to adhere to the written rule.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Interpretation).

Sir ARTHUR WARNER (Minister of Transport).—To enable the Government to examine the various points of view that have been expressed and to consider the amendments that have been foreshadowed, I propose that progress be reported.

Progress was reported.

WANGARATTA (RATING ON UNIMPROVED VALUES) BILL.

This Bill was received from the Assembly.

The PRESIDENT (Sir Clifden Eager).—In my opinion, this is a private Bill.

Sir ARTHUR WARNER (Minister of Transport).—In another place this Bill was ruled to be a private Bill but was treated as a public Bill, and I propose that a similar procedure be adopted in this House. Therefore, I move—

That this Bill be dealt with as a public Bill.

The motion was agreed to.

On the motion of **Sir ARTHUR WARNER** (Minister of Transport), the Bill was read a first time.

ADJOURNMENT.

PENTRIDGE GAOL: SHOOTING AND DEATH OF PRISONER.

Sir ARTHUR WARNER (Minister of Transport).—I move—

That the House do now adjourn.

The Hon. J. W. GALBALLY (Melbourne North Province).—Last week a 14-year-old boy was slain as he sought to climb the wall of Pentridge Gaol. All killing is wrong. In our community we are taught from the time of our catechism at school, "Thou shalt not kill." That Commandment is absolute in its terms and it finds expression in the ancient principles of the law on homicide. It was said in the seventeenth century, and adopted by the Chief Justice of the High Court of Australia in a judgment only a few weeks ago, that it lies upon the slayer to extenuate the act of killing which, *prima facie*, is always murder. A gaoler who shoots down an escaping felon has no better protection so far as the law is concerned than one McKay who recently shot and killed a fowl thief. The law is absolute and jealously guards the occasion on which one can take the life of another. Strictly speaking, it is confined to a case where one's own life is in danger, and, of course, the means used must be appropriate in the circumstances.

In this matter, I am not casting any aspersions on the warder who fired the fatal shots. Presumably he was carrying out instructions. But I do denounce the penal authorities, including Mr. Whatmore, for acting as this boy's executioner, because that is what was done. I see that Mr. Walters is shaking his head. Let us examine the matter. This boy was

placed in a maximum security gaol. He was a bad boy placed with bad men. He was allowed, in broad daylight, to walk 100 yards or so, presumably under the eyes of warders in the sentry box. He then managed to get underneath a wire mesh wall. From newspaper reports, he was then shot at by a warder and wounded in the arm, and was seen to make an attempt to climb up the outer wall. It was not suggested that he was armed; it was not suggested that anyone's life was menaced. He was shot several times and killed. The thoughtless will applaud the action taken and the unspoken comment is, "He deserved it," or "He is better off, anyway." Nobody has a right to take life in those circumstances. The lad was rightfully imprisoned for a crime of murder that he had been found guilty of, but he was in a prison where he should not have been placed. He was incarcerated in a maximum security gaol close to a large industrial city. In itself, that was an invitation to the boy to attempt to escape. A lad of that age sentenced to imprisonment needed education and guidance. He needed hope for the future. What else was there for him to do but to endeavour to escape? If we are allowed to conjure in our minds as to what was in his mind, I suppose he was endeavouring to climb over that wall to get home. I know that in this community thoughtful people will express some concern as to the wanton slaying of that youth. Fathers and mothers everywhere will begin to ask questions not only about that boy but about other boys who might be found guilty of serious crimes and placed in gaol. What is to become of them? Are they to be sent to Pentridge along with O'Meally and his like? I hope not.

The shooting down of this boy must give us cause to think of what should be done concerning the gaol at Pentridge. It is a multi-purpose prison close to the city, and I believe that what has happened in the last week should cause the Government to take action to remove it. The incident at Pentridge brings up the whole question of penal reform. We have the banal remark of Mr. Whatmore. There has been no expression of regret

on the part of anyone. Mr. Whatmore simply wrote the epitaph, "Our new security regulations worked well." At the end of the line there is the bullet-ridden corpse of a young lad lying on a slab at the morgue. There was no explanation of why it was necessary to shoot down an unarmed youth. I must denounce what has been done. Human life is sacred. We are all made in the image and likeness of God Himself and nobody has the right to take life except in very special circumstances that are jealousy guarded by our system of morality, by our Christianity, and by our system of law.

I believe there are people in this community who are deeply shocked at what has taken place and who are asking why it was necessary in the circumstances to take the life of this young boy. It cannot be said against him that he was escaping in the sense of having others outside ready to help him, that he was going to menace the neighbourhood or that the life of anybody else was in danger. There is the spectacle of a lonely youth who was, in fact, what this community made him. He was endeavouring in a stupid way to climb a wall under the very eye of a warder. He was then shot down. We, as a community, are responsible for what has happened to this boy. He should never have been sent to Pentridge. To send him there was merely to invite him to escape, and when he attempted to do so he was shot down like a dog.

The motion was agreed to.

The House adjourned at 10.55 p.m.

LEGISLATIVE ASSEMBLY.

Tuesday, September 24, 1957.

The **SPEAKER** (the Hon. W. J. F. McDonald) took the chair at 4.9 p.m., and read the prayer.

NEW MEMBER.

The **SPEAKER** (the Hon. W. J. F. McDonald) announced that he had received a return to the writ he had issued on 26th August for the election

of a member to serve for the electoral district of Northcote in the place of the Honorable John Cain, deceased, by which it appeared that Mr. Frank Noel Wilkes had been duly elected for that electoral district.

Mr. Wilkes was introduced and sworn.

MINES DEPARTMENT.

GIPPSLAND IRON ORE DEPOSITS.

Mr. STONEHAM (Midlands) asked the Premier—

1. Whether any of the four American steel firms referred to by him when addressing a gathering of Congressmen in Washington, United States of America, on 18th June, 1956, have decided to establish modern steel plants drawing supplies of iron ore from Nowa Nowa, East Gippsland?

2. What quantity of iron ore has been proved by tests at Nowa Nowa, and at what depths?

3. Whether these tests have justified the Premier's statement to American industrialists interested in large-scale development of iron ore deposits, and repeated to the Congressmen, that "his Government had established the existence of big iron deposits close to huge deposits of brown coal"?

Mr. BOLTE (Premier and Treasurer).

—The answers are—

1. No.

2. Since the last progress report was made, drilling has disclosed another 500,000 tons of iron ore, bringing the total of proved ore to 3,000,000 tons. The ore body dips to the east and the top varies from 90 feet to 271 feet below the surface.

3. On the occasion mentioned by the honorable member, I made reference to the work being carried out by the Mines Department to establish the extent of the Nowa Nowa deposits, and to the potential for development there if these deposits proved adequate.

Since drilling is necessarily slow and costly, work is still in progress on the first of the three anomalies indicated by the geological and geophysical surveys. Even at the present stage of the investigation, considerable interest has been shown by more than one Australian company, and by overseas firms.

HOUSING COMMISSION.

ST. LAWRENCE ESTATE, FITZROY: UNITS BUILT: ESTATE DENSITY.

Mr. LOVEGROVE (Carlton) asked the Minister of Housing—

1. How many housing units have been built on the St. Lawrence Estate, Fitzroy, and what will be the total number of units when the estate is completed?

2. What is the classification of these units according to number of bedrooms?

3. What is the present "Estate Density" as defined by the 1956 Royal Commission on Housing, and what will be the estate density when the estate is completed and occupied?

4. Whether the completed estate density is considered to make the best use of the land, and if so, why?

5. Whether the estate density is related to the Greater Melbourne Development Plan, and if so, how?

6. How many—(a) adults; (b) children under teenage; and (c) children of teenage, are housed in the estate at the present time and what it is estimated will be the numbers when the estate is completed?

7. How many pensioners are housed in the estate?

8. What will be the total cost of the estate when completed?

9. Whether the Housing Commission has offered for sale any of the properties in the estate, and if so—(a) what agent is handling the sales; (b) what are the properties; (c) what was the cost to the Housing Commission of the erection or repair of the properties; and (d) what are or were the sale prices of the properties and the terms of sales?

10. Whether the Housing Commission advised that such properties would be sold to tenants of the Commission?

11. Whether any such properties have been sold to non-tenants?

12. Whether the Government proposes selling other properties in slum reclamation projects to non-tenants of the Commission who are not involved in such projects?

Mr. PETTY (Minister of Housing).—
The answers are as follows:—

1. Now built	76
Total number to be built	78
2. 3 bedroom units	10
2 bedroom units	60
1 bedroom unit	8
Total	78

3. At the time of proclamation as a reclamation area, the "Estate Density" was 66.9 persons per acre; on completion, the density is estimated to be 79.3 persons per acre.

4. Yes. The redevelopment was planned and construction supervised by the Architects' Panel.

5. The estate is an area zoned "Residential B" under the Melbourne and Metropolitan Board of Works Greater Melbourne Development Plan and conforms to the planning scheme ordinance.

6. (a) 107 adults

(b) 33 children under teenage

(c) 53 children of teenage

(d) Not known until all units completed and occupied.

7. 15.

8. £307,000.

9. Yes.

(a) K. Coghill & Son, 79 Swanston-street, Melbourne.

(b) 163 Fitzroy-street, 20, 22, 24, 26, 32, and 34 Hanover-street, 201 Fitzroy-street and 37 Palmer-street.

(c) £36,300

(d) 8 at £5,100

1 at £5,000; approximately 10 per cent. deposit, balance at £5 to £6 per week. Interest 5 per cent. to 5½ per cent.

10. Yes. These houses sold at over £5,000 cash. No applications were registered from Housing Commission tenants to purchase houses at this price in Fitzroy.

11. Yes.

12. Slum abolition projects greatly differ one from the other owing to the varying costs of land, services and redevelopment. In these circumstances I do not propose to commit the Government or Housing Commission which is empowered under the Slum Reclamation and Housing Acts to sell land and property under certain conditions.

SLUM RECLAMATION AREAS: PURCHASE OF PROPERTIES.

Mr. LOVEGROVE (Carlton) asked the Minister of Housing—

1. Whether the Government has adopted any of the recommendations of the 1956 Royal Commission on Housing with reference to slum reclamation; if so, which recommendations?

2. Whether the Government will publish in all the necessary languages a warning to home purchasers, both native born and immigrants, against the purchase of properties in areas marked for slum reclamation by the 1937 Housing Investigation and Slum Abolition Board?

3. Whether, when slum reclamation is undertaken, the Government will undertake to compensate adequately home owners who have purchased in good faith properties in the areas concerned?

Mr. PETTY (Minister of Housing).—
The answers are—

1. The recommendation of the 1956 Royal Commission was "That the over-all planning of slum reclamation be the responsibility of an authority (not the Commission) charged specifically with the task of selecting and resuming land, allotting parts for various purposes and, in particular, allotting parts for development by private enterprise for housing and other purposes, parts for development by the Commission for housing for low-income groups of the community and parts for development by appropriate authorities for community purposes."

The Housing Commission has all the powers necessary for resumption under existing legislation and in conjunction with the Melbourne and Metropolitan Board of Works and town planning authorities is quite capable of handling the redevelopment of these areas. The Commission is considering ways and means of making some portion of these areas available for development by private enterprise.

The Government convened a conference of all interested parties concerned with slum reclamation some months ago. Since then, two further conferences have been held but so far no suitable basis has been found for the linking of private enterprise to redevelopment schemes.

2. The Government has already had legislation passed which provides for the registration on the title to any house property of repair or demolition orders which have been made by the Housing Commission. This has provided the protection sought by the honorable member.

The recommendations made in 1937 by the Housing Investigation Slum Abolition Board are entirely out of date. As the Melbourne and Metropolitan Board of Works Master Plan has been introduced in recent years, many of the areas included in the 1937 report are not available for housing purposes.

3. The Commission pays full market price after consideration of valuations submitted by two independent sworn valuers.

LOW INCOME AND EVICTED FAMILIES: ACCOMMODATION: APPLICATIONS FOR TENANCIES.

Mr. LOVEGROVE (Carlton) asked the Minister of Housing—

1. What proposals the Government has for the proper housing of low-income families with young children at present living in rooms in districts where slum reclamation schemes are being undertaken?

2. Whether the Government will make any accommodation available to evicted families with young children?

3. What system of priority in granting Housing Commission tenancies is followed at the present time?

4. How many unsatisfied applications for accommodation have been made to the Housing Commission from (a) the metropolitan area; and (b) outside the metropolitan area, up to 21st September, 1957, and whether there has been any increase in the number of applications during the last twelve months?

Mr. PETTY (Minister of Housing).—The answers are—

1. The Housing Commission is required under existing legislation to give preference to persons of good character who are displaced from houses in slum reclamation areas and such preference is being given.

2. Applications for housing from evicted families are considered together with existing applications already held by the Commission.

3. Applications are dealt with in accordance with date of lodgment except in the case of large families living in necessitous circumstances.

4.

Unsatisfied
applications
as at 20.9.57.

(a) Metropolitan . . . 13,637

(b) Other than Metropolitan . . 4,103

Applications received during previous twelve months were 1,349 less in year 1956-57 than in previous year.

FORESTS COMMISSION.

REAFFORESTATION IN SOUTH GIPPSLAND: RAGWORT INFESTATION.

Sir HERBERT HYLAND (Gippsland South) asked **Mr. Fraser** (Honorary Minister), for the Minister of Forests—

1. What area of land in the South Gippsland hill country is held by the Forests Commission for reafforestation purposes?

2. What portions of this land have been planted with trees in each of the past ten years?

3. Whether any of the land is infested with ragwort; if so, what percentage?

Mr. FRASER (Honorary Minister).—

The answers are—

1. 58,745 acres.

2.

Year.	Area planted.	
	Acres.	
1947	..	482
1948	..	631
1949	..	650
1950	..	501
1951	..	161
1952	..	8
1953	..	17
1954	..	34
1955	..	79
1956	..	82

Total . . . 2,645

3. Portion of the land is infested with ragwort; the percentage of the area carrying ragwort is not known.

PENTRIDGE GAOL.

SHOOTING AND DEATH OF PRISONER.

Mr. SHEPHERD (Leader of the Opposition).—I desire to ask the Chief Secretary a question without notice. It is in two parts and is as follows:—

1. Is the Chief Secretary prepared to make a statement on the recent incident at Pentridge Gaol when a prisoner was shot and subsequently died?

2. If so, will the necessary time be made available for the statement to be debated?

Mr. RYLAH (Chief Secretary).—The Government feels that it would not be desirable for a statement to be made on this matter until after the inquest has been held. However, after that inquiry has taken place, I shall make a statement to the House and an opportunity will be afforded honorable members to debate it.

RESPONSIBLE GOVERNMENT IN VICTORIA.

CENTENARY: PUBLICATION OF BOOK.

The SPEAKER (the Hon. W. J. F. McDonald).—I have received from the Clerk of the Parliaments a copy of the book prepared in commemoration of the Centenary of Responsible Government in Victoria.

The book, which is entitled *One Hundred Years of Responsible Government in Victoria 1856—1956*, presents an authoritative record of the Parliaments, Ministries and members during the first one hundred years from 1856 to 1956; it outlines the evolutionary alterations in the Constitution, portrays the growth and development of the State, and recalls to mind the more important events and outstanding personalities associated with the Parliament of this State. I am sure the book will be of great value and interest not only to members of this House but also to the general public, and in order that it may be numbered among the permanent records of Parliament, I suggest that it be printed as a Parliamentary paper. Copies of the book are now available, and each member will be supplied with one during the course of the sitting.

Mr. BOLTE (Premier and Treasurer).—I move—

That the book do lie on the table of the House and be printed.

Mr. SHEPHERD (Leader of the Opposition).—I am happy to second the motion.

The motion was agreed to.

GEELONG HARBOR TRUST (AMENDMENT) BILL.

Sir THOMAS MALTBY (Minister of Public Works).—I move—

That this Bill be now read a second time.

This is a short Bill to make some desirable amendments to the Geelong Harbor Trust Acts. These, with one exception to which I shall refer later, have been sought by the Trust, and the Government, after examining the requests, felt that there was justification for amending legislation. However, not all the amendments suggested by the Trust have been accepted. As each clause of the Bill amends an existing provision and, in effect, stands alone, I propose straightway to give honorable members a description of what is contained in the clauses. It is not possible to expound the principle underlying the measure, as none is involved.

Paragraph (a) of clause 2 amends section 4 of the principal Act which deals with the appointment of Commissioners to the Trust and their salaries. Sub-section (3) of section 4 as amended, reads: "One of the Commissioners shall be so appointed to be the Chairman, and shall be paid a salary at the rate of £1,000 per annum." Until recently, the chairman's salary was as low as £400 per annum. Sub-section (4) is in these terms: "Each of the other Commissioners shall be paid a salary at the rate of £200 per annum and the Governor in Council may appoint one of such Commissioners to be Deputy Chairman." It will be seen that the salaries of the Commissioners are specifically stated in the Act, so that any alteration of their salaries requires the passage of legislation. One result of sub-section (3) was that, because of difficulties involved in passing amending legislation, for many years a very competent chairman, without complaint and at great personal sacrifice, directed the affairs of the Geelong Harbor Trust to its present happy and prosperous state for a remuneration of £400 a year. I understand his fellow Commissioners each received about half that sum. I am quite certain that any Government, whatever its political complexion, would long ago have corrected that anomaly

were it not for the difficulty involved in legislating to give effect to a most desirable change.

In order to provide more flexibility, sub-sections (3) and (4) are being replaced by the provisions shown in paragraph (a) of clause 2, the chief difference being that it is provided that the Commissioners shall be paid such salaries as are determined from time to time by the Governor in Council. A similar provision was made when the Portland Harbor Trust Act was enacted in 1949.

Under section 11 of the principal Act the secretary of the Trust, or some person authorized by the Commissioners, must attend at the Trust's office daily, except on Sundays and public or bank holidays. The five-day week has been introduced since the passage of this legislation and, consequently, it is proposed by paragraph (b) of clause 2 to relieve the Trust of the obligation to keep its office open on Saturdays.

Paragraph (c) of this clause amends sub-section (3) of section 15 by increasing from £5 to £50 the maximum penalty that may be imposed on the master of a vessel who, after written notice by the harbor master, fails to regulate his ship in accordance with the harbor master's directions. It will be appreciated that by current standards a penalty of only £5 is inadequate to enforce compliance with orders. Sub-section (3) of section 16 provides, *inter alia*—

Every master of any vessel within the port and every person on board the same who hinders the harbor master or any person employed by him in mooring unmooring placing or removing such vessel . . . shall for every such offence be liable to a penalty of not more than Five pounds.

Paragraph (d) of clause 2 amends this sub-section by substituting for the words "employed by him" the words "acting under his direction." The persons available to the harbor master and who act under his direction are now employees of the Trust, and the altered wording is more appropriate. Again, the maximum penalty of £5 is being increased to £50.

Sir Thomas Maltby.

Section 36 of the principal Act empowers the Trust, subject to the approval of the Governor in Council, to lease lands not required for port purposes for a period of up to 56 years, with the following proviso:—

Provided that where any such lease is for a term of more than twenty-one years, the rent payable shall be up to the end of the first twenty-one years such amount per annum as the Commissioners subject to the approval of the Governor in Council fix and shall be for every successive period of fourteen years after the end of the first twenty-one years and for any period of less than fourteen years at the end of the term of the lease such amount per annum in every case as is fixed in the manner provided for in the lease.

There is no reason why the Commissioners should not, subject to the approval of the Governor in Council, lease land at rentals determined according to the particular circumstances of the land being leased. Accordingly, paragraph (e) of clause 2 deletes the proviso. The Geelong Harbor Trust should be commended for its wisdom in acquiring from time to time valuable industrial sites in order to prevent their being used for other than industrial purposes. The Shell company has spent £3,500,000 in developing one of these sites for which a lengthy tenure has been granted. Recently, following representations by the honorable member for Bendigo, Parliament authorized the Bendigo City Council to grant a lease for 75 years to enable a modern hotel to be built at Charing Cross. It is necessary to grant similar authority to the Geelong Harbor Trust in order that further sites in Geelong may be developed industrially.

Section 69 empowers the Commissioners to remove broken, dangerous or useless piles, mooring chains, and so on, and order the removal of causeways, stairs and other projections injurious to the navigation of the port. The proposed new section, as contained in paragraph (f) of clause 2, will enable the Commissioners to require the owner to remove such nuisances and, if he fails to do so, the Commissioners may remove them and recover the expense from the owner. In other words, instead of the Trust being responsible for removing such nuisances, the responsibility is placed on

the owner where it belongs; if he fails to remove them, the Trust can do so at his expense.

Paragraph (g) of clause 2 provides a new section 70, which consolidates existing sections 70, 71 and 72, all of which deal with the removal of ballast, shell, seaweed and other material from the port. In the past, the Trust has experienced difficulty in enforcing its authority, and the proposal will increase the Trust's power to enable it to overcome this difficulty.

Paragraph (h) of clause 2 repeals section 75, which provides that the Commissioners shall send to the Minister every year a schedule of all sales, leases, grants and licences, and an account of all moneys received during the year on account of such sales, leases, and so on. Returns of this type, which have been furnished for many years, entail considerable preparation but serve no useful purpose. In any case, the books of account are audited by the Auditor-General, and the normal statement of accounts certified by him is adequate.

Sub-section (2) of section 113 provides for a penalty of up to £1,000 for persons who discharge oil or oily water into the port. The word "persons" makes proof of the offence very difficult and by paragraph (i) of clause 2 this sub-section is being redrafted to provide that the master, owner and agent of a vessel from which oil or oily liquid or substance is discharged into the port shall each be guilty of an offence and liable to a penalty of not more than £1,000, and every person who discharges oil or oily liquid or substance shall be liable to a similar penalty. Honorable members will appreciate that the discharge of oil from a ship may create a nuisance, but under the Act it is difficult to identify the person actually responsible. The amended provision will impose a greater liability on the master, owner and agent of a vessel. It is considered that the authority responsible for a port is entitled to adequate powers to prevent this type of offence.

Mr. LOVEGROVE.—Will the same penalty be applicable, irrespective of the type of oil that is discharged?

Sir THOMAS MALTBY.—Yes. Honorable members who have visited other ports in the world, particularly where no restraints are exercised, will appreciate what could happen in Port Phillip Bay if no check existed.

Mr. SHEPHERD.—Do you refer to the port of Odessa?

Sir THOMAS MALTBY.—I was thinking more particularly of Aden, where conditions are such that a dado of thick, black oil accumulates on the wharves, steps, piles of the piers, and almost everywhere. Paragraph (j) of clause 2 increases the maximum penalty from £5 to £50 for defacing notice boards erected by the Trust on which are shown regulations, notices, penalties and so on.

Section 116 requires the Commissioners to cause particulars of offences for which penalties are imposed by the Act or regulations affecting persons other than staff of the Trust to be painted on a board to be hung in the office of the Trust. In other words, whenever there is an amendment of the regulations it is necessary for the notice board to be painted over and the new wording of the regulation to be then printed on it. Under paragraph (k) of clause 2 instead of being painted on a board, the relevant particulars may be printed and affixed to a board suitably located. Paragraph (l) of clause 2 contains a redraft of the existing section 120.

Concerning clause 3, I point out that under the Geelong and Melbourne Harbor Trusts Act 1934, the Melbourne Harbor Trust was required to assist the Geelong Harbor Trust by making an annual payment of £15,000. At that time, the principal trade of the port of Geelong was export of bulk wheat, and only on 23 per cent. of the cargoes handled were dues paid. Therefore little revenue was derived, and it was considered that, as Melbourne had the benefit of the imports, the Melbourne Harbor Trust should contribute the amount stated. Probably that sum now has a face value of approximately £60,000.

In recent years a great and beneficial change has taken place in the affairs of the Geelong Harbor Trust. It has become important because of the importa-

tion of oil, motor car parts, and other commodities, and the financial structure of the Trust has changed for the better. I regret to say that the finances of the Melbourne Harbor Trust have not improved, owing to great needs of development at a time when it is heavily restrained in the matter of loan raisings. Moreover, like the Geelong Harbor Trust, it derives no benefit from exports, and has to contribute 20 per cent. of its revenue to the State coffers. Thus, the Melbourne Harbor Trust is required to assist a Trust that is more affluent than itself. In view of the circumstances, the annual payment of £15,000 is no longer warranted, and clause 3 repeals section 17 of the Geelong and Melbourne Harbor Trusts Act 1934. Opposition members may say that, as the member for Geelong, perhaps I am not taking action which they themselves would take. I do not care about that; I consider that a proper course is being followed. I fully support the proposition and make no apology for thinking of it myself without assistance from anybody.

The Geelong Harbor Trust (Amendment) Act 1951 provides that for any offence against the principal Act for which no penalty is expressly provided, there shall be a penalty of not more than £20, and in the case of a continuing offence, a further daily penalty of not more than £5. The amendment contained in clause 4 of the Bill increases these penalties to £50 and £10 respectively.

Clause 5 gives the Commissioners power to provide housing for employees or to make advances to employees for housing. The Melbourne Harbor Trust has similar power, which it exercises, and it is right that the Geelong Harbor Trust also should have this authority. Clause 6 is a new provision designed to give the Commissioners power to purchase and operate tugs and other vessels for purposes of port management. It is strange that although the tug services in Geelong are provided by the Commissioners with their own tugs, it has been suggested that they do not possess full legal power to cover their present actions in this regard. It is

proposed to remove the doubt, if any, by authorizing the Commissioners to continue their present practice.

The last provision arises from the difficulty of serving notices in relation to offences on the owner and the master of a vessel, both of whom may be outside of Australia and not available for service. Clause 7 is included to enable such notices to be served on the agent, and this shall be accepted as service on the owner or master. This may be read in conjunction with an earlier clause.

The Bill does not involve a principle. It is an amending measure, and each clause stands alone. No revolutionary proposals have been embodied in it. The principal purposes are to bring penalties into line with the present value of the £1 and to bring the appointment of Commissioners and fixation of their salaries into approximate consonance with similar provisions applicable to the other two Victorian Harbor Trusts; it is really a Bill to tidy up the existing Acts.

On the motion of Mr. C. D. MACDONALD (Geelong West), the debate was adjourned until Tuesday, October 8.

TOURIST BILL.

Mr. FRASER (Honorary Minister).—
I move—

That this Bill be now read a second time. Many members will recollect the State Development Committee's report of November, 1951, covering an inquiry into national parks and also tourist facilities of this State, and particularly with reference to the steps to be taken to improve and increase our tourist activities. The committee included the Leader of the Opposition, the Deputy Leader of the Opposition, the honorable member for Mildura and myself. This Bill is designed for the purpose of endeavouring to implement the recommendations of the 1951 report of the committee. In 1952 the honorable member for Gippsland East, together with the honorable member for Benambra, introduced a Bill with the same objective, but because of political changes that came about at that stage the 1952 Bill was not proceeded with.

However, we are indebted to the honorable member for Gippsland East for the thought he gave to that measure, and I think it is fair to say that its existence has helped very materially in the preparation of the measure now before the House.

As a result of the discussions that took place during the second reading debate in 1952, it is clear that all parties are fully alive to the need for an improvement in our tourist activities, and therefore I think it could rightly be said that this Bill has some resemblance to an all-party measure. The people of Victoria are fortunate for the reason that in this State there are scenic attractions unsurpassed in any part of the world, and our tourist facilities could be equally attractive if properly developed. During the summer months Victoria's weather conditions are most suitable to outdoor recreation, and consequently, with our growing population, there is an ever-increasing demand for tourist attractions.

Our coastline, with its many bays and attractive inlets, provides numerous facilities for bathing, whilst inland we are blessed with waterways which, thanks to the Fisheries and Game Department, are a delight to the angler. At Eildon there is a reservoir where good fishing is always an attraction and, in addition, the boating facilities available are equal to anything offering elsewhere. I believe with proper development Eildon will, as the years roll on, become one of the most popular tourist resorts in Australia. Our alpine regions in their grandeur and scenic beauty are a tourist attraction of no mean order, and many people qualified to express an opinion have informed me that our snowfields provide skiing facilities equal to any in the world.

The State Development Committee in its 1951 report described our tourist attractions in these words—

They (the tourist attractions) vary from the beaches spread along 900 miles of scenic coastline, to the snowfields of the north-east, the rugged grandeur of the Grampians Mountains, the spa centres in the midlands of which the Daylesford area is world renowned, the big timber and unique mountain country of Gippsland, and the infinite variety of attractions along the

Murray Valley, culminating in the glorious winter climate enjoyed in the Mildura area.

This Bill proposes the setting up of a Tourist Development Advisory Committee whose function it will be to publicize our tourist attractions, to promote the development of the facilities at tourist resorts, and to promote and co-ordinate the activities of all interested parties in the development of the tourist industry of Victoria. From the comments made by honorable members during the debate on the National Parks Bill, it is evident that the House is undivided in its acknowledgment of the need to develop our tourist industry. The need is more apparent to those who have been abroad—whether to New Zealand, to Europe or to America—for it is very apparent that there is a pathetic lack of publicity abroad of our country and what it has to offer the tourist and the investor.

At the outset, I wish to make it clear that, whilst the Government proposes to publicize to the limit our tourist potentialities—and how immense they are few people realize—the Government intends also to continue to bring more forcibly before the people of the world the vast potentialities of this State for industrial development. From my own observations, I should say that there are three basic needs for the attraction of tourists, and the success of an overall plan is dependent upon the manner in which these three needs are met. First, we must develop the resorts themselves and see that suitable accommodation is provided to serve the visitors. Secondly, we must prepare a programme of publicity. Thirdly—and this is the vital need—we must see to the implementation of the programme by active publicity at home and abroad.

All the publicity material in the world is of little value unless it is effectively used. There is more to publicity than the preparation of posters and pamphlets. Indeed, all are wasted unless we are sure that when sent overseas they will be displayed and used, and that services are available through which people can make both inquiries and bookings.

Mr. SHEPHERD.—You should be prepared for a great deal of waste in that regard.

Mr. FRASER.—That is so. Tourist agencies at home and abroad must be encouraged to display our material and to handle our business. This is acknowledged by New Zealand as being vital to its tourist trade and is evidenced by the fact that New Zealand has 2,000 agents operating in the United States of America alone. All may not obtain business, but they all disseminate information and are instrumental in attracting dollars—and that is what tourist publicity can bring to any country.

Mr. SHEPHERD.—It will also be of help to high school students.

Mr. FRASER.—I agree it will have educational value as well. The Victorian Promotion Committee has already established the basis for this publicity, and its success overseas and especially in America in less than two years of operation has been remarkable. The committee's campaign, coupled with the Olympic Games, established Victoria's importance throughout the world, and it would be most regrettable if we were to neglect the opportunity now before us of continuing and extending this world-wide interest in our State.

By entering this wider field the Government has no desire to discourage or decrease the work of the Australian National Travel Association. On the contrary, it believes that our overseas publicity should be given on the widest possible basis, not merely on the State level. Tourists who come to Victoria from overseas must, firstly, be attracted to Australia, and to this end the Government intends a very close liaison to be maintained between the proposed Tourist Development Advisory Committee, the Victorian Promotion Committee, the Government Tourist Bureau and, on the Commonwealth level, the Australian National Travel Association. Membership of the proposed Tourist Development Advisory Committee and the line of administration will provide the means for this liaison. Only recently Sir John Jungwirth, who is a member of the Victorian Promotion Committee, was

appointed to represent Victoria on the Australian National Travel Association. By all means let us publicize Australia on a Commonwealth-wide basis; but do not let us say that, because other States do not wish to publicize themselves overseas, Victoria should not do so.

Undoubtedly, the tourist industry is one which depends for its success on public relations, coupled with active sales promotion. No matter how good our tourist resorts are, they are wasted assets unless they are fully publicized and brought to the notice of all potential customers, and sold successfully.

Officers who studied the position in New Zealand last year confirmed the opinion formed by the Chief Secretary that publicity on Victoria in New Zealand was virtually non-existent. Leading book stores, for example, had nothing to offer but an odd map or two of Australia and some aerial pictures of the capital cities. Tourist bureaux, airways and shipping offices, as well as private travel agencies, affirmed that they did receive some literature but in such small quantities that it was of little use for public distribution. Always there was the plea for more and more information.

It is not only the accepted types of tourist attraction in which overseas visitors are interested. The Latrobe Valley, our secondary industries and our irrigation districts, all provide new fields of interest about which visitors are eager to learn and which they are anxious to see. If this Bill is passed, Victoria will be in a position to equip itself adequately to bring tourist information to the people of Australia and the rest of the world.

To revert to the terms of the Bill, it will be seen that it is proposed to appoint a Director of Tourist Development, who will be the executive officer of the Tourist Development Advisory Committee, and responsible to the Minister for the administration of the Act. Clause 4 describes the committee of eight members, and in addition provides for the Minister or his nominee to be chairman. Clause 5 covers the term of office with a provision for filling vacancies and fixing a quorum, and so on. The functions of the committee are

described in clause 6, and clauses 7, 8, and 9 provide for the necessary financial arrangements. Clause 10 contains consequential amendments to be made to certain enactments, and the making and gazettal of regulations under the Act is authorized by clause 11.

Our scenic beauties and tourist attractions are features of this country that we can "sell" but still retain, and their commercial value depends entirely upon the manner and the extent to which we display these assets and bring them under the notice of people likely to be interested. I commend the Bill to the House.

On the motion of Mr. SUTTON (Albert Park), the debate was adjourned until Tuesday, October 8.

STATE ELECTRICITY COMMISSION (LAND COMPENSATION) BILL.

Mr. REID (Minister of Electrical Undertakings).—I move—

That this Bill be now read a second time. This Bill provides that compensation payable in respect of land acquired by the State Electricity Commission for the Crown at Morwell, or within a radius of 20 miles therefrom, shall be an amount such as a bona fide purchaser proposing to use the land for the same purpose as that for which it was being used on the 1st January, 1954, would reasonably be expected to offer. Any allowance in respect of actual or prospective increases in value by reason of work of the Commission or the Housing Commission is excluded.

When the State Electricity Commission was established under the Electricity Commissioners Act 1918, a provision was included in the legislation giving the Commission power to acquire for the Crown, compulsorily or by agreement, any lands within the township of Morwell, or within a radius of 20 miles therefrom, as required for its undertakings. This provision was related to the establishment of the Yallourn undertaking, which, as honorable members are aware, first came into operation in 1924 and which since that time has grown in importance. To-day it is not too much to claim that the tremendous economic advancement of the State

over the past 30 years has been linked inseparably with the progressive and successful development of the brown coal resources at Yallourn.

To avoid the State's being compelled to pay for land at values which may have become inflated through speculation by virtue of the impending development, the earlier legislation included a section that lands acquired should be at their value as at the 9th July, 1918, plus reasonable improvements, but excluding any increments by virtue of actual or prospective developments by the Commission.

This provision was continued in section 15 of the consolidated Electricity Commission Act 1928, No. 3776, and still remains in force. However, in the State Electricity Commission Act 1948, No. 5272, which authorized the Commission to proceed with the new Morwell project, it was provided that the basis of acquisition of land for that project should be its current value based on the purpose for which the land was being used on 1st January, 1948, again excluding increases in value arising from developmental work by the Electricity Commission and also by the Housing Commission.

In actual practice, no difficulty has arisen directly from these two differing legislative provisions, as the Commission has generally agreed to pay at a reasonable independent valuation at the time of each acquisition. The only cases where any difficulty has been experienced have been where owners have been unwilling to accept the independent valuation obtained by the Commission.

The point I make is that the Commission, by adopting a sympathetic approach in negotiations with landowners, has generally been able to reach an amicable settlement. Only on rare occasions has it been necessary to invoke its statutory powers as regards valuation. However, it is considered that the time is now appropriate to amend the terms of the Commission's principal Act to provide for a more up-to-date basis of land acquisition, and to have regard for current values. In this connexion it must be kept in mind that the Commission will have to embark on

further land acquisition within the next few years to provide for the projected power station to be established to the south-east of the Morwell open cut at Hazelwood. I submitted information concerning this particular project to honorable members in my statement to the House in October last year.

This Bill provides that any land acquired by the Commission in future in the Morwell area, other than that required specifically for the Morwell project, should be at its current value based on the purpose for which the land was being used on the 1st January, 1954. That date is about the time when surveys in the area to the south of the Morwell project—Hazelwood—were commenced. These were first undertaken late in 1953 and continued in 1954. The Commission's 1954-55 annual report referred in general terms to this new Latrobe Valley power station. Should any further land be required specifically for the Morwell project—as distinct from that at Hazelwood—valuations would also be at current levels, but would be related to the use of the land on the 1st January, 1948.

As in the earlier legislation, the owner would not be entitled to any increase in value arising from the announcement of the intention to proceed with this project or resting on speculative subdivision values. I feel, therefore, that there can be no question as to the merits of this Bill, and I commend it to the House.

Members will see that clause 1 is a customary clause, permitting the general provisions of the State Electricity Commission Acts to operate in respect of the matter dealt with in this Bill. As to clause 2, section 15 of the principal Act authorizes the Commission to acquire land within the town of Morwell, or within a radius of 20 miles therefrom, for the purpose of its undertakings, and sets out the basis for compensation. This clause retains the essential provisions of the earlier legislation, the only important amendment being that the basis of valuation for land acquired within a radius of 20 miles of the town of Morwell is to be the current value based on the purpose for which the land was being used on 1st January,

Mr. Reid.

1954, instead of the value as at 9th July, 1918. This clause will not apply to land specifically acquired for the Morwell power and fuel project as approved by the 1948 Act to which section 6 of that Act would apply. Such lands would also be acquired at current values, but would be related to the use of the land as at 1st January, 1948.

I point out that the Bill follows an undertaking I gave in the earlier part of the session this year to the Leader of the Country party and the honorable member for Morwell that legislation would be introduced to correct the somewhat archaic situation in the present State Electricity Commission Act by which, in effect, we were thrown back theoretically to 1918 values. I commend the Bill to the House.

On the motion of Mr. STONEHAM (Midlands), the debate was adjourned until Wednesday, October 2.

CO-OPERATIVE HOUSING SOCIETIES BILL.

Mr. PETTY (Minister of Housing).—
I move—

That this Bill be now read a second time. This is a Bill to consolidate and amend the Co-operative Housing Societies Acts of which there are twelve, namely, the parent Act of 1944 and eleven amending Acts. The legislation has also been affected by four other enactments—the Statute Law Revision Acts of 1951 and 1955, the Trustee Act 1953 and the Co-operation Act 1953. Accompanying each copy of the Bill is an explanatory paper setting out the main changes effected by the amending Acts and showing how the legislation to be repealed has been dealt with in the course of consolidation. The proposed changes in the legislation, not arising out of the consolidating process, are also referred to in the explanatory paper.

A Bill consolidating the Acts on this subject would have been presented to Parliament in the ordinary course of events, as the work of the Director of Statutory Consolidation proceeded, but the Government considered that this particular legislation was urgent; therefore it has been given some precedence. Co-operative housing continues to gain

in popularity and honorable members, especially those connected with the movement, appreciate how difficult it is for anyone to gain a clear picture of the scheme from even a close examination of the present Acts. I feel that there is no need for me to elaborate on the consolidation aspect. The proposed amendments require further explanation, but before dealing with them I propose to review, for the information of the House, the activities of societies to date.

There are now 407 co-operative housing societies with an aggregate membership of 31,700. During the year ended the 30th June, 1957, 112 new societies were registered. That was by far an all-time record for any one year. The next highest number was registered in 1945-46 when 63 societies were approved. Between then and 1956-57, the highest number registered in a year was 36, while on five occasions the total was below 20. Last year's increase was due mainly to the diversion of portion of the State's housing loan allocation to co-operative housing societies, as provided for in the new agreement with the Commonwealth. Last year, when presenting a Co-operative Housing Bill to the House, I explained that the Government had adopted a five-year plan under which, in each of the first two years, at least £2,000,000 of the State's housing loan allocation would be channelled to co-operative housing societies, with an increase to £3,000,000 in each of the three remaining years. I went on to say that societies were being formed on the basis of the £13,000,000 to be provided over the five years with each society receiving its allocation in five annual instalments. In all, 89 societies were formed as a result of this arrangement. Although the first of those societies did not commence operations until September 1956, the houses completed as a result of their activities by the 30th June, 1957 totalled 506 and 1,100 more homes were then in course of erection. That was achieved by an outlay of £2,000,000 for the year. The result is gratifying to the Government, which was responsible for the inclusion of this new provision in the Commonwealth-State Housing Agreement.

Reverting to the general picture, during the 1956-57 financial year, £5,824,500 was made available to societies, compared with £3,034,500 in the previous year and £3,249,000 during the year ended the 30th June, 1955. A most pleasing feature, apart from the increase, was that the newly-established private savings banks entered the field and, as the figures I shall cite indicate, they gave considerable support to the societies. The sources from which the advances were obtained were as follows:—

Home Builders' Account (i.e. Housing Loan Funds)	£2,000,000
Commonwealth Savings Bank	1,050,000
Commonwealth Trading Bank	200,000
Private Savings Banks ..	1,775,000
Private Trading Bank ..	225,000
Insurance Companies ..	500,000
State Savings Bank ..	74,500
Total	£5,824,500

I have purposely omitted from last year's figures the sum of £590,230. This consisted of two amounts, namely, £486,000 which represented temporary accommodation obtained by societies being financed from the Home Builders' Account, and which enabled the societies to accelerate the making of advances to members, and £104,230 that was made available to societies because of the revolving nature of the Home Builders' Account. Therefore, in fact a total of £6,414,730 was obtained by societies during the year. It is relevant for me to point out that, during the same period, the Home Finance Trust raised £1,900,000 which, added to the amount obtained by co-operative housing societies, makes a grand total of £8,314,730 for home ownership for the year—a result which surpassed the most optimistic forecasts.

Guarantees given by the Treasurer with respect to loans raised by societies—not including money obtained from the Home Builders' Account—now total £51,500,000, while the Treasurer's

liability with respect to indemnity advances granted and subsisting is £426,100. No claim has ever been made with respect to either the guarantees or indemnities given. At the 30th June last, 24,607 members had obtained homes under the scheme, and there were then 5,195 more homes in course of erection.

I shall now deal with the proposed amendments. A small machinery amendment appears in clause 3 which recites section 3 of the principal Act, and in which it is provided that any reference to the erection or purchase of a dwelling shall be deemed to include reference to street construction and to installation of sewerage. The amendment, which is set out in paragraph (d) of sub-clause (4), extends the definition to cover drainage. The Bill provides for an extension of the objects for which a society may be formed, and the purposes for which a society may make an advance, by permitting a society to make an advance to discharge a mortgage or other security given by a member whilst he was a member of the society and given with the prior approval of the society. The Government has always been firmly of the opinion that co-operative housing societies should not have a general authority to make advances to discharge mortgages. We must never lose sight of the fact that the objective of the legislation is to provide more homes. We are not departing from that principle in this instance. As explained earlier, the societies being financed from housing loan funds will receive their allocations in annual instalments over the period of five years ending on the 30th June, 1961. Therefore, it will be appreciated that in the normal course of events the total amount which any of those societies may advance to its members in any one year is limited to the instalment for that year. As previously mentioned, however, some societies have been able to accelerate the making of advances by obtaining temporary finance which is repayable as housing loan money is made available to the society.

Mr. Petty.

Recently, a further development has occurred. It has been found that in some cases members, who must wait for their advances, can obtain, on their own account, immediate temporary finance, provided the society will take over the loan not later than the 30th June, 1961, by which date the full amount of its final instalment from housing loan funds will be available. As the Act now stands, such members cannot avail themselves of these offers because societies are precluded from making an advance to take over any such loan. The amendment is designed solely to enable societies to deal with these cases, thus enabling the members to obtain their homes at an earlier date than would otherwise be possible. It will be noted that the person who obtains the temporary loan must be a member of a society at the time of the raising of the loan and must obtain the prior approval of the society in writing. The procedure will be for the member to apply to the society for an advance. If one is granted, he will be advised in writing of the amount of the advance and that the society approves of his raising a temporary loan up to that amount, to be repaid from the society's advance when made.

Mr. SHEPHERD.—Would that enable a society to go beyond one year's commitment and into the next year, but not into the third year?

Mr. PETTY.—That is so. The relevant amendments are contained in subparagraph (v) of paragraph (a) of sub-clause (1) of clause 5 and subparagraph (v) of paragraph (a) of sub-clause (2) of clause 34. Under the existing legislation, the shares of a deceased member of a society cannot be held by the executor or administrator of the estate unless he is eligible to become a member of the society. As cases have arisen in which this restriction has caused hardship to the deceased member's family, provision is made in the Bill for the executor or administrator to become the holder of the shares, whether or not he would otherwise be eligible to be a member of the society. It is provided also that the directors may at their discretion call upon the executor or administrator to

transfer, withdraw, or discharge the shares within a reasonable time, namely, not less than six months. This provision is necessary to deal with instances in which there does not appear to be any justification for the executor or administrator to hold the shares in such capacity. It will be noted that membership, although of a limited nature, is given to the executor or administrator. This is necessary for certain reasons. For example, a society is not empowered to make an advance to a person who is not a member of the society. Cases will no doubt arise where it will be desirable to make an advance to the executor or administrator, but unless he is granted the right of membership, the society will not legally be entitled to do so. Another point is that, in the absence of any membership rights, an executor or administrator might be absolved from obligation, such as meeting the estate's share of any deficiency on the society's part, in the event of the winding up of the society. Membership in these cases will not extend to voting at meetings of the society or becoming a director thereof. The proposed amendments in this regard are set out in paragraph (e) of sub-clause (3) of clause 24 and sub-clause (4) of clause 24.

Clause 7 contains a consequential amendment. The proviso at the end of the clause excludes membership of a society as an executor or administrator from consideration with respect to the restriction contained in sub-clause (4) as to the number of societies of which a person may be a member. Without that proviso, a person holding membership of a society as an executor or administrator could be debarred from holding shares in his own right or vice versa. The final amendment is contained in sub-clause (2) of clause 26. As honorable members appreciate, co-operative housing societies are formed to enable the members to obtain homes of their own. Once the family moves into its home, the breadwinner has the added responsibility of protecting his family should he die before the mortgage to the society is discharged. In some cases, provision is made in this regard

through life assurance or superannuation schemes, but more often than not there is only partial protection—say, a policy of £500 or £1,000, whereas the mortgage to the society may be for £2,500. Frequently, young married men cannot afford the insurance premiums for complete coverage.

This problem has been studied carefully by the committee of the Federation of Co-operative Housing Societies as a result of cases of hardship brought to notice following the death of the breadwinners, and a scheme has been evolved which is at a standstill pending an amendment to the legislation, as provided in this Bill. With the passing of the amendment, the scheme will be placed before societies for participation should they desire to implement it. Briefly, the scheme involves mortgage protection insurance which will ensure that, should a member of a society die, a policy taken out by him will meet the outstanding balance of his mortgage and that the house will pass free of debt to his family. The premiums will be collected by the societies by way of a small addition to the normal monthly dues.

At this stage, I wish to emphasize that the scheme will be voluntary for members of existing societies. No society will be permitted by the registrar to alter its rules to make mortgage protection insurance compulsory. The scheme will be voluntary also for members of future societies, except in instances where a society decides, on formation, to provide in its rules for the members to take out such insurance. This is likely to happen only in isolated cases—for instance, where a society obtains its finance from a life assurance society and the taking out of mortgage protection insurance is made a condition of the loan to the housing society. Furthermore, societies will be free to adopt schemes of their own—that is, independently of the one proposed by the Federation—but the insurer in each case will have to be approved by the registrar.

The following are examples of the levies which will probably apply in the Federation's scheme, which has been

worked out in conjunction with a well-known life assurance society—

Amount of Society's Advance.	Member's Age at Commencement of Society. (years)	Monthly Premium.
£		s. d.
2,500	20 to 24	9 2
2,500	25 to 29	13 4
2,500	30 to 34	21 3
3,000	20 to 24	11 0
3,000	25 to 29	16 0
3,000	30 to 34	25 6

To enable societies to pay the premiums and to recover from the members any amounts so paid, the provision contained in sub-clause (2) of clause 26 is necessary. In conclusion, I wish to say that new general regulations, consolidating the nine general regulations made under the present legislation, have been drafted as well as regulations bringing the model rules regulations up to date. These will be promulgated simultaneously with the proclamation of the new Act.

On the motion of Mr. FENNESSY (Brunswick East), the debate was adjourned until Tuesday, October 8.

WANGARATTA (RATING ON UNIMPROVED VALUES) BILL.

The debate (adjourned from September 18) on the motion of Sir Thomas Maltby (Minister of Public Works) for the second reading of this Bill was resumed.

Mr. CAMPBELL TURNBULL (Brunswick West).—This Bill is of considerable importance to the Borough of Wangaratta, as, if it is not passed, the municipality will experience acute financial embarrassment. However, the passage of the Bill will, in effect, abrogate certain legal proceedings which were instituted against the Borough of Wangaratta because of its failure to comply with certain procedural requirements of the law. I refer specifically to the legislative provision whereby it is necessary for a poll to be conducted before there can be a change in the municipal rating system.

Up till August of last year the Borough of Wangaratta levied its rates on the basis of net annual values, as outlined in section 252 of the Local Government Act. In 1956, a number of Wangaratta citizens desired a change

to the system of rating on unimproved valuation and, pursuant to the legislation, the town clerk received a demand from one-tenth of the ratepayers calling for a poll to ascertain whether or not the alternative system should be adopted. Upon receipt of the demand, the town clerk inserted an appropriate public notice in the local newspapers, a provisional valuation was made and served on the various ratepayers, the poll was advertised and subsequently held on 23rd August, 1956. At this poll an overwhelming majority of the ratepayers indicated their desire for a change of system. I understand that at the time of the poll there were 2,875 voters enrolled and, according to the people who launched the legal proceedings against the borough, 6,472 votes could have been recorded. The result of the poll was that 2,115 persons voted in favour of the proposal and 510 against it. In other words, there was an overwhelming majority in favour of the changeover.

The next step should have been the publication in the *Government Gazette*, pursuant to sub-section (3) of section 326 of the Local Government Act, of a notice setting out that the proposal had been carried. Unfortunately, the town clerk failed to have the requisite notice published. However, in the following January, a rate was struck on the basis of unimproved values. Those persons who were dissatisfied with what had been done took no action until June of this year, but in the meantime, the affairs of the borough had been carried on in the usual way. After all, the streets had to be cleaned and maintained, lighting provided, and wages and salaries paid. Health services and other such activities could not be neglected, and all this entailed expenditure, and the collection of rates was essential. The litigants asked for a declaration as to the invalidity of the council's action, and apparently the legal advisers of all concerned—the borough, the Crown and the plaintiffs—were of the opinion that the council's action was a nullity. Consequently, if litigation had succeeded, the borough would not have possessed rating powers at all, and the municipality would have become bankrupt.

Opposition members agree with the Minister of Public Works that that state of affairs cannot prevail. On the other hand, the complainants contend that Parliament should be loath to step in and abrogate legal proceedings that a litigant has brought against a public authority. They contend also that the borough did not emphasize the fact that voting at the poll was compulsory, although for some time voting in the Borough of Wangaratta has been compulsory. A further complaint has been made that the town clerk, who was the returning officer, refused to issue certain postal votes. These matters were all enumerated in the writ. Opposition members have considered the situation carefully, and they agree with the Minister that a chaotic situation could develop if a court decision were recorded against the municipality.

The rates which had been levied by the municipality before its action was challenged amounted to £68,000 of which £57,000 has already been collected. The actual position appears to be that all the ratepayers who had paid their rates could demand a refund if they so desired. However, if that were done the council would be placed in an untenable position. The time for the imposition of the next year's rate is approaching and the question arises as to the system of rating to be adopted. The situation that has arisen is unfortunate, but in the circumstances we feel that the municipality is entitled to have its action legalized by the passage of this measure. Only recently members of this Chamber acclaimed the splendid work performed by town clerks. We are all human and even the best of people can make mistakes. The mistake that was made by the municipality of Wangaratta was an honest one, and supplies no reason why certain ratepayers should be enabled to obtain a refund of the rates paid by them, nor is there justification for those ratepayers who have not as yet paid their rates to escape their obligations. I understand the amount of rates outstanding is £10,000. The ratepayers concerned should not be entitled to enjoy

the services provided by the municipality without payment. For those reasons, I commend the Bill to the House.

The sitting was suspended at 5.45 p.m. until 8.37 p.m.

Mr. MITCHELL (Benambra).—I should like to speak at length on this Bill, because I have in mind one or two points of considerable importance to the Borough of Wangaratta. However, in this instance time is very much the essence of the contract. It is essential, if the borough is to function as it should and give proper implementation to the wishes of the ratepayers, that this Bill should be proceeded with forthwith. The Country party and I give it our full support.

The motion was agreed to.

The Bill was read a second time, and passed through its remaining stages.

SUPPLEMENTARY ESTIMATES FOR 1956-57.

The House went into Committee of Supply for the further consideration of the Supplementary Estimates for the year 1956-57.

Mr. SHEPHERD (Leader of the Opposition).—When the Treasurer provided and explained the information that is so valuable in relation to the Supplementary Estimates, I think it was generally realized by honorable members that at the end of any financial year it is necessary to approve of additional expenditure incurred during that year, even though additional revenue received may have covered the full extent of such expenditure. The system of Government budgeting is such that, a detailed estimate having been prepared at the commencement of the financial year—in this instance, for the year 1956-57—and ultimately adopted by the passing of an Appropriation Act, the Government is empowered to spend a certain amount of money up to the end of June in that financial year. In this case the relevant Act was passed last November. It is fortunate that the State system of finance makes it possible for a Government, if it can see its way

clear to have its action ultimately approved by this Parliament, to spend beyond its means. This Government is making a habit of doing so.

At the outset I wish to say that, while there has been considerable criticism during the year concerning the spending of various amounts in excess of revenue being received, probably this was brought about, as indicated by the Treasurer, by many matters outside the control of the Government, and has reacted to the benefit of the administration of this State. We know that not many wage increases have been granted during the last twelve months. There have been no large increases by wages Boards or other wage-fixing tribunals since the Estimates for the previous twelve months were brought down. I agree with other honorable members that the Budget should not be debated until after the Auditor-General's report has been submitted to Parliament. Furthermore, I support the Government's method of presenting Supply, followed by the Supplementary Estimates, so that the Auditor-General's report may be presented before the debate on the Budget proceeds. Theoretically, the Auditor-General's report cannot be completed until the amount sought by way of Supplementary Estimates has been approved but, in practice, the Auditor-General commences his work long before the 30th June. Probably, he has prepared all of his reports, and their correctness is consequent upon the Supplementary Estimates being accepted by this House.

I do not wish to cover all the items that may be alluded to during the Budget debate. Speeches made by honorable members during that debate are of great importance, because at that time the financial situation of the State is under review. Either a State is a good State or a bad State—if it is necessary to budget for ever-recurring deficits, it is a bad one. If a number of deficits are sustained, the day will inevitably come when a Government must face up to the responsibility of rectifying the position and those who must ultimately carry the load, whether in private or

public enterprise, are the people themselves. For the year 1956-57, the Government budgeted for a deficit of £2,445,000 and, at the end of the financial year, there was a deficit of £4,315,000, notwithstanding the fact that in the intervening period there was an increase in revenue from certain sources. If that increase had not been forthcoming the deficit would have been much heavier. In many instances there is a good deal of luck associated with a State's financial position.

Many of us are apt to be "neat" and to "play safe" where expenditure is concerned and consequently we estimate that our receipts will be in excess of our expenditure, but ultimately that may not prove to be the case. In that respect, this Government is no different from its predecessors. Invariably, it is necessary to bring down Supplementary Estimates; this applies even in years when there is a surplus, as occurred during the régime of the Cain Labour Government. The reason for the presentation of Supplementary Estimates is that each item of the Estimates must balance. The Treasurer, in presenting the Supplementary Estimates, referred to only a dozen items. In many instances, the estimated expenditure exceeded the actual amount spent. Had increased expenditure been necessary in connexion with all items, a much higher amount would have been sought by way of Supplementary Estimates.

Several of the items for which increased finance was needed are commendable. I do not wish to deal at length with the Police Force as I referred to that Department during the debate on Supply. Obviously, if more men are employed in the Police Force and if the security of Pentridge is to be improved by the provision of new fences, night lighting, and so on, the expenditure must be considerably increased. Of course, the Government promised that certain action would be taken in regard to Pentridge—the Opposition impressed upon the Government the necessity for doing so—and in the circumstances, we cannot take umbrage at additional expenditure in that direction. There has been a great deal of

debate about our penal establishments, but I do not propose to elaborate on that aspect. Only to-day, the Chief Secretary indicated that a verbal report dealing with penal administration will be presented to this House at a later stage.

As the Premier indicated, 410 extra men have been employed by the Police Force. Additionally, there was a certain amount of reorganization of the Department, and a great deal of experimentation work in connexion with road courtesy work, traffic control, and so on was initiated. It would not be reasonable to condemn any action taken in that direction; we wish to see more of it. We do not mind money being diverted so that our Police Force may be improved. With the greater density of traffic, which brings with it increased dangers and more numerous accidents, additional finance must be expended.

Many of the items referred to in connexion with the Supplementary Estimates have an important bearing on the welfare of the community. In the education field, many people—whether the Minister, a member of a mother's club, or a school committee—are working to improve the situation. It is rather amazing that Parliament, and the State generally, has done so well in the face of great criticism. Even the most learned people coming to this city condemn what we are doing. For example, it has been stated that the curricula set at the University of Melbourne are wrong. Some persons contend that there should be new text books only once in every four years, because there would be economic waste if they were changed annually, whereas others believe that there should be a change of text books each year. Those who support the latter proposal claim that it is necessary to do so in order to keep pace with education. John Medley has often stated that that is a good thing for education. He believes that education will receive an impetus if a former Minister, or one who aspires to the position, takes action in Parliament to keep the present Minister of Education on his toes, as it were. If that is not done, the Minister and the

Government may be subject to greater attacks and may not be able to stand up to the scrutiny that they should be able to withstand.

Every year additional school equipment is needed, although in some years it is necessary to expend more than was originally anticipated for this purpose. However, no one will deny that if the money can be found for education, it should be used. I should like to see a more extensive outlook in regard to education. Spokesmen for the present Government have the habit of supplying a certain type of answer to letters. They seem to have developed the habit of always making a comparison with the activities of a previous Government. For example, they compare the number of class-rooms built under the present Administration with those constructed under previous Governments. However, when occupying the Treasury bench the Labour party was not interested in breaking records, although if the present Government does so, particularly in the education field, it should be commended. Opposition members believe in the extension of education, and support the principle of keeping children at school longer than is done at present. Obviously, if that desire is achieved, and if children are to be permitted to commence school earlier, additional class-rooms will be needed. The combined efforts of all Governments have contributed towards that end.

I was pleased to hear the Director of Education say recently at a teachers' conference at Footscray that from the beginning of the next school year it was hoped to be able to take in scholars at a much younger age than in the past five or six years. That is a great compliment to someone—I hope this Government does not think that it alone is responsible. I am sure that the honorable member for Bendigo will be pleased to hear that in the near future tenders will be called for the proposed girls' secondary school at Bendigo. I noticed some subtle propaganda in the papers recently when a member from another place made that announcement. It is to be hoped that this information is accurate, but I

cannot understand why the local member was not informed of what was contemplated. It is disturbing to think that certain advance information can be published in the papers and given to members of Parliament who do not represent the district concerned. It is not right that because someone has a personal and local interest in a particular school he should receive advance information.

Mr. BLOOMFIELD.—That is nonsense.

Mr. SHEPHERD.—It is not nonsense, because when I was Minister I was accused of the same thing. Sometimes such leaks of information occurred without my knowledge. It should be appreciated that the Assembly member representing the district in which a school is to be built, whilst not seeking preference, at least is entitled to advance information as soon as a member of another place.

Mr. BLOOMFIELD.—The information in question was available to all about two months ago.

Mr. SHEPHERD.—The Minister does not even know to which district I am referring.

Mr. BLOOMFIELD.—You are referring to Bendigo.

Mr. SHEPHERD.—I left Bendigo in 1916. There are other districts to which the same argument applies. Some of the back-bench members of the Government should be concerned about this matter. The release of the information to which I refer may be coincidental or accidental, but surely all members of Parliament should be treated similarly. I know that some up and coming members of school committees, by their close co-operation with the School Committees' Association, are able to obtain information in a roundabout way from the Public Works Department. I do not accuse anyone of breaking a confidence, but often Opposition members have said to me they did not hear about a school building programme in their areas until after some other person had made an announcement. Some Opposition members wanted to discuss this question and were in a position to pinpoint examples,

but I suggested that, first, I should raise it in a general way. Doubtless, similar things happened when I was Minister of Education, and probably no blame can be attributed to the present Minister. However, I ask him to investigate the matter.

Opposition members are sick and tired of seeing in the Supplementary Estimates, the Budget and the Supply schedule a specified amount for pay-roll tax. We believe that that form of taxation should be abolished. The Federal Treasurer has already made an admission that small industries are suffering a hardship, and he is endeavouring to relieve them of the burden. In my opinion it is ridiculous that the Government should have to pay £1,500,000 annually to the Commonwealth Government for pay-roll tax. It is irrecoverable expenditure from which the State gains nothing. The money paid by way of pay-roll tax is included in the National Welfare Fund, or some Commonwealth trust fund, and, as between a State and the Commonwealth, it is a mere book entry. In fact, money which could be well used by the State is spent by the Commonwealth.

Sir GEORGE KNOX.—Thousands of cars owned by the Commonwealth Government use roads that are maintained by the States, and no registration fee is paid by the Commonwealth for those vehicles.

Mr. SHEPHERD.—That is so, but I am examining this problem in a general way.

Sir GEORGE KNOX.—The Commonwealth should recompense the States.

Mr. SHEPHERD.—This Government should have more influence with the Federal Administration than some other Governments. Recently, I introduced a deputation to the Minister of Education and he was most sympathetic. I suggested that £150,000 was required in one year to bring the machine tools sections of technical schools up to modern standards. The Royal Melbourne Technical College still uses a piece of equipment presented to it by Professor Kernot in 1911 to teach apprentices who come from modern toolrooms such as those established by

General Motors-Holden's Limited and other large firms. That type of machinery must be looked upon as a joke by those apprentices. The Minister asked me what I would do and I suggested that money should be advanced out of loan funds to bring the equipment at those colleges up to date. If that were done, the machinery purchased would last for the duration of the loan. As a matter of fact, much of the machinery at present installed in our technical colleges has been in use for 50 years or more, and loan funds are granted for a 53-year period. If the Government did not have to pay pay-roll tax, £1,500,000 a year could be allocated for the purchase of machinery for use in schools. Of course, the amount paid in pay-roll tax will increase as the salary bill of the State increases. Last financial year the amount paid by the Railway Department under this item was £852,000. I think a special approach should be made to the Commonwealth Government for relief from this impost.

It is no use the Government saying that it has had a sensational victory in regard to uniform taxation because it has not. Both the Federal Treasurer and the Prime Minister have said that the position in that regard has not changed and that they are not prepared to meet the State Premiers with a view to reallocating funds. The Federal Treasurer has given Victoria the financial cold shoulder whenever taxation allowances for grants of machinery to universities and technical colleges are mentioned. If a grant is given to the University of Melbourne for additional building accommodation, then a taxation allowance is approved of, but no such concession is given if a valuable piece of machinery is donated. During my term as Minister of Education, a Heidelberg automatic platen printing press was presented to the Education Department by a large firm out of the goodness of its heart, but no taxation allowance was permitted. If such an allowance had been granted, other firms would have been induced to present other machinery to the university or the technical schools of this State.

The Opposition does not propose to be critical in regard to deficits and the method of handling the finances of this State. It is routine for Departments to approach the Treasurer with a view to obtaining approval of money that has already been spent during the last financial year. At the start of the year the Government budgeted for a deficit of £5,227,000 for the Railway Department and for a small surplus for other Departments. However, the actual total State deficit was £4,315,000. The Supplementary Estimates form part of that sum. In my opinion the Budget debate is the appropriate time for members to express thoughts in regard to the spending of the revenues of the State. I do not know what would happen if Parliament failed to approve of the Supplementary Estimates. I presume that the result would be something akin to what would happen to a municipal council if the Wangaratta (Rating on Unimproved Values) Bill was not passed, in which case the council would have an irrecoverable deficit. If the Supplementary Estimates were rejected, the Government would be placed in a disadvantageous position.

Taking the items separately and severally, the Opposition approves of the Supplementary Estimates. Most of the items contained therein are what might be called contingencies and include items that all Departments must use and pay for. The Minister of Education knows that it is not possible completely to foresee in July of one year how much money will be required for contingencies during the following twelve months. For instance, it was not possible to foresee the additional expenditure required in connexion with the floods in the River Murray area as it concerned transport costs to the Education Department. Moreover, it is not possible to foresee that a fire might occur at a school. Taking this financial year as an example, it is difficult to compute the expenses involved in using buses to transport children from the Braybrook school to Yarraville. However, I trust that the Government will endeavour to get nearer to the mark in the next financial year,

because the general public do not understand why it is necessary to approve of large amounts in Supplementary Estimates.

Sir HERBERT HYLAND (Gippsland South).—I think the Leader of the Opposition summed up the situation in his last few words when he urged the Government to get nearer the mark this year than it did last year. I agree with him. In my opinion, £3,000,000 is a large sum to approve of as Supplementary Estimates. I think that Government Departments, Boards and Commissions should be asked to try to estimate more accurately what their requirements will be for the forthcoming year. The Supplementary Estimates disclose that Departments controlled by the Chief Secretary required an additional £659,000, by the Minister of Education £418,000, by the Attorney-General £124,000, by the Treasury £311,000, by the Minister of Public Works £106,000, and by the Minister of Health £990,000, to mention only the larger amounts. A businessman who ended the financial year and had over expended by a large amount would not last long in business. I think it is time that Government instrumentalities were asked to economize. The Country party would not support the sacking of employees in order to achieve that end, but it could be achieved by not appointing additional staff on account of the wastage that occurs through retirements and deaths. I personally favour—my party has not discussed this matter—an inquiry into the expenditure of Departments, Boards and Commissions with a view to economies being effected and a consequent reduction of deficits, which total £10,000,000 for the last three years.

Supplementary Estimates have been brought before Parliament for many years. I have been a member of Governments that have introduced them, as have Opposition members, but that is no excuse for not taking action to minimize the need for them. I think it is time that an inquiry was held in an endeavour to establish means of using the money available in the best possible way. I know, from experience in running Departments, what is involved.

If one attempts to take something away from a Department, there is an immediate outcry. I have a vivid recollection of that kind of thing when I was Chief Secretary and the Government of the day decided to set up an enlarged Department of Health. There were then such sections as mental hygiene and other bits and pieces, with certain doctors here and certain others somewhere else. Our idea was to establish a Department, covering all these interests and activities, which would be truly worth while and self-contained. The activity of mental hygiene happened to come within the scope of my Department. Honorable members present should have heard the complaints on the part of permanent heads and other officers concerned because they were about to be taken away from the Chief Secretary's Department, with which the matter of health and mental hygiene had no relation whatever, and transferred to the Department of Health.

Many of these officers, like a great many before them, had for their motto, "What we have we hold." They said, "Our Department must be kept up to its present strength and status. We cannot let this new thing happen because the Department"—or Board or Commission—"will go down if we do not preserve it." There seems to have been a fear in the minds of Ministers that they must do justice to what the permanent heads of Departments said. I do not believe in that policy at all. If a member, as a Minister, takes an oath to carry out the law without fear, affection or favour, he must try to do his job as he sees it and to do it with due regard for economy, even to dispensing with the services of staff, male or female. That is something that can be done. In my own business life I have had to take that action, and businesses large and small in Melbourne have had to be carried on along those same lines. Surely there is no time more important than the present when these thoughts should be borne in mind and these practices put into effect.

It is no use, year after year, budgeting for deficits of £3,000,000. The "chickens come home to roost" when we are paying 8 per cent. interest on

loan money and must continue to pay for years. It may be all very well for a State Treasurer to go to the Loan Council and announce that Victoria has a deficit of more than £3,000,000. But he may find that New South Wales and South Australia are budgeting for surpluses. It is no use the Victorian Treasurer trying to tell his fellow Treasurers at the Loan Council that his State is in financial difficulties. They will have every right and reason to reply, "That is your sheer bad management. Why not do as we are doing, and show a surplus?"

Victoria is the most prosperous State in the Commonwealth, and we can all be mighty proud of it. We want to see it continue to prosper, but that cannot be done by spending money that we really have not got. Such a practice is actually dishonest, running on, as it does, year after year, while we are hoping for the best and looking for something to turn up. The Leader of the Opposition has spoken of the Police Force. We are proud of the work of the police. We congratulate the Chief Commissioner on what he is doing for the State as a whole. But I consider that Mr. Porter should be able to tell the Government more accurately than he seems to have been able to do, how many additional men he will want for the next financial year. He ought to be in a position to say, "We will need 500 more men this year. You must make provision for their appointment and for their pay, and the usual contingencies of the Department." It is no use his saying to the Government, "We will want 150 more men," only to find very soon that he needs a great many more. I mention that situation because, if it is allowed to continue, then someone else—some other Department or activity—is bound to suffer.

If the Government were to say, "Here is the amount of money that we have in the till, and we have to divide it up here and there and see to it that everybody concerned has a fair go," we should be able to carry on more satisfactorily. Although the Police Force is a very essential part of our national organization, I do not say it is more important than education or health.

Those activities, and many others besides, require adequate financial assistance to permit of their being carried on. Every member of Parliament is badgering one Minister or another for more and more financial assistance for various purposes. We want more and more schools and more and more class-rooms added to existing schools. In very many cases, however, we have to wait.

I have a letter before me relating to the Traralgon High School. The provision of this institution was approved by the Leader of the Opposition when he was Minister of Education; it was completed about a year ago during the régime of the present Government. It is one of the three complete high schools in the State. Yet within six months of its official opening it became overcrowded, and now it is intended to furnish two more large class-rooms. There are other schools where there is urgent need for official attention and expenditure of money. I know of schools that have been erected on land that was a swamp. At Yarram the road leading to the school has had to be built at such a height to enable school buses to approach the school and it also has the effect of keeping water out of the school; the road acts as a levee bank as well.

When a Government is about to spend, say, £250,000, it needs to ensure that the land on which the school is to be built will not require draining or levee banks or other such protection. Although the Traralgon High School is overcrowded to-day—it was opened less than twelve months ago—those concerned in its welfare cannot get anything done, and there has been humbug in relation to the site works on that area, in an effort to get something done.

Mr. BLOOMFIELD.—As for many years past.

Sir HERBERT HYLAND.—Those people who are working in the interests of the school subscribe to the basis on which the Marshall Aid Plan was conceived in the United States of America, which saved the free world from insolvency. That basis was this:

"We will be prepared to help only those who help themselves". The Traralgon people have helped themselves but they have had no satisfaction from the Department in the matter of works required at the school.

The Minister of Transport introduced a gentleman to me in the Queen's Hall within the past few minutes, and that visitor can bear out what I am now going to say. Some years ago a Government official, Mr. H. A. J. Pitman, set out upon a certain line of investigation. Mr. Pitman is still in the Department of Agriculture, and he is engaged as a plant pathologist at Burnley. In Victoria there are hundreds of thousands of acres that are regarded as poor third-class country. Years ago Mr. Pitman evolved a plan, known throughout the State to-day as the Pitman technique. That plan has proved time and again that it can be the salvation of this State if put into operation on Victoria's poor third-class country.

A friend of Mr. Pitman approached me with the suggestion that I should submit to the Government the proposition that Mr. Pitman be appointed to advise the farming community on what could best be done to improve various areas. I had a long telephone conversation with Mr. Pitman and told him that what I had heard of his technique covering the inoculation of seed seemed too good to be true. I said I should like to have from him the names of at least 20 farmers throughout the State who had benefited by his technique, whereupon I would write to them individually and obtain their statements as to what had been actually done. Mr. Pitman sent me the names of 27 different farmers, many of them leading men in various parts of the country. I wrote to each one and so far have received ten to a dozen letters in reply. These have been absolutely amazing; they have left me still wondering what it is all about.

I was told of farmers who had tried in almost every way to make a success of their activities but had met with rank failure. More than one of them wrote that they had eventually got on to the Pitman technique with the result

that they had had pastures in the first twelve months of operation. I intend to have copies of these replies made available so that members of the Government may peruse the statements for themselves. I shall see to it that the Leader of the Opposition and members of Parliament generally are provided with this material. I want to let people know that this technique is of national importance. I am not speaking from a party point of view, my sole idea being that our poorer land shall be settled by people who have been long waiting for blocks. I am sure that the Pitman technique will prove to be of great advantage not only to individual farmers but to the State as a whole. Within the State there is an enormous area of light country on which hardly anything could be expected to grow with profit. But this technique has proved itself in such country.

When the long service leave legislation was passed by Parliament, I was under the impression, as I still am, that it was designed and intended to give employed persons a well-earned rest after 25 or 20 years of departmental service. As a matter of fact, I introduced the first measure under this heading and it proposed for railway employees a period of three months' leave after 25 years' service. The legislation has since been improved considerably, but all along it has embraced this principle, that the employees concerned must have some recreation period and should not be expected to continue to work right through their official careers without a break. Yet, in the Supplementary Estimates and in the Budget Papers there are references to payments in lieu of long service leave. Last year from £3,000 to £4,000 was paid out as a gift to the heads of Departments who vacated their offices. Since they did not take their long service leave during their statutory term of service, I assume they did not need it. Public servants should take their long service leave before their retirement so that their successors may be afforded an opportunity to learn the jobs that they will eventually step into. That aspect ought to be carefully reviewed by the Government of the day.

Sir Herbert Hyland.

Mr. DOUBE (Oakleigh).—These Supplementary Estimates have been submitted so that Parliament may approve of certain expenditure in excess of that authorized by the Appropriation Act which was passed in November of last year. Despite the Premier's rosy words, many people realize that the State's finances are drifting into a parlous condition. However, as I shall probably have the opportunity to-morrow night to discuss the Budget, I do not intend to say very much about that aspect now, beyond observing that serious consideration should be given to the fact that within the short period of approximately three years, the State's indebtedness has increased by almost £11,000,000. That indebtedness has to be funded, and citizens of this State must meet the deficiency. It is time that the Premier told Parliament how long he intends Victoria to continue to run into debt.

The largest individual provision in the Supplementary Estimate is the sum of £990,517 for the Department of Health. In his comments on the Supplementary Estimates, the Treasurer stated that when the Estimates for 1956-57 were prepared, it was anticipated that an amount of £9,500,000 would be necessary for the maintenance of hospitals and charitable institutions but that, owing to higher costs and an increase in the number of beds available, it was necessary to raise that amount to £10,550,000. It is high time for not only the finances of the State as a whole but the financial position of the Hospitals and Charities Commission to be carefully examined. Members should be seriously concerned when the Estimates are exceeded by such a substantial amount as £1,000,000. It is not my intention to lay the blame at the door of any particular person, but obviously the main cause of the parlous financial position of our hospitals and charitable institutions is the Commonwealth Government's approach to the situation.

Time and time again representations have been made to the Commonwealth authorities with the object of having the hospital bed subsidy increased, but as is customary in matters of this kind a deaf ear has been turned to our pleas.

Nowadays, the State is bearing a far greater proportion of the cost of maintaining hospitals that it did formerly and, conversely, the Commonwealth is bearing a decreasing proportion. In 1946, the Commonwealth Government agreed to pay to Victoria a subsidy of 6s. per patient in each registered hospital, and that amount was increased to 8s. some two years later. Both of those amounts then represented roughly one-third of the total cost of maintaining an average bed in a public hospital, and I think it will be agreed that the Commonwealth's generous gesture in that regard helped this State considerably. Nowadays, however, the Commonwealth Government is paying only one-ninth, approximately, of the total cost, and has not increased its contribution in keeping with the higher cost of maintaining hospital beds. One is impelled to wonder just how the Commonwealth Government thinks Victoria will manage to provide adequately for those who are sick in this State.

I hope that the Premier or the Minister of Health will inform members later as to the current position because it is obvious that hospital finances are deteriorating seriously. It is utterly wrong for the Commonwealth to collect funds from citizens—ostensibly for social services and health purposes—and to refrain from applying them to the purposes for which they were intended. I believe the people of this State do not agree, in principle, that the Commonwealth should be allowed to pay progressively less and less money to the State in respect of health services. Indeed, the paucity of funds from the Commonwealth is one of the underlying reasons why Victoria is experiencing grave financial difficulties at the present time. When the Commonwealth paid one-third of Victoria's hospital maintenance charges, this State's task was not as difficult as it is under prevailing conditions with the Commonwealth paying only one-ninth of the expenditure incurred. Victoria is contributing to health services much more than it should be called upon to do. Therefore, I hope the Treasurer will not give up the fight with the Commonwealth authorities but will pursue the matter

until this State receives its just dues. The finances of the State may thus be brought to a more balanced position than they are to-day. The annual deficit of this State would be reduced considerably if the Commonwealth were to do as it once did—in the years from 1945 to 1948—and pay one-third of the cost of hospital maintenance—that is what it promised to do—but apparently the present Administration at Canberra thinks the matter is not worth considering.

What is tantamount to a White Paper has been presented to the House with respect to hospitals generally. Every member is aware that the big teaching hospitals are in a bad way financially. Each year the chairman of the Hospitals and Charities Commission warns Parliament that unless about £25,000,000 is expended—not on hospitals outside the metropolitan area, but on the five big teaching hospitals in and around Melbourne—medical standards will deteriorate considerably. I emphasize that future medical practitioners obtain much of their training in those teaching hospitals. I am amazed when I reflect that although the chairman of the Hospitals and Charities Commission, in his report each year, warns Parliament of the situation, no one seems to heed his comments. The usual sum is allocated to hospitals and charities, and it is obvious that the leeway mentioned by the chairman of the Commission will never be overtaken unless drastic action is taken.

Having directed attention to the largest individual provision in the Supplementary Estimates, I now mention the lowest, namely the modest sum of £22 for the Department of Labour and Industry. From time to time, the Government has promised the Opposition that legislation regarding the closing of certain shops will be thoroughly policed, and there has been considerable discussion on that matter, particularly in so far as second-hand car sales yards are concerned. The Opposition did not favour their being permitted to remain open until 10 p.m., and all day Saturday, but eventually the relevant measure was passed into law.

Mr. Doube.

Nevertheless, the Opposition was given a firm promise that there would be no Sunday trading.

Mr. BLOOMFIELD.—How could you have been promised that?

Mr. DOUBE.—The Opposition was promised by the responsible Minister that Sunday trading would not be permitted, and he said that proprietors of establishments that opened on Sundays would be prosecuted. On any Sunday that one cares to drive around the suburbs of Melbourne second-hand car yards will be found openly and flagrantly flouting the law which the Minister of Labour and Industry said he would uphold.

Mr. WILTSHIRE.—Are the cars concerned actually sold or merely displayed?

Mr. DOUBE.—I submit that if anyone tendered the sum of money asked for one of those old cars he could purchase it at any time on any day he chose. I am not assuming a sanctimonious attitude concerning this matter, but claim that people who live near used-car yards are becoming a little sick of having from 20 to 30 cars parked outside their premises on Sundays. Some are parked all night without tail lights, thus constituting a danger to the community. Further, many of the people to whom I allude are somewhat tired of the noise and bustle that takes place in the vicinity. They are entitled to have a "day off," as well as other folk. Apparently the Department of Labour and Industry takes no notice officially of what is happening and it is no wonder that provision is made in the Supplementary Estimates for such a small sum as £22 on behalf of that Department.

I submit that the House is entitled to something more than an empty promise from the Government to the effect that it will maintain the law concerning the closing of used-car yards on Sundays. The Minister should uphold not only the promise that he made but also the oath of office in which he undertook to ensure that people would not be allowed to do as they liked in this State—especially since there is no need for them to break the law. When the Bill providing for extended hours of trading was debated in this Chamber, there was much talk

about how important it was for the whole family, including grandfather, grandmother, cousins and so forth, to inspect the vehicle that had been selected. It was claimed that the responsibility of purchase could not be left to only one member of the family. The Government is insincere in its attitude if it fails to compel citizens to obey the law. If it is good enough for Parliament to make laws, it is good enough for the Government of the day to insist on them being carried out.

It is pitiful to reflect that although thousands of people have no hope of obtaining reasonable shelter for themselves and their families, the Supplementary Estimates contain no provision for housing except a small sum in respect of emergency accommodation. The Government claims that it has provided more homes than any previous Administration in this State has done, but I claim that the Government has ruined the position for people who want to rent homes. The Housing Commission has on its books from 12,000 to 15,000 applicants, who are practically begging on their knees for accommodation. Members of this Chamber have constituents knocking at their doors, day after day, seeking their assistance in the provision of houses for themselves and their families. The answer honorable members must give is that no help can be given even though they might approach the Housing Commission or write to the Minister. All honorable members are aware that a most desperate position exists so far as the provision of rental accommodation is concerned. Despite that fact, Government supporters do not attempt to discuss the situation. They, as well as the Government, are shirking their responsibilities. One would not expect a humane person like the honorable member for Elsternwick and other Government back-benchers to remain silent in these circumstances. Supporters of the Administration talk about the building of more houses as a result of the activities of the Home Finance Trust and the co-operative housing movement. I acknowledge that they are both excellent schemes, but their scope is limited. If a person who

wishes to purchase a home to live in is unable to obtain financial accommodation from those sources, he is forced to provide £1,200 or £1,500 as a deposit.

The ACTING CHAIRMAN (Mr. Brose).—I ask the honorable member for Oakleigh to confine his remarks to items contained in the Supplementary Estimates.

Mr. DOUBE.—I believe there is a small allocation for emergency housing, and I am attempting to associate my remarks with that item. In his Budget speech, the Premier stated that more houses had been built this year than in the preceding year.

Mr FRASER.—Is that not true?

Mr. DOUBE.—No, it is not. I find it hard to understand why the Honorary Minister who has interjected believes such a statement, as the evidence to support it is very flimsy. That reputable journal, *Robinson's Review*, published figures recently which do not support the claims of the Premier. It revealed that for the quarter ended 31st March, 1956, more houses were commenced than during the corresponding quarter of this year. I am referring to the over-all construction of houses. The total number of houses completed in Victoria for the quarter ended 31st March, 1956, was 5,298 and for the corresponding quarter of this year 4,400. Yet the Government claims that more houses were built this year. However, that is not the point I am attempting to make. I am stressing the desperate position of persons who require rental accommodation. Despite the claims of the Government, the only houses available for letting are those for which the rentals asked are £10, £12 and £15 a week. I could take the Honorary Minister (Mr. Fraser) to the home of a railway employee who receives only £15 a week "take-home" money and who pays £10 a week rent. He was forced to come from the country to the city for medical reasons and spent weeks searching for accommodation. As a result of the exorbitant rent he is compelled to pay, his children are undernourished. In fact, they have not had a decent meal for months. The

Government is completely indifferent to this problem. Its purpose is to assist the successful people. It goes to no end of trouble to further the efforts of successful citizens, but does nothing to help the needy.

I am glad that the Leader of the Opposition referred to the payment of Commonwealth pay-roll tax by the State Government. The Premier, at page 1686 of the current *Hansard*, is reported to have said—

Pay-roll tax is payable to the Commonwealth Government by the Treasury on the salaries and wages paid from revenue, other than in respect of the Forests Commission, the State Rivers and Water Supply Commission, the Railway Department and the State Coal Mine. Increased salary payments consequent on additional staff appointments in the Education and Police Departments during the year 1956-57 necessitated an increased provision of £30,342. This matter should be given serious consideration. As a result of the teaching staff of the Education Department and the numerical strength of the Police Force being increased, the Commonwealth Government has gained £30,000 from this source. The Leader of the Opposition pointed out that approximately £2,000,000 was paid out annually by the State Government to the Commonwealth in pay-roll tax. That sum might be "small potatoes" in the big Commonwealth Budget, but, so far as this State is concerned, it is of some consequence. It would build approximately 30 eleven-roomed primary schools or a moderately sized hospital. However, instead of the money being used to provide the State with valuable assets, it is handed over to the wealthy Commonwealth Government at Canberra where Mr. Menzies apparently reigns supreme at the moment.

Mr. SCOTT.—You are starting to get behind us now.

Mr. DOUBE.—The Bolte Government has been in office for nearly three years but has done nothing to rectify this position, just as it has done nothing to provide houses for rental purposes or to relieve many of the injustices suffered by persons in mental hospitals. If a person is over the age of 60 years or is classified as having an 85 per cent. disability, he can draw either the

age or the invalid pension from the Commonwealth Government, until such time as he is certified as mentally ill. The "generous" Commonwealth Government still pays the pension while the patient is in the receiving home, but withdraws that privilege entirely immediately on certification. When one realizes that 20 per cent. of the 9,000 people in our mental institutions are of pensionable age, one can imagine the considerable sum of money that the State is deprived of annually.

Mr. FRASER.—For how long has that been the practice?

Mr. DOUBE.—It has been operating for a long time, and it is the duty of this Government to take action in order that this injustice might be removed. At two of the institutions of this State—one at Janefield and another at Bendigo—mentally handicapped children are treated. If they are over sixteen years of age and their disability is classified at 85 per cent. or higher, they are eligible for the Commonwealth invalid pension, but the Commonwealth Government refuses to pay it. That does not apply to any other similar institutions in the State. I believe that the Commonwealth is not entitled to withhold payment in the cases I have cited, yet for a long period of years that has been the case. The facts have been put before the Government at Canberra, but no action has been taken. As a result of this inaction, these mentally defective children experience considerable difficulty; they have not even any pocket money unless the Mental Hygiene Authority is able to help. The moment they are released from the institutions I have named and returned to their homes the Commonwealth pension payment commences. I consider that the Federal Government adopts a completely stupid attitude, and I urge this Government to take steps to have this matter corrected before it is removed from office.

I now wish to refer to the difficulties under which members labour in considering Government administration, due to the fact that most of the reports presented to Parliament are very much out of date. One has only to peruse to-day's Notice Paper to realize the

truth of my contention. On the last page of that document are listed various reports which can now be obtained from the Papers Room. Apparently the latest report available of the Rural Finance Corporation is that for 1954-55. The most recent report furnished by the Forests Commission is for the year 1955-56, and the report of the Minister of Education is for the year 1955-56. I consider that all Government Departments should be informed that the reports they are called upon to furnish are printed not for their own benefit but so that members of Parliament may be informed of what is being done. Parliament delegates tremendous power and responsibility to the various Departments and the only real safeguard in theory is that the submission of reports enables departmental activity to be supervised. I hope the Government will heed my remarks and take steps to ensure that up-to-date reports are furnished.

I point out to the Minister of Education that, due to the large classes which have to be handled by the teachers, it is very difficult for children attending school to be given individual tuition. As modern methods of education differ from the systems used years ago, parents find it hard to assist their children at home. That applies particularly to such a subject as arithmetic. If the Education Department published a handbook to guide parents in the best ways of assisting their children at home, it would be of great help. It would not be costly for the Government to publish the type of booklet I have in mind. I have considerable difficulty in attempting to help my child, who is in the sixth grade, particularly with arithmetic, because the methods in vogue nowadays are slightly different from those adopted formerly. This situation is widespread in the community, and implementation of my suggestion is badly needed. It may be said that it is better for this to be done in the school, but when a child becomes convinced that his parents are interested in him and can help him, there will be a better net result in education. I trust that the Government will examine the matters I have raised. The Opposition has no objection to the amount sought

being voted. Its members realize that this must be done, and they propose to retain their really serious remarks concerning the finances of the State until the Budget debate.

Mr. BLOOMFIELD (Minister of Education).—I should like to take this opportunity to refer to a few matters affecting the administration of my Department. The Leader of the Opposition pinpointed the whole problem of the Supplementary Estimates and State finances generally when he referred to the fact that Victoria is a wealthy State. To me—and I am sure to all my colleagues—it is a tragedy that, owing to the constitutional situation, we are not able to provide certain benefits that we could pay for. However, the Government has tried to act constructively. Its members are not unificationists, but are trying—and have by every means in their power tried—to restore some sort of sovereignty to this State so that its citizens can be provided with the services that they can afford. Whether they have succeeded or not, or how far they have succeeded, is a matter for debate at another time. Members of the Government have tried their hardest to conduct affairs according to the State's means.

The Leader of the Opposition, a former Minister of Education, referred to the necessity for a more expansive outlook towards education. I do not quite know what that statement means, but if he can make any suggestion to me by which we can expand our outlook in accordance with our means—that is always a limiting factor—I shall be glad to have the benefit of his experience.

Mr. SHEPHERD.—I think you have made a misstatement. One's outlook must be far ahead of the distance his means can go, otherwise he cannot budget for the future. I should like to know your outlook as expressed in the evidence you gave before the Commonwealth commission of inquiry into the future development of universities in Australia.

Mr. BLOOMFIELD.—I shall be very pleased to make available to the Leader of the Opposition a complete statement of our entire case before the Murray

Commission and the response which I received to-day. I do not feel that there will be any difference of opinion between the honorable member and myself on that subject.

Mr. HOLDEN.—Will the document be available to all members?

Mr. BLOOMFIELD.—I shall gladly supply it to the honorable member for Moonee Ponds.

Mr. HOLLAND.—The honorable member for Moonee Ponds said "all members."

Mr. BLOOMFIELD.—If any particular member would like to see the submission, I shall be glad to make it available to him. The Leader of the Opposition made a certain statement which somewhat distressed me; as all members know, I am a sensitive type. I decline with great regret the invitation of the honorable member for Carlton to weep on his shoulder, but I feel that during the administration of the Education Department by the Leader of the Opposition, and I think I can say during subsequent administrations, Ministers and departmental officers have not regarded the particular sphere of activity referred to as a party matter. I may be right or wrong, but I am stating my belief that we have not played politics in this field. The reason is that the people we are dealing with are not voters and do not reside in particular localities. They are young persons, without votes, and I am certain that the Leader of the Opposition regarded them, as did his predecessors and successors, as persons entitled to the best that can be provided for them without any idea of political consequences. I make that statement not to gain any personal credit but as an expression of what I believe to be the truth. There is a tendency to regard education as of growing importance in the modern world.

Mr. FENNESSY.—You are capitalizing on it.

Mr. BLOOMFIELD.—I am stating as frankly as I can what I believe to be the position. It was stated that an announcement was made at Bendigo in relation to various proposals. I made

the announcement publicly at Bendigo some three months ago when Cabinet met in that city.

Mr. SCHINTLER.—Was that the "bacon and eggs" Cabinet?

Mr. BLOOMFIELD.—No. It was an occasion when the Government made the very statesman-like move of meeting on the way to Bendigo and in that city. The statement I made there regarding our proposals was subsequently published. Somehow or other a member of the Opposition party has rehashed the matter, and so has a member of my party. The information has been republished, and the matter is now brought forward as if there was some sort of preference to one party. It does not matter to me which party is represented in a particular area in which a school is situated. If something is to be done in a certain district, I advise the local member concerned. I think the Leader of the Opposition will, on consideration, feel that he has been a little unjust in imputing party motives in respect of that or any other announcement.

Mr. SHEPHERD.—You have no cause to make that statement; I exonerated you.

Mr. BLOOMFIELD.—The Leader of the Opposition must have made the statement *sotto voce*, as I missed it. It was argued also that pay-roll tax should be abolished. That is another symptom of the unjustified dominance of the Federal Parliament.

Mr. CLAREY.—Have you ever had legal opinion as to the validity of its imposition?

Mr. BLOOMFIELD.—The Government of which I am a member is the only one since the McDonald Government which has actually taken action to try to reassert the sovereignty of this State within its own realm. Its members regard it as lunacy that Victorians, being a people able to provide for themselves in a fitting way, are prevented from doing so.

Mr. SHEPHERD.—Are you opposed to section 92 of the Commonwealth Constitution?

Mr. BLOOMFIELD.—No. I regard section 92 as one of the few remaining guardians of State sovereignty.

Mr. FLOYD.—Have you ever considered secession from the Commonwealth?

Mr. BLOOMFIELD.—Not yet, but I thank the honorable member for Williamstown for his suggestion. The Leader of the Opposition referred to gifts to be applied to the purchase of machine tools. I can not understand why we consider gifts of lathes and similar equipment for technical schools as being in a different category from gifts for library purposes or the provision of some other amenity for education, or, in fact, whether the gift is to one of the State schools or one of the other schools which educate our children. I think I can say that the Premier shares that view and that this matter is being taken up with the Commonwealth Government.

The Leader of the Opposition raised the question of the uniform taxation case and expressed some perplexity as to whether it had been won or not. An assurance has been given that the opportunity will be provided for a debate on the subject; in any event, it can be more fittingly discussed during the Budget debate, so I do not propose to deal with it now. Various matters were raised by the Leader of the Country party, whose comments were not generally of a critical nature but were more or less advisory. I do not propose to detain the Committee by discussing those matters.

Mr. SHEPHERD.—I should like to know about the land at Yarram.

Mr. BLOOMFIELD.—I do not know when the Leader of the Opposition last made himself familiar with that school, but the Government has expended £18,000 there. The school is on an island site and the conditions there have been greatly improved. The original choice of the site was unfortunate, but since then the Government has done its best to put the matter in order.

If I searched through my notes, I am sure I could find a statement by the honorable member for Oakleigh that would be worthy of a detailed answer.

The honorable member reiterated the complaint against the Department of Labour and Industry for its failure to prosecute shopkeepers who have contravened the law in respect of authorized trading hours, especially Sunday trading. Supervision of the Labour and Industry Act is another matter that is controlled by limited funds. A member may lash himself into a pitch of indignation because certain people are trading beyond approved hours and are not prosecuted, but these things can be remedied only if additional money is devoted to the Department so that it may employ additional inspectors. From which Department is that money to be taken?

Mr. LOVEGROVE.—What is £1,000,000 or so to this Government?

Mr. BLOOMFIELD.—Members cannot complain of the shortage of finance for other activities and at the same time contend that more money should be made available to pay additional inspectors of the Department of Labour and Industry.

Mr. LOVEGROVE.—You are saying, in effect, that the Government cannot prevent Sunday trading.

Mr. BLOOMFIELD.—We are prepared to do our best and this matter can be discussed in the course of the Budget debate. As a former Minister of Labour and Industry, I can say that its small staff is doing its best and its numbers cannot be increased unless the Government adds to the deficit. As the other parties have agreed that this sum must be voted, I feel that there is little more for me to say.

Mr. STONEHAM (Midlands).—Members of this Committee have witnessed an extraordinary spectacle. The Government is responsible for explaining a discrepancy of about £3,000,000 between the Appropriation Bill and the amount actually spent by the various Departments. There were only five Government supporters present who listened to the reply of the Minister of Education. The honorable member for Oakleigh mentioned the important subject of housing, but the Minister of Housing was not present to note his

remarks. In typical fashion, the honorable gentleman walked through the Chamber a couple of times while the Minister of Education was making a rambling statement that had little to do with the criticism of the Opposition. Members deserve better treatment than that given to them by the respective Ministers, who should take an interest in what is said by Opposition speakers. I compliment the Minister of Education on his interest in these matters; he is the only Minister present in the Chamber. That state of affairs is deplorable. The Committee suspended its sitting for three hours for dinner so that honorable members could view a film of the Olympic Games. In regard to the holding of that great event, which was mentioned in the Premier's speech relating to the Supplementary Estimates, the honorable gentleman said that the loss on the Games will amount to £350,000, of which sum the Commonwealth Government will bear half. The Government has not attempted to explain the mismanagement and extravagance that resulted in such a colossal loss.

Mr. COOK.—I direct attention to the state of the House.

A quorum was formed.

Mr. STONEHAM.—I thank the honorable member for Benalla for being responsible for the return of some Ministers to the Chamber. In view of a statement made by the State Rivers and Water Supply Commission relating to water restrictions in the area served by the Coliban reservoir, it is most important that the Minister of Water Supply should be in the Chamber. Previous to a quorum being formed, I was speaking about the Olympic Games, which were to bring great credit to the State. I do not know how many overseas visitors visited Victoria for the Games, but I am sure that the number did not exceed 17,500, including the competitors. The cost of bringing those people to this country resulted in a loss of £350,000, equal to £20 a head—under the glorious mismanagement of this Government in its efforts to advertise Victoria.

As the Minister of Water Supply is now at the table, I direct attention to the press statement released by the State Rivers and Water Supply Commission to-day, relating to the Coliban system, which serves the City of Bendigo, the towns of Castlemaine, Maldon, Chewton and others, in addition to a widespread irrigation system. The first part of the statement is as follows:—

COLIBAN WATER RESTRICTIONS.

DROUGHT CONDITIONS ON CATCHMENT.

The State Rivers and Water Supply Commission announced to-day that, owing to continued drought conditions on the catchment of the Coliban river, water restrictions on irrigation and garden watering will have to be imposed at once.

The total capacity of the Coliban headworks storages is 56,100 acre-feet, but they now hold only 32,750 acre-feet although 27,500 acre-feet had been carried forward at the 1st May from last year.

The total inflow for the months of May, June, July and August had been only 7,500 acre-feet as against an average of 31,300 acre-feet. This was the lowest since 1944, and was comparable to the severe drought years of 1902-03, 1914-15, 1937-38 and 1938-39.

That accentuates the seriousness of the situation. Experts are likening the period we are about to enter to years of very severe drought. One of the restrictions imposed relates to irrigation, which will receive one half of the normal supplies for the next two months. As a result, great loss of production will occur. The political history of this State shows that the catch cry of every anti-Labour Government and of Liberal party members is, "Why did not the Labour Government solve the problems?" On the 4th October, 1955, I addressed the following question to the Premier:—

Whether the Government will arrange for the Public Works Committee or the State Development Committee to inquire into and report upon the adequacy or otherwise of the Coliban water supply system to meet existing and future requirements and, particularly, the desirability of augmenting the water supply for the City of Bendigo and surrounding district from a source other than the Coliban system?

The honorable gentleman replied as follows:—

The State Rivers and Water Supply Commission is making a comprehensive review of the Coliban water supply system

for the Government. This investigation will take some time; but, when it has been completed, the Government will give consideration as to whether an inquiry by a parliamentary committee is warranted.

On the 29th May last year I addressed a similar question to the Minister of Water Supply. It was in these terms—

Whether the comprehensive review undertaken by the State Rivers and Water Supply Commission, of the adequacy or otherwise of the Coliban water supply system to meet the future requirements of the area served by the system, including the City of Bendigo, has been completed; if so, whether he will lay the report on the table of the Library; if not, when is it anticipated that the review will be completed?

The Minister replied—

The preparation of this review has not yet reached the stage that it is ready for consideration by the Commission, although the compilation of a large amount of local information concerning the supply to Bendigo and some of the other centres has been completed.

Much additional investigation must be made in connexion with the supplies to the whole of the Coliban system before a comprehensive report can be prepared by the Commission's senior designing engineer for town water supplies, who is at present finalizing similar comprehensive reports on the Mornington peninsula systems.

The review of the Coliban system will take some considerable time, and it is unlikely that it will be completed in less than six months.

On the 17th September this year I repeated the question, and received the following reply:—

The comprehensive review of the Coliban water supply system has not yet been completed. Owing to the nature of the works and the extent of the area served, a great deal of investigation is necessary before a complete report can be prepared.

The Commission has only a small staff of engineers available for town water supply investigations, and these engineers are responsible also for similar investigations in the case of the Mornington peninsula, Bellarine peninsula and Otway water supply systems where rapid expansion is taking place.

It is anticipated that by June next the engineers concerned will complete their investigation of the Coliban system and present their report for consideration by the Commission.

In other words, the report will be presented after about three years. What is happening in the State Rivers and Water Supply Commission under the

administration of this Government? The other day the Opposition asked the Minister of Water Supply for a statement showing which reservoirs had been approved and were awaiting construction when funds became available. The only one the honorable gentleman could mention was the Tullaroop reservoir, which is to cost £2,000,000. It is deplorable that the important subject of country water supply should have been neglected to this extent. In its last year of office the Cain Government allocated £9,500,000 of loan funds for water supply purposes. In its three years of office the present Government has allocated £7,750,000, £7,500,000, and £7,000,000 respectively. In order to sustain the rate of spending represented by the amount of £9,500,000 provided by the Cain Government, it would be necessary to provide probably £12,000,000 this financial year for the purpose mentioned. People in the Coliban area will be shocked by to-day's announcement of restrictions to be imposed forthwith and the fact that the Government has not produced a plan for solving the problem.

In his rambling statement to the Committee to-night, the Minister of Education mentioned that some months ago Cabinet visited Bendigo. One would infer that the Government had some interest in advancing the development of rural districts and in the problems of a large provincial centre. However, apart from receiving presentations with his colleagues, the Premier's main task on that occasion was to "knock" the Eppalock dam project. The *Bendigo Advertiser* of the 9th July reported that the Premier considered Eppalock to be the most dangerous dam project in the State because of the heavy erosion in the land surrounding the weir. That is pure poppycock; there is nothing to justify the statement. It is clear to anyone who has studied the Premier's reply to a question I asked recently that the Government has no intention of proceeding with construction of the Eppalock dam.

Now I wish to refer to the Premier's "sell Victoria" mission to America, which received tremendous publicity. The Premier asks us to believe that as

a result of his trip tremendous benefits have flowed and will continue to flow to this State. Basically the idea of a visit was a good one.

The ACTING CHAIRMAN (Mr. Gainey).—Order! I have allowed the honorable member for Midlands a fair degree of latitude, but find it difficult to connect his remarks with the subject-matter of the debate. I invite him to do so.

Mr. STONEHAM.—In relation to the Premier's office, provision is made for salaries, including allowances, payments in lieu of long service leave, gratuities, and arrears. Other items relate to contingencies, cost of air travel by members of Parliament, Ministers, and other approved persons, and expenditure in connexion with the celebration of the centenary of responsible Government in Victoria. Amounts are also provided as contributions to the National Parks Fund, which is established in the Treasury pursuant to Act No. 6023, and to recoup Transport Regulation Fund expenditure in connexion with vehicle control. I think those items are sufficiently comprehensive to permit me to refer to the trip abroad by the Premier.

Mr. RYLAH (Chief Secretary).—I rise to a point of order, Mr. Acting Chairman. I cannot see the slightest reference to the Premier's trip abroad in the items mentioned by the honorable member for Midlands.

The ACTING CHAIRMAN (Mr. Gainey).—Order! I quote the following extract from May's *Parliamentary Practice*:—

As a general rule, on the Supplementary Estimates it is in order to discuss only the particular items which constitute the Supplementary Estimates.

I cannot find any reference to the Premier's trip abroad in the items cited by the honorable member for Midlands.

Mr. STONEHAM (Midlands).—I link my remarks with the activities of the Mines Department in relation to certain iron ore deposits at Nowa Nowa in Gippsland. Under division 73, provision is made for salaries, including allowances, payments in lieu of long service leave, gratuities, and arrears. The

Premier saw fit to allow himself to be incited by very misleading Flinders-street interests.

Mr. RYLAH (Chief Secretary).—Again, I rise to a point of order. Division No. 73 in the schedule before members relates to the salary for the Secretary for Mines and the increased allocation is necessary because the former Secretary, Mr. Neal, upon retirement from the Department, was entitled to payment in lieu of long service leave. I cannot see that the service of a valued public servant has any relevance to the question of the Premier's trip abroad.

The ACTING CHAIRMAN (Mr. Gainey).—I ask the honorable member for Midlands to confine his remarks to the Supplementary Estimates.

Mr. STONEHAM (Midlands).—I submit that Mr. Neal, for whom honorable members had the greatest respect, was in office prior to the departure of the Premier for overseas, and in all probability it was his duty to supply certain information to the Premier in preparation for his trip abroad. In the circumstances, I contend that this is the appropriate time to make reference to certain statements which, without any authority from the Mines Department, appeared in the *Sun News-Pictorial* on Saturday, 21st April. I am not suggesting that Mr. Neal was involved in this matter in any way, but I contend that he should have been referred to by the Premier—

The ACTING CHAIRMAN.—Order! Is the honorable member endeavouring to relate a newspaper report to Division 73? If so, I cannot stretch my imagination sufficiently to see the connexion between the two matters.

Mr. STONEHAM.—In view of the limited opportunities given honorable members to offer constructive criticism of the Government's administration, I consider that the time allotted for discussion of the Supplementary Estimates should be used for this purpose and that honorable members should be given some latitude in dealing with the vari-

ous items. I should like to quote from the article to which I referred. It stated—

STEEL FOR VICTORIA.

Vast deposits of iron ore have been found in East Gippsland. They may lead to a big steel industry in Victoria. Total ore reserve may be 100 million tons.

A good deal more could be said about this article, but in deference to your ruling, Mr. Acting Chairman, I shall not elaborate on the matter further. On the 19th June, the following article appeared in the *Herald*:—

GIPPSLAND IRON ORE INTERESTS AMERICA.
BOLTE PUTS STEEL PLAN.

Washington—

Mr. J. D. MacDONALD (Burwood).—On a point of order, I ask to which particular item the honorable member for Midlands is directing his remarks.

The ACTING CHAIRMAN (Mr. Gainey).—Will the honorable member for Midlands indicate to which division of the Supplementary Estimates he is referring?

Mr. STONEHAM (Midlands).—I consider that Division No. 73, which embraces certain expenditure for the Mines Department, together with the references in the Supplementary Estimates to the Premier's office, justify me in continuing.

The ACTING CHAIRMAN.—I rule against the honorable member. Division No. 73 deals with the expenditure of £2,609 representing the payment of long service leave to a former Secretary for Mines. I am unable to see the link between that item and the Premier's visit overseas.

Mr. STONEHAM.—In view of your ruling, Mr. Acting Chairman, I shall reserve my remarks for a future occasion, when I hope to be able to deal with this subject more fully. Obviously, members of the Government do not wish this matter to be raised.

Mr. FENNESSY (Brunswick East).—The Leader of the Country party referred to the fact that contained in the Supplementary Estimates was a considerable sum of money set aside for payment in lieu of long service leave. Last year, during the

debate on the Supplementary Estimates, I raised this same question, referring specifically to the fact that the former chairman of the Public Service Board, Brigadier Paine, received in actual cash, between £3,000 and £4,000 in lieu of long service leave. At about the same time, the then Auditor-General received a similar payment. This practice is diametrically opposed to the principle of long service leave, which is granted as a period of recuperation to any working man or woman who has been employed in a position for 20 consecutive years. If, after having served for 20 years, an employee receives long service leave, he or she will return to work invigorated and refreshed, and will work more efficiently than in the time just prior to the granting of the leave.

Mr. RAFFERTY.—Do you believe that?

Mr. FENNESSY.—Yes.

Mr. RAFFERTY.—You do not think an employee should accept another position whilst on long service leave?

Mr. FENNESSY.—No; any person who breaks down that moral obligation is not worthy of being granted long service leave. I would not defend any man or woman who adopted such a practice. It is becoming customary in the Public Service to treat long service leave as a gratuity. The responsibility of granting long service leave rests solely with the chairman of the Public Service Board, who, I contend, should establish the practice whereby as soon as a person has completed the requisite period of service, he should be allowed to proceed on long service leave, providing the exigencies of the Service will permit it. In certain Government Departments—the Railway Department is a good example—there is a special relieving staff to take the place of any employee who, through illness or some other cause, is unable to carry on his work. This practice could be extended to cover employees absent from duty on long service leave.

Unfortunately, the permanent heads of some Government Departments appear to be afraid to proceed on long service leave. Apparently, they do not wish their immediate junior officers to

occupy their positions whilst they are absent. This practice should not be encouraged.

Mr. RAFFERTY.—Do you think a person should be forced to accept long service leave when he does not want it?

Mr. FENNESSY.—Just as an officer of the Public Service must take his recreation leave within a certain time after it has fallen due, so also should he be compelled to take his long service leave within a certain specified time. Obviously, from his remarks, the Leader of the Country party is concerned with the practice that has developed in recent years. When a senior officer becomes entitled to long service leave, he should take it, thereby enabling the officer immediately under him, and other more junior officers, to move up and undertake greater responsibilities during the period of the leave.

Recently, there came to my notice the experience of a man employed by the Melbourne and Metropolitan Tramways Board. He had been in the Board's service for a period of 32 years when his wife took seriously ill. This man had exhausted his recreation leave, and he applied for leave without pay in order that he might care for his wife. His application was refused. I emphasize that this employee had 32 years' service with the Board and was entitled to nine and a half months' long service leave. I contacted the industrial officer of the Tramway and Motor Omnibus Employees' Union who, in turn, communicated with the Board. The industrial officer informed me that the Board refused to do anything further about the matter. I then asked the union official what was the practice of the Board in regard to long service leave, and I was told that it was granted only when an employee furnished a doctor's certificate to the effect that he was unable to carry out his duties. I feel strongly about this matter, and more particularly when I see on the *Supplementary Estimates* a large amount that has been paid by way of gratuity in lieu of accumulated long service leave.

I might mention that after I had stated my views in regard to the former chairman of the Public Service Board and payments to employees in lieu of long service leave, I was approached, at a social function, by an official of the Victorian Public Service Association. He said to me, "What is the strength of your attacking the chairman of the Public Service Board in regard to long service leave?" I said, "I was not attacking the chairman of the Board; I was attacking the principle that has been adopted by permanent heads of Departments whereby they do not promote the idea that long service leave should be taken for recuperative purposes and not paid for in the form of a gratuity." This man then said to me, "We are satisfied with the present arrangement." I said to him, "I can understand your attitude because you are not a trade unionist." Apparently such people are not imbued with the spirit of the granting of long service leave for recuperative purposes. I consider that a person is breaking down conditions laid down by the court if he accepts a gratuity instead of long service leave.

The Leader of the Opposition made some pertinent observations in regard to education, and the Minister apparently considered them strong enough to justify a reply. Generally speaking, I think the honorable gentleman gave reasonable answers to some of the points raised. I do not propose now to criticize the Minister because I have received a good deal of co-operation from him in regard to the maintenance of old schools. The electorate that I have the honour to represent includes an old industrial section of the City of Melbourne. Consequently, only old schools are in existence in the area. The same applies to the electorates of many of my colleagues, but not to those of Government supporters who live in the newer suburbs and have new school buildings in their areas. I appreciate, as the Minister said, that a limited amount of finance is available each year to the Government for education, but I consider that a certain proportion of that allocation should be set aside for the maintenance

of old school buildings. Generally, a good deal of the preliminary work associated with repairs is carried out by school committees and mothers' clubs, and I commend those bodies for doing admirable work. I know that the Minister is appreciative of the work done, and would not know what repair work was necessary unless those bodies furnished the information to their local members.

Mr. J. D. MACDONALD.—What about the reports of head masters?

Mr. FENNESSY.—From time to time inspectors make written reports, but I know of a particular item that has been referred to in an inspector's report for five years in succession, yet nothing has been done about the matter. At present I have no specific instances to bring to the attention of the Minister because the matters I have referred to him on previous occasions are now receiving attention.

I am pleased to know that I have the support of the Leader of Country party in regard to my contention concerning long service leave. I again impress upon the Government the necessity of inducing senior public servants and permanent heads of Departments to prepare a roster of those employees who are entitled to long service leave and to ensure that they take the leave due to them. The argument that the exigencies of the Service do not permit the taking of such leave is no longer valid because there is widespread unemployment in Melbourne at present. Relieving staff can now be obtained, and persons due for long service leave should be required to take it; junior employees would then have the opportunity of performing higher duties for a time.

Mr. CHRISTIE (Ivanhoe).—I wish to refer to two items which contain similar elements. One relates to the extra payment to the Olympic Games Organizing Committee, and the other—by far the largest item in the Supplementary Estimates—is the additional grant to the Hospitals and Charities Fund. I shall touch only lightly on the first matter, because the subject is somewhat delicate. This is an illustration of what happens when there is such poor machinery as now exists for

budgeting, estimating, and controlling of expenditure. In the case of the Olympic Games, the fault lay with the honorary administration, and therefore is somewhat different from the second item to which I have referred. The additional payment necessary in respect of the Olympic Games is a fairly sad affair. I understand that all the money is required for one section, whose requirements were vastly underestimated. Actually, there was a difference of 80 per cent. between the estimate and the actual expenditure in one section of the Games activities. I think we must agree with the Ministry in its view that there would not be any point in making too much of this question in view of the great success of the Games, and that it would be bad taste to make a too-searching inquiry into the matter. I shall leave a great deal unsaid, which is probably for the best.

The second matter I raise relates to the gross under-estimation of the year's Estimates. The Premier stated that when the Estimates for 1956-57 were prepared, it was anticipated that an amount of £9,500,000 would be necessary for the Hospitals and Charities Fund. In point of fact, an additional 11 per cent., representing £1,050,000 was spent. The Ministry cannot be expected to know whether the estimation for the Hospitals and Charities Fund made at the beginning of the year is a fair one. It must rely on its advisers, on the Treasury, and on the administrative machinery at its disposal. The statement that the additional expenditure was because of higher costs and the fact that a larger number of beds had to be serviced is a wholly inadequate excuse to place before a Committee of this House. It should cause members to have a searching inquiry made into the methods of estimating and budgeting for this division. The excuse of higher costs is not valid. The statement that extra beds had to be serviced indicates an irresponsibility that is somewhat staggering.

I do not think anyone could accept an assertion that any commission, fund, or group of people conducting an enterprise would not know that the extra

beds would become available during the year. How could it suddenly be found that provision was required for another few hundred beds or another hospital? An explanation as to why the additional amount was required should be furnished. In my opinion, the cause is much more deep-seated than one would imagine on the face of it, and the only way that we, as a Committee, will be able to control such expenditure is by providing better machinery and control. Suggestions have been made at various times to the effect that no modern State can function without proper budgeting and policing, and that machinery, such as a Bureau of the Budget, should be set up to ensure that the Estimates are adhered to from month to month. If such a procedure were adopted, the Government would not suddenly find at the end of the year that the estimations had been inaccurate and that it was necessary for funds to be obtained from the Treasurer's Advance Account. The Supplementary Estimates should each year be examined by the Committee of Public Accounts of this House, which should report its findings in respect of every item of supplementary expense.

Only a few months ago the maximum amount of money made available in the Treasurer's Advance Account was increased from £2,000,000 to £3,000,000. In view of the magnitude of the Supplementary Estimates now being considered, it is just as well that action was taken, because the extra sum required to be voted this year is nearly £3,000,000. In view of bored interjections from members occupying my own party's benches, I finish on the note that we should not treat these matters lightly, but should carry out our functions completely and be interested in learning just how public money is spent and why there should be an under-estimate to the tune of 11 per cent. or of £1,050,000 in one item. It is about time that the controls needed were instituted.

The motion was agreed to.

The resolution was reported to the House and adopted.

Mr. Christie.

WAYS AND MEANS.

The House went into Committee of Ways and Means.

Mr. PETTY (Minister of Housing).—I move—

That towards making good the Supply granted to Her Majesty for the service of the year 1956-57, the sum of £2,914,744 be granted out of the Consolidated Revenue of Victoria.

The motion was agreed to, and the resolution was reported to the House and adopted.

CONSOLIDATED REVENUE BILL (No. 3).

Leave was given to Mr. Petty (Minister of Housing) and Mr. Bloomfield (Minister of Education) to bring in a Bill to carry out the resolution of the Committee of Ways and Means.

Mr. PETTY (Minister of Housing) brought in a Bill to apply out of the Consolidated Revenue the sum of £2,914,744, and moved that it be read a first time.

The motion was agreed to, and the Bill was read a first and a second time, and committed.

Clause 1 (Issue and application of £2,914,744).

Mr. SHEPHERD (Leader of the Opposition).—I ask the Minister of Housing, who is the Minister at the table, to enlighten me on the process of how this money is paid from Consolidated Revenue. This is a unique situation. We are agreeing to an amount of £2,914,744 being taken out of Consolidated Revenue and the Treasurer of Victoria is to be authorized and empowered to issue and apply this sum. I should like to know what procedure is followed. From the Budget Speech, we know that for the current financial year the State will incur a deficit of more than £4,000,000, which is considerably in excess of the sum mentioned in the Bill. It appears impossible for the Treasurer to find this money because it is involved in accounts that are now closed and which have been scrutinized by the Auditor-General. Members are intrigued as to how this amount can be

paid out of Consolidated Revenue. It will increase the deficit to be met out of loan money.

Mr. PETTY (Minister of Housing).—Doubtless, the Leader of the Opposition knows that, to meet the deficit, money is transferred from loan funds in the coming year. The same applies to Supplementary Estimates of this description. They have always been submitted to the House. The money has been spent from the fund upon which the Treasurer operates. Loan funds will be transferred by the Treasury, if required.

Mr. SHEPHERD (Leader of the Opposition).—I take it that it will not be necessary for the Government to bring down a funding deficit Bill before the end of this year. Doubtless we will have some clarity on this matter at a later date.

Mr. DOUBE (Oakleigh).—Is it true that this allocation will be made out of loan funds?

Mr. PETTY (Minister of Housing).—Ultimately, any money expended in excess of revenue comes out of loan funds and it is transferred by the Treasury from loan funds in the following financial year.

Mr. CLAREY.—A Bill will have to be brought forward to provide for the funding of the deficit.

Mr. PETTY.—That is so.

The clause was agreed to, as was clause 2.

The Bill was reported to the House without amendment, and passed through its remaining stages.

RAILWAYS (FURLOUGH) AMENDMENT BILL.

This Bill was received from the Council and, on the motion of **Mr. PORTER** (Honorary Minister), was read a first time.

ADJOURNMENT.

Mr. PETTY (Minister of Housing).—I move—

That the House, at its rising, adjourn until to-morrow at half-past Three o'clock.

The motion was agreed to.

The House adjourned at 11.35 p.m.

LEGISLATIVE COUNCIL.

Wednesday, September 25, 1957.

The **PRESIDENT** (**Sir Clifden Eager**) took the chair at 4.58 p.m., and read the prayer.

CONSOLIDATED REVENUE BILL (NO. 3).

This Bill was received from the Assembly and, on the motion of **Sir ARTHUR WARNER** (Minister of Transport), was read a first time.

GOODS (AMENDMENT) BILL.

The Hon. J. W. GALBALLY (Melbourne North Province) moved for leave to bring in a Bill to amend the law relating to the sale and purchase of goods.

The motion was agreed to.

The Bill was brought in and read a first time.

CLEAN AIR BILL.

The debate (adjourned from May 22) on the motion of the **Hon. Buckley Machin** (Melbourne West Province) for the second reading of this Bill was resumed.

The Hon. P. T. BYRNES (North-Western Province).—The purpose of this Bill, as explained by **Mr. Machin** in his second-reading speech, is to strengthen the law and the regulations controlling the smoke nuisance, particularly in the Melbourne metropolitan area. Without doubt, the problem is one of urgency, not only in this city but in many others throughout the world. For various reasons it has become more acute in the Melbourne metropolitan area. Many of us, while we have been aware that there is a problem the effects of which can be seen, have found the technicalities associated with its solution a little difficult to understand. We have been given much technical information by the sponsor of the Bill, and we should be wiser as a result.

I am not in a position to suggest a means of overcoming the nuisance but, speaking on behalf of the Country party, we consider that **Mr. Machin** has made

out a prima facie case for some alteration of the present law. I have been told that as the law now stands, there is difficulty in securing convictions, and that in consequence prosecutions are not always launched when they might be. It seems therefore that there may be some weaknesses in the existing health legislation. I have been impressed by the fact that several municipalities, as far apart as Sunshine and Camberwell, have written to me in support of this measure. The writers agree with the principles of the Bill and ask that it should be passed. It is obvious that there is some need for the correction of the existing law, and it is a matter that should be given earnest consideration. We would be foolish if we did not take into account the fact that the City of Melbourne is growing tremendously from every angle, including industrialization which has proceeded very rapidly and will continue to expand.

At the rate at which the population is increasing there should be 3,000,000 residents in the metropolitan area before very long. The population at present is about 1,600,000, while that of the remainder of the State is about 970,000. It will be appreciated that the problem, acute as it is to-day, is bound to become more and more intense. In certain cities of the world the "smog" or smoke problem has gone almost beyond human control. It would be a scandal if we allowed our fair city to be placed in such a position that, because of the pollution of the air, people could not lead a healthy life here. Members of my party have been told of conditions in a house in Newport where dust had accumulated to a depth of between 6 and 7 inches. One can see dust on the walls and ceilings of a dwelling but no one can see how much has accumulated in the lungs of residents.

In Committee a number of amendments may be brought forward for attention. Among these will be certain technical amendments which we hope will be thoroughly explained. In the circumstances, I doubt whether we can give a decision on the Bill to-day. I hope the Minister of Health will take the view, however, that there is a good deal in the measure that is worth while.

The Hon. P. T. Byrnes.

With a view to improving the proposed legislation I should like to see co-operation between the Minister, his Department, and the sponsor of the Bill, Mr. Machin. We should endeavour to have a measure passed that will be satisfactory and acceptable to all parties, with happy results for the citizens of Melbourne. The members of the Country party will vote for the second reading and will examine amendments as they are proposed in Committee. It may be that one of these will provide that municipalities not directly concerned can be excluded from the operations of the legislation.

The Hon. R. W. MACK (Western Province).—The object of this Bill must appeal to every member. The only doubt I have about it is whether, as the Bill stands, its purpose can be achieved. Anything that can be done to eliminate impurities from the air will be for the welfare of the community. We are indebted to Mr. Machin for the very clear explanation which he gave of this measure. We appreciate the amount of time and thought devoted to its preparation and presentation, and we have examined the large amount of detail contained in his explanatory speech. In the course of the discussion when the Bill was being debated earlier this year we obtained much information of a practical nature from Mr. Dickie. I intend to refer briefly to statements made on the 22nd May last by the Minister of Health and Mr. Dickie. These reinforced my fears, not as to the worthiness of the purposes of the Bill, but concerning its capacity to achieve the ends in view. On page 948 of *Hansard* the Minister of Health is recorded as having stated—

However, it is a complex subject and, as yet, no satisfactory solution to the problem has been found. The matter is particularly high-lighted in England because of climatic conditions and the concentration of heavy industry there. Despite those factors, and notwithstanding the fact that legislation on the subject in England dates back many years, it was only in 1956 that a general, over-all Act was passed by the British Parliament. It was based upon the recommendations of a committee that was set up to report on the problem of air pollution.

In spite of long experience with the problem and investigations that have taken place, it is obvious that the English legislation is not yet entirely satisfactory, because such expressions as "in so far as practicable" and "such proper fuels as are available" occur in a number of sections, particularly in connexion with devices which may or may not be recommended.

That tends to indicate that in England, where the problem of air pollution must be of much greater seriousness than in Australia, the authorities have not been able to find a completely satisfactory solution. In the course of his remarks Mr. Dickie said:—

Although the proposals contained in the Bill are good, I do not believe there is any competent authority in Victoria from whom an industrialist could accurately ascertain what type of boiler, stoker, and grit arrester, where necessary, would be required for the efficient burning of brown coal.

Mr. Dickie was dealing with a fuel which is becoming more and more general in use in Victoria; it is also a fuel which could cause a great deal of trouble of the type this measure is designed to avoid, although it may not be obvious to the casual observer. Mr. Dickie made the further interesting statement—

If there is no smoke the position can be just as serious for the company concerned as if smoke were pouring out of its stacks in great volume.

Mr. Dickie then quoted the following extract from an article entitled, "Smoke and Unburned Gases," which appeared in a bulletin issued by the Commonwealth Coal Commission:—

If heavy smoking cannot be cured, it may pay to try a coal of lower volatile content. . . . A perfectly clear stack is to be regarded with suspicion as it is generally a sign of undue excess of air.

From those observations it would appear, as Mr. Byrnes rightly stated, that this problem is one of great technical difficulty and it would be difficult for a layman to contribute greatly towards its solution. The intention of the Bill is sound, and it may be possible, by the adoption of certain amendments, to make it more workable. However, I am still doubtful as to how efficient it is likely to prove. During the Committee stage, a number of amendments will be moved by the

Minister of Health, one of which will correct what appears to be an obvious mistake. I refer to clause 3 of the Bill which states that the Act shall be administered by the Department of Health, whereas in reality it would be administered by the Commission of Public Health. Certain escape clauses contained in clause 4 of the Bill are likely to enable offenders against the law to avoid the penalties prescribed and an appropriate amendment will be moved to have these provisions deleted. Other amendments will be proposed in an effort to "tidy up" the measure and make it more effective. Doubtless, when the Bill is being discussed in Committee, Mr. Machin and Mr. Dickie will offer expert advice upon the possible implications of the various amendments. I consider that we should support the Bill, which in principle is extremely good, and at the appropriate stage, endeavour to improve it so that the object for which it is designed will be achieved.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Interpretation).

The Hon. BUCKLEY MACHIN (Melbourne West Province).—First, I should like to thank sincerely all members who have displayed such an interest in this Bill. From the attentive hearing the measure has received it is obvious that honorable members are anxious that all possible steps should be taken to prevent pollution of the atmosphere. It was gratifying to hear members of all parties substantiate the points raised by me and if, by means of a concerted effort, we are able to improve the measure, it should prove of benefit to the people of Victoria. After all, the principal aim of all persons holding public office should be to achieve something for the good of the community; I believe that all honorable members strive to do that.

The Hon. E. P. CAMERON (Minister of Health).—Again, I offer my congratulations to Mr. Machin for the work and research he has undertaken in preparing this measure. Neither I, nor

officers of the Department of Health, desire to criticize the Bill in any way other than in a constructive manner. As I stated in my second-reading speech, under the Health Act, which was consolidated last year, the Commission of Public Health is already enabled to invoke the powers proposed to be conferred on it by this Bill. Obviously, Mr. Machin's aim is to draw up legislation that will assist in keeping the atmosphere here free from pollution and at least as pure as that in other countries. I propose to move certain amendments to the Bill with a view to making it practicable and workable in conjunction with, and not in opposition to the Health legislation. As the various clauses are considered, I shall explain the amendments.

The clause was agreed to.

Clause 3—

This Act shall be administered by the Department of Health.

The Hon. E. P. CAMERON (Minister of Health).—Already, it has been pointed out that if this Bill becomes law it will be administered by the Commission of Public Health. That Commission is the only legal authority empowered to deal with municipalities and to carry out the provisions of the Health Act. Consequently, I move—

That the words "Department of Health" be omitted with the view of inserting the words "Commission of Public Health." The amendment was agreed to, and the clause, as amended, was adopted.

Clause 4, providing, *inter alia*—

(1) Subject to this Act dark smoke or dense smoke shall not be emitted from a chimney used in connexion with any industrial plant, and if on any day dark smoke or dense smoke is so emitted the occupier of the premises shall be guilty of an offence against this Act.

(3) In any proceedings for an offence under this section it shall be a defence to prove that the contravention complained of was due—

- (a) to the lighting up of a fireplace which was cold and that all practicable steps had been taken to prevent or minimise the emission of dark smoke or dense smoke; or
- (b) to some failure of a fireplace or of apparatus used in connexion with a fireplace, and that such failure could not reasonably have been foreseen, or if foreseen could not

reasonably have been provided against, and that the contravention could not reasonably have been prevented by action taken after the failure occurred; or

- (c) to the use of unsuitable fuel and that suitable fuel was unobtainable, that the least unsuitable fuel which was available was used and that all practicable steps had been taken to prevent or minimise the emission of dark smoke or dense smoke as the result of the use thereof.

(4) In any proceedings for an offence under this section for any contravention occurring not more than seven years from the passing of this Act, being a contravention occurring in relation to the chimney of a building, it shall be a defence to prove—

- (a) that the contravention was due to the nature of the building or its equipment and was not due to any failure properly to maintain the building or properly to maintain and use the equipment; and
- (b) that it had not been practicable to alter or equip the building so as to enable it to be used or fully used for the purpose for which it was intended without the likelihood of contravention of this section.

The Hon. E. P. CAMERON (Minister of Health).—As honorable members will appreciate, sub-clauses (3) and (4) could be termed "escape" provisions, which would allow those charged with an offence against the law an excuse for their actions. Certainly, the British legislation contains several escape clauses, but they are so blatant that it would be almost impossible to successfully prosecute in court any offenders against the law. The inclusion of these provisions would tend to narrow the effects of the legislation, and consequently, I move—

That sub-clauses (3) and (4) be omitted.

The Hon. BUCKLEY MACHIN (Melbourne West Province).—I am indebted to the Minister for his remarks on this aspect of the Bill. However, I emphasize that the Bill was based largely on the English legislation and, at this stage, I am unable to say whether or not I am in agreement with the proposed amendment. It should be appreciated that the expression "it shall be a defence to prove that," as contained in sub-clause (3), imposes the onus of proof upon the defendant, who must show that the offence was due to certain

circumstances. I do not wish to make the law too harsh or to render it too difficult to administer, and, if the Minister and his Department consider that sub-clauses (3) and (4) would have this effect, I would be prepared to accept the amendment. However, it may be advisable at this stage to defer further consideration of clause 4 until the implications of the amendment have been thoroughly examined.

The Hon. V. O. DICKIE (Ballarat Province).—I direct attention to sub-clause (1) of clause 4, which seeks to prohibit the emission of dark or dense smoke from the chimneys of industrial plants. It seems to be assumed that only dark or dense smoke creates the problems that the Bill seeks to overcome. I assure members that the lightest of smoke can be troublesome. The definition in clause 2 of "dark smoke" refers to the Ringelmann Chart, as an indicator of whether smoke is dark, light or dense. In my second-reading speech, I referred to the fact that brown coal is being used in rapidly increasing quantities in Victoria. The great problem encountered in the burning of that fuel is that of fly ash, which can be discharged from a stack without any indication of its presence. I warn the Committee that if light smoke emanates from a stack, it does not necessarily mean that no problem exists. There may be as great a nuisance—perhaps a greater one—if light smoke instead of dark or dense smoke is emitted from a chimney.

The Hon. BUCKLEY MACHIN (Melbourne West Province).—I agree with Mr. Dickie that a chimney that does not emit black smoke may be a source of nuisance. In the proper combustion of fuels, three factors must be considered—the nature of the fuel, the appliance in which it is burnt, and the manner in which it is used. If the fuel is good and the appliance efficient, and the fuel is allowed to burn evenly, the nuisance visualized by Mr. Dickie will not arise. I realize that with the burning of some pulverized modern fuels a greater draught is essential. The greater the draught, the more likelihood there is of unburnt fuel escaping from a chimney, especially when brown or fine coal is used. The Bill contains

measures to compel people to minimize the nuisance; it is proposed that efficient grit arresters must be installed. The first requirement is to get rid of the black smoke. If thick, black smoke pours from a chimney, it is an indication that fuel is being wasted. I should like to refer to one butter factory.

The Hon. G. S. MCARTHUR.—Is it the one at Bacchus Marsh?

The Hon. BUCKLEY MACHIN.—No, it is situated at Benalla. The person in charge was wasting a great deal of fuel and causing a considerable nuisance. On the advice of certain persons, he altered the design of the boiler. As a result, the saving in fuel consumption in two years was sufficient to cover the cost of the alterations to the boiler, and the fuel account now shows an annual decrease of 18 to 20 per cent. compared with what it was formerly.

The Hon. E. P. CAMERON (Minister of Health).—It was with no desire to obstruct or be unreasonable that I submitted the amendment. It was considered that if the clause were passed as drafted, the chances of overcoming the trouble would be lessened. Regulations made under the Health Act deal with the amount of smoke that may be emitted from chimneys. Although there may have been some lack of success in dealing with this problem up to date, it is likely that if the amendment is not accepted there will be even more opportunities for nuisances to be created.

By leave, the amendment was withdrawn, and the clause was postponed.

Clause 5, providing, *inter alia*—

(2) Any fireplace installed in accordance with plans and specifications submitted to and approved for the purpose of this section by the Commission shall be deemed to comply with the provisions of sub-section (1) of this section.

The Hon. E. P. CAMERON (Minister of Health).—I move—

That sub-clause (2) be omitted.

Experts employed by private firms, Government institutions and the Department of Health consider that no person or authority is able to give the necessary advice in all instances. This has been the experience in Great Britain and the United States of America. The State

Electricity Commission has spent the sum of £80,000, approximately, on the installation of a gadget with the object of preventing the smoke nuisance, but it has proved unsuccessful. So far it has not been possible for any person or group of persons in Victoria to comply with the spirit of the law on the smoke problem. Therefore, the Commission of Public Health should not be bound for all time as it would be under clause 5.

The Hon. BUCKLEY MACHIN (Melbourne West Province).—I do not raise any serious objections to the amendment. However, Arnold Marsh, in *The Problem of Coal and the Atmosphere*, contends that if a burner, furnace or fireplace is constructed with the view of burning a certain type of fuel, and strict conditions are laid down as to the burning of that fuel, the installation should be regarded as reasonably good. Persons in charge of an industrial undertaking may go to considerable expense in the erection of a structure which they honestly believe will comply with the requirements of the Act. Although the Bill aims at being corrective, it is not meant to be punitive where people try to obey the spirit of the law. An architect might submit for approval plans for the erection of an hotel, authority to proceed may be obtained from the body concerned, and later a defect may be found; for example, a girder may not carry the stress for which it was designed. In circumstances such as those, the builder cannot be fairly blamed, and it would be unjust for action to be taken against him. I have no sympathy with the person who creates a nuisance and makes no effort to abate it, but I do not wish to be unduly harsh or unfair. A chimney owned by the State Electricity Commission has been mentioned. There is a refuse destructor in Lonsdale-street, Melbourne, and another in St. Kilda. Absolutely no nuisance is caused by the latter, but the Lonsdale-street one is troublesome. It may be that the plant is not operated properly.

The Hon. R. W. MACK.—Is it possible that the one in St. Kilda is of a newer design than the other?

The Hon. BUCKLEY MACHIN.—No. The power house in Lonsdale-street is comparatively new. I do not desire to

say anything that would harm any individual person, but I understand that certain things which should not happen occur at the plant in Lonsdale-street. A good deal of money has been spent on it with the object of protecting the health of the people. No plant will work efficiently unless it is thoroughly understood by the operators; there must be complete co-ordination between man and machine. Members must consider people who spend large sums of money on the installation of devices which are designed to minimize the smoke nuisance but which are later found to be ineffective.

The Hon. E. P. CAMERON (Minister of Health).—The amendment has not been submitted with a punitive object in view. The Bill is not aimed at harassing people who have done their best to reduce the smoke nuisance. If sub-clause (2) is retained, a person with a defective appliance could be asked to take remedial steps. Before building, he may submit plans and specifications, which are accepted, but in three years or ten years' time, owing to technical progress, a better method of dealing with the problem may be discovered. The person concerned may refuse to take any action on the ground that his installation had been approved. One hesitates to force people into greater expense than necessary. I emphasize that it is not desired to interfere with the person who does his best to minimize the smoke problem. The object in view is to enable action to be taken against persons who will not keep pace with the times. I am not adamant about the matter, and do not wish to be charged with seeking to have punitive legislation placed on the statute-book. It is the desire of the Department of Health to help everybody towards a solution of his problems, not to cause him unnecessary trouble. The Department has proved that attitude in all its activities.

The Hon. P. T. BYRNES (North-Western Province).—It seems to me that the Minister of Health has made a valid point. If the Commission approves of plans and chimneys are erected, the builders, once having obtained approval, will become immune from further responsibility for all time. I do not think that was the intention of Mr. Machin,

but I believe that it is the way in which the provision would be construed. Therefore, I think the Committee would be wise to delete it.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 6 and 7.

Clause 8—

(1) There shall be a Clean Air Committee consisting of seven members appointed by the Governor in Council of whom—

- (a) one shall be appointed as representing operators of industrial plant;
- (b) one shall be appointed on the nomination of the Commission;
- (c) one shall be appointed as representing the Faculty of Engineering at the University of Melbourne;
- (d) one shall be appointed as representing the Faculty of Metallurgy at the University of Melbourne;
- (e) one shall be appointed on the nomination of the Trades Hall Council of Victoria;
- (f) one shall be appointed as representing the body known as the Peter McCallum Clinic;
- (g) one shall be the Chief Inspector of Boilers and Pressure Vessels *ex officio*.

(2) Each member other than the Chief Inspector of Boilers and Pressure Vessels shall be appointed for a term of not more than three years and shall be eligible for re-appointment.

(3) In the case of a vacancy however occurring in the office of any member of the Committee other than the Chief Inspector of Boilers and Pressure Vessels the Governor in Council may appoint some other suitable person in his place for the unexpired portion of his term.

(4) Four members of the Committee shall constitute a quorum.

(5) The Committee may appoint its own chairman and regulate its own proceedings.

(6) The functions of the Committee shall be—

- (a) to carry out investigations into air pollution problems and report to the Minister thereon;
- (b) to make recommendations to the Minister as to abating the pollution of the air by railway locomotives, ships, aircraft and vehicles propelled by the combustion of fuel;
- (c) to investigate and report to the Minister on any specific matter relating to air pollution which is referred to the Committee by the Minister.

The Hon. E. P. CAMERON (Minister of Health).—In deciding upon the personnel of the proposed committee, Mr. Machin was confronted with some difficulty in selecting persons who would

be most useful for the purposes he envisaged. Nevertheless, he selected a very representative body of men. However, as I have some knowledge of what has been done in connexion with this problem in the past and what is hoped to be achieved in the future, I have suggestions to make which I think will improve the functioning of the proposed committee, as the representation I shall suggest will widen its scope. Therefore, I move—

That sub-clauses (1), (2), (3), (4) and (5) be omitted with the view of inserting the following:—

“(1) The Governor in Council may appoint for the purposes of this Act a Clean Air Committee (hereinafter called ‘the Committee’).

(2) The Committee may be so appointed from and shall consist of—

- (a) a chief chemist of an oil company;
- (b) a chief chemist of the Gas and Fuel Corporation of Victoria;
- (c) a representative of clay products industries;
- (d) a representative of ferrous and non-ferrous industries;
- (e) a nominee of the Trades Hall Council having a practical knowledge of stoking problems;
- (f) the Chief Inspector of Boilers and Pressure Vessels *ex officio*;
- (g) all or any of the persons for the time being holding any of the following offices or positions:—

- (i) the Chief Health Officer, who shall be Chairman of the Committee;
- (ii) a Professor or teacher of Mechanical Engineering in the University of Melbourne;
- (iii) a Professor or teacher of Physics in the University of Melbourne;
- (iv) an investigating engineer of the State Electricity Commission of Victoria; and
- (v) a nominee of the Commonwealth Scientific and Industrial Research Organization having special knowledge of combustion problems.

(3) In the case of a vacancy however occurring in the office of any member of the Committee the Governor in Council may appoint some other suitable person in his place for the unexpired portion of his term.

(4) Six members of the Committee shall constitute a quorum.”

The Hon. BUCKLEY MACHIN (Melbourne West Province).—I believe there is considerable merit in the proposal of the Minister of Health. My aim in selecting persons to be appointed to the committee was to give representation to a wide cross-section of the community and to select persons who would be competent to handle the problem to be faced. At the present time smokeless fuel, which is a by-product of oil refining in this State, is being used in considerable quantities. It is composed of two hydro-carbon gases—butane and propane. The annual production at the moment is 30,000 tons, which is the equivalent of 130,000 tons of solid fuel. It is transported in specially constructed pressurized tankers and other pressure vessels. The calorific value of the product is twice as high as that of town gas and its specific gravity is half that of water. Therefore, I believe that it is essential that the Chief Inspector of Boilers and Pressure Vessels should be a member of the proposed committee, and the Minister of Health has consented to make provision accordingly in his amendment.

The Hon. R. W. MACK (Western Province).—I consider that the proposed committee should include a representative of the dairying industry. Farmers engaged in this section of primary production are not restricted to the use of one type of fuel, but burn wood, brown coal, black coal, oil and other fuels. Quite apart from the importance of the dairying industry to the economy of the State as a whole, I believe that dairy farmers are vitally interested in any steps that might be taken to clean the air. Therefore, at the appropriate stage, I shall propose that a representative of the industry be appointed to the committee.

The amendment was agreed to.

The CHAIRMAN (the Hon. D. J. Walters).—Does Mr. Mack propose to move a further amendment?

The Hon. R. W. MACK (Western Province).—That was my intention, but as my proposal was not very well received I shall not submit the amendment.

The Hon. BUCKLEY MACHIN (Melbourne West Province).—Sub-clause (6) of clause 8 provides—

The functions of the Committee shall be—

- (a) to carry out investigations into air pollution problems and report to the Minister thereon;
- (b) to make recommendations to the Minister as to abating the pollution of the air by railway locomotives ships aircraft and vehicles propelled by the combustion of fuel;
- (c) to investigate and report to the Minister on any specific matter relating to air pollution which is referred to the Committee by the Minister.

In conformity with the amendments that I have circulated, I move—

That in paragraph (b) after the word "by" (where first occurring), the words "power stations and by" be inserted.

The amendment was agreed to, and the clause, as amended, was adopted, as were the remaining clauses.

Postponed clause 4 (Prohibition of dark or dense smoke from industrial chimneys).

The Hon. P. T. BYRNES (North-Western Province).—It is difficult to understand this clause off hand, and I am wondering whether discussion on it could be adjourned, to enable members to give further consideration to the implications of the proposals previously submitted.

The Hon. E. P. CAMERON.—The Government would like the clause to be omitted.

The Hon. BUCKLEY MACHIN (Melbourne West Province).—In my opinion, offenders must be given an opportunity to provide an excuse for their offence; the onus of proof will rest upon the people concerned.

Sir ARTHUR WARNER (Minister of Transport).—As a suggestion, progress could be reported and the Committee could proceed to debate the Consolidated Revenue Bill (No. 2), which provides for supply. If that procedure is adopted I undertake to give this Bill priority at the sitting on Tuesday of next week.

The Hon. BUCKLEY MACHIN.—I shall be happy to accede to the Minister's suggestion.

Progress was reported.

STATUTE LAW REVISION COMMITTEE.

COUNTY COURT BILL.

The Hon. P. T. BYRNES (North-Western Province) presented the report of the Statute Law Revision Committee on the proposals contained in the County Court Bill.

It was ordered that the report be laid on the table, and be printed.

CONSOLIDATED REVENUE BILL (No. 2).

Sir ARTHUR WARNER (Minister of Transport).—I move—

That this Bill be now read a second time. This is the usual Bill required to be passed by the Government to provide Supply for the months of October, November and December next, and the normal system has been followed in submitting the measure. As honorable members will see, the first column in the explanatory sheet that has been circulated indicates the amount required for each division of the Estimates to meet the expenditure for the months mentioned. The second column shows the proportionate amount of the expenditure under each of the corresponding divisions of the Estimates for the last financial year. Naturally, this method of presenting accounts shows considerable variations, because for various reasons expenditure is not the same in the individual months. For instance, the printing of *Hansard* is higher in the months of October, November and December for the reason that Parliament is then sitting, and there are satisfactory reasons for increases in other divisions. I would remind members that Supply is not required for certain items of expenditure such as interest, exchange and sinking fund, for which certain provision has already been made by Parliament.

I have already pointed out that for Parliamentary printing the additional amount required will be £7,517. For penal institutions, an added amount of £17,340 is required mainly because there has been a substantial increase in the staffs. Concerning the Police Department, an increased sum of £161,704,

is required—a substantial amount over the period—but there was a net increase of 410 members in the strength of the Police Force during the year. These additional appointments have had the effect of augmenting the costs of the Department.

The increased vote for the Education Department amounts to £1,070,934. As honorable members are aware, there has been a signal increase in the number of teachers and additional expenditure has been incurred in connexion with other activities of the Department. In addition, this provision is slightly higher than normal because arrangements have been made to provide salaries, and so on, to cover the Christmas vacation and up to the 9th January of next year. For works and buildings, there is provision for an additional £79,708. This is the usual provision so that school committees and advisory councils may have necessary minor repairs and renovations effected to buildings. The Treasury requires a further £29,915 for pay-roll tax purposes. This means that the State will have to pay more money to the Commonwealth because it has increased its Education Department and Police Department staffs.

The Hon. WILLIAM SLATER.—That is all right. You have done what you wanted to do in relation to uniform taxation.

Sir ARTHUR WARNER.—I cannot follow that argument.

The Hon. WILLIAM SLATER.—It all links up with the finances of the Commonwealth Government.

Sir ARTHUR WARNER.—That is true. For the Mines Department, an extra amount of £4,630 is needed to cover the cost of new drilling equipment. As to the State Rivers and Water Supply Commission, an additional sum of £17,629 is sought. This is required to cover maintenance in all districts prior to the commencement of the watering season. The Department of Agriculture requires a further sum of £18,329 because of seasonal work at the Victoria Dock Cool Stores and also to replace unserviceable departmental motor cars.

The first of the main items in which there has been a decrease relates to the Premier's Department; the amount involved is £12,763. Last financial year, it was necessary to provide for expenditure connected with the visit of His Royal Highness the Duke of Edinburgh to Victoria. I have explained the main items and I shall be prepared to answer any questions raised by honorable members as to other matters. I commend the Bill to the House.

The sitting was suspended at 6.15 p.m. until 8.56 p.m.

The Hon. J. W. GALBALLY (Melbourne North Province).—I seize this opportunity, when the Government is seeking more money to carry on whatever service it pretends to be giving to the community, to say something about transport. As you, Mr. President, well know there is a form of paralysis in our public transport system. Let us consider first the roads. Already the centres of our cities, both in the metropolis and the provinces, are being "choked to death." Commercial vehicles are forced to travel along highways that are inadequate and positively dangerous. A drive on a holiday to the beach or the hills consists of inching one's way through dense traffic, and the experience is no longer a pleasure but a penance. The Government is doing nothing to prevent commercial business and private traffic in Victoria from grinding to a halt. This State is now suffering from "arterial sclerosis."

It is trite to say that the Government should have a plan, but it has none. There is provision for a by-pass here and a bridge there, but there is no co-ordination, and every day bigger and heavier vehicles are using the roads. Further, the volume of traffic is doubling every five years. I do not lay all the blame for the deficiencies at the door of the Government, because there was a falling behind in the provision of essential requirements during the war period and this was further accentuated because of the difficulties that arose afterwards, but the roads are no longer a profitable venture, due to the activities of hire-purchase organizations and the

banks. Roads do not constitute a form of investment that appeals to what is now the "hire-purchase" Government of Victoria.

The Hon. F. M. THOMAS.—The 33½ per cent. Government.

The Hon. J. W. GALBALLY.—The State is gradually becoming bankrupt and is being financed by methods that the hire-purchase companies are inflicting on the community.

The PRESIDENT (Sir Clifden Eager).—Mr. Galbally has been drawn from his initial theme by an interjection.

The Hon. J. W. GALBALLY.—I am sorry, Mr. President, but the theme is an important one. Increasing stagnation in the transport system of this State is taking its toll of money, time, economic efficiency and nervous energy. Let us consider the present position of the railways. Every wise man realizes that an efficient railway system is necessary to keep abreast of the times and to provide for development throughout the State. I think even the Minister of Transport will admit the logic of that statement. However, the honorable gentleman sits by with masterly inactivity, and permits the best of the traffic to be siphoned off from the railways to the roads but does nothing to prevent the loss of business. While the railway system is scarcely functioning, we have the spectacle of the roads being worked "to death." That expresses the position in a nutshell. A wise Government would make some effort to siphon back to the railways the traffic that is now being diverted on to the roads. In the meantime the railways are incurring staggering losses on their operations.

To revert to the subject of roads, the Government should adopt a plan instead of haphazardly building bridges or roads because some gentleman happens to have the ear of the Minister or the relevant Board at the appropriate time. A decision must also be made as to how the programme will be financed—whether by the Treasury, by local authorities, or by means of tolls. American experience has shown that the saving in time and in other respects to

motorists, through a modern road system, often offsets the inconvenience and disability of paying tolls. I commend the suggestion to this private enterprise Government.

Sir ARTHUR WARNER.—On which road would you impose the first toll?

The Hon. J. W. GALBALLY.—Surely the Minister of Transport can make one decision for himself. The palsied hand of this Government has done nothing about the transport situation in this State. Any common sense brought to bear on the problem is regarded as political suicide. I am reminded of the story of a would-be politician who was asked whether he was in favour of prohibiting duck shooting during the breeding season—a most controversial question—and he replied to the effect that some of his friends were for it and some were “agin” it, and that he was for his friends. The Minister of Transport is for his friends, and consequently does nothing. The price of indecision is becoming extremely high both for those who use the roads and for the economic well being of the State. What does the Government intend to do about those persons who seem to regard it as a right that they should be permitted to travel to the city alone in a vehicle almost the size of a charabanc or small train and leave it parked at the side of a public highway all day long, while the city chokes to death? Why does not the Government take some action in relation to registration fees to encourage the use of small cars? Undoubtedly the size of cars will have to be considered at some stage. Savings in the consumption of petrol—which involves dollar expenditure—and rubber and other materials would be important.

It is of no use asserting how terrible are section 92 of the Commonwealth constitution and the Government at Canberra. The Federal Government is of the same political complexion as this Government, which conveniently forgets that fact when it encounters a nasty problem. The Minister of Transport and the Government have done nothing whatever to alleviate the growing transport crisis in our midst. It is time some constructive action was taken because

the problem is urgent and sooner or later will have to be considered by some Government. I know it is an irksome subject, but the Government deals very airily with some financial problems of this State. Year after year State deficits of the order of millions of pounds are incurred, and the Government does not worry about how they will be funded or what rate of interest will have to be paid on the sums involved. I always thought thrift was something to be admired both in the home and with the public purse, but apparently this Government of businessmen has other views on methods of managing the financial affairs of the State.

My party is concerned that public transport is being allowed to run down. Public transport is necessary at least for the benefit of the very old and the very young. The Minister of Transport cannot continue to reduce services saying, “Fewer and fewer people are using them.” The community must continue to develop its public transport system, but at present proper services are not being provided. When he was in Opposition, the present Minister of Transport made many excellent suggestions concerning the railways and tramways, but the honorable gentleman appears since to have discarded them. The Government should consider taking away from road hauliers some of the cream of the freight that they are carrying at present. I conclude by emphasizing that the House is anxious to hear the Minister of Transport account for the transport crisis that is now completely upon us.

The Hon. P. T. BYRNES (North-Western Province).—The House is called upon to pass Supply, for a period of three months, totalling the modest sum of £27,000,000 odd so that the business of the State may be carried on. We can have no objection to doing so. Honorable members have no details of the expenditure involved or of the accounting methods used, but at least once a year when the Budget statement is delivered such information is made available to the House. Mr. Galbally referred to the substantial deficit of last financial year and the proposed deficit for the current year of the order of

£4,000,000. It may be said that the Government is living beyond its means and that it is wrong to budget for a deficit, but in these days of expansion many things requiring the expenditure of large sums of money must be done. The transport system has been criticized, but it, too, costs much money to operate. According to the Premier's statement, the State deficit approximates closely the deficit of the Railway Department. I do not think that is a proper way in which to view the public accounts. Deficits are incurred in a number of other directions in an expanding economy such as that of Victoria, and it is unfair to blame the railways for the financial position of the State. Much money is being spent in non-revenue-producing fields which are necessary for the development of the State. It must be remembered, too, that the railways are paying interest on old debts, some of which relate to long forgotten mistakes of the past, which could easily have been written back into the accounts. Thus the railways financial position appears to be much worse than it is in fact.

Present expansion in this State is principally industrial. Presently I shall quote some interesting figures. The Governor-General is reported to have said, when opening the Royal Agricultural Show, that Victoria had a balanced economy, rural and industrial. I am not sure that our agriculture is developing at present. The Premier is reported to have said that so great is our expansion and our prospective increase in population that it will not be very long before only our wheat and wool will be exported and the balance of our primary production will be consumed in Victoria. That is wishful thinking of a high order. Frequently I have stated that we who are producing these valuable primary products which are sold abroad are doing so in the teeth of keen competition. We must accept the prevailing world price, and also expend large sums on research and improved production methods. We have not held the world's wool market by standing still. If the breeding of our sheep had not been improved, we would not have earned the enormous wealth that has

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come to this country. If the human beings of this country had been improved to the same extent as have our Merino sheep in the last 150 years, we would have become the super race of the world.

Last year the Premier went abroad seeking capital for the further development of this State. I see nothing very much wrong with that. I do not profess to be an economist, but I do look at things from the point of view of an ordinary "cockie," a lineal descendant of those fine people who established primary industries in this country, who sold their products in the world's markets and who captured those markets in the face of intense competition.

As we stand and look at those wonderful palaces of steel and glass, which comprise the modern factories springing up in our midst, we all feel a very great sense of pride in the progress of our community. I recently obtained some figures to indicate how much new money has been brought into this country over the past ten years from the sale of primary products and from the exports of our secondary industries. We realize that when we bring in new money we are adding to the wealth of our country. If I grow some thousands of bags of wheat and by selling the product outside Australia bring £2,000,000 into this country, that is new money that can be used for the further development of Victoria. The new wealth is not just retained in a pool.

Particulars obtained from the Government Statist show that in the last ten years the value of Victorian primary produce exported overseas amounted to £1,389,000,000. The amount of money derived from the sale of secondary goods in that same period amounted to £145,000,000. In other words, 9 per cent. of the total of the goods exported consisted of secondary goods and 91 per cent. of all the exports were goods of primary production. I emphasize that the return from those exports represents new money for use in this country. If we look upon the factories in and around our industrial areas and if we examine the figures of the balance-sheets indicating the accumulation of huge reserves and capital, we may ask our-

selves how much of the finance involved is accounted for as a result of the £1,389,000,000 earned by this country from the sale of primary produce and the £145,000,000 from secondary goods sold overseas.

In 1947, the value of all secondary goods sold to overseas buyers was about £14,500,000. In 1956, the value of all secondary articles exported from Victoria was about £13,250,000—a drop of about £1,250,000. At the same time, the value of other classes of exports, namely, primary products, amounted to £44,000,000 in 1947, while this year the value amounted to £180,000,000. We see that there has been an increase of more than 400 per cent. in this section of the income from exports. That indicates the extent of the new money coming to Victoria, which keeps the State going. Of course, much of that money is spent in the purchase of goods brought back to Victoria to keep the factories in operation and for other purposes, but it is new capital.

It is the duty of the Government to look at this gold mine in our country areas and to do more to keep the primary industries solvent. In order to maintain the factories in their present state of expansion and prosperity, people engaged in the primary industries have to face all sorts of competition. They have to stand up to competition arising from the employment of cheap labour in other countries, yet they sell 80 per cent. of their products under such conditions. There is scarcely one factory owner in Victoria who sells any of his goods outside the protected set-up provided by this State. I repeat that we have at our very door the gold mine of our primary industries. There is no need to go to America or elsewhere to borrow money if we can get it by selling the goods we produce. If the Government had had to borrow that £1,389,000,000—the sum which has been earned by the sale of our primary industries overseas—where would this State be to-day? How much new American money has come here, when all is said and done? A big sum is represented by the accumulation of profits on American capital which is already established in

Victorian enterprises and which is being reinvested here because those investments are amongst the best in the world.

The Government of Victoria is led by a primary producer, but some of the members of his Cabinet may have no knowledge of or sympathy with primary production. It is the duty of the Government so to manage the affairs of the State that it does not kill the goose that lays the golden eggs. I have not introduced these figures merely to stress the importance of primary industry but really to emphasize that money is coming in to this country to keep it going and provide for the expansion that is taking place in our community to-day.

Mr. Galbally has referred to the transport policy of the State. I claim that it is a hotch-potch. I will not say that it is 100 per cent. bad by any means. There are still some good points in it. But the policy is such that it is not helping this country to be developed. We speak of the deficit of the railways being responsible for the deficit of the State. If we had not the means of transport by our railways to bring our goods and products to the seaboard, how much of that sum total of £1,389,000,000 to which I referred earlier would we have to-day?

I have a letter before me from the Bendigo Chamber of Commerce and if it is indicative of the opinions held in the country as to the Government's transport policy, I can only say that many people do not think much of it. Some time ago the Cabinet went to Bendigo.

The PRESIDENT (Sir Clifden Eager).

—Has not Mr. Byrnes already summed the letter up?

The Hon. P. T. BYRNES.—Yes, Mr. President, but I want to point out that the present policy of the Government concerning the railways is such that decentralization is being absolutely killed. In its letter the Bendigo Chamber of Commerce states that if every secondary industry in the country were treated as was a secondary industry in the City of Bendigo, no board of directors would again seek to build up a business outside a radius of 50 miles from Melbourne. The Bendigo people

say that if a man wants to decentralize an industry successfully, he must take it over the border and establish it on the other side of the River Murray, when he will immediately obtain a concession in freight rates.

Reference has been made to the partial changeover from the night train system to Mildura to the running of a "Sunlight Express." I have been receiving letters from numbers of people complaining that they are being put back nearly 50 years in the service they are receiving because the schedule in connexion with the running of the new system is being so seriously upset by the changeover.

Some few years ago a ten-year plan was established in the matter of electricity supply so that the whole of the State should be served ultimately by the State Electricity Commission. Money for the project ran out and then a system was established of obtaining loans from the residents of particular localities seeking an electricity supply. It had never been intended that it should be made compulsory for the people of any country district to raise all the money required for extensions to their locality. For the Shire of Walpeup and other north-western districts the Commission has put in new plant at Mildura. The extensions in that locality, however, have to be financed 100 per cent. by the local people. In order that Walpeup residents may enjoy the benefits of electricity supply, they are required to find £300,000, which sum must be made available to the Commission for ten years or more before the extensions are completed. The local people and the farmers of the neighbourhood are called upon to pay, in addition, the whole of the costs of actual connexions. In this matter I have received a letter from the Minister in Charge of Electrical Undertakings stating that what I have just outlined is the policy of the State Electricity Commission and that if the people of any one area seek an extension of supply they must provide 100 per cent. of the loan involved. All this indicates another way in which the country is being handicapped in its development.

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Land settlement is almost at a standstill. Some time ago property in the Yanakie district was taken over for soldier settlement. The Soldier Settlement Commission invested possibly £150,000 or £200,000 of its money in that particular area, but now it has been decided that soldier settlement shall not be proceeded with there. That is the position, although there are possibly thousands of ex-soldiers, with certificates, waiting to be settled. The land in question is quite good but settlement has been to all intents and purposes abandoned in that area.

In the country there are numbers of localities where great difficulty is being experienced in having children transported to and from school. That is because bus services cannot be adequately provided. It is stated that the cost of these bus services now amounts to £1,800,000 a year, which is a lot of money. The Government will not augment the bus services; in fact, it is quite possible that there will be restrictions rather than extensions. It has been announced that no new services will be created in one area where there are five families with fourteen children. There is no school for the children of the district. I should have said that there is a school but there is no teacher, with the result that those children are put on a privately-run bus to attend the State school at Birchip, 12 miles away. That service is costing each family concerned £300.

Although many people are prepared to help themselves, they should receive at least some assistance from the Government. It must be remembered that these primary producers help to produce the enormous wealth which maintains the country's economy. Unless the Government is alive to the fact that it is necessary to keep primary production operating at full scale, and on a profitable basis for the people concerned, nothing but stagnation will result. Unfortunately, Victoria is facing a drought, and although the effects may not be noticeable this year, it is inevitable that next year there will be a big reduction in the revenue received for sales of wheat and wool. It will be interesting to note how the new

economy, which has been created in the last ten years, will react to the changed conditions. A reduction in our income as a result of a dry spell would soon reveal whether the country is dependent upon primary production, or whether the big industrial undertakings that have developed in recent years can take its place. Despite this great industrial development, only relatively small quantities of secondary goods are exported overseas. In conclusion, I again stress the need for the Government to assist primary producers in the provision of essential services, including schools, transport, electricity, and other facilities.

The Hon. F. M. THOMAS (Melbourne Province).—An examination of the items listed on the schedule before members reveals that provision for salaries and contingencies is responsible for the greater portion of the estimated expenditure during the period for which Supply is required. The Government cannot attribute the State deficit to the payment of higher wages and salaries to State employees, because workers under State awards have been deprived of cost-of-living increases. An examination of the amount of money that the family man is able to allocate for the purchase of food reveals an appalling and disturbing situation. In fact, at least 250,000 people in Victoria to-day are under-fed. That is a bold statement, but I shall endeavour to substantiate it. After making deductions for rent, clothing, and certain other necessities, a man, his wife and three children are left with only £4 15s. 6d. a week for foodstuffs. In other words, each unit of the family receives only 19s. weekly for food. If this is equated to a daily basis, assuming that each member of the family partakes of three meals a day, only 10.78 pence may be spent on each meal. Although it is often claimed that members of Parliament enjoy many concessions, even they are unable to obtain a meal in the Parliamentary refreshment rooms for only 10.78 pence.

Sir ARTHUR WARNER.—By what calculating did you arrive at the figure of £4 15s. 6d. per week?

The Hon. F. M. THOMAS.—The present basic wage is £12 15s. per week and, after deducting rent, clothing, and certain other incidental expenses, only £4 15s. 6d. remains for foodstuffs. For the sum of £4 15s. 6d., a worker can purchase 42 lbs. of edible food per week, which means that for a family of five, each family unit may receive 6½ ounces of nutritious food per meal.

According to statistics released by the Nutrition Committee of the National Health and Medical Research Council of Australia, the average loss of vitamin C, in cooking leafy green vegetables amounts to 60 per cent. Potatoes when not cooked in their skins, sustain a loss of 50 per cent. of vitamin C, and for meats and other similar foodstuffs the loss sustained is 15 per cent. When calculating the basic wage, this factor is not taken into consideration. It is interesting to note that since the basic wage was frozen, no fewer than 40 food commodities have risen in price.

During his visit to this country in 1956, His Royal Highness the Duke of Edinburgh convened a conference on human relations. In opening this conference he stated, *inter alia*—

Industry is not an end in itself. It is only a means to an end. The community is more important than industry. We must take into account that all people are primarily citizens, and not just workers with a bit of private life. I see no advantage in a prosperous and powerful State, if it is achieved at the expense of human freedom and happiness.

Surely, that statement is applicable to all members of the British Commonwealth of Nations. How can there be any happiness and freedom when the workers are denied the full necessities of life? It is atrocious, inhuman, and ruthless, to deny a proper supply of food to those persons in the community who provide all the good things of life but thousands of people are not receiving sufficient food to sustain them.

Poverty is considerably aggravated when persons receiving small wages incur debts. Over 300,000 hire-purchase agreements, all of which represent a debt upon some unfortunate person, have been entered into in this community. Irrespective of whether these

agreements have been made in connexion with the purchase of television sets, refrigerators, or other articles, the rate of interest charged over a period of three years amounts to 32 per cent. The same amount of interest as is payable on the first £5 must be paid also when the final instalment of £5 is being made.

In 1952-53, incorporated companies in Australia made profits amounting to £379,000,000; in 1953-54, £478,000,000; in 1954-55, £543,000,000; and in 1955-56, £550,000,000. These are the companies which, it is said, cannot afford to pay the basic wage to the workers. Unincorporated companies in 1952-53 made profits totalling £414,000,000; in 1953-54, £441,000,000; in 1954-55, £485,000,000; and in 1955-56, £520,000,000. The totals for the respective years of both incorporated and unincorporated companies' profits were — 1952-53, £793,000,000; 1953-54, £919,000,000; 1954-55, £1,008,000,000; and 1955-56, £1,070,000,000. The grand total for the period during which the basic wage has been frozen is £3,790,000,000. In spite of the facts I have mentioned, the Commonwealth Arbitration Court decided that the companies were having such a bad time that the basic wage should be frozen. Moreover, the State Government issued an order to wages Boards that remuneration should not be increased.

The Government has acted most cruelly and harshly against the people who produce all the good things in life in the State. Many of them are unable to afford decent meals regularly. My authority for the figures I have quoted is *Rydge's Business Journal*, which doubtless publishes authentic statements of profits made by companies. The Government has made many attacks on the workers regarding the basic wage. The deficit for which the Government is budgeting this year cannot be attributed to increased salaries. Budgeting for a deficit is one of the worst actions that can be taken by a Government when handling the financial affairs of a State. The mass of the people of Victoria are at present subjected to hardships. The administration of the Government has

been in the interests of the few, while the community as a whole has been ignored.

The Hon. A. R. MANSELL (North-Western Province).—My colleague, Mr. Byrnes, referred to land settlement and the need for increased primary production. When the Government assumed office, I felt confident that it would take definite action to expand land settlement, but I have been keenly disappointed. Apparently, it does not realize the advantages to be derived from increased primary production. Land settlement usually entails much expense to the Government in the provision of roads and other community amenities, such as schools, water supplies, telephone connexions, and sewerage in certain cases, particularly for schools.

In the north-west of Victoria large areas of land can be settled very quickly by the Government, but it has been extremely tardy in taking action. One area I have in mind is the Yararra forest in the Millewa district. At one time, as a result of biased, prejudiced and damning allegations—completely untrue—published in the metropolitan press, the Mallee was considered to be an area unworthy of consideration. In the last twelve years, that has proved to be wrong. The Mallee actually has played a great part in the advancement of Victoria and the Commonwealth.

In the Yararra forest, land totalling at least 20,000 acres is "crying out" for settlement. The Forests Commission does not wish to relinquish control of the land it has, but the area in question no longer constitutes a forest because of the ravages of rabbits and a disease that has attacked pine trees. This land is potentially some of the best grazing and wheat producing land in the Mallee. Stock and domestic water supplies flow through the area from Lake Cullulleraine. There is a railway station, a pumping station on the river, and a main road running alongside the railway line—not in the best of condition, I admit—as well as a highway on the other side of the land in question. There are primary schools, while buses take older pupils to the higher elementary

schools. However, no action is being taken by the Government to encourage settlement despite the fact that there are living in the district a number of sons of farmers who have been born and reared in the Mallee.

I challenge the Government on this question. If its members are sincere regarding their policy of land settlement, they should take positive measures to implement it. Adequate water can be supplied and the land is really first class. Ultimately tree fruits will be grown there. All the essentials exist, but there is no desire in the hearts of members of the Government to undertake any developmental scheme. Near Merbein, not far from Mildura, there are hundreds of acres of first-class country with all the amenities of cities and towns. With very little expense by Government Departments, much could be accomplished. Twenty miles upstream from Mildura there are thousands of acres of excellent land, and on hundreds of acres vegetables for Melbourne are being produced. I have passed as many as fifteen semi-trailers being driven to the metropolis with fresh vegetables for the market. The railways are not giving much service in the conveyance of these perishables, and so they must be conveyed by road transport.

Mr. Byrnes mentioned the subject of electricity. People living along the River Murray wished to be supplied with electricity power, and it was necessary for them to raise all the money required for capital works and lend it to the Commission. The people to whom I refer are from 10 to 15 miles from the power station. In addition to providing the loan money necessary for the installation of the scheme, they must pay a tariff 25 per cent. higher than that paid by people in Mildura, which is 10 miles from the power station, or those at Merbein, 15 or 16 miles from the source of generation. I cannot see anything fair or reasonable about this, and I am surprised that a Liberal Government not only condones but encourages it. It is not in the interests of the State

for land development and primary production to be curtailed. I foresee that in the very near future the State Electricity Commission will decide that the tariff must be increased again because of the high capital cost of installations and the fact that people are not using as much electricity as was anticipated; they will not do so because the charges are excessive—they are out of all proportion to the cost.

Victoria is a long way behind other States in land settlement. A distance of 2 miles across the River Murray from Mildura, the New South Wales Government decided to throw open 23 blocks for settlement. This land is suitable for the growing of trees and vines under irrigation. The Labour Government in New South Wales realizes that if an irrigation scheme is to be proceeded with, a proper system must be instituted. It has put in a water supply system with channels and electrically driven pumps. Overseas experts and our own State engineers have stated that in any scheme of irrigation two things are necessary. First, there must be an efficient system of reticulation for the water. Secondly, adequate provision for drainage must be made. The New South Wales authorities have done this at Buronga.

Applications were called for the 23 blocks referred to, and 186 men residing in the district have applied for them. Practically all of them are Victorians, and the New South Wales applicants were born and reared in the Mildura area. The successful applicants will develop the blocks with their own finance. They will go on to land which will cost the Government very little to settle, because no amenities require to be provided. There is a school bus, electricity, water supply, roads, and so on. Thousands of acres of similar land are available on the Victorian side of the river, but nothing is being done about it. Further upstream, land awaits settlement near Gayfield, where there is some of the best country in the State. Men are eager to obtain blocks there. This district contains a forest reserve which has no commercial value. There is a little firewood that nobody wants because of its poor quality. The

Minister of Forests has increased the royalties payable for posts, and with cost of cartage the production of posts at an economical price is out of the question. Consequently, this area is of no value to the State at present.

Near Robinvale thousands of acres of magnificent country await irrigation. The Soldier Settlement Commission has taken certain action, and pumps have been installed by the State Rivers and Water Supply Commission. There is a main highway and plenty of other good roads, and adequate educational facilities. However, nothing positive in the way of land settlement is being undertaken. When the settlement of Robinvale was first started, the authorities were advised not to plant certain types of vines, but they disregarded this advice and now the settlers are suffering the consequences. Moreover, it was pointed out in 1946-47 that as well as an irrigation system, facilities for drainage should be provided.

That development has not yet been carried out and consequently the properties of the earlier settlers have deteriorated. Salt is coming to the surface, the water-table has risen, production is down and their whole economy is affected. Settlers are really on the bread line. Representations were made to the Treasurer and he promised to make funds available to the State Rivers and Water Supply Commission for drainage works to be undertaken. Consequently, settlers were informed that they could spend up to £700 on internal drainage. If a farmer commences to drain his property early enough 5 or 6 chains of drains are sufficient, but if nothing is done for ten years up to 15 chains might be required. It was estimated that £143,000 would be needed by the State Rivers and Water Supply Commission to construct out-fall drains to take water from the lowest corner of each property, but only £60,000 has been allocated. Consequently the Commission will not be able to complete the job and many settlers will find that, although they have drained the internal area of their property, no means will be provided to take the water away from the lowest corner of the farm.

The Hon. A. R. Mansell.

There are hundreds of acres of land around Boundary Bend suitable for extensive development in citrus fruit growing, but instead of encouraging this development the Government has done the opposite and has cut the rail service to the locality. It was never very good. One goods train was provided a week and as there was no caretaker at the station and no telephone connected, farmers were forced to travel up to 6 and 8 miles with trucks on the off-chance of finding goods at the station. Incidentally, many of them were forced to pay road tax. In my opinion it is wrong that the Government should curtail rail services and regard the railways operations from the hard cash point of view rather than think of their great value to the State in the development of primary production. There are also thousands of acres of land awaiting development in the Swan Hill area and hundreds of young men, including many farmers' sons, anxious to take up the land. As the Government's land settlement policy has been developed too slowly, many of them are looking for other careers.

I support the remarks of my colleague, Mr. Byrnes, in connexion with the train services to Mildura. I am interested to know if the Government approves of the action of the chairman of the Railways Commissioners in informing the citizens of Mildura that if they do not use the train the railways have provided, it will be taken off the run. Is it the policy of the Government to hold a gun at the head of the community in that manner? The Minister of Transport would not be the successful business man he is if his enterprises did not provide service for the people. I feel that a similar attitude should be adopted by the Government in connexion with the railways. Approximately £12,000,000 worth of produce is transported annually from the north-western part of the State and the railways would benefit if they provided more service. I wonder if the chairman of the Commissioners or the Minister of Transport has taken the trouble to inquire from the public whether they are really satisfied with the rail services provided. If the State

is to progress, the Government must realize that country train facilities are just as important as suburban services. I realize that cheap fares are necessary in the city in order to keep down the cost of living, but the rural areas of the State must be developed. I am sure that if the railways do the job properly they will be able to compete effectively with road transport. I have received nothing but courtesy from railway employees at Mildura and I know that they are anxious to retain the traffic that is offering. I am keenly disappointed that the Government has not been more active in connexion with land settlement and the development of rail services.

The Hon. J. A. LITTLE (Melbourne North Province).—The community is now feeling the effects of the Government's housing policy. Although I agree with some of the Government's actions and disagree with others, I suggest that we must face the fact that the policy of the Government is being implemented for better or for worse. I believe that the Administration can fairly claim that steps have been taken to assist, through the co-operative housing societies and by other means, persons who wish to own homes. However, whether the action that has been taken has been sufficient to meet the crying need for accommodation is another matter. Emanating directly from the implementation of the Government's housing policy has been an increase in the demand for emergency housing. The amendment to the landlord and tenant legislation enabling an owner to obtain possession of a house provided it is the only property owned by that person—part of the Government's policy with which I agree—has led directly to a large increase in the number of eviction orders being issued by courts. Many are granted without a long stay of proceedings. However, nothing is being done to provide accommodation for the persons who are evicted. The only answer of the Government is that they are granted some priority in the allocation of Housing Commission homes. Nothing is being done directly by the Government to provide additional rental accommodation, and I believe that if legislation is

changed for the benefit of one section of the community, steps should be taken to alleviate hardship caused to those adversely affected. Some tragic instances of the breaking up of marriages are occurring as a consequence of this grave housing position. Numbers of young married people with young families are living under circumstances of great distress and many young children who normally would be reared in the proper family background—the type which the community so badly needs—are being condemned at the very beginning of their lives. I heard of a case only last week of a man who, although married only five years, was having housing difficulties. He was an excellent type of young Australian, and when he married he bought a block of land and commenced to build his own home. He had sufficient money for the land and for enough building materials to allow a start to be made. When he had used up those materials he was unable to obtain financial accommodation to continue building. Nobody seems to be able to assist persons like that who have started off to fight their own battles. They are consequently tempted to take heed of advertisements they hear on the radio and purchase building materials under hire-purchase terms. One can visualize what will happen if they do that, because they will then be called upon to bear the crushing burden of hire-purchase interest.

That is a type of case to which the Government should be directing special attention to ensure that people who are willing to face the future with courage are given all the assistance possible by governmental housing or credit authorities. In its housing policy, the Government should pay more attention to the needs of young married couples. If that is done, many other commitments in Supply Bills of this nature will show marked decreases, and in this regard I refer to expenditure on mental hygiene and the penal system. Finance made available to young married couples to enable them to obtain decent accommodation will reap wonderful dividends in the future of this State and will reduce the cost of providing facilities for the treatment of mental hygiene cases, most

of which are due to the plight of many of these young people in the earlier part of their careers.

My next comments relate to the Teachers Tribunal. Under a regulation the tribunal has taken upon itself the right to deny several organizations the right to appear before it when discussing the salaries of teachers. The Secondary Teachers' Association has a membership of 1,500 out of a total of 2,500 secondary teachers, but that organization has been refused the right to submit its case relating to salaries and conditions; the tribunal has given the Victorian Teachers' Union the sole right to appear on this question. It has also refused the right of appearance to the Affiliated Teachers' Union, the only body affiliated with the Melbourne Trades Hall Council and the Australian Council of Trade Unions. I direct the attention of members to the following letter in relation to this subject:—

Teachers Tribunal,
Observatory House,
Domain,
South Yarra, S.E.1.
29th March, 1957.

Dear Sir,

With reference to your letter of the 25th inst., requesting that two advocates from your Union be permitted to present to the Tribunal, a salary claim on behalf of members, I am directed to inform you that, under the provisions of Regulation 22 of the Teaching Service (Teachers Tribunal) Regulations, the Tribunal has approved the Victorian Teachers' Union as the association of members of the teaching service to make representations in relation to salaries and wages and terms or conditions of service or employment in the teaching service.

Consequently, it is not willing to hear a claim from your Union.

The approved association's representations will be given a public hearing and, if any other association of members of the teaching service is dissatisfied with the claim submitted by the Victorian Teachers' Union, the Tribunal will grant one representative of that association the opportunity to show cause why it should be permitted to amend or supplement the claim put forward.

Yours faithfully,
(signed) G. FENNELL,
Secretary.

Mr. J. G. O'Leary,
Hon. Secretary,
Affiliated Teachers' Union,
23 Thomson-street,
Northcote, N.16.

The Hon. J. A. Little.

The Teachers Tribunal has granted a concession to one body over the rights of two other organizations that have operated in this profession for many years. Apparently it can make or break these organizations. I suggest that is not the function of the Teachers Tribunal. There may be disputations between the organizations, but why should the Teachers Tribunal take upon itself the right to decide which one shall be placed in a favourable position? In fact, the regulation goes further and gives the tribunal the right to notify in writing the organization that has been approved and "the tribunal at any time may withdraw its approval from any association." The tribunal can nominate one association, and if it does not like the case that it presents, it can take away the privilege of that organization to appear before it. That is contrary to all fundamental principles of democracy. The claims of organizations that have existed for years should not be placed on a lower level than those of another organization. I press the Government to pay regard to this regulation, to ensure that the system in force in the past shall be reverted to so that these organizations shall be given the right of equal representation.

If there is any difficulty or rivalry between the organizations, they should fight that out between themselves. Surely a body adjudicating on wages and conditions should not be placed in such a position that it can raise the status of one organization whilst it is lowering the standing of others. I repeat that rivalry between the organizations should be fought out between them and an adjudicating tribunal should not be placed in the position of being able to raise one organization against others. Such a practice must undermine the confidence of teachers in the tribunal. The practice could produce the dangerous condition that the organization granted the approval of the tribunal might act in a subservient manner towards this body so as to retain the privilege given to it rather than to sponsor the rights of the people it represents. I am certain that the Government would not approve of such a condition. Now that attention has been directed to the matter, I trust

that appropriate steps will be taken and legislation introduced, if necessary, to overcome the evil in the regulation I have mentioned.

On the motion of the Hon. I. A. SWINBURNE (North-Eastern Province), the debate was adjourned until later this day.

BUSINESS OF THE HOUSE.

ALTERATION OF SESSIONAL ORDERS.

Sir ARTHUR WARNER (Minister of Transport).—By leave, I move—

That so much of sessional orders as provides that no new business shall be taken after half past Ten o'clock be suspended during this sitting of the House so as to permit consideration of the Wangaratta (Rating on Unimproved Values) Bill to be entered into after half-past Ten o'clock.

The motion was agreed to.

CONSOLIDATED REVENUE BILL (No. 2).

The debate (adjourned from earlier this day) on the motion of Sir Arthur Warner (Minister of Transport) for the second reading of this Bill was resumed.

The Hon. I. A. SWINBURNE (North-Eastern Province).—This measure gives members an opportunity of making a constructive approach to the problems facing the Government. I first wish to mention a subject in which I have taken a deep interest, namely the problem of housing. Mr. Little mentioned several phases and I shall relate my remarks to one section only—the programme of the Government in the next financial year under the Commonwealth-State Housing Agreement and its relation to housing in the country. Under the agreement, the Government is required to provide 20 per cent. of the money received in the first two years and 30 per cent. in the following years for the purpose of co-operative housing. That will result in a considerable decrease in the number of houses that can be built by the Housing Commission. The Government has said that the number to be erected in the city and in the country this year will be in proportion. Figures mentioned some time ago by the Minister of Housing show that in the metropolitan area there will be 1,187

and in the country there will be 1,068 houses. When we analyse the Minister's Statement, we find that Dandenong is termed "in the country" because it is in the Shire of Berwick, and 255 houses of the total of 1,068 for the "country" will be built in Dandenong. Another 200 of these houses will be built in the Corio Shire and 39 will be erected in the Frankston and Hastings Shire. The only two other country areas where more houses are to be built are Werribee, 65; and Wodonga, 50. I know of the conditions, obtaining in Wodonga. I suggest that the position there is much the same as that at Werribee and probably 40 of the 50 houses to be built at Wodonga will be occupied by ex-servicemen. At Werribee probably 50 of the 65 houses will be used for the same purpose. On that basis, of the total number of houses to be built outside the metropolitan area only 400 will be available for civilian country residents. That is a sorry plight, particularly when it is considered that there is a waiting list of 3,000 or 4,000 applicants in country areas.

Decentralization in this State has been achieved largely through the activities of the Housing Commission. When I was Minister of Housing I attended a conference of the Victorian Decentralization League and I was asked what would be the Government's policy in regard to decentralization. I stand by the statement I made at that time, which was that if houses are built in country towns people will go and live there. My contention has been proved over the years. I was laughed at when I implemented a scheme to build 200 houses at Shepparton. People said that I would never find tenants for them. It is now several years since I was Minister of Housing and more and more houses have been built at Shepparton and other country centres. At least 700 Commission houses have been erected in Wangaratta and there is still a waiting list of tenants in that town.

I forecast in this House, when the present Government first came into office, that if a percentage of the funds available for housing was allocated to co-operative housing societies the result would be fatal. I think Victoria has

reached the stage where the failings of such a policy are being noticed. Recently, with representatives of the Housing Commission, I toured the province that I represent and I was amazed when I was told of the small numbers of houses to be built in various towns. Only about fifteen dwellings are to be constructed in various centres. Next year the allocation to co-operative housing societies will be £3,000,000 and the Housing Commission will probably build only about 300 houses for rental in country areas. I do not think such a policy is in the best interests of decentralization, and if it is continued it will eventually become uneconomical to carry out a housing programme in country towns. The true policy of the Minister of Housing will then be revealed, namely, the spending in the metropolitan area of all the money allocated for housing.

As a representative of a country province, I take this opportunity of informing the Government of the seriousness of the housing situation. The figures relating to the proposed building programme quoted by the Minister of Housing recently indicate that there are 60 applicants for Commission houses in Wangaratta and only 15 dwellings are to be built. Very few people will be provided with accommodation. At Shepparton 15 units are to be constructed and 25 at Seymour. I think I would be quite safe in saying that 20 of the 25 to be erected at Seymour will be allocated to service personnel. At a time when our population is increasing, the number of houses being constructed is decreasing. I believe that the decline during last financial year was in the vicinity of 1,200. The Premier has rightly stated that 60 per cent. of the immigrants to Australia come to Victoria. Where can they live if more houses are not constructed?

It has been stated that the Housing Commission has a waiting list of 13,000, applicants, but I believe that the effective figure is in the vicinity of 6,000 or 7,000. Many of those 13,000 applications were lodged years ago, and the people concerned have now found alternative accommodation and would not accept a Commission home if one were offered to them.

The Hon. I. A. Swinburne.

I propose now to refer to the system of valuing properties in country municipalities. I urge upon the Government the need to appoint a central valuing authority. Most country municipalities are now levying the maximum permissible rate, plus special rates for the Country Roads Board and other purposes, and they are still struggling to make ends meet. In order to obtain more revenue, valuations are increased. The main defect of the system is that the person appointed to carry out the valuation need have no particular qualifications that would fit him to do the work. If I decided to apply for the position of valuer for a municipality, I could be appointed. I know that many of the persons appointed to undertake this work in recent years have approached the Shire Secretary and said to him, "What do you want?" The Shire Secretary suggests that the increases should be 20 per cent., 50 per cent., or perhaps 100 per cent. The valuer then increases the values of all properties by the required percentage.

The Hon. PAUL JONES.—The commission received by the valuer is then increased proportionately.

The Hon. I. A. SWINBURNE.—That may be so, but I am not concerned with that aspect at the moment. Under the system at present operating, valuations are getting out of proportion.

Sir ARTHUR WARNER.—Have they reached the true values yet?

The Hon. I. A. SWINBURNE.—I think in many areas they are much higher than the true values. I contested the last municipal valuation of my property and it was reduced by the court by 33½ per cent. In addition, many other properties in that locality are rated at too high a figure. Now, the municipality proposes to carry out a further re-valuation.

Sir ARTHUR WARNER.—Would not the rates have to be increased if the valuations were not raised?

The Hon. I. A. SWINBURNE.—The present legislation provides that rates cannot be increased beyond 4s. in the £1. If the Government decides to raise the maximum rate to 5s., then that

would be an action by the representatives of the people for which we as members of Parliament must accept responsibility. However, I consider that the system of obtaining additional revenue by increasing valuations is a behind-the-door method. Why should a municipality be able to increase its valuations to achieve what Parliament will not grant? The problem goes even deeper than that because municipal valuations are accepted for other purposes, such as the levying of land tax, probate duty and several other forms of taxation, thereby increasing the amounts to be paid for those purposes. The position is even more alarming when it is considered that the valuations are made by incompetent persons.

The Hon. R. R. RAWSON.—I take it that you would agree to a proposal to establish a Valuer-General's Department?

The Hon. I. A. SWINBURNE.—Yes. I believe that a central valuing authority, employing competent valuers, should be established. Then if a person wished to ascertain the value of a property, he could do so by paying a small fee. Sworn valuers are employed to carry out valuations for special purposes but such persons are never appointed by municipalities. I do not know of any area in which a municipal revaluation has been made by a sworn valuer.

The Hon. R. W. MACK.—Not many sworn valuers will apply for such jobs.

The Hon. I. A. SWINBURNE.—There is no incentive for them to do so, because uncertified men have just as much chance as they have, and, indeed, undercut them. I am not concerned about the cost aspect, but a proper system of land valuation should be instituted—not only in respect of farm land but also of business premises and other properties within municipalities. Soon most property valuations will become disproportionate to their earning capacity. Indeed, that position obtains to-day in many country towns. I appeal to the Government to give serious consideration to bringing down a Bill to prevent unqualified persons from valuing properties and to provide for the estab-

lishment of a permanent central valuing authority comprised of competent persons.

I pass now to the matter of the Railway Department. The Premier's Budget speech reveals that the deficit of the State is due practically entirely to the deficiency in the Railway Department. I am not so much concerned about the fact that the railways have incurred a loss as I am about the Government's claim that because of that loss the State must budget for a deficit. Never at any time since their inception have the railways been a paying proposition. They are common carriers and must take their profits and losses in the same way as other parties. Initially the railways were built to assist the development of the State. Even before the era of modern motor transport it was realized that the railways were not a sound economic proposition. Nevertheless, they have assisted materially in the development of the State.

Sir ARTHUR WARNER.—They have also helped to increase land values.

The Hon. I. A. SWINBURNE.—Possibly the increase in land values has some relationship to the development brought about by the railways, but that aspect is not confined to country districts. The metropolis also has benefited. It is all very well for the Minister of Transport to claim that when a railway is built in a country district, unearned increment results, but I remind him that in the City of Melbourne there is more unearned increment than there is in the remainder of the State—and he knows it. In the over-all economics of the State, it does not matter whether land is valued at £100 or £10 an acre; the only proper consideration is what the land will produce. The real development of the State is based upon the productivity of the soil. It is realised, of course, that the great wheat areas of this State could not have developed as they have done were it not for the operation of the grain elevators system and the functioning of the railway system, which transports huge quantities of wheat to silos located at the seaboard at an economic freight rate. I give the railways full credit for what has been done in that regard over the years.

I hate to hear country folk criticized because they enjoy an increase in land values as a result of the State having provided a service. We who live in country districts are part and parcel of the State and we have just as much right to derive benefit from public utilities as have metropolitan dwellers. Nowadays the Minister of Transport is earnestly endeavouring to prevent the development of country services while at the same time he is encouraging the expansion of metropolitan and interstate traffic. If the Government paid more attention to providing adequate facilities for Victorians instead of worrying so much about interstate problems, the railway system in this State would earn additional revenue.

Perhaps I am more conversant than most members with the incidence of interstate traffic, because I travel almost daily on the north-east railway line and on the Hume Highway. What concerns me most is that proper provision is not made to serve the needs of those Victorians who wish to travel intra-state. The whole of the transport service is operated on an interstate basis. The principal concern is to provide a fast goods service between Sydney and Melbourne. No consideration is given to the rapid transport of commodities between, say, Myrtleford and Melbourne. Earlier in the debate, Mr. Mansell referred to the changed conditions on the Mildura line. I direct attention to the fact that passenger trains on the north-eastern line are subject to timetable variations in accordance with fluctuations in the interstate traffic flow. That is wrong in principle.

The Daylight Express and the Spirit of Progress do not cater for Victorians' needs; they provide a through service for interstate passengers. Those trains are running half empty and I know that the Minister of Transport and the Railways Commissioners are worried in that regard. One of the Commissioners suggested that the Albury express should be withdrawn, but I point out that that is the only train on the main north-eastern line that is of any practical use to Victorians. I have suggested to the Commissioners that consideration should

be given to running trains on the main northern line to a fixed schedule so that some benefit may be derived by Victorians who, after all, have to pay for the railways in taxation.

Some time ago I handed to one of the Commissioners some statistics that I had prepared concerning railway traffic. At the same time, I invited him to make a trip with me on the main northern line. When we reached Wangaratta the Commissioner admitted that my figures were correct, whereas those that had been submitted to him by others were wrong.

The Hon. PAUL JONES.—Why did you not make a trip to Mansfield?

The Hon. I. A. SWINBURNE.—The same policy as that to which I have alluded in respect of main lines applies to branch lines also. It is part of a process of defeatism that has been going on over the years. On the Minister's own admission, the deficiency in the Railway Department is not incurred on goods traffic but rather on passenger traffic. There is a loss of £3,000,000 on the metropolitan passenger service and the remainder of the deficiency is incurred on country traffic. I think the loss on every suburban ticket sold is about 6d. and in country areas the relevant sum is 17s. 6d. The position is so serious that prompt action should be taken to rectify it. Further, a railway service that will attract additional passengers should be provided. The Department is still using the same type of carriage as was in service 30 years ago. Moreover, many trains do not run on time; that disability has persisted over the years. Surely, members of the travelling public are entitled to more modern means of transport than is provided on most lines at the present time.

I am a regular traveller on the diesel train from Wangaratta to Melbourne, and I often go home by it at night. A person must be pretty tough to stand up to that ordeal. Nine out of ten persons who use the service on a casual basis say, "Never again."

The carriages are cold in the winter and hot in the summer months. Before the advent of air-conditioning, foot warmers were provided, but to-day not

The Hon. I. A. Swinburne.

even that facility is provided on all lines. The people are criticized for not patronizing the railways, but little effort is made to attract them by providing a reasonable standard of comfort.

While losses are incurred on passenger traffic, a profit of about £2,000,000 a year is made on the transport of freight in country districts. When air-conditioned cars are provided for the transport of race traffic to Warrnambool, local residents do not receive the benefit of those carriages. Such facilities should be provided for the regular services. On the other hand, one night when I left the train at Wangaratta, ladies on the train who were travelling through to Sydney were almost frozen. We cannot expect the travelling public to put up with conditions worse than those that obtained 30 years ago. Efforts must be made to attract passengers to the railways. Apparently the Minister of Transport is prepared to "give away" passenger traffic—other than interstate. I realize that interstate traffic has a great bearing on the economics of the railways, but local travellers should not be penalized.

Sir ARTHUR WARNER.—I do not think that is right.

The Hon. I. A. SWINBURNE.—I am speaking from experience. Two months ago I challenged the Railways Commissioners to provide me with some figures, but I have not yet received them. It is useless to duplicate lines for interstate travel if service is not given to persons within the State. Obviously they will not continue to use the railways.

The northern part of the State is probably a unique area in relation to freight rates. Many problems are involved because of the interstate traffic handled. In the last eighteen months negotiations have taken place between the Minister of Transport, the Railways Commissioners and business people in country towns. I have tried, together with my Parliamentary colleagues of the district, to induce the Minister to give a fair interpretation of competition between various towns. A case was advanced on the basis that as the freight rate between Melbourne and

Albury is £5 and towns inside the border have to compete on the same market, they should be entitled to the same rates of transport. If it is economic to transport goods to Albury for £5 a ton, it must be economic to give a fair rebate to traders situated along the line. In the early stages our efforts were somewhat successful. However, when we got further down the line apparently the Minister thought the matter was going too far and did not consider that goods could be carted by road from Albury to Wodonga and thence to Benalla cheaper than by rail. The honorable gentleman agreed to meet a deputation from the Chamber of Commerce at Benalla, which is an active body, in regard to the freight rates to that town. At that meeting he stated that he would consider the proposals and was quite optimistic about the prospects of a reduction, but soon tactics different from those we had anticipated were adopted. Railway freight agents came to Benalla and induced local business people to enter into new contracts with very generous concessions ranging from one penny to sevenpence a ton, with one great reduction of 3s. 6d. a ton on galvanized iron! When we contacted the Minister he retorted, "The contracts have been signed." Of course, the persons concerned had to sign. The Minister realized that what he had suggested to us had not been done. However, probably the action I have mentioned was taken under his instructions. I received the following letter, dated 9th May, 1957, from the Minister of Transport—

I refer to your deputation to me on 10th April regarding the freight rates from Benalla.

The Railways Commissioners have agreed to reduce the freights by some very small amounts and I attach hereto a list of the old and the new rates.

I thoroughly appreciate that the reductions are not large and were not quite in accord with what I anticipated.

However, the Commissioners feel that in view of the heavy railway losses and the reductions which have been forced on them due to Section 92, there should be some steadying up in reductions and accordingly were somewhat reluctant to extend these concessions any further.

I regret the reductions were not greater.

I emphasize that that letter was signed by the very Minister who has stated that he is revolutionizing the administration of the railways. After hearing the case, the Minister was confident that Benalla traders would receive concessions equal to those decided upon for the carriage of goods to other towns, but, instead, the rate on general merchandise was reduced from 144s. 2d. to 140s., on packed furniture from 144s. 2d. to 144s., on unpacked furniture from 183s. 7d. to 183s., and on beer from 86s. 3d. to 86s. Those are the principal concessions granted. The Benalla Chamber of Commerce takes exception to the method adopted of sending up freight agents to get new contracts signed before notifying it of the decision made on the Chamber's representations. The persons concerned had no option but to accept the new contracts if they desired to carry on their association with the railways and to continue to give them all their freight business. By the Minister's own admission, the reductions granted were not what he had in mind when the deputation met him. If that is how the railways are to be administered, I suggest the Department cannot have much respect for the Minister of Transport. The problem should be tackled from the point of view of an economic basis of trading as between the various towns. Benalla traders are adversely affected as compared, for instance, with those at Wangaratta, which is 25 miles farther north. Traders at Myrtleford and Yackandandah are in a worse position than traders in the border towns who enjoy cheaper freight rates. The Minister of Transport should have honoured the promise that he gave to the deputation, and should not have adopted the tactics I have mentioned, whereby Benalla and Myrtleford traders were misled into signing new contracts. Neither I nor the Chamber of Commerce received any reply to the representations we made to the Minister prior to receipt of the letter I have read. If that is the method to be adopted, nobody will have any faith in the administration of the railways, and the Department will lose some of its best customers.

The Hon. I. A. Swinburne.

The Hon. D. P. J. FERGUSON (South-Western Province).—We have listened to a great deal of condemnation of various Departments. It seems to me that the criticism of the operations of Departments can be interpreted only in one way; that is, that the Government is completely incapable of administering the affairs of the State. When the Government took office it made the most extravagant statements as to what it proposed to do, but it was not long before it began to offer a series of excuses for its inability to do any better than its predecessor. One of the great excuses for its inability to handle the finances of the State in as frugal a manner as the previous Government had done was the old familiar cry of the rising costs of labour.

The Government elected to suspend quarterly cost-of-living adjustments. We were told at the time that the economy of the State would thus be stabilized. Next we heard the proud announcement by the Premier of his intention to depart on a special mission to sell Victoria overseas. Exaggerated claims have been made concerning the attraction of overseas capital to this State. But to-night Mr. Byrnes, as Leader of the Country party, exploded the myth associated with that campaign. In fact, so complete has been the criticisms of members of the Country party in the course of the present debate that I am at a loss to understand why they are supporting the granting of Supply. Each speaker in turn criticized one or another of the Government Departments, and I can only interpret that criticism as a vote of want of confidence in the Government. If all is not right in the Departments the Government must take the responsibility.

In the schedule of the sums required to provide Supply for the next three months, we note considerable increases in certain items. The Leader of the Government was hasty in his explanation of the Supply list, and appeared to be ashamed to ask for the sum required. I believe it is not so much a matter of the money available as of the manner in which it is handled and spent. The Government has become notorious for

the fact that whenever it is faced with a problem it hurriedly appoints another committee. What is the record of the Government in its period of office? Outside the metropolitan area the Government has no achievements. Anything that has been spent in the direction of decentralization has merely served to reveal that the Government's programme has been completely suspended beyond the metropolitan area. Various items in the Supply list reveal considerable increases in expenditure; but there are many other governmental activities that probably require additional finance, and upon careful examination it may be shown that some of the increases listed before us are not really necessary.

Sir ARTHUR WARNER.—Would you cut expenditure on education or police?

The Hon. D. P. J. FERGUSON.—We would make a close study of some of those Departments, and the Government, if it had a sense of real responsibility, would undertake a very careful examination of certain activities. It is all right to have additional police; nobody will quibble over the Police Department having sufficient money to maintain a good protective system in this State.

Sir ARTHUR WARNER.—Can you offer one constructive thought? Do not give us a complete policy but just one idea.

The Hon. D. P. J. FERGUSON.—That is a complete admission that the Government and the Leader of the House have not a clue and are appealing to the Opposition to tell them what to do. We have been listening to Mr. Swinburne's remarks regarding the transport policy of the Leader of the House, and I think that the Minister was warned on a previous occasion as to where he was heading. No member of Parliament would begrudge adequate finance for any Department, but it is the responsibility of every member to exercise whatever power he may have to see that the Departments are economically run and that there is prudent control over finance. It seems that the Government just lets the various Departments carry on willy nilly. I have good reason to believe that members of the Country party and other members who

have spoken to-night are apprehensive over the lack of proper administrative control of Departments. Now, that is not good enough for the State.

The matter raised by Mr. Galbally is one that must cause the public great concern. I refer to the future of our transport services. It seems inevitable, despite all the claims of the Government, that public and private passenger transport services will be faced with no alternative before long but to increase fares owing to the action of the Federal Government in imposing an extra tax of 1s. a gallon on diesel oil. We are faced with a problem that is not the fault of the State but which arises in consequence of an action by the Federal Liberal Government. To buffer that increase, every other avenue of economy must be explored. No transport system can be carried on unless some real consideration is given to what the future is likely to hold.

A great deal has been said respecting the tramway system. I know that the Minister of Transport seems to have a particular set against public passenger transport services. No doubt, he would like to do as he did in Geelong, that is, abolish the public street passenger transport service and hand it over to private enterprise. Events will ultimately prove the folly of that decision. The people concerned will be forced, as the result of higher operation costs due to the diesel fuel tax, to increase fares. The people of Geelong are faced with increased municipal rates which will be unavoidable if money has to be provided for the repair of the roads. It is all very well for the Minister of Transport to say that an improved transport service has been provided there; that is questionable. Actually, the people are paying considerably more than formerly, and if the present tendency continues the people of the Melbourne metropolitan area also will soon find that they will be required to pay more for a worsening service.

There are several reasons why transport and other services are not efficient, and the Minister should know them well. In the metropolitan area there is a hotch-potch arrangement of a multitude of councils and other authorities and

there is no possibility of getting a free flow of traffic. No attempt is being made to solve the increasing difficulties of congestion through private car parking. That is in contrast with the position in Sydney, where an efficient city Council functions. The position there is that instead of there being wrangling and fighting over how many thousands of pounds a councillor must spend to obtain some privilege in the council, there is Labour control of the municipalities and the welfare of the city has been the prime consideration. In Sydney the policy of extending off-street parking facilities has been adopted. Unfortunately, in Victoria the Government has given no indication that it intends to do anything worth while by way of streamlining the metropolitan tramway or bus systems; it merely growls about the losses sustained. It is the Government's responsibility to administer the State and to supervise the activities of the various Departments, and it should do its utmost to ensure that both private and public utilities function efficiently. When such services become run down both the Government and the Ministers responsible stand condemned.

There is no evidence whatsoever outside the metropolitan area that the Government wishes to develop the State or to provide adequate services to meet the needs of the community. The Government failed to fulfil the promises made by the Premier concerning the drainage of Lake Corangamite. I do not propose to elaborate on that aspect of the Government's administration, as it has been traversed on previous occasions in this House. However, residents of the Western District are gravely concerned about the inadequacy of the educational facilities available. Despite the Government's claims of what it has done in the country by way of providing secondary and technical education facilities, very little has been achieved. A classic example of the frustration confronting country people to-day is that of the continual fobbing off by the Government of its responsibility to provide adequate technical education facilities in the Colac area. All approaches to the Government to proceed with the establishment of a manual arts block in the Colac

district have been rejected. Consequently, children desirous of undertaking arts and crafts courses must attend schools in Geelong, and elsewhere, for their technical training. I ask the Minister of Transport to examine this question without delay. He appreciates the great need for the training of students in technical subjects, in the country centres, as they cannot all be trained in the metropolitan area. Colac, being a prominent country town, is entitled to early consideration in this regard.

Many other aspects could be raised to explode the Government's claim as to what it is doing to improve educational facilities. The Government endeavours to manipulate figures to show that the expenditure on constructional programmes has increased considerably, but upon close examination it is evident that many of its claims are extravagant. The authorities at the Herne's Hill State School near Geelong, which was constructed in 1954, were promised that the buildings would be painted internally and externally, but no action has been taken. I have in my possession a letter from the secretary of the Public Works Department concerning this work, but no progress has been made.

The Hon. I. A. SWINBURNE.—You are fortunate to have a school to paint!

The Hon. D. P. J. FERGUSON.—Any person who adopts that attitude is completely irresponsible. Extravagant claims have been made about the training of artisans and technical school students. I received a letter from the Geelong Gordon Institute of Technology to which I intend to refer. Some time ago, the diploma-issuing technical schools approached the Minister and requested that a sum of £120,000 be made available to provide suitable equipment to meet the expanding needs in the technical training field. However, only £600 has been made available for this purpose. Of a total of £1,070,934 set aside for educational purposes, only £79,708 is being used for the maintenance fund, and of that amount a considerable sum will be used for schools to be constructed in 1958. It is only when a close examination is made of the actual

facts, that the deficiencies of the Government's programme become evident. The Government is getting into serious difficulties. There has been considerable discussion about the unjustness of the uniform taxation system, and recently the High Court announced its decision in connexion with this matter, but Victoria will be no better off financially. In fact, probably the State will be out of pocket to the extent of the legal costs involved.

The Hon. L. H. S. THOMPSON.—Do you favour uniform taxation?

The Hon. D. P. J. FERGUSON.—Certainly, but I am not in favour of the Government dodging its responsibilities. The Government has a responsibility to see that its finances are properly and prudently conserved. However, it is evident from the remarks of previous speakers that all is not well. The present Administration is receiving more revenue than previous Governments, yet the stage has been reached when deficits are regarded as inevitable. It is no use blaming the Railway Department for this state of affairs, as the Government and the Minister of Transport are responsible for many of the deficiencies noticeable in the railway system. Despite the fact that he was warned against doing so, the Minister of Transport increased railway fares with the result that many former rail passengers now use other means of transport. Mr. Swinburne referred to the neglect of the intra-state railway lines for the benefit of the interstate rail system. Although I commend the Government for its proposal to standardize the Melbourne-Albury line, I am not in favour of building up the interstate services at the expense of our own Victorian services. The branch lines in Victoria, particularly the Geelong line, are being neglected. The service between Geelong and Melbourne is very poor and all requests for an improved service have been rejected.

The Hon. T. W. BRENNAN.—Why is not the Geelong line electrified?

The Hon. D. P. J. FERGUSON.—It should be both electrified and duplicated. All requests for additional trains on the

Geelong line meet with the reply that the traffic offering does not warrant their provision, but no effort is made to attract additional custom. Many Geelong businessmen travel to Melbourne every day for business purposes, but the existing timetable is most unsuitable for their needs. An express train leaves Geelong at 7.30 a.m. daily, but there is not another until the 9.15 a.m. train, which arrives in Melbourne at 10.45 a.m. Last Saturday afternoon I travelled by train from Melbourne to Geelong, leaving Spencer-street, at 12.15 p.m. and arriving in Geelong at 1.55 p.m.—a distance of only 45 miles. The Government should ensure that improved train services are provided between Melbourne and country centres; that is the only way to attract business back to the railways. I agree that the railways should not be blamed for the State's deficit as there are many non-revenue producing Departments in the State. It is no use the Minister introducing a Bill seeking Supply for three months and at the same time saying that it is inevitable that there must be a deficit in respect of the current financial year. All this is just a "snout on Socialism." The point of view that private enterprise is supreme is one of narrow-mindedness. Certain basic public utilities are socialistic in character, and they are essential in the development of the State. The Government should appreciate the worth of these services, which ought to be expanded for the benefit of the people. While there is in office a Government that "could not care less," it is impossible to expect any progress.

The Hon. R. W. MAY (Gippsland Province).—I rise to support the Leader of the Country party in this Chamber in the tribute he paid to-night to the great and glorious job which primary producers have done in rendering vital services to Victoria and to the Commonwealth and thereby making a valuable contribution to the economy of the nation. Mr. Byrnes quoted figures which proved that 91 per cent. of the income derived from exports from this country was received from the sale of primary products. I submit that this represents a magnificent addition to the

wealth of the State. It is a type of barometer which indicates that as the export income rises or falls so does the prosperity of the people rise or fall. Moreover, a most important factor is that the money received from the sale of primary products is interest free income which plays a vital role in the financial stability of the whole community. One outstanding factor is underlined, namely, the need for further land settlement and development.

I am concerned and somewhat perturbed at the position obtaining with regard to the Government's policy of land settlement as it affects my province, particularly the Yanakie district, which is a soldier settlement area. This district has been developed to a very high state of production. The Soldier Settlement Commission stocked the area with dairy heifers which ostensibly were for the use of the settlers. But everybody was surprised to learn that the heifers had been sold and that no settlement had been undertaken. The area has now been stocked with baldy bullocks, of which there are some hundreds. This is a tract of very fertile land which is capable of tremendous production and which can therefore contribute considerably to the State's export income. But at present it is not being developed to the maximum extent.

In my view, members of the Soldier Settlement Commission are very sound and experienced men, but it appears to me that a more practical outlook should be taken regarding this area which is awaiting settlement. It has been claimed that the drainage system is not complete. If individual farmers developed this land, they would realize that one of the first essentials is the provision of adequate drainage. This work warrants priority over the ploughing and cultivating of further large areas. The land carries one of the finest pastures in the State, but it is not being utilized to its maximum capacity.

No clear, concise and practical statement of policy has been made by the Government regarding the purpose to which this land is to be put, although it

was acquired and developed with funds provided by the Soldier Settlement Commission. There has been an apparent change of front, and there now seems to be some confusion in the matter. An unambiguous statement is required from the Government regarding the ultimate utilization of this area. We are led to believe that it may be subdivided for closer settlement. Originally, it had been intimated that it was to be occupied by soldier settlers. Whatever statements may have been made there is an urgent need for this land to be settled by former soldiers. Many eligible men who have been waiting for blocks are now drifting away from the district into other avenues of employment. The Government ought to be definite on this question and make a straightforward statement of its proposals.

I refer now to the extension of electricity supplies in rural areas. It has been stated that if a man living on the land wishes to have electric power supplied to his property, he must lend the State Electricity Commission 100 per cent. of the capital cost of the extension. The statement is quite correct, and recently I had to find my share of the money. This situation applies throughout the whole State. The Minister of Electrical Undertakings, replying to a question in another place, stated that the service charge per quarter payable for each assessable room in country areas is 5s. 9d., whereas the comparable figure for the metropolitan area is 4s. per room. That is a discrimination against country dwellers, and there is also a difference in the energy charges. To-day there is great need to increase primary production, and an extension of electricity supply throughout rural areas is absolutely essential. However, there should be uniform charges in all parts of the State. If that were so, the Commission would have more money available to it for other extensions.

Another matter of concern, of which I can speak with personal knowledge, is the policy of the State Electricity Commission regarding the erection of poles. It will put up only one pole on private

property at its own expense; any additional poles required must be paid for at the rate of £40 each. I approached the Commission regarding this matter and was informed that the rate was common to country and municipal areas. But I have yet to learn of any instance in the metropolis where more than one pole is required. It was stated also that if more than one was needed, when further subscribers were connected the additional cost would be reimbursed. Country people do not enjoy this advantage. I trust that the Government will seriously consider this unjust discrimination between the rates which apply in the metropolitan area and those applicable in the country districts.

When I consider the vastness of the province of Gippsland, I am perturbed by a situation that was mentioned in a general sense by a previous speaker. I refer to the housing question. A very serious shortage exists in certain country districts. Figures regarding the erection of houses by the Housing Commission during the 1957-58 financial year were supplied by the Minister of Housing in answer to a question asked in another place. It was stated that a total of 60 houses were being erected in Gippsland, comprising 10 at Bairnsdale, 10 at Sale, 25 at Traralgon, and 15 at Warragul. It may be said that that is an imposing list, but there is a serious shortage of dwelling-houses in country towns, and the number of people waiting for homes is increasing. This shortage of accommodation is having a detrimental effect on the home life of young people. No factor is more conducive to a high moral standard in a democratic community than the provision of adequate homes for the people. I hope the Government will urgently consider action to remedy this most serious problem, particularly in Gippsland, which contributes greatly towards the export wealth of the country. It is all important that there should be a proper balance between country towns and rural areas. The bulk of the production from rural areas is processed in the towns—I refer here to the dairying industry—and housing for the operatives is a vital necessity.

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The Hon. L. H. S. THOMPSON (Higinbotham Province).—First, I congratulate Mr. May on his very confident and lucid speech—his first in this House. I did not intend to participate in this debate, but am prompted to do so by certain references made by Mr. Ferguson to the education policy of the Government. Mr. Ferguson stated that the facts and figures did not bear out the Government's contention that its record was good. At the time of the last election, the Government promised to take certain action. First, it was stated that the money available for school subsidy works would be increased by 25 per cent. That promise was fulfilled during the first twelve months in which the Government held office. Secondly, it promised to double the maintenance grant, an objective which was also achieved in the first year. The other problems which the Government promised to remedy were a little more difficult of achievement. They related to overcoming the accommodation lag and the shortage of teachers. As regards accommodation, last year the Government built an all-time record number of 864 class-rooms. During the last two years of office of the Cain Labour Government, 598 class-rooms were built in 1953 and 647 in 1954.

During our two years of office, we have lifted those totals to 798 and 864 respectively—a magnificent achievement when one realizes that only five years ago the 400 mark had never been passed in this State. To put it in another way, the Government this year will spend £35,000,000 on education, whereas only four years ago the all-time record was £22,000,000. In the last year of office of the Labour Government the expenditure was increased to £25,000,000. We increased it further in our first year of office to £30,000,000 and then to £33,000,000. If the Government is incurring Budget deficits in order to reach this all-time record expenditure of £35,000,000 on education, we offer no apologies. It is also worthy of note that not only have we been spending more money on education and building more schoolrooms, but also

we have been receiving more value for our money. Over the last two years the average cost of school building per square was reduced from £234 to £218. That was achieved by increased efficiency, by standardization and by more competitive tendering without in any way lessening the facilities offered to the younger generation.

With regard to the teacher shortage, only a few years ago the Director of Education, Major-General Ramsay, stated that if he could recruit 600 teachers a year it would be only a matter of time before the shortage was overcome. Last year, the net increase in teaching strength, after allowing for normal retirements, was 1,450 and the teacher-pupil ratio is now 1 in 22, whereas at the conclusion of the war it was approximately 1 in 30. That is further evidence of marked and real progress.

Honorable members will recall that last year the Government gave some measure of justice to married women teachers. Prior to that, it was possible for women teachers who married to suffer salary reductions of alarming proportions. Already some 300 or 400 married women have availed themselves of the opportunity of becoming permanent members of the staff of the Education Department and of contributing to the special superannuation fund set up for their benefit. All this progress has been achieved despite the fact that Victoria has less revenue money to spend *per capita* than any other State. This State is not so badly off for loan funds and we are allocating 16 per cent. of the total loan raisings to the construction of school buildings, whilst other States are battling along on 6 per cent., 7 per cent. or 8 per cent. of their total loan allocations. In other words, in comparison with the other States of Australia, the Victorian Government is giving top priority to education.

With regard to revenue, the latest figures covering the financial year 1955-56 reveal that on such vital social services as health, education and penal administration, Victoria could afford only 365s. *per capita* whilst Tasmania spent 460s. and the average expenditure by the other four States

The Hon. L. H. S. Thompson.

was 408s. In spite of the severe drawback imposed by the uniform taxation system, which Opposition speakers have informed the House to-night has their support, the Government has been able to give just treatment to the younger generation of Victoria.

When they criticize the Government for incurring deficits, honorable members should bear in mind the fact that Victoria contributes more to the income tax pool on a *per capita* basis and receives less in reimbursements than any other State. We contribute 31 per cent. of the income tax pool and receive back only 26 per cent., the difference amounting to approximately £10,000,000 in this financial year.

The Hon. R. R. RAWSON.—Why does not Mr. Menzies rectify the position?

The Hon. L. H. S. THOMPSON.—In 1953 he offered to hand back taxing powers to the States, but owing to the attitude adopted by certain States governed by the Labour party, it was not possible for that action to be taken. Mr. Hawke and Mr. Cosgrove, the Labour Premiers of Western Australia and Tasmania, really sabotaged what might have been a successful conference on the return of taxing powers. They stated flatly that they did not want their taxing rights returned and I believe that is part of the official Labour policy. The Labour party considers that the uniform taxation system should be retained in spite of the fact that its cumulative effect on Victoria over the last 15 years has caused the State to lose approximately £91,000,000. Surely any effort that is made by the Government to force a review of the system and win back to this State the right to impose its own taxation is well worth while.

The Hon. R. R. RAWSON (Southern Province).—First of all, I congratulate Mr. May on his excellent maiden speech. I am sure we will have many more interesting addresses from him, and we will look forward with pleasure to hearing them.

Like the previous speaker, I did not intend to participate in this debate, but I must accept the challenge Mr. Thompson has extended. In the first place, I

point out to him that his Government inherited a sound financial foundation and an excellent programme so far as education was concerned. His remarks followed practically word for word the statement that was included in a paper sent to all honorable members by the Minister of Public Works, Sir Thomas Maltby. We were all very pleased that Mr. Thompson was able to say that more schoolrooms are being built. The Minister of Public Works also provided that information. However, I was surprised the honorable gentleman did not use more diplomacy. He was not satisfied merely to place the facts before us, but had to indulge in a good deal of party politics as well. In addition to stating that many more schoolrooms had been constructed, he informed honorable members that on taking office his Government had been faced with debts amounting to £292,000, carried over from the previous year, incurred on school construction. Probably that is true, but I would not be surprised if the same thing does not happen every time one Government hands over to another. Why should it be emphasized? What Sir Thomas Maltby did not do—I feel in all honesty he should have—was to inform honorable members and the public generally that his Government also took over a surplus of £1,337,000 from the previous Government. All that the present Government is doing is carrying on a programme which had been initiated by its predecessor. The Government should also be reminded that future Administrations will have to bear the burden of finding £290,000 for the interest on the deficit last year, and a like amount for this year's deficit.

If the good work on education is continued, we shall be pleased. There is no need for Government supporters to preen themselves on what has been done, because the Government received a very handsome legacy in the matter of education, not only in the plans that were established but also in the money provided to enable it to implement those plans. There is no need to cast aspersions on the Labour Government for what it did, because it prepared the foundation for the present

Government's efforts. There is no virtue in a Ministry that does not worry whether there is to be a surplus or a deficit. If a Government is satisfied to end each financial year with a deficit, there is no limit to what it can achieve. There is virtue in individuals or Governments meeting their obligations as they are incurred. I criticize the Government in that it is not providing sufficiently large subsidies for the establishment and continuation of school libraries. Parent organizations take a keen interest in these libraries, which are important factors in education. A school library creates an interest in reading and assists pupils to continue their studies after they leave school. It is highly desirable that every Government should encourage the establishment of school libraries. Last year, the allocation for this purpose was exhausted very early in the year, and the figures disclose that the present Government has not kept pace with what was done by its predecessor in this connexion. In the year 1953-54 the subsidy was £32,000; in 1954-55, £48,000; in 1955-56, £43,388; in 1956-57, £41,712; and in 1957-58, £43,000. The amount is not as high for the current year as it was in 1954-55. People interested in this subject should be given subsidies so that they can undertake the important work of encouraging children to become interested in reading. Government supporters should press for rectification of the present position. I am sure that a number of them will be asked by school committees in their electorates to do more in this direction than they are doing, and I trust that they will use their influence with the Government in this matter.

Other States are spending increased amounts on education. The only figures before me relate to New South Wales, and in that State this year the amount allocated for education is £38,589,864, an increase of £2,500,000 over last year's grant. This condition applies in all States because the pressure is for education above many other matters. If the Government does not provide new schools and additional teachers, it will not remain in office because the people

are demanding that they be given full educational facilities for the benefit of their children. No Government can claim any special virtue for providing additional schools and teachers because the people want this to be done. I think the statements made by Mr. Thompson have been completely refuted.

The Hon. T. W. BRENNAN (Monash Province).—There is a celebrated character in Dickens who always referred to King Charles's head. I am not referring to members but to a subject that is brought up with monotonous recurrence, that is to say, the pay-roll tax. The cry of the taxpayer's association and other interested bodies may have pierced the baize door of the Minister's office, and I venture to remind the Minister that I have asked him, in the same way as I approached his predecessors in previous Governments, to have something done about the matter, but apparently with no effect. I find that the aggregate total of pay-roll tax in three Departments—the Treasury, the Forests Commission and the State Rivers and Water Supply Commission, is £244,000 for the period ending 31st December out of a total expenditure of £27,000,000. The Minister may say that that is less than 1 per cent. of the total expenditure but I would point out that this pay-roll tax involves a hierarchy of paying officials. In a similar way, the Commonwealth Government has to maintain a hierarchy of receiving officials. There must be a commissioner of pay-roll tax, a deputy commissioner of pay-roll tax, with probably an assistant deputy commissioner, and so on.

The Hon. P. V. FELTHAM.—Down to the blonde typist?

The Hon. T. W. BRENNAN.—Yes, as my romantic friend has interjected. I claim some credit for having mentioned this subject to various Governments, with the result that the exemption has been lifted, but the public still has to pay the pay-roll tax. The sales tax was introduced by the Scullin Government in the 1920's and that has been retained, although the necessity for both pay-roll

tax and sales tax has long since disappeared. Originally, these taxes were levied to enable weekly or monthly collections of revenue to be made whilst waiting for the income tax lag to adjust itself. Taxpayers now pay their taxes in advance, and consequently, there is no need for sales tax or pay-roll tax to be imposed. These moneys held by the Commonwealth Government are taken not only from State instrumentalities, but also from private employing agencies. Any sincere Government, whether State or Federal, would act to abolish these excrescences of bureaucracy.

It is gratifying to note that certain finance has been provided for the new Aborigines Welfare Board. Recently, I attended a pleasing ceremony in connexion with the opening of the Moomba Aborigines' Club, situated off Gertrude-street, Fitzroy. The premises had to be reached through a very bad purlieu of side lanes along which was flowing a considerable volume of water from adjoining factories. Originally the premises, which are situated in the loft of an old building, were in a poor condition, but the aboriginal people—most of them are half-castes—have worked well to provide an attractive meeting ground for those of their race. It is a blow to us of the dominant white race to find that wherever there is a mixture with another race the characteristics of that race predominate. In other words, there is immediately set up a colour bar, whether in the case of a half-caste, a quadroon, or an octoroon. The moment it is evident that a person has any admixture of dark blood in his veins, he at once becomes a person apart. I plead for recognition of the Australian aborigines. They wrote to me and invited me to attend the Moomba club's opening ceremony and I was pleased to be able to do so. At least I could say with all sincerity that they had proved better trustees of Australia than members of the white race. After at least 2,000 years they left Australia in no worse condition than it was originally.

The Hon. D. J. WALTERS.—They made it no better, either.

The Hon. T. W. BRENNAN.—My commercially-minded colleague claims that the aborigines did not improve this country. He epitomizes the aggrandisement and the desire for riches of the white race. Everything that is not paying dividends must go. However, as previously mentioned, it is pleasing to note that some action will be taken to improve the lot of our aborigines.

All over the world, people young and old wish to know about Australia's prehistoric mammals and our flora and fauna. I am indebted to Mr. Feltham for making a plea that certain finance should be set aside for the preservation of our native birds and animals. We should do all in our power to preserve what we can of our native species. Mr. Feltham advanced strong arguments for the preservation of *Rhipidura leucophrys* Latham—not to be confused with *Motacilla barnardi*. He stated that there was no reason why this species should be wiped out from the avifauna of this country. Strangely enough, this bird is found not only in Australia, but also in the Molucca Islands and in New Guinea. Mr. Feltham asked me to mention this species which is known also as the "whitebrow," the shepherd's companion, the black and white fantail, the morning-bird, the frog-bird—"willie wagtail." The Bird Lovers' League, founded by the eminent naturalist, John Gould, has aroused interest in our native birds amongst both young and old Australians. Many people in this country are not familiar with the Australian birds, and I join Mr. Feltham in his plea that at least we should ensure that some action is taken to protect them.

The Hon. PAUL JONES (Doutta Galla Province).—It is not my intention at this late hour to deal at length with any specific items, although I wish to refer to the proposed standardization of the railway gauge from Albury to Melbourne. Only recently in this House, I urged the Government to take action to bring about the unification of this section of railway. At the time, of course, I did not realize that the work would be commencing so soon. It is

gratifying to know that an early start will be made, and that the work will be finished in a comparatively short space of time.

Recently, two very costly schools—the high school at Hampton and the State school at Braybrook—were destroyed by fire. Apparently, insufficient fire-fighting appliances were provided at these schools. It is penny wise and pound foolish to build costly schools and not to supply adequate fire-fighting equipment. From press reports, it appears that unsuccessful representations were made by the teachers of several schools to have fire-fighting appliances provided in our schools. For the safety of the children concerned, it is imperative that adequate precautions be taken against fire. Whilst it was pleasing to hear that so much money had been expended on the provision of costly class-rooms, I contend that it is foolish to erect expensive schools and neglect to equip them satisfactorily against fire. I hope the Government will take early action in this matter.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 (Issue and application of £27,383,985).

Sir ARTHUR WARNER (Minister of Transport).—Last year pay-roll tax cost this State £1,800,000. The Government has received legal advice to the effect that this form of taxation is probably not a proper levy. The difficulty facing the Government is that if money is spent fighting a case and it is won, there would be nothing to stop the Commonwealth Government from deducting the amount formerly collected as pay-roll tax from other financial allocations to this State. As Mr. Brennan suggested, if the tax were abolished it might save the trouble of computing the amount. Of all the taxes that are levied in Australia, I think the pay-roll tax is the worst. It tends to raise internal costs, and it prevents us from competing in export markets and with imports. The Government has made representations to the Commonwealth Administration and I personally have discussed the matter with various Federal Ministers.

In reply to Mr. Paul Jones, I would point out that the Government is obtaining a report on the fires that occurred at the two schools. It was unfortunate that the Chief Fire Officer did not mention the risks involved until after the fires occurred. I agree that a certain measure of "pennywise and pound foolish" policy is being followed because we are so desperately short of capital. One way of dealing with the problem might be to equip all schools with sprinklers. That would probably be an economic procedure in the long run. Nevertheless, the capital investment is beyond the capabilities of the Government.

Mr. Galbally raised the question of traffic congestion in the metropolitan area. The Government is proceeding with the Greater Melbourne plan and shortly it may be necessary to convert interim development orders into permanent orders and to devise a system of rating. In the meantime, the Government is proceeding with preliminary work in connexion with the construction of the King-street bridge.

I do not propose to traverse the whole of the transport policy. The latest investigation indicates that the greatest loss in the railway system is still occurring on services in the metropolitan area. The loss last year was in the vicinity of £4,000,000. There is no way of defeating that situation, other than by increasing fares, and the Government has decided that that is not the appropriate action to take. In country areas the loss on passenger traffic is in the vicinity of £2,000,000. One problem common to both the metropolitan and country areas is that the number of motor cars registered is increasing. I think the increase has been 300 per cent. in ten years. It is obvious that people who enjoy an increased standard of living want personalized transport and they are prepared to pay three or four times the cost of a train journey to be able to travel when they want to and to have the dignity of sitting in their own car. Whatever the reason is, they appear to be able to afford that luxury. The problem in Victoria is similar to that which exists in other countries which enjoy a

high standard of living—a public transport system cannot be operated at a profit.

There is an even more difficult problem associated with country areas, where the standard of income is slightly higher. Because of our modern road system it is possible to complete a journey by car quicker than by train, particularly when the train has to stop at all stations. Because the train journey is slow, people will not use the facility, and if the train does not stop at all stations, a service is taken away from the public. Then the political consequences are well known. I have had investigations made to determine whether it is possible to institute a faster service, with fewer stops, and fed by light transport such as buses. That would overcome the difficulty of and the objection to the slow mode of travel. However, it may not be an economic proposition.

There was some criticism in regard to the amount of money spent on the maintenance of roads. The total amount spent in that regard in Victoria last year was approximately £20,000,000, which I am sure honorable members generally will agree is a substantial sum. Capital expenditure on railways is approximately £7,000,000 annually, and in view of the great capital needs of the State in other directions there is a limit to the rate at which new carriages and other facilities can be put into service. Recently I said to the Commissioners, "In view of the fact that the new Harris trains are being used, maintenance costs should be reduced because we are getting rid of the old cars." The reply was, "Maintenance costs will be reduced when we start to get rid of the old trains." I asked, "Why are we not getting rid of them now?" The reply was, "Until we catch up on the shortage we will not be able to start to put the old ones out of service." We are getting close to the time when it will be possible to get rid of some of the old trains, and I think that will reduce maintenance costs. The Government has not spent any money on improving interstate rail facilities. We are merely using the normal facilities.

Concerning the standardization of the railway gauge between Melbourne and Albury, in the negotiations that I have been having with the Commonwealth authorities, I have explained to them that this State is so impoverished as regards loan moneys and income that whatever capital is required must be provided in full by the Commonwealth. I have explained that if we take the money out of funds normally devoted to the development of the railways, we shall be in real trouble, because we have not enough money now. The Commonwealth officials have conceded that point, and, in the first instance, the whole of the capital funds required will be supplied by the Commonwealth. In the long run, Victoria and New South Wales will pay 30 per cent. of the cost, and the Commonwealth 70 per cent.

The Hon. P. V. FELTHAM.—Is the capital to come out of Commonwealth revenue?

Sir ARTHUR WARNER.—That is a mystery I have not solved. Most of the Commonwealth's funds are derived from surplus income tax which, in general circumstances, the Commonwealth uses itself or alternatively lends to the States at interest. That is the position under the uniform taxation scheme. We now have to deal with the financial questions affecting New South Wales and Victoria. It may be found that we require new trains, and perhaps new rolling-stock for the transport of goods. If there is a high-speed track and another single track, fast goods trains will be desirable. All these matters are receiving consideration. The Commonwealth and the State each having provided £25,000 for planning purposes, sufficient progress has been made to enable practical work to be started, and the Railway Department is proceeding as if finality had been reached.

The Hon. PAUL JONES.—What will be the estimated annual saving to Victoria?

Sir ARTHUR WARNER.—It is difficult to compute that figure, but the cost of transferring goods at Wodonga alone is £500,000 per annum. This represents 5 per cent. on the estimated capital cost of the works to be undertaken, so for that purpose it should be profitable

for interest to be paid on the money expended. Moreover, there will be other advantages, including the lack or lessening of pilfering, reduced damage as a result of less handling of goods, and increased benefits attaching to a speedy trip for passengers. One of the problems as regards rail passengers is the fact that the Commonwealth subsidizes the airways to the extent of £3 10s. per passenger per flight.

The Hon. W. O. FULTON.—Does that apply to every passenger trip interstate?

Sir ARTHUR WARNER.—Yes.

The Hon. G. S. MCARTHUR.—Why is that subsidy paid?

Sir ARTHUR WARNER.—First, the Commonwealth desired to develop the airways for defence purposes; I should think the reasons have partly disappeared now. Concessions in respect of business from Bendigo have been mentioned. The present Government is the only one, so far as I have been able to ascertain, that has ever reduced any freight. But whenever freights are reduced, instead of being given a pat on the back, the Government encounters trouble.

The Hon. W. O. FULTON.—You would hardly notice what you gave to the people of Benalla!

Sir ARTHUR WARNER.—Mr. Swinburne approached me regarding this matter and I promised to have an investigation made. I instructed railway officials to ascertain what could be done in the matter. They formulated a small reduction, rushed up to Benalla, and signed up the local people. Afterwards, they informed me that the rate had been reduced and that contracts had been concluded. I was in the position of having to say, "You have been too quick," which I did not like to do, or to say, "Now that you have secured the money and arranged contracts, and everybody appears happy, I refuse to accept the situation and you must give them something they did not ask for when you signed them up."

The Hon. W. O. FULTON.—You would recognize their work as good salesmanship?

Sir ARTHUR WARNER.—Yes. I thought it was pretty bright of them. On the one hand, I think one should compliment them. I say no more about the subject, other than to promise the member concerned that I will examine the matter when the contracts come up for review next year. I shall also have a look at the Mildura schedule. The problems encountered on this line are common and perhaps I may be assisted by Mr. Ferguson, who seems to be full of advice on the subject of transport. Some criticism was offered on the question of the Government's decentralization policy as it affects transport. This is a subject on which one could write a book. There are low freight rates applicable to some farm produce and high freight rates on other farm commodities. Governments for many years have formulated transport policy having in mind the agricultural needs of the country. That may be sound, but there is a backwash affecting decentralized industries.

Recently, the Government said to a decentralized industry, in effect, "We will allow you the lowest freight rate on the railways that we can afford, and if it is not low enough you can get a further reduction by obtaining a payment from the Decentralization Fund." In most instances, we have satisfied every decentralized industry as regards freights. But even when that is done, it does not solve the problem entirely. Now that the Government has won the High Court action regarding the validity of the Commercial Goods Vehicles Act—subject to an appeal to the Privy Council—it is the first Government in Australia to succeed in developing a piece of legislation that would go through the eye of the needle, as it were. Since it appears that the decision might stand, and since the tax on diesel fuel has been adjusted, perhaps we should consider further whether it is possible to make general over-all adjustments in terms of railway freight, bearing in mind the question of the freedom of the roads. When I have examined the problem, I hope to bring another plan to the House with better success than I had last time.

The Hon. W. O. FULTON.—What rate would you like to charge for super-phosphate?

Sir ARTHUR WARNER.—I do not know. I do not think it is necessarily right to increase rates. At present I am considering all the freedoms that could be granted, all the freight rates that could be reduced, the cost of doing so, and whether there is some way of financing operations. The Transport Regulation Board and the Railways Commissioners are investigating the problem. On the other hand, road transport operators have given some indication that they will appeal against the decision of the High Court. In that case, we will have to wait and see what happens, because on the decision that is made will depend our ability to afford more freedom on the roads.

In reply to Mr. Ferguson, I wish to say that most transport Ministers in other States believe that in view of the impact of the Commercial Goods Vehicles Act, the States ought to combine to seek a referendum with the object of empowering the States to regulate road traffic and to charge fees to cover wear and tear and capital construction costs. The consensus of opinion is that the levying of charges under the Commercial Goods Vehicles Act would be preferable to seeking an amendment to section 92 of the Constitution, with the attendant risk of interfering with the freedom of the people. We would prefer to have settled the question whether it is permissible to charge road users a fee to cover wear and tear before attempting to embark upon a regulatory system. That is the policy of the Government. I shall request the Minister of Education to inquire into the question raised by Mr. Little.

In reply to Mr. Swinburne, I would say that the Government has sought an increased allocation from the Commonwealth for housing purposes, and an indication has been given that additional funds will be made available in the form of bank advances, although I do not know the extent of the increase. Mr. Swinburne stressed also the desirability of having a uniform system of municipal valuations, with which I agree in principle. I maintain, however, that values should be determined by

municipal officers, although the basis for valuations might well be fixed by a central authority. Other than to congratulate Mr. May upon his maiden speech, I have nothing more to say at this stage.

The Hon. D. P. J. FERGUSON (South-Western Province).—I direct attention to the fact that those persons voyaging overseas who are furnished with letters of introduction to the Agent-General in London experience considerable difficulty in meeting that officer. Frequently they are “fobbed off” by a subordinate, and they are not at all happy about the position. I ask the Minister of Transport to have the position investigated.

Sir ARTHUR WARNER (Minister of Transport).—The matter will be reviewed. I understand, however, that so many persons who travel to England carry letters of introduction to the Agent-General, that it is almost an impossibility for him to cope with them.

The Hon. D. P. J. FERGUSON (South-Western Province).—The previous Government substantially increased the annual grant to the Surf Life Saving Association of Australia—Victorian centre. I think that in the year 1954-55 there was a special grant of £4,000 for the association, and it was to be followed by two annual grants each of £3,000. That makes a total of £10,000 over a period of three years. The sum granted to that body has done much to establish surf life-saving in Victoria on a proper basis, and the association is progressing very well indeed. I am certain that members appreciate the splendid voluntary service rendered by those surf life savers who patrol the beaches. Over the last ten years I understand they have more than 700 effective rescues to their credit. Visitors to surf beaches feel confident because of the protection they will be afforded in case of need. I point out that surf life savers must have proper facilities for housing their gear, which is expensive. The money that has been advanced to the association has been well applied, and I trust that the Government will continue to afford adequate financial assistance to enable it to continue its good work.

I request the Government to give favourable consideration to expediting the completion of what is known as project No. 2 at the Old Folk's Home, Geelong. For the next two years, the financial allocation to the institution will be at the rate of £148,000 annually. On that basis accommodation will not be available until sometime in 1959. The contractors are prepared to speed up the work, provided that they receive a guarantee that additional finance is available. The committee of the institution has tried to raise a temporary loan to bring the last annual appropriation forward twelve months. In other words, instead of an amount of £148,000 being allocated this year and a similar sum next year, the total of £296,000 should be made available during the current year. That would enable the contractors to employ a number of tradesmen who are available and to complete the work within twelve months. I ask the Minister of Health to give favourable consideration to my suggestion.

The Hon. E. P. CAMERON (Minister of Health).—I remind Mr. Ferguson that aged people's homes are being built in other areas also, and that one cannot suddenly double the allocation for one scheme without other commitments being affected. The work was stopped by a previous Government in 1952 after £112,000 had been expended on an extravagant boiler house and chimney. This Government decided to make use of this extravagant erection by adding accommodation to it and getting the project going again by building the first wing of the home. When that is completed 98 or 100 beds will be available for use. The following two sections to be constructed will be about the same size. Therefore, elderly persons will be in occupation before the time stated. No one knows better than Mr. Ferguson that the Government cannot suddenly double the allotment of funds in this instance without decreasing an allocation elsewhere. The Government will ensure that the home is completed as early as possible.

The Hon. D. P. J. FERGUSON (South-Western Province).—I do not wish to contradict the Minister of Health, but it

is idle to claim that this Government recommenced the project. The facts are that in 1953 the then Minister of Health—Mr. Barry—visited the site accompanied by the new members of the Hospitals and Charities Commission. The work, which was regarded as something of a white elephant, was suspended. The Commission recommended that fresh plans be drawn up for a pavilion-type of construction. Any delay that then ensued was the fault of the architects, Messrs. Stephenson and Turner, whose plans were not available until June, 1955. The difficulty has been to obtain sufficient finance from the Treasury. The allocation for the remodelling project was decided on the basis of £40,000 for the year 1955-56, and three subsequent grants of £148,000. A great need for accommodation for aged persons exists in Geelong, and the matter has been discussed on many occasions. At one stage the Premier promised to clean up the mess, but when the local committee approached him the honorable gentleman stated that, while he could not grant any funds, he would give the committee a Government guarantee on any loan it could raise. The committee approached three trading banks and one large insurance company but could not obtain temporary loan accommodation of £150,000. The contractors are on the job and the progress of the project will be determined by the finance available. I am merely asking that the allocation of £148,000 for the year 1958-59 be made available twelve months earlier, in order to greatly expedite the work. That would make the first section of accommodation for 94 persons available at an early date.

In 1953 the Minister of Health, Mr. Barry, and the Hospitals and Charities Commission considered that the large services block already built would be ideal for a community laundry for the Geelong hospital and the Old Folk's Home. At present the laundry facilities of the Geelong hospital are overtaxed. The boilers also provide steam for heating the wards. The Commission has gone to sleep on this project, and the hospital committee has been forced to consider constructing its own steam-raising plant and reconstructing the

existing laundry. Therefore, a danger of unnecessary duplication exists. I urge the Minister of Health not to worry about playing party politics, but to endeavour to achieve a sensible solution to this problem which will cut costs and render service to the community.

The clause was agreed to, as was clause 2.

The Bill was reported to the House without amendment, and passed through its remaining stages.

CRIMES BILL.

This Bill was received from the Assembly and, on the motion of the Hon. G. S. McARTHUR, (Minister of Forests), was read a first time.

MAINTENANCE (CONSOLIDATION) BILL.

This Bill was received from the Assembly and, on the motion of the Hon. G. S. McARTHUR (Minister of Forests), was read a first time.

WANGARATTA (RATING ON UNIMPROVED VALUES) BILL.

Sir ARTHUR WARNER (Minister of Transport).—I move—

That this Bill be now read a second time. This Bill is one of a type which has an irritating effect on both the Government and honorable members, but I believe there is no other alternative than to allow it to pass. The council of the Borough of Wangaratta held a plebiscite under the Local Government Act in order to ascertain the views of rate-payers on the question of whether a change should be made to the unimproved rating system. The result was that 2,000 voted for the change against 500 in opposition to it. As a large majority of ratepayers desired the adoption of the unimproved rating system, the council proceeded to implement the decision of the people. Certain notices were published to this effect, but one notice that was required under the Local Government Act was overlooked and thus the council failed to carry out its obligations. Apparently nobody realized the position and rates were levied and collected by the

council under the new system. Presumably somebody then discovered that the requirements of the Local Government Act had not been complied with and that he would have been rated more favourably under the old system. The council was faced with the position that it was not legally entitled to the rates it had collected and, to use a colloquialism, it was in a mess. There were other consequences attached to the failure of the council to publish the required notice, but I do not think I need elaborate them. Unless action is taken by Parliament, the council will be placed in a difficult position until a further plebiscite is held in order that another ruling may be obtained. If this were done, I have little doubt that steps would be taken to make sure that the proper notices were published.

The Hon. T. W. BRENNAN.—What would be wrong with that course? Why should not another poll be taken?

Sir ARTHUR WARNER.—The holding of another plebiscite would considerably impair the finances of the council. It has simply failed to comply with a technicality. The will of the people has already been properly determined. If there had been only a small majority of 2 or 3 per cent. of the voters in favour of a change, another poll might be desirable.

The Hon. J. A. LITTLE.—Are you sure that you are in possession of all the facts?

Sir ARTHUR WARNER.—I have outlined the facts as they have been reported to me. It is quite obvious that there has been a technical irregularity and as a consequence the council has collected rates to which it is not legally entitled. Nevertheless, it acted in good faith. I do not want to use the term disparagingly, but probably some "smart Alec" found out that his rates had been increased and that the council was not technically entitled to adopt the new system of rating as it had not complied with all the provisions of the Local Government Act. Thus the borough has been placed in a very difficult position. I do not see how the borough could overcome its financial difficulties other than by the passage

of this Bill. The rates have been collected illegally and, if this measure were not passed, the borough could be compelled to refund all moneys collected. It would be necessary then for the borough to conduct a further poll, issue new rate notices, and so on, and it is doubtful whether the previous year's rates could be collected.

The Hon. T. W. BRENNAN.—Has not the present Government had to refund the road hauliers' tax?

Sir ARTHUR WARNER.—That was not a question of illegality.

The PRESIDENT (Sir Clifden Eager).—Order! There is no connexion between the road hauliers' tax and this Bill.

Sir ARTHUR WARNER.—This difficulty arose because of a technicality. The borough council inserted an advertisement in the local newspaper instead of arranging for its insertion in the *Government Gazette*, and it is desirable that the Government should "rescue" the borough from its predicament. I can understand that, as a legal man, Mr. Brennan wishes to see the law carried out and to see some legal point taken advantage of by a suitable client, but in common justice to the people concerned, and to the borough, this measure should be passed.

The Hon. ARTHUR SMITH (Bendigo Province).—This is a somewhat unusual Bill, which is of considerable importance to the Borough of Wangaratta. On 23rd August, 1956, a poll was held to determine the system of rating that should be adopted at Wangaratta, and 2,115 ratepayers voted in favour of and 510 against the system of levying rates on the unimproved capital value of the land. As the Minister pointed out, this represents a large majority.

The difficulty has arisen because of a small technicality. In other words, the result of the poll was not published in the *Government Gazette*, although it was advertised in the local Wangaratta newspaper. The Borough of Wangaratta is now faced with the situation of having collected rates from certain ratepayers whilst a number of other ratepayers are refusing to pay them. If this matter were considered by the court, the borough could be compelled

to refund the rates already collected. We are all human and we all make mistakes at some time or other and, in this instance, seeing that the mistake has been made, the only means by which it may be rectified is for this Bill to be passed. In order that the Borough of Wangaratta may be enabled to continue its normal activities, members of the Labour party commend the Bill to the House.

The Hon. J. A. LITTLE (Melbourne North Province).—Members of my party intend to oppose this measure. We do not know personally the mayor, the councillors, or the ratepayers of the Borough of Wangaratta, but this measure does not concern only those people. The effects of this case could have far-reaching effects so far as the whole system of jurisprudence of this State and this country is concerned. It is not simply a case of one honest mistake having been made and, in order to avoid a tremendous amount of chaos, the necessity of validating the mistake by means of legislation. A writ has been issued on three distinct grounds, the first relating to the circumstances of the taking of the poll. The Minister suggested that the poll was conducted in accordance with the Local Government Act, but that is one of the matters that has been challenged. I am not prepared to set myself up as a judge as to whether or not the challenge is valid. If Parliament agrees to the passage of this Bill, it will do so without hearing any evidence from the plaintiffs or from the defendants on this particular question. It is wrong that Parliament should be used in this manner.

The Government has been confronted with a difficult problem and it has chosen as a solution what it considers to be the lesser of two evils. However, I believe the Government has chosen the greater evil. The chaos that may result in the Borough of Wangaratta as a result of the council's deficiencies would be small by comparison with the effect of undermining the principles of the legal procedures of this country, particularly in view of the fact that a writ has been issued. Had the council approached Parliament to pass this Bill

prior to the issue of the writ it would have been a vastly different matter. In some respects, this question is closely allied to the recent appeal before the Privy Council, when certain legislation passed by the State and Federal Governments was challenged. It would have been wrong to pass further legislation while the matter was before the Privy Council and it was *sub judice*. Similarly, on this occasion, it would be wrong for this Parliament to legislate to overcome the difficulty confronting the Borough of Wangaratta, until after the matter has been decided by the court. There is no justification for interfering with the courts of justice. I am sympathetic towards the ratepayers, the local council, the town clerk, and the Government, but I do not support this method of overcoming the difficulty that has arisen. Once legislative action is taken to solve a problem of this nature, it will be used as a precedent for similar action when more serious issues are involved—that is, if there could be more serious issues.

It is suggested that the result was not obtained at a poll of all the people eligible to vote, but something less than 50 per cent. of them. I admit that the majority in favour of one school of thought appears to be a large one. Even if it were double what it is, does that negate the right of a person to challenge the rules and regulations under which the poll was conducted? But Parliament was asked to interfere after the writ had been issued. I understand that the Government is aware of these facts.

I have a copy of a letter from the solicitors for the plaintiff in this case, which was sent to the Minister of Public Works. In that letter attention is drawn to the fact that it is not only the non-advertising of the result of the poll in the *Government Gazette* that leads to the complaints. There are two other matters that have not been resolved, and Parliament is not the body to resolve those issues. Although there is no evidence before us, it is suggested that we should set ourselves up as a court to

judge them. The letter states clearly that the plaintiff is representing a body of aggrieved ratepayers.

The Hon. A. K. BRADBURY.—What is the name of the body?

The Hon. J. A. LITTLE.—It is stated in the letter that the plaintiff acts on behalf of a ratepayers' association and there is reference to the fact that certain deponents were refused postal votes. Those persons cannot place their point of view before members, and this Bill aims at preventing them from putting their case to a court. There was no mention of this letter in the explanatory second-reading notes circulated by the Minister. I think the House was misled when the honorable gentlemen said that only a simple matter was involved. Legal opinion may be that the most valid objection is that the result of the poll was not published in the *Government Gazette*, but that does not mean that the other grounds should be disregarded. The plaintiff may consider that the other objections are more important than the technical one. Yet, the Government proposes, by means of legislation, to ensure that the Borough of Wangaratta is not embarrassed. If it is proposed to introduce special legislation to upset the Local Government Act because a semi-governmental body is embarrassed, then the floodgates will be thrown wide open. I suggest that the Bill deals with a matter that is far more important than the inconvenience caused to the Borough of Wangaratta.

I know that similar legislation has been passed by this Parliament on other occasions, but never when a writ relating to the proposal was before a court. I think that takes this case out of the category of being a minor matter. If we interfere with the rights of the people involved in this case, then we set a pattern for the future. Those people who have access to members of Parliament or political parties will be placed in a privileged position over the rest of the community. That is not the basis on which a democracy is founded. I believe that the rights of the plaintiff in this case are equal to those of the mayor, the councillors and the other ratepayers of the Borough of Wangaratta. If a minority

suffers an injury through having its claim taken out of the jurisdiction of a court, then every other minority that feels that it has a case to put on some matter may also be injured.

I suggest that this Bill should not have been introduced. In the circumstances I consider that it was too late to bring it before Parliament when certain facts had been challenged in the court. The court should have fulfilled its proper function and decided the matter on the evidence before it. I hope that this House will not be misled into passing this measure on the ground that the issue involved is of no consequence. I believe that the principle involved is so important that the Bill should be rejected.

The Hon. A. K. BRADBURY (North-Eastern Province).—I support this measure, by which it is proposed to validate the striking of a rate on the unimproved capital value of property, as adopted by the Wangaratta Borough Council. Mr. Little has criticized the measure, but I assure him that the Borough of Wangaratta, or any other municipality, is responsible to the Government. Conversely, the Government has a duty to guide a municipality in the conduct of its affairs. If this Bill is not passed, the finances of the Borough of Wangaratta will be in a chaotic position, because it did not strike a valid rate within the twelve months ending 30th September, 1957. Unless action is taken to remedy the situation the council will have to return £57,000 to ratepayers. No municipality in Victoria would be in a position to refund the whole of the rates collected during the year.

My colleagues and I assure the House that we, as individuals, do not like this type of legislation. I believe that the Borough of Wangaratta regrets the necessity of having to bring this matter before Parliament in order that an irregularity may be corrected. To a large extent this Bill is necessary because of the lateness of the issuing of the writ.

The Hon. J. A. LITTLE.—The writ was issued four months ago.

The Hon. A. K. BRADBURY.—It was issued in June. If Mr. Little desires to play the game hard, I point out that the Ratepayers' Protection Association had published in the local newspaper, the *Wangaratta Chronicle Despatch*, as early as March, certain letters advising people not to pay their rates, but would give no clue as to why the public was being so advised. Any fair-minded ratepayer should have realized that a mistake had been made in the method of striking the rate.

The writ was not issued until late in June, and it was only on the 19th August that my colleagues in the Country party and I learned of the desire for the introduction of this Bill. The Crown Solicitor was consulted with the view of ascertaining whether there were other ways of meeting the situation. At that time the Wangaratta Borough Council did not know it was necessary for validating legislation to be passed. The council had only until the 30th September to strike a fresh rate on the basis of net annual values, and it was faced with the possibility of having to return a total sum of £57,000. This related not only to the municipal valuation, but also to the water trust and the sewerage authority, two separate bodies, each of which must, under the appropriate Acts, strike the same rate as operates in the municipality. The three bodies would be in an identical position. Time did not permit of the striking of a rate on the net annual values to enable matters to be corrected.

The writ refers to non-application of the provisions relating to compulsory voting. When compulsory voting has been adopted by a municipality, is the council responsible, under the Local Government Act, to advise the ratepayers of this fact whenever a poll is held? I understand that the responsibility to know the law rests upon the ratepayers. Certain members of the Ratepayers' Protection Association who challenge the validity of the rate on the ground of non-compliance with the provisions relating to compulsory voting were borough councillors a few years ago. At the

1955 municipal election, they widely publicized the fact that voting was compulsory in order to ensure that a good vote would be recorded at the poll. But after one of their candidates was defeated at the election, the Act was forgotten.

The Hon. J. A. LITTLE.—Do these political considerations affect the fundamental principles?

The PRESIDENT (Sir Clifden Eager).—A copy of the writ has not been produced. The Bill refers specifically to one shortcoming only, namely, the lack of publication of a notice in the *Government Gazette*. How does Mr. Bradbury introduce the other matters to which he has referred?

The Hon. J. A. LITTLE.—Clause 3 covers all other phases.

The PRESIDENT.—I appreciate that fact. The expression used is "Notwithstanding any defect error omission or invalidity", but the Bill refers specifically to only one such matter. I do not know where the debate is leading.

The Hon. A. K. BRADBURY.—I bow to your ruling, Mr. President.

The PRESIDENT.—I am not giving a ruling. Has Mr. Bradbury a copy of the writ?

The Hon. J. A. LITTLE.—I have a copy, which I hand to you, Mr. President.

The PRESIDENT.—I desire to ascertain how far the matters raised are relevant to the Bill.

The Hon. A. K. BRADBURY.—I take it that, in clause 2, the expression "any error defect or omission" would cover the ground which has made necessary the introduction of this validating Bill.

The Hon. J. A. LITTLE.—The other matters could not then be settled in court.

The PRESIDENT.—I understand that the Minister of Transport, in explaining the measure, stated that only one small matter was involved, namely, an omission to have a notice published in the

Government Gazette. However, the Bill is before the House and, apparently, by inference, it refers to any defect whatever.

The Hon. A. K. BRADBURY.—That is so. I have stated the position regarding compulsory voting. On the question of postal voting, a point referred to by Mr. Little, it might be of interest to members to learn that the total number of applications for postal ballot-papers received by the municipality was seven. This number could not have any effect upon the vote taken as a result of a petition presented to the Wangaratta Borough Council. The poll resulted in 2,115 voting in favour of the adoption of rating upon unimproved capital values, and 510 against.

The Hon. J. A. LITTLE.—Were the applications received?

The Hon. A. K. BRADBURY.—The casting of seven postal votes would have no effect whatever upon the result of the poll. Neither the members of the council nor my Parliamentary colleagues representing the district concerned were happy about the Government bringing into Parliament a Bill to validate an irregularity.

THE PRESIDENT (Sir Clifden Eager).—The clause of the writ relating to particulars of non-compliance states—

- (a) Non-publication of the statutory advertisement within the statutory period;
- (b) non-application of the provisions relating to voting by post; and
- (c) non-application of the provisions relating to compulsory voting.

So, although the Bill mentions only the small matter of non-publication in the *Government Gazette*, it attempts to overcome all the other defects complained of in the writ, and therefore all Mr. Bradbury's statements are quite relevant.

The Hon. A. K. BRADBURY.—Thank you, Mr. President. We did not wish to have to resort to the procedure now being followed. The ratepayers voted overwhelmingly in favour of the rate being based upon unimproved capital values in the Borough of Wangaratta. Owing to a shortness of time and to save chaotic financial conditions from existing in the borough, it was decided, on advice

received from the Crown Solicitor, that there was no other alternative to adopt. For that reason, I trust that the House will accept the Bill so that the body of men who have given of their time voluntarily in the service of ratepayers and in the interests of the State will be protected.

The sitting was suspended at 12.53 a.m. until 1.23 a.m. (Thursday).

The Hon. T. W. BRENNAN (Monash Province).—I am sensible of the time at which we speak. However, the fault does not lie with my party but with the Government which has chosen to bring this ill-considered measure on with such indecent haste. I am sure Mr. Bradbury will not mind my referring to the fact that he is a councillor of the borough named in this Bill. No doubt he has a sympathetic or sentimental interest in the subject, and I may adopt him as an authority when he uses language of this sort, "We do not like having recourse to legislation of this particular kind." The "we," of course, means the Country party. If there is any place in this State where free speech should be permissible it is in this House. Parliament is the guardian of the liberties of the subject and it is supreme over all persons and corporate entities, which are legally classified as persons. Therefore, it is the duty of any member who feels that his Parliamentary function is in any way being impaired or injured by the purport or intent of any Bill brought before this House to speak out loudly in protest. No matter how deaf may be or seem to be the ears to which we speak, there is another court of appeal beyond the ramifications and environs of this House. I mean the vast field of public opinion—beyond even that which is voiced in the press of this country—which is comprised of the thoughts of all good citizens and their sense of what is right and proper in the exercise of the legislative duty. We are the legislative arm of the Government. It is our duty to examine all proposals, but it is not our duty to rush into the breach with respect to some particular person or corporation to make good or remedy something which otherwise would be illegal. I hesitate, in the face of the grandiloquent language

which has been used in this House by members of the Government speaking of their achievements, to impugn that Government, but I cannot help thinking, without reference to any persons or personal criticism at all—the Minister of Transport has had to do his duty—that the introduction of this Bill in this manner and couched in this language is fully in keeping with a Government which has found it necessary on several other occasions to intervene in respect of certain favoured individuals, either to validate something they were doing or to give them some legislative chance or preferment over other members of the community or of their particular profession or craft. For that reason my party has found it necessary to speak against measures which are fresh in the memories of honorable members.

The Hon. C. S. GAWITH.—Can you cite another instance?

The Hon. T. W. BRENNAN.—Two instances spring to my mind, namely, a Bill to make a certain person secure in his position as masseur, and a Bill which hastened to establish a law relating to estate agents. Of course, Mr. Gawith is a legal student and will recognize that the first great principle of jurisprudence is that not merely shall justice be done—

The Hon. C. S. GAWITH.—But that justice shall appear to be done.

The Hon. T. W. BRENNAN.—By taking the words out of my mouth Mr. Gawith has passed sentence on himself as a supporter of a Government which would seek to flaunt injustice in the face of the community by mere legislative numbers. Although pressures may be at work to cause this state of affairs—members of the Country party may be flying to the assistance of their friends in Wangaratta—that is no reason why this arm of legislature should take upon itself the absolute negation of justice.

The Hon. P. T. BYRNES.—The Bill was not introduced by the Country party.

The Hon. T. W. BRENNAN.—I regret that I am not so innocent as to be able to accept Mr. Byrnes's observations at

face value. It is quite obvious to me that this Bill has the support of the Country party.

The PRESIDENT (Sir Clifden Eager).

—I suggest that the honorable member should address the Chair. The observation to which Mr. Brennan is replying is quite unknown to me as I did not hear it. I think it would be best if he did not heed it.

The Hon. T. W. BRENNAN.—I spoke under provocation, Mr. President, and I accept your correction. Some capital has been made of the fact that somebody did not issue a writ at a certain time. At the same time we are informed that the newspapers circulating in the district made frequent references to what was going on and that there would be threats of litigation and so on. It is obvious that the council itself did not attempt to rectify the position until a writ was actually served. Then it ran to the Government seeking to have its actions made legal. Bills of this nature impugn the dignity of Parliament. This is an attempt to make the institution a court of appeal open to sections of the people who need favours at the expense of others. I am quite aware that thousands of pounds may be involved if the rates were levied wrongly. Nevertheless, I point out that the relevant provisions of the Local Government Act were placed on the statute-book after due consideration by members of Parliament. The municipal system is much older than the parliamentary system. It is the duty of municipalities to obey the law, just as it is the duty of ratepayers. In this connexion, I direct attention to an observation made by a member of another place when referring to certain actions taken by lower courts in relation to penalties.

The PRESIDENT (Sir Clifden Eager).

—Are you referring to one of the debates in the other House during the present session?

The Hon. T. W. BRENNAN.—No, I am referring to a newspaper report in which there was a complaint that penalties inflicted were inadequate. All honorable members are

aware that actions brought by instrumentalities have been dismissed because of some defect in the prosecution. I am sure that Mr. Machin, who has had vast municipal experience, has knowledge of such cases. Where were the crocodile tears of the Government on those occasions? No attempts were made to rescue the parties concerned from their plight in those instances. Mr. Bradbury stated that a vast preponderance of persons favoured the new system of rating. If that is so, to me it would appear to follow that they would not require a refund of the rates levied under a system they favour. Other methods could have been adopted by the council to cure the defect in its procedure. It would have been quite competent for it to have taken a "straw" vote of the ratepayers. I say quite candidly that I feel that we are considering merely an attempt to protect certain people from the consequences they may suffer when they next face their electors unless they are able to inform the ratepayers that they have been able to overcome the difficulty in which they placed the council. I do not accuse any person of guilt in this matter. I accept the assurance of the Minister that the council acted in good faith. However, the point is that the law has been broken and Parliament is asked to put a splint across an injured limb. If it were merely a matter of the council asking Parliament to correct an irregularity, there might be an argument in favour of the Bill. However, to request this action to be taken in the face of legal process, is simply asking Parliament to anticipate the verdict of a court of law. I think the action of the Government is utterly improper.

The Hon. J. A. LITTLE.—If the Bill is passed the person who issued the writ on three grounds will be non-suited.

The Hon. T. W. BRENNAN.—That is so. As you soundly observed, Mr. President, in your consideration of the Bill—

The PRESIDENT (Sir Clifden Eager).—Not in my consideration of the Bill; in my consideration of the relevance of Mr. Bradbury's argument.

The Hon. T. W. BRENNAN.—I accept the correction. Clause 2 of the Bill seeks not merely to validate an omission to advertise in the *Government Gazette*, but to sweep away every ground of complaint. It provides—

(1) Notwithstanding any defect error omission or invalidity in any step taken or required to be taken or in any act done or performed or required to be done or performed in or in relation to the procedure for adoption of the said Part XI. and, in particular, notwithstanding the failure to publish the notice in the *Government Gazette* as hereinbefore recited, but subject to the provisions of this Act, Part XI. of the Local Government Act 1946 shall for all purposes be deemed to have been validly adopted in the Borough of Wangaratta on the twenty-ninth day of August One thousand nine hundred and fifty-six, and the provisions of the Local Government Acts and of every other relevant Act or enactment shall apply accordingly.

(2) Without limiting or affecting the generality of the last preceding subsection—

(a) all rates made by the council of the said borough under the Local Government Acts; and

(b) all rates and charges made by the said council or any other authority or body whatsoever under any other Act—

shall subject to this Act be and be deemed always to have been as valid and effectual for all purposes as if the said Part XI. had been validly adopted in the said borough on the said date.

I submit the procedure being adopted is unworthy of this House. If members of the official Opposition cannot see their way clear to stand in defence of our citizens, my party has only its own numbers on which to rely. No matter what arrangements are made between the other parties before the House meets, we propose to carry out our duties as members of Parliament. When an attempt is made to excuse a municipality from carrying out requirements of the Local Government Act, Parliament is placing itself in the position of conniving to defeat the requirements of the law. In those circumstances, we cannot free ourselves from the imputation that we are here only to protect powerful interests and that when a body such as the Borough of Wangaratta is in trouble, we will run to its assistance. If it were a citizen or ratepayer of Wangaratta, should we be first to take

action on behalf of that person? This is a procedure to which we do not like to have recourse, and in the name of parliamentary Government we do not propose to adopt it.

The Hon. I. A. SWINBURNE (North-Eastern Province).—It should be pointed out that the Government, through the Minister of Public Works, is responsible for carrying out certain functions in the interests of ratepayers under the Local Government Act. In this case, I feel that the Minister has been guided by legal advisers and has acted in a certain manner. This is a type of Bill with which members do not like dealing, but when the Minister of Public Works found that a "red-hot potato" had been put on his plate he felt he had certain responsibilities. This Bill is the result. I am a representative of the area affected, and, as everyone concerned had an opportunity of presenting views to the Government on this issue, I feel that the Bill is an answer to the plight in which the Borough of Wangaratta found itself. I am more concerned with the ratepayers than with the borough. The Government is perturbed with what could happen to the borough council, as it carries out certain services on behalf of the Government, and unless this matter is regularized the residents there could find themselves in a difficult position—with no water supply or sewerage services—and there will be chaos unless this Bill is passed. Mr. Little contends that we have taken the greater of two evils; I say that we will be adopting the greater of two evils, if we do not proceed with this Bill.

I discussed this subject with the Solicitor-General, when the question was put to me by the local council in the first place. At the time, I was opposed to the suggested procedure, but I was faced with the position that would arise if the court case took its course. The plaintiffs would have obtained a decision in their favour, with costs against the council. The Solicitor-General asked me, "If it reaches that stage, what will the Government do?" His advice then was that it would be necessary to introduce a Bill to safeguard the ratepayers. Doubtless, that would have occurred at some future date, owing to the lag in

the hearing of court cases. I had to decide whether I should consider supporting the Bill, knowing that the plaintiffs would win their case, with costs. The passing of the Bill would put the ratepayers in the position that they would have been in if some officer of the council had not committed an error in carrying out the provisions of the Local Government Act. After considering the facts, I felt that if the action of the Borough of Wangaratta in levying and collecting a rate on unimproved capital values within the financial year ending 30th September, 1957, was to be validated, it would be necessary that some safeguarding action should be taken. That was the advice both to me and to the Government. It is the responsibility of the Government to protect the ratepayers.

The Hon. J. A. LITTLE.—The Government protected them by not telling us the full story.

The Hon. I. A. SWINBURNE.—I do not think that is the fact. I did not learn that there were three issues before the court until last Sunday evening when I interviewed representatives of an association in Wangaratta. I feel that the reason why they are not mentioned is that the advice given to the Government was that the case would not be won on those issues but on the ground that was cited.

The Hon. J. A. LITTLE.—No evidence has been heard in respect of that.

The Hon. I. A. SWINBURNE.—There is evidence that it is the considered opinion that the case would not be won on the first two issues, but on the issue that the relevant notice was not published in the *Government Gazette*. Taking all relevant facts into consideration, as a representative of the area, I feel that I should ensure that the ratepayers should not suffer through an error of a clerk, as they would if this Bill was not passed. I think we should adopt the lesser of two evils so that the error of a clerk will not bring about a position that will result in chaos to the people concerned.

The Hon. A. J. BAILEY (Melbourne West Province).—The subject-matter of this Bill should be regarded as being

sub judice. It was admitted by Mr. Bradbury that a writ was issued and Mr. Little produced a copy of the writ in question which disclosed three grounds of complaint. If this House, in its wisdom or otherwise, supports the second-reading motion, my party proposes to move an amendment to sub-clause (1) of clause 2 to test the sincerity of the Government. The effect of the amendment will be to delete all grounds for the validation of Part XI. of the Local Government Act 1946 other than that referred to by the Minister, namely, the non-compliance with the requirement to publish the result of the poll in the *Government Gazette*.

The House divided on the motion (Sir Clifden Eager in the chair)—

Ayes	25
Noes	5

Majority for the motion 20

AYES.

Mr. Bradbury	Mr. Machin
Mr. Bridgford	Mr. Mansell
Mr. Byrnes	Mr. May
Mr. Cameron	Mr. Rawson
Mr. Dickie	Mr. Smith
Mr. Feltham	Mr. Swinburne
Mr. Ferguson	Mr. Thompson
Mr. Fulton	Mr. Tilley
Mr. Galbally	Mr. Walters
Mr. Gawith	Sir Arthur Warner.
Mr. Grigg	
Mr. Jones	

Tellers:

(Ballarat)	Mr. Arnott
Mr. McArthur	Mr. Mack.

NOES.

Mr. Bailey	Tellers:
Mr. Jones	Mr. Brennan
(Doutta Galla)	Mr. Sheehy.
Mr. Little.	

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2, providing, *inter alia*—

(1) Notwithstanding any defect error omission or invalidity in any step taken or required to be taken or in any act done or performed or required to be done or performed in or in relation to the procedure for adoption of the said Part XI. and, in particular, notwithstanding the failure to publish the notice in the *Government Gazette* as hereinbefore recited, but subject to the provisions of this Act, Part XI. of the Local Government Act 1946 shall for all purposes be deemed to have been validly adopted in the Borough of Wangaratta on the twenty-ninth day of August One thousand nine hundred and fifty-six,

and the provisions of the Local Government Acts and of every other relevant Act or enactment shall apply accordingly.

Sir ARTHUR WARNER (Minister of Transport).—Many members of the Government have a great deal of sympathy with the views expressed by Mr. Little and Mr. Brennan. Government supporters previously used the same arguments almost as well as they were expressed in this House to-night. We were faced with the position that if the action of the borough was not validated, it would be without income for a year or eighteen months. Moreover, we could see no way by which it could recover that revenue. There was some doubt as to whether the borough could have levied rates on an annual valuation or by some other means. The Government was faced with the position of deciding which was the lesser of two evils. By adopting one course, justice would have been done to a large number of ratepayers and an injustice to the plaintiff. The alternative would have been a grave injustice to all the ratepayers and justice to the plaintiff. There was no way of giving justice to everybody. Government supporters considered that we were bringing along a sledgehammer to crack a citizen. When I introduced this Bill, I made an apology; I still adopt that attitude.

The Hon. J. A. LITTLE (Melbourne North Province).—I appreciate what the Minister has said. When I made my opening remarks in my second-reading speech on this Bill I indicated that I appreciated the difficult situation facing the Government. However, I criticize the Government because the information supplied to honorable members was incomplete. Had I not gained certain particulars from an outside source, ten minutes before the Bill was introduced, I would not have known that three grounds were involved in the writ and not one as outlined by the Minister.

Sir ARTHUR WARNER.—We cannot leave this matter in doubt.

The Hon. J. A. LITTLE.—That is where I disagree, in principle, with the Minister. He suggests, in effect, that the whole system of jurisprudence, which has

been established in the British Commonwealth of Nations, is not worth £50,000. Apparently he considers that the cost to the ratepayers and the inconvenience to the Borough of Wangaratta are more sacred than the whole system of jurisprudence. If only a mere technicality were involved, there would be some justification for the Bill. The Minister has said that any action taken must be all embracing because even if the plaintiff can prove either of his other two grounds he will not get his rights as a citizen. In my opinion, the person who should decide this matter is the Judge presiding at the court before which the evidence is submitted, and not the Government or the Law Department. Members of my party do not wish to decry borough councillors who have made a mistake or individual municipal officers. We do not know what evidence would have been produced to substantiate the objections. We agree that the omission to advertise the result of the poll in the *Government Gazette* was technical, but are the other two grounds of objection technical? Is there some political intent in the fact that people claim that they were refused postal votes? For the reasons I have outlined I move—

That in sub-clause (1) of clause 2 all the words preceding the word "notwithstanding" (where last occurring) be omitted.

If the amendment is accepted, the plaintiff will still have the opportunity of pursuing the other two grounds of objection in the court. The Minister has said that the Government must ensure that the matter is finalized without doubt. That means that the Local Government Act is not worth the paper that it is written on. If that is the case, I suggest that a ratepayer who has omitted to pay his rates by an oversight should be given protection by this Parliament. Similarly, he should not be liable for interest arbitrarily charged because of late payment. Since when has Parliament in a democracy granted to a Government or a local governing body a privilege over and above the rights of the humblest member of the community? That is what the Minister has implied. Men have sacrificed their lives for a principle such as that. The amendment will test the

The Hon. J. A. Little.

sincerity of the Government in its approach to this Bill. If only a technical question is involved, the claimant should be given the right to produce his evidence of breaches of the Local Government Act before a court. Parliament is not in a position to judge the issue. Personally, I do not know whether there is any validity in the claims of the plaintiff. The rights of a private citizen should be equal to those of a local governing body.

I hope that members, having made provision to overcome what seems to be the only difficulty concerning the council to protect it from the results of its own indiscretions, will give the same rights to individuals to go ahead and produce their evidence, if they have any, or withdraw their case if they feel it is not substantial enough. I ask the Committee to give the amendment fair consideration. The principle is far more important than any question of politics.

Sir ARTHUR WARNER (Minister of Transport).—The Government cannot accept the amendment. I appreciate the points made by Mr. Little and have much sympathy with him. On the other hand, advice has been received from the Law Department on the matter, but, of course, it could be wrong. Let us assume that the Department is wrong and that the plaintiff succeeds in court, but an appeal is made, and the matter drags on. How long is the Borough of Wangaratta to remain in an uncertain position as to whether it can collect any rates to carry on the services of the community?

The Hon. J. A. Little.—Do you suggest that on no ground should the citizens have the right to challenge a local governing authority?

Sir ARTHUR WARNER.—I do not make that suggestion. If the ratepayers had taken action immediately after the poll was conducted, on the ground that the election had been improperly held, the present position would not have arisen. We are now dealing with this matter approximately twelve months after the vote was taken. A case has not yet reached the court. It may easily be six months or a year before the matter is decided. How

long can the people of Wangaratta be left in a position in which the local council cannot collect rates? Conceivably, for two years it could have no rates to pay for sewerage, water, and other essential services. Let us admit that there is an injustice to the plaintiff. Whether the case is good or bad, he should have a right to take it to court. But an injustice must be caused to him in order that justice shall be done to the general body of ratepayers in the town.

The Hon. T. W. BRENNAN.—Have you made a promise to the council?

Sir ARTHUR WARNER.—I have not promised anything. I do not think the Government has done so, nor has it any political or other obligation towards the councillors. A tremendous number of ratepayers have a right to be provided with sewerage, water, and other facilities. I do not intend to enter into an argument as to whether the plaintiff is right or wrong. In normal circumstances, he should have the right to test his case in court, but it is necessary to deny him that right because of the need to provide the council with the means to carry on its services. I do not argue that the Bill is a good one—in fact, I do not like it—but the alternative proposed by Mr. Little is one that the Government cannot accept because of the tremendous delay that could be involved. The measure does not provide complete justice, but if it is a question of damage being caused to all the ratepayers of Wangaratta in favour of one man, we cannot subscribe to it.

The amendment was negatived, and the clause was agreed to, as were the remaining clauses.

The Bill was reported to the House without amendment, and passed through its remaining stages.

ADJOURNMENT.

Sir ARTHUR WARNER (Minister of Transport).—I move, by leave—

That the Council, at its rising, adjourn until Tuesday next.

The motion was agreed to.

The House adjourned at 2.19 a.m. (Thursday) until Tuesday, October 1.

LEGISLATIVE ASSEMBLY.

Wednesday, September 25, 1957.

The SPEAKER (the Hon. W. J. F. McDonald) took the chair at 4.4 p.m., and read the prayer.

PENTRIDGE GAOL.

PRISONERS: REQUEST FOR FILES.

Mr. TOWERS (Collingwood) asked the Chief Secretary—

If he will lay on the table of the Library the files relating to Jenner and Wallace, two prisoners undergoing sentence at Pentridge?

Mr. RYLAH (Chief Secretary).—The file sought by the honorable member has been laid on the table of the Library.

HOUSING COMMISSION.

COBURG, BROADMEADOWS, AND FAWKNER ESTATES.

Mr. MUTTON (Coburg) asked the Minister of Housing—

1. What was the cost of land acquisition or purchase in respect of each of the Housing Commission estates at Coburg, Broadmeadows, and Fawkner, respectively?

2. What was the cost of development of the land in each estate?

3. What is the area of each estate?

4. How many houses have been built on each estate?

Mr. PETTY (Minister of Housing).—The answers are—

1. Acquisition and development costs for Coburg estates which are practically completed, £146,300.

Acquisition and development at Broadmeadows and Fawkner estates is only partially completed. Therefore, the total expenditure to date is no guide to the ultimate cost.

2. Development costs are included with land costs.

3. Area—

Coburg	..	155 acres.
Broadmeadows	..	5,500 acres.
Fawkner	..	305 acres.

4. Number of housing units—

Coburg	790 completed
Broadmeadows—	1,380 completed
	422 under construction
Fawkner	113 completed.

**BENDIGO GAS COMPANY.
ACQUISITION BY GAS AND FUEL
CORPORATION.**

Mr. STONEHAM (Midlands) asked the Premier—

Whether it is the intention of the Gas and Fuel Corporation to take over the Bendigo Gas Company's undertaking; if so—(a) when; and (b) what measures are proposed, pending the transfer, to ensure a reasonably adequate and efficient supply of gas to consumers?

Mr. BOLTE (Premier and Treasurer).—I am advised that the Bendigo Gas Company has approached the Gas and Fuel Corporation of Victoria, requesting the Corporation to consider taking over the Bendigo undertaking. A decision in the matter has not yet been reached, but I understand that negotiations are still in progress. Until such time as the matter has been finalized, I cannot supply the information sought.

**FORESTS COMMISSION.
SOUTH GIPPSLAND LAND.**

Sir HERBERT HYLAND (Gippsland South) asked Mr. Fraser (Honorary Minister), for the Minister of Forests—

1. What use is made of the 56,100 acres of land in South Gippsland hill country, held by the Forests Commission for re-afforestation purposes, and not yet planted?

2. What revenue, if any, is received from this land?

Mr. FRASER (Honorary Minister).—The answers supplied by the Minister of Forests are—

1. On tree-less areas experimental plantings of commercially valuable native hardwood species are being made for the purpose of determining the most economic and practical planting techniques.

The planting of exotic softwoods has been temporarily suspended because of widespread damage to young trees by opossums, wallabies and bush rats. Investigations are in hand to control this animal damage. (For example, recent legislation to control opossums).

On timbered areas mature trees are being utilized for sawmilling purposes and extension of the forested area by natural regeneration is being encouraged. Portion of the area is already covered with young native forest produced by natural means. By giving all areas rigid protection from fire it is anticipated that natural regeneration of the forest will greatly reduce the necessity for artificial planting.

2. Complete information is not at present available in Melbourne. It will be supplied as soon as further particulars are obtained from the forest districts concerned.

SURPLUS REVENUE ACT 1942.

LOANS TO HOSPITALS.

Sir HERBERT HYLAND (Gippsland South) asked the Treasurer—

1. What hospitals were granted loans under the Surplus Revenue Act 1942, (No. 4929)?

2. What was the amount loaned in each instance and what is the balance still outstanding?

Mr. BOLTE (Premier and Treasurer).—The answers are—

1 and 2.

Name of Hospital.	Amount Loaned.	Balance Out- standing.*
	£	£
Alfred	17,500	Nil
Box Hill Community	7,000	7,000
Corryong	500	375
Footscray General	5,000	3,750
Gippsland (Sale)	5,000	3,750
Infant and Maternal Welfare Centre	12,000	Nil
Preston and Northcote Community	7,000	7,000
Prince Henry's	10,000	Nil
St. Arnaud District	500	375
Swan Hill District	500	Nil
Traralgon	5,000	5,000
Victorian Eye and Ear	8,334	Nil

* After allowance for repayments and amounts transferred from loan to grant.

It is obvious from the honorable member's questions that he is desirous that these amounts shall be written off in the same manner as have been certain other loans. I give him an assurance that this action will be taken.

STATE SAVINGS BANK.

**ESTABLISHMENT OF TRADING
DEPARTMENT.**

Sir HERBERT HYLAND (Gippsland South) asked the Premier—

Whether, in view of the entry by trading banks into the savings bank field in Victoria, the Government proposes introducing legislation to permit the State Savings Bank of Victoria to establish a trading bank department?

Mr. BOLTE (Premier and Treasurer).—Legislation relating to the State Savings Bank of Victoria will be introduced later in the session. However, the Bill will not embody a proposal to permit the establishment of a trading bank department.

LABOUR AND INDUSTRY ACTS.

AFTER-HOURS TRADING.

Mr. CAMPBELL TURNBULL (Brunswick West) asked the Minister of Labour and Industry—

Whether any cases have been detected in the metropolitan area during the six months ended 31st August last, of shops, including shops for the sale of petrol, being open beyond the closing hours prescribed by the Labour and Industry Acts and the regulations thereunder; if so—(a) what is the location of each such shop and the name of the proprietor; and (b) what proceedings, if any, have been commenced against such proprietors and what convictions have been obtained as a result of such proceedings?

Mr. REID (Minister of Labour and Industry).—The answer is—

During the six months ended 31st August last, officers of the Department of Labour and Industry reported 366 cases in regard to shops (including shops for the sale of petrol) being open beyond prescribed closing hours. In accordance with a long established practice of the Department to issue warnings in some cases and to prosecute in others, 281 warnings were so issued and 53 prosecutions authorized, whilst 32 are under consideration.

It is not considered desirable in the public interest to supply details in the form sought by the honorable member. In particular as some cases are the subject of proceedings pending in court, it would be prejudicial to the course of justice to supply such details in these cases. If the honorable member is interested in establishing whether a particular person has been convicted of an offence, particulars of such conviction will be supplied to him on application to the Department.

RAILWAY DEPARTMENT.

STANDARDIZATION OF ALBURY-MELBOURNE LINE.

For **Mr. MITCHELL** (Benambra), Sir Herbert Hyland asked Mr. Porter (Honorary Minister), for the Minister of Transport—

1. What is the estimated total cost to Victoria of the proposed conversion to uniform gauge of the railway between Albury and Melbourne?

2. What will be the estimated interest payment per annum?

3. What will be the total cost of altering existing rolling-stock to the new gauge?

Mr. PORTER (Honorary Minister).—The Minister of Transport has furnished the following reply:—

Details have not been finalized by the State of Victoria with the Commonwealth, nor have firm arrangements been made with New South Wales. Accordingly, the question is premature.

The Government will supply the information immediately agreements are made in such a form as will enable the answer to be given.

STATUTE LAW REVISION COMMITTEE.

COUNTY COURT BILL.

Mr. MANSON (Hawthorn), chairman, presented a report of the Statute Law Revision Committee on the proposals contained in the County Court Bill, together with minutes of evidence.

It was ordered that they be laid on the table and be printed.

POLICE OFFENCES (PROSTITUTION) BILL.

Mr. RYLAH (Chief Secretary) moved for leave to bring in a Bill to amend section 28 and to re-enact section 79 of the Police Offences Act 1957.

The motion was agreed to.

The Bill was brought in and read a first time.

FIREARMS (PISTOLS) BILL.

Mr. PORTER (Honorary Minister) moved for leave to bring in a Bill to amend section 22 of the Firearms Act 1951 in respect of the granting of firearms certificates for certain pistols, and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

CRIMES (AMENDMENT) BILL.

Mr. RYLAH (Attorney-General).—I move—

That this Bill be now read a second time.

This Bill deals with six different aspects of the law relating to crimes, and I shall explain in some detail the amendments

proposed. The principal purpose of the measure is to make another onslaught against the very grave problem of protecting the community from the drunken and reckless driver. Since the Government has been in office, a number of important steps have been taken to meet this evil. Abuses of the bona fide traveller law resulted in a considerable amount of drinking on Sundays and led to the life of the motorist on Sunday being made a misery by the activities of people who had spent a considerable amount of time in an hotel under the pretence of having travelled 20 miles or more and been in need of refreshment. These abuses have been tackled, and I believe the action taken has been one of the big contributing factors in the reduced Sunday accident rate.

The size of the Police Force has been increased very considerably, more motor and cycle patrols have been put on the road, and improved communications and equipment have led to the policy being much more in evidence. This has resulted in a great improvement in general road manners and conduct. I think it would be appropriate if, at this stage, I stated one or two facts about the increase in the Police Force since the present Government took office. In 1954, Victoria had the lowest ratio of policemen to the population of any State in the Commonwealth. At that time there was in New South Wales one policeman to every 751 of population; in Victoria, 1 to 821; Queensland, 1 to 562; South Australia, 1 to 744; Western Australia, 1 to 674; and Tasmania, 1 to 678. The present ratio is one policeman to 750 people in New South Wales, 720 in Victoria, 580 in Queensland, 730 in South Australia, 700 in Western Australia, and 630 in Tasmania. Thus, the percentage of police to population has remained stationary in New South Wales, the figure has remained substantially the same in South Australia and Queensland, there has been a slight deterioration in Western Australia, a slight improvement in Tasmania, and a very substantial improvement in Victoria. During the three years in which this Government has been in office, 1,000 additional personnel have been recruited to the Police Force, including a record

number of 539 in the past twelve months. In my opinion, the increase in the number of policemen has assisted in alleviating the problem of the toll of the roads.

Moreover, penalties for dangerous driving and for driving under the influence of liquor have been substantially increased, and trial before jury has been introduced for serious driving offences. The honorable member for Carlton, by interjection, has referred to late shopping. Apparently, he puts the crime of after-hours trading on a par with the crime of driving under the influence of liquor. I believe that the latter offence is far more serious. The Government considers that the measures taken have contributed to a general improvement in the standard of driving and road courtesy. It is of the opinion that a large proportion of motorists are responding to the repeated appeals to drive safely, and are paying heed to the slogan: "If you drink, don't drive; if you drive, don't drink." But, unfortunately, the accident rate, particularly at week-ends, has remained high and a recent survey conducted by the Police Force, with the assistance of Dr. Birrell, the newly-appointed police surgeon, has drawn the community's attention once again to the very considerable economic loss and misery and hardship caused by deaths on the road. This survey shows that Saturday is by far the worst day for both accidents and arrests for driving under the influence of liquor, and that the worst time on every day of the week for both these things is between 6 p.m. and 8 p.m.

An examination of a series of inquests resulting from road accidents shows that alcohol has been present in the victims of 64 per cent. of these accidents. I wish to make it clear that I am not saying, and I do not intend to say, that the figure quoted suggests that alcohol was the cause of the accidents. My statement was that alcohol has been present, and I believe that is as far as these statistics can be carried at this juncture. I am not attempting to mislead the House in this matter, and the words I am using are being very carefully chosen. Dr. Birrell estimates that of the 582 road deaths and 13,483 injuries over the last twelve months,

alcohol was associated with 375 of the road deaths and 8,200 of the injuries.

Mr. SUTTON.—That statement is less precise.

Mr. RYLAH.—I agree, but I emphasize that the words I used were “associated with.” I am not endeavouring to present precise statistics. To put the matter another way, it is considered that a 400-bed general hospital or its equivalent is necessary to handle the victims of motor accidents which occur in the metropolitan area alone at the present time, and the estimated annual cost of maintaining a general hospital of this size is £650,000.

Sir HERBERT HYLAND.—How much do the hospitals receive from the 1s. 9d. added to the third-party insurance premiums of motorists?

Mr. RYLAH.—I do not intend to discuss the contributions that either the patients, the insurance companies or the Commonwealth are required to make to hospital expenditures; I think my views on that subject are well known.

Sir HERBERT HYLAND.—I emphasize that 1s. 9d. is paid by motorists for this purpose.

Mr. RYLAH.—The figure of £650,000 is the over-all cost to the community. Of course, this takes no account of the economic loss which results from people being maimed and put out of circulation as a result of road accidents, nor of the hardship, sorrow and misery that result to relatives from these accidents. Further evidence of the part played by alcohol in traffic accidents has been obtained by Dr. Birrell since he has taken up duty as police surgeon by making examinations of casualty victims treated in the public hospitals. These casualties have not been charged because their injuries were such as to make it impracticable to make any general tests as to their condition, but the blood alcohol estimations obtained by Dr. Birrell have been rather revealing.

A blood test taken of a driver who ran head-on into a tram revealed an alcoholic content of .274 per cent., and the relevant percentages in other individual cases selected at random were: A driver who ran head-on into a taxi,

.142 per cent.; a driver who turned his car over on a safety zone, .273 per cent.; a driver who was killed as a result of colliding with a tram, .22 per cent.; a driver who turned a car over, .174 per cent.; a driver of a motor cycle which struck a car, .151 per cent.; and a taxi-driver who was involved in an accident, .115 per cent. There is almost general agreement that any blood alcohol level over .15 per cent. indicates an incapacity to drive a motor vehicle, and that any percentage over .2 per cent. would in every case render a person incapable; therefore the seriousness of the position can be realized.

The nature of the problem is such that accurate statistics cannot be obtained, but all the evidence available to the Government tends to show that the magnitude of the problem is far greater than can ever be proved by statistics. Many people in the community have pressed, and are pressing, for a compulsory blood test as a means of assisting in the conviction of persons driving on the roads under the influence of alcohol. The Government introduced the voluntary blood test last year, and its operation has been kept under constant scrutiny. There is no doubt that it has been a considerable factor in assisting in the determination of the guilt or innocence of drivers who are apprehended by the police and alleged to have been driving under the influence of alcohol.

Mr. FENNESSY.—What percentage volunteered for blood testing?

Mr. RYLAH.—A substantial percentage. There have been very serious difficulties in providing the necessary facilities to have samples taken and tested. Despite the assistance of Dr. Lindell and the other members of the Hospitals and Charities Commission, there has been considerable reluctance on the part of the medical profession to assist in taking blood tests, and the Government believes that this is due to one or more of three factors. First, the time spent by a doctor waiting around a court for a case to be heard is quite considerable, even though the courts, whenever possible, arrange for a doctor to give his evidence and leave as soon as possible. A case of driving

under the influence of alcohol is strenuously contested as, no doubt, it should be, because a conviction will lead to a substantial limitation on the freedom of the individual. This, in itself, means that quite a long time is spent in the precincts of the court by witnesses, including doctors.

Secondly, doctors are often strongly attacked by counsel for the defence and, not being used to legal procedures, they believe that counsel are attacking their personal integrity. They are unable to understand that it is in the interests of the proper administration of justice that an accused person should be defended vigorously.

Mr. CAMPBELL TURNBULL.—You do not believe that.

Mr. RYLAH.—I do, although I concede that it does not apply in all cases. However, there is a strong feeling among medical practitioners that, if they are cross-examined vigorously, their integrity is being attacked rather than that their evidence is being tested. I am not criticizing the legal profession for making such cross-examination. It is the duty of any barrister or solicitor to defend his client vigorously, and he is fully entitled to cross-examine a doctor in the same manner as he would any other witness. Thirdly, there has been a belief among doctors that if a blood test is made of a person who has consented to such a test being taken, and subsequently it could be shown that the person was under the influence of liquor at the time that the test was taken, he could claim that he had been assaulted by the doctor. In other words, it could be contended that although a person consented to the taking of a blood test, he was too drunk to know what he was doing; therefore, he was assaulted by the doctor who took the blood test in question. Such a proposition, of course, is difficult for a layman to understand, but a strict interpretation of the law in favour of personal liberty might well lead to such a result.

Mr. SUTTON.—The police "put it over" the persons concerned.

Mr. RYLAH.—Whether rightly or wrongly, the circumstances to which I have alluded are used as an excuse by

the medical profession to refrain from taking blood tests. That is the only basis of my submission. I am not proposing that the law on these matters should be altered, except in a minor degree. I am trying to explain to the House the difficulties experienced by the Government in trying to make the voluntary blood-testing system work satisfactorily and to indicate that, in an effort to make the voluntary blood-testing system work better than it has done so far, it is the Government's intention to include several machinery provisions in the legislation to deal with certain administrative action that I shall mention. It is our duty to do that before rushing to adopt a compulsory system of blood testing. The Government believes a general medical examination is necessarily ancillary to a blood test, and it is just as important—so far as the court is concerned—as the result of the blood test.

Mr. CAMPBELL TURNBULL.—The reverse is the case. Blood tests are ancillary to general medical examination.

Mr. RYLAH.—The two aspects are related, and I am not prepared to argue which is ancillary to the other. However, it is desirable that there shall be a clinical examination by a doctor and that the court shall be furnished with the result of the blood test. It is believed that the amendment proposed by this Bill will help doctors to overcome their difficulties. At this stage, I might say that, apart from what is proposed in legislation, the services of Dr. Birrell, since his appointment as police surgeon, have been devoted almost entirely to this problem. Further, the up-grading and increase of staff in the Government pathology department will assist the position.

Clauses 2 and 3 of the Bill deal with the following points concerning driving offences: At present, under section 318 of the Crimes Act 1957, a member of the Police Force may, without warrant, apprehend a driver who commits the offence of reckless driving within his view if the driver refuses to give his name and address or fails to carry an identifying number. This provision

makes it very doubtful whether a policeman is entitled to act if he has reasonable grounds to believe that an offence has been committed, or whether he does so at his peril. If it is subsequently established that a person did not commit an offence, the police officer has no protection. It is proposed to amend the law to make it perfectly clear that a policeman may apprehend the driver of a motor car for the offence of reckless driving if he has reasonable grounds, based upon his own personal observations; for believing that the driver has committed an offence and if the driver has refused to give his name, or the driver's car does not bear an identifying number. This amendment of the law will clarify a point that has been in doubt for some time.

Mr. SUTTON.—Will it affect the legislation relating to Crown proceedings also?

Mr. RYLAH.—No. In relation to the offence of driving under the influence of intoxicating liquor, a policeman has power to arrest, without warrant, any person who is apparently under the influence, but only whilst he is driving a motor car. In practice, most arrests made by policemen are as a result of the occurrence of accidents, and there is grave doubt whether the powers conferred by section 319 are sufficient to authorize a policeman to arrest a person who he has reasonable grounds for believing is "under the influence" and who he has reasonable grounds for believing has been driving a motor car.

Sir GEORGE KNOX.—How could a policeman distinguish between a person who was drunk and one who was ill—say, a diabetic who was temporarily in a coma?

Mr. RYLAH.—I do not intend to discuss that aspect now. I am stating the law as it stands. I am not expert in matters associated with the apprehension of persons driving under the influence of liquor, but I shall be happy, if so desired, to request Dr. Birrell to discuss the matter personally with the honorable member for Scoresby and any other members of this House who may be interested. With the object of rectifying the present anomaly, it is proposed

to confer on the police the same powers of arrest in relation to the offence of driving under the influence as they have in relation to felonies. This means that a policeman may arrest any person if he has reasonable grounds for believing that that person has committed an offence, even if it subsequently appears that no offence was, in fact, committed. The Government believes that this amendment is proper and necessary, having regard to the gravity of the offence and the urgent necessity for protecting the community. Under the present law, a policeman has the power to arrest a person whom he sees driving erratically, but should a policeman arrive at the scene of an accident and discover a person who admits he was the driver of the car involved, he cannot arrest him even though the person concerned is so drunk that he can hardly stand up. The reason for that situation is that the policeman would be relying on information supplied to him by someone else and not upon his own observations.

Mr. FENNESSY.—Must the policeman actually see the accident occur?

Mr. RYLAH.—The Law Department believes that the policeman must have seen a chain of circumstances that would lead him to believe that the man concerned was in fact driving a motor-car while under the influence of liquor.

Mr. CAMPBELL TURNBULL.—Would not a confession be as good as a policeman's observation?

Mr. RYLAH.—Possibly so, but the policeman would be handicapped because he could not testify that he actually saw the man concerned in charge of a car while under the influence of liquor. That is a situation which the Government believes should not be permitted to continue. In other words, if a man is so drunk that a policeman considers he should be arrested, he ought to be locked up so that the community might be protected, irrespective of whether or not a policeman actually saw him driving a motor car.

Mr. FENNESSY.—Offenders have "got away with it" in the past.

Mr. RYLAH.—That is so. The Government believes that crimes of that type are so prevalent nowadays that it cannot afford to risk the defect in the law being detected and availed of in some circumstances. A further small amendment in clause 2 removes a definition of "highway" which is superfluous. This was an error in drafting that occurred when driving under the influence was made an indictable offence.

The next series of amendments—they are contained in clause 3—refers to the provisions which were introduced into the Crimes Act in 1955 relating to the taking of blood tests of drivers suspected of driving while under the influence of liquor. A technical correction is made to the method of expressing percentages, but the more important amendments relate to the admissibility of doctors' and analysts' evidence by certificates. As I said earlier, it has been found in practice that doctors and analysts are spending a large proportion of their time in court—or, rather, waiting about the court for cases to come on. In an attempt to overcome the waste of the valuable time of these professional men, it is proposed to allow evidence by the doctor to the effect that he has taken the blood to be tendered in the form of a certificate, and also for the analyst to be enabled to tender a certificate containing the result of his analysis.

Mr. CAMPBELL TURNBULL.—In other words, the same procedure as that adopted under the Health Act?

Mr. RYLAH.—Yes. It is not proposed, at this stage, to allow the analyst to offer certificate evidence as to any estimations or back calculations. This will mean that, should the accused person not propose to contest the evidence of the test, the doctor and the analyst will not have to attend court. Provision is made that this certificate shall be served on the accused person not less than ten days before the hearing and that the accused person may, not less than four days before the hearing, require the doctor or analyst to attend for cross-examination.

The Governor in Council is also given power to make regulations covering generally the methods and procedures to

be adopted in relation to blood tests, and it is hoped that the regulations made under this power will ensure uniformity in procedures and minimize the possibility of errors. Very often ordinary members of the community do not understand why difficulty is encountered in this connexion. It may be of interest if I mention a particular case. Recently, a motorist was convicted in a suburban court on a charge of speeding, and a substantial fine was inflicted. Whilst he was waiting for the decision, he sat in the court and listened to the hearing of a drunken driving case. He wrote to me, and also to one of the newspapers, stating that he was completely appalled by the fact that, although all the evidence he heard indicated that the man charged was guilty of the offence, he was acquitted because a defective procedure was adopted in the taking of the blood test.

Mr. CAMPBELL TURNBULL. — Why should not the Crown prove its case in these offences as with other charges?

Mr. RYLAH.—The honorable member for Brunswick West appears to be attempting to put words into my mouth throughout this speech. I believe that the Crown should prove its case, and I am not seeking to justify any attempt to break down that principle. I believe that it is proper in a case of this sort, where the liberty of the subject is involved, that an accused person should be able to take advantage of any failure on the part of the Crown in its method of taking blood tests. However, I was also attempting to explain that sometimes ordinary members of the community find it very hard to understand why a person who is apparently guilty escapes conviction. I believe that power to prescribe regulations governing the taking of blood tests will assist in achieving uniformity of procedure and will ensure that the tests are properly made. I am sure that is a system which we all desire should be adopted.

Another important amendment in this series will protect doctors who take blood samples from people who consent but who, it might subsequently appear, were not capable of giving a valid consent because of their inebriated condition. Doctors have told me on

many occasions that they have been reluctant to take blood samples because of the possibility of legal action being taken against them by the persons from whom they had taken the sample. I believe that these fears are genuinely held by doctors, although the possibility of successful action against them seems to me to be somewhat remote. This provision will protect doctors who take samples, with the consent of the accused, even if the sample subsequently shows that he was completely intoxicated when he gave the consent. Of course, it will also remove an excuse that some members of the medical profession use for not taking these tests.

It is the Government's intention not to be stampeded into the introduction of a compulsory blood test which necessarily carries with it the implication that the test itself shall be conclusive evidence of the drunkenness or otherwise of the person accused. Likewise, the Government does not intend to break down the proper safeguards that have been designed over the centuries for the protection of every person accused of a crime.

The object in bringing down this Bill is to ensure that the taking of voluntary blood tests will work properly. Steps have been taken by Dr. Birrell to seek the co-operation of resident medical officers in hospitals and, although so far he has not had much success in this direction, the Government believes that the medical profession will realize its responsibilities in this regard and, in view of the protection that will be given to them by the law, it is hoped that they will give greater assistance in the future than they have done in the past. Steps have been taken to supplement the analyst staff in the Government Pathologist's office so that blood can be examined quickly and efficiently, and the introduction of the certificate form of evidence will result in some saving of travelling and waiting time of the present analysts; consequently, their services will go further.

The biggest problem of any Government in tackling a question of this nature is to convince the community that it cannot afford the consequences which

result from the actions of persons, hopelessly under the influence of alcohol, who drive a lethal weapon—which a motor car becomes in their hands on a highway. The Government is concerned about the problem created by people who take alcoholic drink and then drive motor cars. This legislation is not aimed at any particular class of proprietor; it is aimed at those persons who indulge in intoxicating liquor—whether they obtain it in an hotel, from a grocer's shop and consume it at home, or in a club—and then attempt to drive a motor car when they are not in a fit condition to control the vehicle. All civilized communities are concerned at the consequences which flow from the actions of drunken drivers, and they have attempted to tackle the problem in a variety of ways.

Despite the reforms contained in this Bill, the educating of the community will still be in the forefront of the Government's mind in its campaign against this evil.

The amendments in clauses 4 and 5 relate to the powers and procedures of a court in relation to persons who are convicted whilst on probation. They are designed to remove difficulties or limitations and to provide in advance against difficulties which may arise, rather than to meet difficulties which have already arisen. The Penal Reform Act 1956, which is reproduced in the consolidated Crimes Bill now before this House gave power to courts to release offenders on probation and place them under the supervision of a probation officer during a specified period referred to as "the probation period," and prescribed the procedure to be followed in cases where the offender does not comply with the probation order.

Sub-section (3) of section 13 of the Penal Reform Act, which now appears in section 517 of the Crimes Act 1957, provides that where a probation order has been made by the Supreme Court or a court of general sessions and the probationer is convicted by a court of petty sessions for an offence committed during the probation period, that court of petty sessions may direct the probationer to be brought before the Supreme Court

or court of general sessions which made the order. It is proposed that this provision should be made general in its application so that not only a court of petty sessions, but any court which convicts a probationer for such an offence, may remand him to the court which made the probation order.

Sub-section (4) of the same section empowers the court which made the probation order to deal with the probationer for the offence in respect of which the order was made if the probationer is convicted of another offence committed during the probation period. There is some doubt, however, whether the sub-section as at present framed covers the case of a conviction before the court which made the order. The proposed amendment is designed to remove this doubt.

Section 29 of the Gaols Act 1928 enables a prisoner who is under sentence or awaiting trial, and who is charged with an offence, to be brought before the court to answer the charge on an order of a Judge or a Justice and without a writ of habeas corpus. It is proposed by sub-clause (2) of clause 5 of the Bill to make it clear that section 29 of the Gaols Act covers the case of a person charged with the breach of a probation order.

The last of the four amendments to the provisions of the Penal Reform Act relates to minimum terms of imprisonment—a minimum term being part of a term of imprisonment during which the offender may not be released on parole. Section 26 of that Act, which will become section 531 of the Consolidated Crimes Act 1957, deals with the fixing of minimum terms by courts when they are imposing sentences. Section 44 provides that in the case of terms of imprisonment being served at the commencement of the Act, the Parole Board shall fix the minimum term.

Section 27 deals with the fixing of minimum terms in cases where several successive terms of imprisonment have been imposed. The words "as aforesaid" in sub-sections (1) and (2) of this section unduly confine its operation to cases in which minimum terms of imprisonment were fixed in the first

instance by courts under section 26. As it is desirable that provisions of section 27 should apply also where minimum terms have been fixed by the Parole Board, it is proposed that the words in question should be omitted from the section.

The amendment contained in clause 6 gives effect to the recommendation of the Statute Law Revision Committee on amendments of the statute law for the removal of certain anomalies in sections 471, 472, and 572 of the Crimes Act 1928. That committee has recommended that a court, when it convicts an accused, may, on the application of any person who has suffered loss, make an order for damages against the accused to the extent of the damage suffered by the person whose property has been stolen or destroyed. It is proposed to make such an order enforceable in the same way as a civil debt, and it is felt that this summary procedure will be an added deterrent to criminals and a great help to members of the community whose property is damaged or destroyed as the result of the commission of crimes.

The last amendment relates to the powers of the court and the procedure to be followed in relation to breaches of bond by persons who have been convicted in the Supreme Court or in general sessions. It has been the practice in those courts in cases in which it is thought desirable to extend leniency to persons who have been convicted to release those persons on bonds, known as common bonds, to be of good behaviour for a certain period and to appear before the court to receive sentence for the offence of which they have been convicted whenever they are required to do so. In view of the provisions enacted in the Penal Reform Act 1956 empowering the courts to release offenders on probation, the common law bonds are likely to become comparatively rare, but, as many of these bonds are still current, it is desirable to clear up some difficulties and doubts which have arisen in regard to the procedure to be followed when the bonds are broken.

Whenever there is reason for believing that an offender has broken his bond, the practice is to refer the matter to

the Judge who released him on the bond, and that Judge if he thinks fit directs that the offender be brought before him to be dealt with. A notice or an order requiring the offender to appear is then served on him. Very commonly the offender duly appears before the court in answer to the notice, and in such cases there is no difficulty. However, difficulty arises, firstly, if the offender is served with the notice but fails to appear before the court and, secondly, if the notice cannot be served on him.

In the first class of case it is the practice for the Judge who released the offender on the bond to issue a warrant directing the offender to be arrested and brought before him. It may happen however that when the offender is arrested under this warrant the Judge who issued it is not available to deal with the case, perhaps because he is sitting in another jurisdiction or is on circuit in some other part of Victoria or because the court is in vacation. In that case, under the form of warrant which is at present in use, there is no authority to keep the offender in custody until the Judge can deal with him, and there is no power in any other Judge to deal with him. Furthermore, although it is clear that the Supreme Court has power to issue such warrants, the power of courts of general sessions to do so is not free from doubt. In the second class of case, that is where it has not been possible to serve a notice on the offender requiring him to appear for sentence, nothing can be done at all.

It is therefore proposed to deal with these difficulties by giving express power to issue a warrant for the arrest of the offender and for bringing him before the court, and for his detention in custody if necessary until he is actually brought before the court. It is proposed that in the first class of case this power be exercised by the Judge or chairman before whom the offender was required by notice to appear, upon his being satisfied that the notice was duly served on the offender and, in the second class of case, by any Judge or chairman of general sessions upon his being satisfied that reasonable efforts have been made to serve a notice on the offender but have been unsuccessful. In each case

the warrants will direct that upon his arrest the offender be brought before the Judge who issued the warrant or some other Judge.

The Bill provides that when the offender is arrested and brought before a Judge, that Judge, if he is then sitting in court, may if he thinks fit deal with the offender forthwith or, whether he is sitting in court or not, remand him in custody or on bail to appear before the court at a specified time and place, and that that court may then deal with him for the offence. The present practice is that only the Judge who released the offender on the bond in the first instance may sentence him on a breach of the bond, and usually it is desirable that the offender be dealt with by that Judge. It is considered desirable, however, that a more elastic provision should be made so as to enable a different Judge to deal with the offender if for any reason that Judge thinks it desirable to do so. The power to bring the offender before any Judge will also reduce to a minimum the possibility of his having to be kept in custody for any length of time before being dealt with, and if the Judge before whom he is brought thinks it unwise that he should deal with the offender he will have power to remand him and, if he thinks fit, to release him on bail pending his being brought before another Judge. Provision is also being made to cover the case of any offender who is being released on bail following his arrest on the warrant and who fails to answer to his bail.

I commend this Bill to the House. It contains a number of important principles, and I trust that it will have a speedy passage.

On the motion of Mr. CAMPBELL TURNBULL (Brunswick West), the debate was adjourned until Wednesday, October 9.

MOTOR CAR (AMENDMENT) BILL.

Mr. PORTER (Honorary Minister).—I move—

That this Bill be now read a second time. As honorable members are aware, the law relating to the use of motor vehicles

on highways is contained in the Motor Car Acts. The purpose of this Bill is to amend those Acts—

- (a) to extend free registration to invalid persons who use motorized wheel chairs;
- (b) to make both the owner and driver liable for the use of unregistered vehicles;
- (c) to empower the Chief Commissioner of Police to refuse to issue a driver's licence or to cancel or suspend the driver's licence of any person with convictions in any other State or Territory of the Commonwealth or who has been disqualified from obtaining a licence;
- (d) to make the cancellation of a current driver's licence automatic upon the decision of the court to disqualify the holder from obtaining a driving licence;
- (e) to substitute an axle load limit for a gross load limit on certain roads;
- (f) to increase the maximum height of motor vehicles;
- (g) to increase the permissible length of the rear portion of articulated motor vehicles;
- (h) to increase the speed limit of certain vehicles; and
- (i) to make the owner, the driver and the person who is in charge of the vehicle liable to pay substantial penalties for exceeding the legal limits of width, height, length and weight.

From time to time, representations have been made to the Government that motorized wheel chairs used by invalid persons should be exempt from the payment of registration fees. At the present time, a tricycle carriage with an auxiliary power unit used solely for the conveyance of an invalid person does not come within the definition of a motor car and, accordingly, does not have to be registered pursuant to the Motor Car Acts. The position so far as this type of wheel chair is concerned will remain unaltered.

Mr. Porter.

Section 7 of the principal Act provides for the registration, without fee, of certain vehicles, including motor cars used by incapacitated discharged servicemen. The Government desires to extend the privilege of registration, without fee, to invalid persons who use motorized wheel chairs. Clause 2 of the Bill amends section 7 of the Motor Car Act 1951 to make provision for this, so that in future a tricycle carriage with an auxiliary power unit will not have to be registered, but a motorized wheel chair, which has to be registered at the present time, may be registered, without fee if the Chief Commissioner of Police is satisfied on certain matters.

Mr. DOUBE.—Is one wheel the only difference?

Mr. PORTER.—That is the effect of the amendment. These wheel chairs are often substantial vehicles capable of travelling at speeds up to the present limit of 30 miles an hour. Accordingly, the persons using them will be required to be licensed as drivers and to have the vehicle covered by third-party insurance.

Section 17 of the principal Act provides, among other things, that if a motor car is used on a highway without being registered the person driving it shall, unless he can prove one of the exemptions provided, be guilty of an offence. The section provides only for the offence of driving an unregistered motor car and the owner can be dealt with only under the Justices Act by his being charged with aiding, abetting, counselling, or procuring the offence, a method which involves considerable trouble and is not always successful. The purpose of the amendment to section 17, contained in clause 3, is to enable the court to deal more easily with the person responsible for and benefiting from the non-payment of registration fees.

Prior to the passing of the Motor Car (Amendment) Act in 1955, it was possible for a person disqualified from driving in Victoria to continue to drive on the roads of this State by reason of his holding a current licence issued in another Australian State. Since the amendment of section 23 of the principal Act by sub-section (1) of section 3 of

the Motor Car (Amendment) Act 1955, drivers have been effectively prevented from circumventing the cancellation, suspension, or disqualification order by a Victorian court. However, since the passing of the amending Act of 1955, it has become apparent that convicted persons from other States or persons disqualified from driving or convicted of serious driving offences in other States may apply for and be granted a licence to drive in Victoria.

Section 24 of the principal Act empowers the Chief Commissioner of Police to refuse to issue a licence or to cancel or suspend any licence—

(a) if the applicant or the holder of the licence has at any time been convicted of an offence which renders him unfit to hold such a licence; or

(b) if by reason of illness or bodily infirmity, defect, or incapacity by reason of the effects of treatment for such illness, or bodily infirmity, it would be dangerous for the applicant to drive a motor car.

The section makes provision also for appeal to a court of petty sessions.

Legal opinion is that the power of the Chief Commissioner of Police to refuse a licence to any person convicted of an offence is restricted to an offence committed in Victoria. Consequently, a convicted person from any other State, or a person disqualified from driving or convicted of a serious driving offence in another State or Territory of the Commonwealth, may be licensed to drive or continue to drive on a Victorian highway.

Clause 4 of the Bill, which amends section 24 of the principal Act, empowers the Chief Commissioner of Police to refuse to issue a licence to or to cancel or to suspend the driving licence of any person with convictions in another State or Territory of the Commonwealth or who has been disqualified by a court in any other State or Territory of the Commonwealth from driving a motor vehicle.

The effect of clause 5 of the Bill is to amend section 25 of the principal Act, so that the cancellation of a current driving licence is automatic upon the decision of the court to disqualify that person from obtaining a driving licence.

It sometimes happens that when a court disqualifies a person from obtaining a driving licence, it is not known to the court that the person concerned has, in fact, a current driving licence. This may happen where a person is detected driving a motor vehicle without a licence and is charged with that offence, but during the interval between the commission of the offence and the hearing of the charge the person concerned obtains a licence from the Motor Registration Branch, and this fact is not brought to the notice of the court at the hearing and, in fact, is often not known.

The purpose of the amendment contained in clause 6 is to substitute in section 31 of the principal Act an axle limit for a gross load limit. The principle contained in the section has not been altered. The present law has been in force for 30 years and was designed originally to protect roads of light construction by limiting the vehicles using them to a gross weight of 6 tons. When the present Act was passed, few motor trucks had more than two axles. With the modern trend to multi-axled trucks having from four up to eighteen tires it is obviously unreasonable to limit them all to 6 tons. In the past, this difficulty has been overcome administratively by the Country Roads Board, by the issue of permits providing for a gross weight based on the number of axles and the number of tires with which the vehicle is equipped. The proposed amendment will achieve the same result, but will reduce the practical and administrative difficulties of the Country Roads Board and will permit greater understanding by vehicle operators. This amendment was asked for by the Board.

Clause 7 amends certain of the limits provided with respect to motor cars in section 32 of the principal Act. Representations have been made to the Government that the maximum height of motor vehicles be increased above the present limit of 12 feet. Paragraph (a) of clause 7 increases the height limit from 12 feet to 12 ft. 6 in. I have been assured that the 6 inches additional will be of great value to operators.

Some years ago the Australian Motor Vehicles Standards Committee, being a committee of the Australian Transport Advisory Council, recommended the adoption of proposals for maximum length of vehicles, including a limitation on the length of the rear portion of a semi-trailer vehicle, which suggestion had been put forward by the conference of State road authorities of Australia. When these matters were being incorporated in the existing Act there was considerable difference of opinion regarding the limitation of the length of the rear portion of a semi-trailer vehicle, and Victoria was the only State to include that item in its legislation. Subsequent to the passing of the Act, it has become apparent that the restriction to 35 feet of the rear portion of a trailer is not entirely satisfactory as it unduly limits those who are attempting to design vehicles of maximum utility within the limitations set by the Act. These limitations are designed to satisfy certain requirements of road safety.

At the present time the maximum length of an articulated motor vehicle is 45 feet overall or 35 feet for either of the rigid parts. The amendment contained in paragraph (b) of clause 7 retains the over-all length of 45 feet but introduces a new principle in the measurement of the rear portion. The limit of 35 feet provided for at present is measured from the two extremities of the rigid portion, but under the amendment the distance of 31 feet is measured from the foremost part of the rear portion of its load to the centre of the rear axle, or where there is more than one rear axle to a centre line between the most distant of those axles. The result is that the rear portion of an articulated vehicle may now be constructed up to approximately 37 ft. 6 in.

Sub-paragraph (i) of paragraph (a) of sub-section (2) of section 32 of the principal Act limits the speed of commercial goods vehicles weighing between 2½ and 3 tons to 40 miles per hour. It has been found that very few prosecutions are initiated under this sub-section which appears to be obsolete. Paragraph (c) of clause 7 of the Bill makes the necessary deletion.

Mr. Porter.

The penalties provided in sub-section (5) of section 32 of the principal Act were designed to stop persons exceeding the limits of weight, height, length and width provided in sub-section (1) of that section. Recent court decisions, however, have shown this sub-section to be ineffective. Paragraph (e) of clause 7 of the Bill re-enacts that sub-section and provides that the owner, driver, and the person in charge of the vehicle and travelling therein shall be severally liable to penalties not exceeding £100; and where the offence is one of overloading an additional penalty will be imposed.

The reason for the amendment is that in the past some transport operators have been consistently overloading their vehicles. When detected, it has been found that the driver is a first offender and the owner cheerfully pays the fine and proceeds to do the same thing again. Under this amendment the owner and the driver will each be liable.

The new sub-section provides also that the driver or person in charge of an overloaded or oversized vehicle may be required to unload so much of the load as is necessary to bring the vehicle within the legal limits. This provision has been in the law since 1927 and is considered to be essential as it is obviously bad policy to allow a vehicle which is damaging the roads and which is dangerous to other traffic to continue on its way. However, the driver or person in charge may now elect to drive the vehicle to the nearest practicable police station for impounding if he prefers that course to unloading the vehicle on the roadside, but if he refuses to unload the excess or to drive the vehicle to a police station for impounding he may be arrested and be liable to substantial penalties.

Mr. SHEPHERD.—Who will drive the vehicle after the driver is arrested?

Mr. PORTER.—Probably a policeman.

Mr. SHEPHERD.—Would it not be better for the policeman to have power to make the driver drive the vehicle to the impounding station?

Mr. PORTER.—Difficulties could arise in that connexion.

Mr. DOUBE.—The idea is to get the vehicle off the road.

Mr. PORTER.—That is so. The owner of the vehicle shall be responsible for any loss or damage arising out of the unloading or impounding. The reason for that provision is obvious. If a police officer has the right to insist that part of the load of an overloaded vehicle be unloaded on the side of the road and damage is caused to the goods by rain, then the policeman should not be responsible for the loss.

Mr. DOUBE.—Probably the owner of the vehicle would be liable to the owner of the goods. Would the proposal have any effect on insurance?

Mr. PORTER.—Possibly not. I commend the Bill to the House.

On the motion of Mr. DOUBE (Oakleigh), the debate was adjourned until Wednesday, October 9.

MAINTENANCE (CONSOLIDATION) BILL.

The debate (adjourned from September 11) on the motion of Mr. Porter (Honorary Minister) for the second reading of this Bill was resumed.

Mr. CAMPBELL TURNBULL (Brunswick West).—This is a Bill to consolidate the law relating to the maintenance of wives and children and to confinement expenses and for other purposes. It relates not only to persons who have obtained orders in this State and whose deserting husbands are still residing here, but also to deserting husbands who have gone interstate. There is also a provision to enable orders made in Great Britain to be enforced in Victoria, and vice versa. In an attempt to improve the lot of wives and children who are left without means of support by deserting husbands and fathers, Parliament has passed a number of remedial measures in the last 30 years. Some of the amendments made to the 1928 Act contain a large number of provisions which are superimposed on, and which sometimes overload, the existing legislation. Consequently, it has become difficult for a member of the legal profession called upon to advise or assist deserted wives and children to discover the precise effect

of the existing law. The result is that the Government has seen fit to consolidate the law relating to the maintenance of wives and children.

The Bill was referred to the Statute Law Revision Committee which, in paragraph 4 of its report, stated—

The committee accepts the assurance of the Director of Statutory Consolidation that the draft Bill presented by him is a true consolidation of the Maintenance Acts and commends the Bill, when introduced, to honorable members for a speedy passage.

I have gone through the Bill carefully and compared its provisions with the various Acts which are repealed by the schedule, and I agree with the members of the Statute Law Revision Committee that it is a true consolidation. However, there are certain matters to which I wish to refer.

The maintenance legislation is important in the social structure of this State because if a man deserts his wife and children and leaves them without means of support, then the complaining wife and children can approach the court and obtain an order compelling him to keep them. Indeed, if the husband goes to South Africa or to England, or to another State, there will still be means by which the order can be enforced. Unfortunately, actions brought under this legislation are frequently before the courts of this State and there is a continual interchange of orders between people residing in Victoria and those living in Great Britain.

The legislature has seen fit to include a number of definitions in the Bill. "Means of support" is defined in clause 3 as follows:—

"Means of support," in respect of a wife or children, means lawful and adequate means of support, having regard to the financial position of the husband or father and to the accustomed condition in life and the financial position of the wife or children . . .

It is appreciated that if a deserting husband is, say, a grazier, he will have to pay more maintenance than if he followed some other occupation because different classes of persons have not the same means and ability to support their wives and families.

As do the divorce laws, the maintenance legislation recognizes not only desertion proper but also what is known as constructive desertion. If a man's behaviour in his own home is such that no reasonable woman could be expected to continue to live with him and her only recourse is to leave him, that would be considered to be constructive desertion. If a husband has been guilty of cruelty towards his wife, then the law permits his wife to leave him and to retain her rights of support. Again, if a wife considers that she is unable to live with her husband any longer because of his habitual drunkenness, that also is considered to be a ground for desertion. Paragraph (a) of clause 3 defines cruelty in the following terms:—

"Cruelty" means such conduct on the part of the defendant to his wife or any child or children of the defendant, including—

- (i) actual violence or acts of a physical character; or
- (ii) grave insults or offensive conduct, although not amounting to actual physical violence; or
- (iii) drunkenness—

as would make it in the opinion of the justices or court unsafe, having regard to the risk of life limb or bodily or mental health, for the wife or the child or children of the defendant to continue to live with him.

An habitual drunkard is also defined. Further, the Bill contains a provision to enable unfortunate girls who are the mothers of illegitimate children to recover confinement expenses and to obtain an order on the defaulting person for maintenance.

As the law stood prior to 1935, a person against whom a maintenance order had been obtained could be sent to Pentridge Gaol for a breach of that order, irrespective of whether he had the means or ability to pay or had a job or not. The result was that, during the depression years, there were probably more deserting husbands incarcerated in Pentridge Gaol than there were ordinary criminals. I understand that before a woman could obtain assistance from the Children's Welfare Department it was necessary for her to secure an order against her deserting husband.

Mr. REID.—But not necessarily an order for imprisonment.

Mr. Campbell Turnbull.

Mr. CAMPBELL TURNBULL.—That is so. However, the only practical means of enforcing the order was to have the offender committed to gaol. The Act was amended so that if a husband could prove that he did not possess the means or ability to pay he could not be imprisoned. This type of enactment stemmed from the Mother of Parliaments. Similar legislation was introduced into the House of Commons over 400 years ago. Since that time it has apparently been common practice throughout the British Empire for husbands, in certain circumstances, to leave their wives without means of support, but the time may come when husbands in general will have a greater regard for their moral obligations. The British attitude toward the relationship of husband and wife is that the husband shall perform his legal duty to care for, protect and adequately support his wife and his family.

I have already stated that the proceedings are not limited to an intra-state basis. It is possible to have an order obtained in Victoria transferred to another Australian State or to England, and to have it enforced there. This Bill constitutes an integral part of the social laws of this State, and I heartily agree with its provisions. Since the measure is a consolidation, I cannot criticize its clauses, apart from saying that to obtain an order against a deserting husband, it is necessary to prove that he left his wife without legal means of support. Sometimes it is discovered that a deserted wife has, say, £1,000 in the bank in her own right and, in those circumstances, the court cannot make an order because the wife has not been left without legal means of support. The position then is that she must use her own money until it is expended, and then she is enabled to take proceedings against her deserting husband. Indeed, at one time, if a wife worked, the husband was able to plead that she was not without means of support and so, at an appropriate time, the relevant provision was amended by this addition—

The justices or court shall disregard any moneys which the wife has earned is earning or is capable of earning by her own personal exertion and any savings arising from such earnings unless in the special

circumstances of the case the justices or court think it proper to take those moneys and savings into consideration.

This is one further step which enables the wife, if she is able to work, to prohibit her deserting husband from deriving benefit from the fact that she can earn money for herself. I commend the Bill to the House.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 (Short title, commencement and division).

Mr. SUTTON (Albert Park).—On behalf of the honorable member for Brunswick West, who is in charge of the measure for the Opposition, I wish to say that we have no objection to the clauses in the Bill being agreed to *in globo*. The measure has already been considered by the Statute Law Revision Committee, which has analysed it carefully and submitted valuable comments, and there is nothing further that I can add.

The clause was agreed to, as were the remaining clauses and the schedules.

The Bill was reported to the House without amendment, and passed through its remaining stages.

CRIMES BILL.

The debate (adjourned from September 11) on the motion of Mr. Rylah (Attorney-General) for the second-reading of this Bill was resumed.

Mr. CAMPBELL TURNBULL (Brunswick West).—This consolidating measure has been examined by the Statute Law Revision Committee, which has recommended that it be passed into law. With the possible exception of a few matters that I desire to mention, there is little that I can add to the committee's recommendation. Last year, sweeping alterations were made to the criminal law by the Penal Reform Act, which introduced a new system of probation and parole. The new system came into operation on 1st July last. This Bill incorporates the 1956 legislation, so that it falls into its proper perspective with other enactments relating

to crime. The measure, as consolidated, represents the policy of the State concerning criminals, and it in no way infringes the right of the subject who has been accused of a criminal offence to trial by jury. Further, it does not interfere with the duty of the Crown, in criminal cases, to prove beyond all reasonable doubt the guilt of accused persons.

At this point, I might digress momentarily to comment that many folk are inclined to say, "Punish the guilty." Few persons seem to be interested in clearing the innocent. One of the many virtues of the honorable member for Oakleigh is that he always has uppermost in his mind the desire to have enacted legislation aimed at ensuring that innocent persons shall not be convicted. That is a laudable objective. Sometimes lawyers are subjected to criticism because members of the public misinterpret the lawyer's function in relation to crime. His duty is merely to defend an accused person—not to judge whether or not that person is guilty of the crime with which he is charged.

The SPEAKER (the Hon. W. J. F. McDonald).—Order! I cannot permit any further debate on the contents of the Bill, which is a pure consolidation. It is competent to discuss the matter of consolidation, but not the contents of the Bill.

Mr. CAMPBELL TURNBULL.—I do not understand your ruling, Mr. Speaker.

The SPEAKER.—This Bill, like the previous measure dealt with by the House, is a consolidation which does not introduce any new substance or seek to amend existing legislation. No discussion of the substance of the clauses or the principle of the Bill may ensue. The debate concerns only the desirability or otherwise of consolidating the relevant legislation.

Mr. CAMPBELL TURNBULL.—Mr. Speaker, may I ask you to cite the authority for your ruling in this instance?

The SPEAKER.—I refer the honorable member for Brunswick West to page 534 of May's *Parliamentary*

Practice, which clearly sets out the position, not as a specific answer to the honorable member's question, but in principle. For example, proposals to amend clauses are not acceptable.

Mr. CAMPBELL TURNBULL.—I am not proposing any amendments, but wish to refer to various clauses that are important from the point of view of the public.

The SPEAKER.—The honorable member would be out of order in doing so. If I allow discussion to ensue in agreement with the merits of the Bill, I must also permit debate on its demerits.

Mr. CAMPBELL TURNBULL.—I shall point out special provisions contained in the Bill, but not comment on them. The Bill represents the policy of the State of Victoria concerning criminals, but it does not codify the whole of the criminal law of this State. In many instances it prescribes penalties relating to common law offences, and in some cases it varies the definition of specific crimes as applicable under the common law. In other cases the initial prescription of what constitutes a particular crime is made. For instance, clause 3 provides—

Whosoever is convicted of murder shall suffer death as a felon.

A number of elements constitute the crime of murder, but the Bill does not in any way alter or define the common law meaning of that crime. Clause 74 provides—

Whosoever commits simple larceny or any felony made punishable like simple larceny shall (except in cases otherwise provided for) be liable to imprisonment for a term of not more than five years.

The SPEAKER (the Hon. W. J. F. McDonald).—Order! The honorable member for Brunswick West is completely out of order in discussing such provisions, which are part of the substance of the Bill. Discussion may take place only on the question of the desirability of consolidating the legislation. I ask the honorable member for Brunswick West not to go beyond the ambit of the debate.

Mr. CAMPBELL TURNBULL.—I bow to your ruling, Mr. Speaker. The consolidation is essential because those who

advise criminals should know what the law is, and the consolidation will make that task less complex. One of the most important amending Acts in this field was the Crimes Act of 1949, which was introduced by the McDonald Government. It reduced to one provision the crime for which the sentence of the court shall be death. I congratulate the authors of that Act, which carried out a good deal of reform. Also included in the consolidation are certain items of the Schedule to the Children's Welfare Act 1954, which Act established for the first time reception centres, juvenile homes and juvenile hostels, thus giving a new charter for the protection of children. The present Government introduced three other amending Acts, namely the Crimes (Amendment) Act 1955, the Penal Reform Act 1956, both of which have been included in the consolidation, and the Crimes (Driving Offences) Act 1955, certain sections of which have been included. The first of those Acts dealt with illegal use and larceny of motor cars, and increased the maximum penalties for those offences to imprisonment for ten years and five years respectively. Of the other two desirable pieces of legislation, the Penal Reform Act provided for probation and parole of convicted persons, and the Crimes (Driving Offences) Act made certain offences, including dangerous driving and driving under the influence of liquor, indictable, and introduced for the first time the principle of blood tests. This is a very important Bill, which I commend to the House. I understand the Government desires that it shall receive a speedy passage. I thank you, Mr. Speaker, for your indulgence.

The motion was agreed to.

The Bill was read a second time, and passed through its remaining stages.

The sitting was suspended at 6 p.m. until 7.25 p.m.

BUDGET DEBATE.

The House, having gone into Committee of Supply, proceeded to debate the Budget submitted by Mr. Bolte (Premier and Treasurer) on September 10.

Mr. SHEPHERD (Leader of the Opposition).—I am very pleased to have the opportunity to speak on the Budget

on behalf of the Opposition. In doing so, I say at the outset that if it were not for being optimistic by nature I should be very worried by the picture presented by the Premier in respect of finance. On many occasions the honorable gentleman has said that the State of Victoria, despite its difficulties from time to time and although it is not great in area, is big enough, so far as concerns its various activities and the part it plays in the development of Australia, to be able to fight through the difficulties of finance. There must be a great deal of concentration in Government administrative circles to endeavour to clear the State of the financial shackles forced upon it not only by current circumstances but also by the costs of an expanding economy. In the near future we shall have to take stock to see how far we can go in relating revenue to loan expenditure and the loan commitments of the State.

It is easy to speak in an expansive way and without tying ourselves down to our responsibilities when we know that, in the event of a falling away in the economy of the country, someone in the future will have to face the task of straightening things out. In the last ten years or so Victoria has been favoured with excellent seasons, wonderful crops and rising prices for wheat and wool and other produce. Consequently, we are apt to be lulled into a sense of false security, because our economic position could be weakened if only a couple of adverse seasons were encountered.

I am not speaking in this way in the light of present possibilities of a bad harvest. There is still time for that prospect to be corrected, if not in whole then in part. But the economy of the State, coupled as it is rather harshly with the economic structure of the Commonwealth, could be badly affected by a bad season and a falling off in the price of wool.

None of us can foretell the future. Times of peace have a tendency to bring about a fall in prices, whereas during a period of war the prices of many of our commodities have been such that Governments have committed the country to certain expenditure for

perhaps 50 or 60 years. In years of peace people are a little more discerning than during a war, and perhaps some of our difficulties are brought about by the ease with which people are induced to lend their money in certain directions at high rates of interest. It is difficult for a Treasurer to obtain a full loan from the people for governmental purposes.

The Budget speech was full and complete and it was printed for the guidance and benefit of honorable members. Without it in that form it would not be possible to study the State's financial position, and without the printed documents which accompany the Budget it would not be easy for the Treasurer to present the full position of the State or for members to comprehend it. The speech is written in typically accurate and rather extensive Treasury style, which, of course, is all-important. The Treasury dominates but does not dictate the actual spending of the State, and often it has a good deal to do with the expenditure of money. Any member of this House who has had Ministerial experience, and therefore the control of a Department, knows that it is nearly impossible to obtain from his officers an accurate estimate of the amount of money that is required to enable the administration of that Department to be continued.

Mr. BOLTE.—The Treasurer is in a similar position.

Mr. SHEPHERD.—Most Treasurers would like greater power in that regard. It is usually appreciated that Ministerial control is good and, if wisely used, it should be encouraged, although not to a point where the proposed expenditure exceeds the spending ability of the State. To those persons who believe in balancing their budgets, the Budget presented by the Treasurer is disappointing. If I were asked whether I believed in balancing the Budget I would reply, "Yes, in so far as normal housekeeping is concerned, but definitely, wherever possible, in connexion with governmental housekeeping." In certain circumstances, of course, it is difficult to balance the State's Budget. If there are increased demands for social services, expenditure must necessarily be higher.

It was pointed out during the debate on the Supplementary Estimates that there is, when presenting the Budget, a general tendency to under-estimate the deficit, with the result that a greater allocation must later be sought for Supplementary Estimates. In his Budget speech, the Premier wisely emphasized that one of the principal reasons for the State's deficit was the huge losses sustained by the Victorian Railways. However, it is not reasonable to expect the Railway Department to operate at a profit. That result could be achieved only by the closing of vital lines, and by curtailing certain other services, but, inevitably that action would lead to an inefficient railway system. However, a railway deficit of £5,227,000 must shackle the finances of the State.

Opposition members do not advocate the retrenchment of staff to achieve a balanced Budget. If the time comes when it is necessary to trim expenditure, the Government should commence by curtailing luxury spending. We do not support action that would adversely affect the average man and woman in the street—members of the Teaching Service, the Public Service, the Police Force, and so on. During the last depression, mistakes were made by adopting a retrenchment policy, whereas had the employees in the lower-income groups been kept in employment, there would have been work also for others. Unfortunately, there was a tendency to spend money on chipping grass instead of tackling the rail unification scheme, which would have created employment for thousands of people. Generally, the married man with a family suffered most during the depression. Employees of the Public Service knew how many weeks employment they would be given, and how many weeks leave without pay they would be compelled to take. Fortunately, in the Public Service that system reacted less severely on married men, but the lack of full-time employment created great hardship, particularly to those persons who were endeavouring to purchase their own homes.

Mr. Shepherd.

In his discussions with the Commonwealth, the Premier has maintained that the large percentage increase of population in Victoria, particularly as a result of the influx of migrants to this State, has seriously aggravated our financial position. The honorable gentleman has stressed that in the past two years there has been a population increase of 6 per cent., representing an actual increase of 150,000. I do not know why statistics for a two-yearly period were selected, but for the two years in question the population increased each year by 75,000, which resulted in increased expenditure on social services, education, subsidies to municipalities, and so on. The additional cost of these services was reflected in our ordinary expenditure from revenue and in the debt charges which must be incurred as a result of the use of loan funds for the construction of schools, hospitals, and other public facilities.

One of the principal reasons for the State's adverse financial position is the relationship between the Commonwealth and the States, and it has not been corrected, because both the Prime Minister and the Federal Treasurer contend that the recent High Court decision has not changed the relationship between the States in so far as uniform taxation reimbursements are concerned. Constant pressure must be exerted on the Commonwealth to remove the anomalies that exist in relation to the distribution of money collected in the States under the uniform taxation system. Even though there is to be no conference of the Commonwealth Government and the State Premiers in the near future, it is obvious that the only solution to our financial difficulties is a rearrangement of the taxation reimbursement formula. The Premier has indicated that it is not intended in future to enter into new taxation fields, although the State is empowered to do so. I believe in the uniform taxation system, and I agree also that for the national benefit the stronger States should support the weaker States. The Premier stressed the fact that although Victoria provided 30 per cent. of the £190,000,000 reimbursed under the uniform taxation system, only 26 per cent. of this money was

returned to this State. If the reimbursement to Victoria equalled the collections from this State, it would no longer be necessary to budget for a deficit. However, we should not overlook the fact that from many points of view, we, in Victoria, are fortunate. We have an excellent climate for productive purposes, and owing to the compactness of the State, industry has been more responsive here than in other States. Although there have been many complaints that certain parts are inaccessible and that insufficient encouragement has been given to decentralized industries, Victoria embraces only a comparatively small area and, consequently, we are not faced with many of the difficulties—distance, unsuitable climate, unfertile soil—encountered elsewhere. For that reason, we should be prepared to sacrifice willingly an additional 4 per cent. of the money collected from this State under the uniform taxation system.

Mr. BOLTE.—You are not upholding the formula?

Mr. SHEPHERD.—The formula can always be improved; in fact, successive Commonwealth Governments have altered it slightly in past years. When the uniform taxation system was introduced, it was realized that in about 1956-57, Victoria would receive nearer to a just reimbursement than at the instigation of the scheme. The Governments in office in Victoria prior to the implementation of the uniform taxation system were so parsimonious in their action towards certain services that we have lagged well behind the other States. I do not mean that the Treasurer of Victoria should have been careless or flamboyant as his counterpart in New South Wales is alleged to have been in the early 1930's. However, despite what happened in New South Wales, and notwithstanding the fact that Labour Governments in that State have been criticized from time to time, at least the Cahill Government recorded a small surplus last financial year.

Mr. BOLTE.—The New South Wales railways sustained a deficit of £6,000,000.

Mr. SHEPHERD.—That is all the more reason why the Cahill Government deserves commendation for recording a surplus at the close of the financial year.

Mr. BOLTE.—New South Wales receives more by way of reimbursement than does Victoria.

Mr. SHEPHERD.—That is true, and that brings me back to the point I was making. During the depression years in New South Wales every endeavour was made to find employment for the people by means of tackling big engineering works and "chasing" money. The New South Wales Government was condemned for its banking systems, but New South Wales is still strong and it occupies a pre-eminent position in industry. Private enterprise has greatly assisted New South Wales. Big private industries received certain concessions from the New South Wales Government—the Government assisted the Broken Hill Proprietary Company Limited for many years—until they became self-supporting. To-day, industries functioning at Broken Hill, Port Kembla, and in other industrial areas, are particularly strong and they play an important role in the economy of Australia and could prove a vital factor in the defence and safety of the Pacific.

I have raised these aspects to indicate that there are certain limits upon our ability to absorb loan money in Victoria. One of the pertinent factors emphasized by the Premier was that loan moneys expended on the construction of schools, hospitals and other public facilities, affect the State's financial position. However, it is difficult to visualize Victoria being able to provide those facilities without the use of loan money.

Mr. BOLTE.—We are doing it now.

Mr. SHEPHERD.—It is being done in reverse. The State is carrying out work with loan money which has to be repaid over a period of 53 years, and often the work needs to be renewed in five or ten years. This is because there are not sufficient funds to spare to enable many of the normal repair works at schools, hospitals and other public utilities to be paid for out of revenue, and loan money is being used. There

are many other factors that we cannot control. The debt services in this State are becoming terrific.

On page 115 of the Budget papers of the Commonwealth, Victoria's public debt is stated as £481,818,674. That coincides, naturally enough, with the figure quoted in the State Budget papers. Victoria owes the sum of £439,555,392 in Australia, £38,759,326 in London and £3,503,956 in New York. Every person in Victoria—man, woman and child—is committed to repay loan expenditure to the extent of £180 per head. That means that we are committed forever, and every year the figure rises.

The interest payment on this commitment amounts to the sum of £18,728,611 this financial year. Fortunately, the average rate of interest being paid at present is only £3 17s. 9d. per cent. It was not many years ago when interest of 5 per cent. and 6 per cent. was being paid on money raised in London. During the war there was a period when it was possible for us to break down the interest rate on the national debt in Australia to about 3 per cent., and there is now a balancing at £3 17s. 9d.

It is interesting to observe what has happened since 1930. Between then and 1940, Victoria's loan commitment expanded from £153,000,000 to £180,000,000. Loan money was needed at that time, but we could not obtain it. From the early 1940's this country—gripped in war—was to raise nearly £1,200,000,000 at the lowest rates of interest. The people who lent it then lend it in other places to-day at a higher rate of interest. From 1940 to 1950, the commitment rose from £180,000,000 to £217,000,000—not very much when one considers all the work carried out in the 1940's. Much of the public work in this State had to be suspended.

Since 1950, Victoria's public debt has increased to £481,000,000. That is a tremendous burden to carry—so much so that in the current financial year the Government is budgeting for repayment of interest and expenses on loans amounting to £19,624,800. There is an increase of approximately £2,000,000 in that bracket, and an increase of

nearly £1,000,000 in the National Debt Sinking Fund. That makes a big hole in the £42,000,000 made available to this State by the Commonwealth for governmental works. Victoria also receives £35,000,000 for semi-governmental works. There are a few items of interest paid to the Government over the years, but some of our loan money is advanced to the Melbourne and Metropolitan Board of Works and other bodies.

Mr. BOLTE.—Provision must be made for soldier settlement.

Mr. SHEPHERD.—A large amount must be applied to that purpose. Members should take particular interest in purely Government loans and the National Debt Sinking Fund. The sum of £3,816,000 is a colossal amount to be found. The pertinent point of my comment on this Fund is that in 1954-55—I recall that year particularly—the commitment to the National Debt Sinking Fund at 4 per cent. was £284,816. That was on account of the revenue deficit funded in accordance with the conditions of the financial Acts of the Commonwealth and agreements made thereunder. The estimate for 1955-56 was the same. The reason why there was no expected change was that the Cain Labour Government had no deficits in its two years of office. In the first year there was a surplus and in the second year a larger one. More than £1,000,000 of it was transferred to Consolidated Revenue in the next year to help the Bolte Government. It was a very substantial amount and represented a creditable performance on behalf of the Labour Government.

In 1956-57, the estimated payment on account of the revenue deficit funded at 4 per cent. was £364,000. That was a large increase over the sum of £292,000 paid in 1955-56. While it may be possible to benefit by having extra work done at the expense of incurring a large deficit, it robs the State of loan money. On top of that it is necessary for seventeen years to pay 4 per cent. on the revenue deficit funded, and at the same time to make payments to the National Debt Sinking Fund. Under the provisions of the Financial Agreement 1927,

Mr. Shepherd.

as amended, the following contribution must be paid into the National Debt Sinking Fund each year:—

In respect of any loan raised on behalf of a State to meet a revenue deficit accruing after the 30th June, 1927, other than those loans referred to in clause 3 above, at least 4 per cent. per annum by the State concerned from revenue for a period sufficient to provide for the redemption of that loan, the contributions being deemed to accumulate at the rate of 4½ per cent. compounded.

I understand that means that where the ordinary loan is for a period of 53 years at the current interest rate, actually 8½ per cent. to 9 per cent. is paid over a period of seventeen years to refund and repay that deficit loan. That is a colossal rate of interest to carry, and it is necessary for the State to keep carrying it perpetually if there are successive deficits. The Budget papers of the State indicate that Victoria paid £4,751,200 to the National Debt Sinking Fund in the year 1956-57. That is in accordance with the information contained in the Commonwealth Budget papers, but, in looking through our own accounts, I find that the amount paid was only £3,686,377. There must be some carry-over or interchange of moneys. In any case, from 1925-26 up to the present time, the State has paid £54,500,000 to the National Debt Sinking Fund in respect of the £480,000,000 loan commitment. This problem must be faced.

The Premier truly pointed out that we are being lent by the Commonwealth, at the ruling rate of interest, money that, in the main, is surplus from revenue received from the various States—largely from New South Wales and Victoria. It is lent to us over a period of 53 years. There is a pertinent remark in the Commonwealth *Treasury Information Bulletin* regarding a special Commonwealth loan of £99,000,000, which was not open for public subscription. It was a special loan raised by the Commonwealth with the express purpose of carrying out a promise to underwrite loans so that the States would get their full loan commitments, but a contribu-

tion to the loan is made from the surplus revenues of the Commonwealth. The document states—

A special Commonwealth loan of £99,000,000, which was not open for public subscription, was issued on 28th June in order to complete the States' loan programmes for 1956-57 and to provide moneys required by the Commonwealth for War Service Land Settlement. The securities issued were the same as in the April loan. An amount of £96,000,000 was subscribed from the Loan Consolidation and Investment Reserve and £3,000,000 by the National Debt Commission out of the Australian currency counterpart of International Bank loan receipts transferred to the National Debt Sinking Fund. Of the proceeds of the loan, £91,900,000 was applied to the works and housing programmes of the States and £7,100,000 to War Service Land Settlement.

Details of the securities issued in the special loan are given, and the interest return averaged about 5½ per cent. over the whole of the loan of £99,000,000. I should like to comment on one aspect. We condemn the Commonwealth for using its surplus revenue for the Snowy mountains hydro-electric scheme. Money was placed at the disposal of the authority engaged in that work at a certain rate of interest and it does not have to be re-paid to the Commonwealth until it is possible to sell electricity. This loan is at the current rates applicable to public loans. It is obvious that there must be a balancing. Victoria needs money for permanent works, but we are not able to raise it for some reason I am not able to understand fully.

Mr. BOLTE.—It is impossible to raise it from revenue and float loans as well.

Mr. SHEPHERD.—I realize that it cannot be obtained in both ways. If it were raised in the form of revenue, it would be said that it was not required from loans. The formula by which the Commonwealth makes taxation reimbursements to the States could be altered to meet the position.

Mr. BOLTE.—If a Government raises the money through taxation, it is difficult for the taxpayers to subscribe to loans.

Mr. SHEPHERD.—That is true. A fact that needs to be engendered into the minds of the people who have some monetary strength is that it is a good thing to be able to pay taxes. Too many people wish they were not paying taxes. It reminds me of the woman on a bus who said to her companion, "Fancy paying 1s. 6d. a pound for peas!" Her friend replied, "I do not mind. I remember when peas were 3d. a pound, but then I did not have 3d." That anecdote illustrates an important fact. Too many people consider that they should not be taxed, whereas actually it is good for people to have money to pay in taxes. An effort should be made to engender into the minds of the young people that nothing worth while can be expected in life unless they seek it strenuously. The Treasurer of any State is entitled to do the best he can, but he should not take a risk of over-committing the State by incurring large deficits. Off-hand, I cannot offer any remedy for the present situation, but we are reaching a stage where the deficits are becoming bigger.

We must realize that our loan raisings and advances from the Commonwealth are not increasing. From the £42,000,000 allocated this year £4,000,000 must be used in accordance with Treasury practice to maintain financial equilibrium. Yet, at the same time, we are over-committing ourselves not only for this year but for the next seventeen years. If deficits continue to be incurred, that state of affairs will continue in perpetuity. Moreover, the State is being caught up in the dollar situation, both directly and indirectly. Every diesel locomotive purchased by the Railway Department necessitates the expenditure of dollars, and the same remarks apply to any spare parts that have to be procured from the United States of America. Of course, the dollar content of these locomotives is becoming less each year, but it is still necessary to import the power units from the General Motors Corporation of America. The expenditure incurred is met from dollar loans raised in America, but the State has to find interest and sinking fund payments and exchange.

The operations of the Railway Department are of great importance to the State, but its finances cannot keep pace with the projected activities of the Department. Each year the Minister of Transport could convince the Government that the railways could spend £11,000,000 on capital works if the money were available. In the Budget papers reference is made to the special provisions made by the Railway Department to amortize its capital debts. Last financial year's contributions to the National Debt Sinking Fund and exchange payments amount to £3,600,000. If the capital expenditure of the railways was raised from £7,000,000 to £11,000,000 and the Department was able to spend it all, the National Debt Sinking Fund payments would increase accordingly, yet the railways might not earn any more revenue. I am a former railway man and have great faith in the future of our system, and I believe the railways will be of little benefit to the State unless they are modernized. The only way that can be achieved is by making available the most efficient type of plant that has a slow rate of depreciation. Diesel locomotives can be included in that category, and I know that they are giving the railways great satisfaction. However, it is obvious each year when the Railway Loan Application Bill is presented that the Department will not be able to carry out all the works projected. I well remember the occasion when the honorable member for Scoresby spoke elatedly about the proposal to electrify the railway line from Upper Ferntree Gully to Belgrave. His feelings were shared by most people, the only exceptions being those who were interested in the historical side of railway operations and wished the "Puffing Billy" service to be continued. However, nothing has been done about the proposed electrification. Most honorable members know that because of lack of finance there is little prospect of jobs in their own electorates costing only £2,000 or £3,000 being commenced in the near future.

The deficits incurred by the railways dominate the finances of the State. I do not wish to go into all the ramifications of railway operations, but I am

sure that no honorable member can tell me when a new major job will be commenced by the Railway Department. Many projects estimated to cost millions of pounds are envisaged, but the Department does not seriously contemplate their commencement. Each year a new list of works is presented to Parliament and what was No. 10 on the list in one year may become No. 1 the next year, but it has no prospect of being commenced. It has taken four years to construct the Dynon sheds and yard, yet not a 1d. of revenue will be earned from that section of the railways this financial year. No doubt the new yard and the sheds are essential for railway operations, but the job has been very slow and has cost the State a considerable sum in repayments of principal and interest on loans raised. All businessmen know that the only way to earn money is to get a quick return so that the project can at least earn enough to pay interest. Many people contend that a commencement should be made with the construction of an underground railway in the city, but I would not worry too much about that.

I remind the Premier that every time he signs an agreement similar to that covering the Snowy mountains project, he is binding the State, body and soul, to the Commonwealth Government system of using revenue, much of which is obtained from this State, for capital works. A similar situation will apply in connexion with the standardization of the rail gauge between Wodonga and Melbourne. The Commonwealth adopts a parallel policy with works on the North Australia line, the Central Australia line and even on improvements to the Trans-Australia line.

Mr. BOLTE.—A very small percentage of the capital cost of the Wodonga-Melbourne standardization will be debited to Victoria.

Mr. SHEPHERD.—That is true; we will meet about £1,300,000 of the cost.

Mr. BOLTE.—About 15 per cent.

Mr. SHEPHERD.—That is so. However, the balance will not be met from loan funds but from revenue raised by

the Commonwealth. Whilst the Commonwealth is encouraged to do that, there is no hope of the system being changed.

Mr. BOLTE.—In the last few years the Commonwealth has reduced its national debt by £140,000,000.

Mr. SHEPHERD.—That has been achieved by the raising of excess revenue. In the course of his Budget speech, the Premier stressed the point that Victoria would receive only 26 per cent. of the £190,000,000 to be devoted to the States but that 30 per cent. of that sum would be derived from Victorian taxpayers. He stated also that in 1957-58 Victoria would receive from the Commonwealth £18 18s. a head of population and listed as a comparison the relevant figures for the other States. In checking these items I have noted that a different basis of calculation was used by the Premier for this purpose than was adopted by the Treasury officers in preparing the other Budget figures. In order to obtain the *per capita* grant of £18 18s. to the State of Victoria, the honorable gentleman took the population figure of 2,659,783 at the end of March, 1957, and divided it into £50,300,000. In the Budget papers the estimated *per capita* grant for 1957-58 under the financial agreement is shown as £2,127,159 and the income tax reimbursement—including any arrears—is estimated to be £44,000,000. The special grant is shown as £6,301,000. Those amounts total £52,428,159, and if one divides that sum by the population of the State at the 31st December last one arrives at a figure of £19 18s. 3d. per head of population. That shows the difference made by the slight increase in population between December of last year and the end of March of this year. I maintain that the Premier should have used that calculation as the figures shown in the Budget papers seem to be based on that ratio.

Mr. BOLTE.—All the figures to which you have referred were calculated as at the one date.

Mr. SHEPHERD.—I do not know how the Premier arrives at that conclusion. The *per capita* payment under

the financial agreement is estimated to be 16s. 2d., under the States grant £16 14s. 3d., and under the special grant £2 7s. 10d., a total of £19 18s. 3d. If one takes only the State grant—the tax reimbursement—and the special assistance grant, the figure is £19 2s. 1d. The calculations are based on the population figure of 2,632,623.

Mr. BOLTE.—That is the figure for the year before.

Mr. SHEPHERD.—The figures are calculated on the December population figure, as I pointed out earlier. I do not say that the Premier deliberately adopted this method in order to mislead people, but I consider his figures should have been consistent with those presented in the Budget papers.

It was also emphasized in the Budget speech that State taxation in the last five years had increased by 111 per cent. In that period there has been a radical change. It is estimated that in 1957-58 the State will receive £2,950,000 from Tattersall's, from which source revenue has been obtained in the last four years. However, it must be remembered that in the previous year Tattersall's were not operating in Victoria. It is true that there has been an increase in State taxation of 111 per cent. in the period mentioned, but I still have to be convinced that funds received from Tattersall's should be included as State taxation.

Mr. BOLTE.—They are not.

Mr. SHEPHERD.—They are included in the analysis of State taxation and were included to arrive at the increase of 111 per cent. quoted. That was done in order to make the comparison between the 56 per cent. increase in the revenue from the Commonwealth look very good. State taxation in Victoria including the contribution from Tattersall's, has cost each citizen £10 9s. 11d. per year. I feel that a different method of including the revenue from Tattersall's should be adopted in our Budget records. If persons who buy lottery tickets are being taxed it is on a different basis from other forms of taxation.

Mr. BOLTE.—The same remarks will apply to racing taxation.

Mr. BLOOMFIELD.—And to entertainments tax.

Mr. SHEPHERD.—I consider the revenue from Tattersall's should be placed in a different category. It is a contribution out of the total amount received by Tattersall's and it is not a tax on each individual ticket as it was when Tattersall's operated in Tasmania. Entertainments tax and racing tax are in a different position.

Within the last few days, there has been much discussion on the Education Department, and doubtless many members will desire to mention this subject during the debate. Education is so important that we must expect it to cost more than it has previously. I believe that in the Estimates there has been a tendency to under-estimate the sum required for contingencies relating to the Education Department. For instance, an application for increased salaries for certain teachers has been made to the Teachers Tribunal, and there are other items such as libraries and visual education upon which there will be large expenditure. This Government is building 800 schoolrooms a year and we know that many new technical schools and high schools are to be provided. Last year the Government was able to furnish equipment for new schools costing £120,000 but a similar sum will not be sufficient this year. The provision for libraries is increased by £1,500, and for school requisites there is an additional amount of £1,500. For domestic arts, however, the allocation has been dropped by £8,000. How this can be done with an expanding school system, I do not know. Manual training is associated with all high schools in which woodwork and other craft work are taught, but the amount for this purpose has been decreased from £43,000 to £35,000.

This matter relates to what was said in the course of the debate on the Supplementary Estimates. The education field is being extended and increased expenditure will be incurred on all the items to which I have referred. Possibly,

when the Supplementary Estimates are presented next year these items will be the subject of debate. For instance, transport of scholars is being extended but no additional provision has been made for it. I do not blame the Government or the Department for the lack of increased provision, but it is obvious that the Government, although it is anticipating a deficit of £3,000,000 next year, will be faced with an actual deficit of more than £5,000,000. If the Government under-estimates the cost of these items, the deficit must be greatly increased.

Mr. BOLTE.—Some two years ago, how much did your Government spend on these items?

Mr. SHEPHERD.—In 1953-54, the Labour Government spent £54,549 on school requisites, in 1954-55, £44,538, but in 1955-56, this Government spent only £43,773. For 1956-57 the expenditure rose, as I think it should, to £53,953 and in that year many major schools came into operation. New schools are being built all the time and additional classrooms are being provided at older schools. In my opinion, the allocation of £50,000 will not be sufficient. I raised this question last year and it was answered honestly by the Minister whose reply proved to be true. Fine white drawing paper was in short supply, and the Minister made special provision to overcome the difficulty. That was an additional cost. The same comment applied to coloured chalks for infant schools. I am merely pointing out that these contingencies have been underestimated, and for that reason I believe the deficit for next year will be larger than that for the last financial year.

Mr. BOLTE.—I do not think it will be.

Mr. SHEPHERD.—I do hope it is not. I do not want members of my party to have to continue to condemn a Government for an increasing deficit. The matter of hospitalization will be discussed by other members of the Opposition but that subject is a worry to any Government. This Administration has had its trials and tribulations and no matter what it does in the matter of hospitalization hundreds of people who are trying to

establish new hospitals must be disappointed. The recent move of the Commonwealth Government to ease the pressure on people who have to undergo hospital treatment is a hopeful sign. I desire to refer to an extract from the report on the Footscray and District Hospital, which is a modern institution with 210 beds. I quote these figures to show what it costs each day to provide service at the hospital. I have mentioned this institution because I received a copy of its annual report, which explains how the total of £5 9s. a day for each patient is accounted for:—Food, 12s. 10d.; dressings, gases and drugs 7s. 5d.; coal, laundry, power and cleaning, 16s. 10d.; wages, 65s. 11d.; administration, 4s. 2d.; building repairs, maintenance and so on, 1s. 8d.; and interest 2d. I was staggered last week when the honorable member for Grant, who suffered a serious accident, told me the sum he had to pay for hospitalization. Whenever a patient is covered by the third-party motor insurance or workers' compensation, all institutions seem to impose the highest service charge possible.

Mr. BOLTE.—The charges you have mentioned are for each patient?

Mr. SHEPHERD.—I have given the average cost for a bed for a day.

Mr. BLOOMFIELD.—More than half of the charge goes in wages?

Mr. SHEPHERD.—Yes. Some of that reverts to the Government in the form of taxation. The average number of beds occupied is 194.98 out of 210 beds available at the Footscray hospital, which is really a dense loading. If that were not the case, the cost to the public would be higher. I agree with the Premier's comments regarding hospitals and his remarks apply also to mental hygiene and other services encompassed in the Budget.

The Premier said that the Government is proud of what it has done in the housing field, and he mentioned that its record is better than that of most other Governments. The honorable gentleman emphasized that under the new Commonwealth-State Housing Agreement £8,000,000 will be available to the Housing Commission, and £2,000,000

will be allotted to the needs of home builders, while an additional amount of £400,000 will be available to the Commission, in accordance with the agreement to provide reasonable homes for service personnel. In one way that is true, but in another way it is not. What will happen is that out of the total sum of £8,000,000 an amount of £400,000 will have to be deducted to match the 5 per cent. that will come from the Commonwealth Government, so that £800,000 will be made available to provide homes that Commonwealth Departments require for persons who do not submit applications to the Victorian Housing Commission in the ordinary way.

Mr. BLOOMFIELD.—It is a means of providing homes for human beings.

Mr. SHEPHERD.—There was confusion with the Housing Commission as to its section of the agreement. When the agreement came into force the name of any person who was a permanent officer or a supernumerary officer in one of the Services, and was an applicant to the Housing Commission, was taken out of the application list. It was thought that the needs of such people would be catered for by applications to the Army, the Navy and the Air Force and in that way the position would be relieved.

However, a group captain informed me that houses would be needed for Air Force personnel only at places where such personnel were located, not in a Housing Commission estate. He said, "We would prefer to have the money allocated to our Department." Many ordinary folk in the Services thought they would have a chance to obtain a home, but they were doomed to disappointment. After many months of agitation, the matter was referred to Canberra and the people concerned were reinstated on the waiting list. The servicemen who occupy houses under this scheme could be transferred temporarily from Sydney to Melbourne on military service. I know of one man who was given a house on the recommendation of the chaplain of

H.M.A.S. *Lonsdale*. Others have been allotted houses for health reasons. The fact that £400,000 has to be allocated to housing servicemen is a disadvantage to this State. A large number of houses could be built with that money and allocated to some of the 17,000 people who are at present waiting to rent Commission homes. The reference to this aspect in the Premier's Budget speech makes it obvious that, instead of the State obtaining £8,000,000 for housing in two years under the Commonwealth-State Housing Agreement, only £7,600,000 will be received. That amount is insufficient to house the people requiring accommodation.

The Opposition is in a good position, by its observations and constant attention to detail, to bring under the notice of the Government the need for more houses for rental purposes. It is obvious that no headway is being made in that regard. If all the English immigrants to Victoria had remained here, the position would have been chaotic. Many of them returned to their homeland because they could not obtain suitable accommodation. Some would prefer to buy cars than build houses for themselves. On the other hand, hundreds of immigrants are rearing families here and it does not appear that they will ever obtain suitable accommodation. Within the last fortnight the Sunshine City Council asked the Housing Commission to reintroduce an emergency housing scheme to accommodate people who have been evicted. The chairman of the Housing Commission said that neither he nor the Government was prepared to take such a step. Of course, the Government abolished Camp Pell and set up an emergency housing scheme at Preston. The chairman stated also that many people are unwilling to pay the rent demanded for Commission homes, and that tenants who have been given up to four chances should be evicted. I admit that in many instances I would have to support him in that regard. It is interesting to note that the chairman said that there are 12,000 people waiting to rent Commission houses, but in answer to a question

yesterday the Minister of Housing said that there were 17,000 unsatisfied applicants. The fact is that both private enterprise and the Government are not building sufficient houses in this State. The situation has been eased to a certain extent by people who build portion of a house and are prepared to live in semi-destitution for many years until they are able to complete the dwellings. They must be complimented for overcoming their difficulties.

The Opposition is far from satisfied with the housing situation. Co-operative housing societies have done a good job, but they could do far more if increased finance was available. There is still a big demand to rent houses provided by the Government. If a good family is given occupancy of a Commission house there is every prospect that they will eventually purchase the home.

There are one or two matters that I should like the Premier to examine carefully. I know that he has certain views on a request from the Retired Public Servants and Railwaymen's Association in regard to superannuation. This matter was referred to by the Leader of the Country party recently. The association represents a group of former Government employees who are not well placed financially. I know that the superannuation fund is at present financing half of the 10s. unit, plus as much as 7s. 6d. for some other units, which amounts to a large sum of money. Nevertheless, the fund is fairly buoyant. I suggest that the Government Statist be asked to examine the state of the fund. That officer may be able to recommend the taking of some action that will assist these people. I believe the association is genuine in its request. Many of its members who are bachelors are in a difficult financial situation because they cannot obtain the age pension.

Mr. BOLTE—Those receiving pensions would not be any better off.

Mr. SHEPHERD.—That is so. A married couple are slightly better off because the higher exemption allows them to qualify for both superannuation and the pension. Opposition members

consider that again there is a tendency in the Budget to under-estimate the seriousness of continued deficits. I believe the Premier is aware of the danger of undertaking additional loan commitments. Year after year, the State is increasing its loan commitments by approximately £40,000,000 annually, and that in turn increases the repayment and interest bill. This results in a larger deficit being incurred. I think a critical stage has been reached in regard to the finances of this State. I am not a pessimist and I believe that our prosperity is assured. However, unless there is a new system of allocating revenue by the Commonwealth Government, we will find ourselves in an even worse financial situation than at present.

This year is important for the Premier. The Budget contains an allocation of £129,000 for electoral purposes, so apparently an election will be held during this financial year. The Government is under test in more ways than one. The Opposition disagrees with much of the legislation and many of the administrative actions of the Government, but one of the first defects to which we direct attention is its inability to attain anything like a balancing of the Budget. It is obvious that ultimately the people of this State will take notice of the fact that the deficits incurred by the Government have increased to alarming proportions. After the High Court's decision in regard to uniform taxation, I was of the opinion that there would be no alteration in the Commonwealth Budget because the Prime Minister and the Federal Treasurer considered that this State did not gain a victory. It is essential that the Premier obtain more money from the Commonwealth coffers than he is receiving at the present time. He can do that only by obtaining the co-operation of the other States, and I know that three of them do not want any alteration of the system of allocating funds, because they cannot exist other than on funds made available under the present method. The only way in which the Premier can achieve any improvement is by persistent representations to Canberra. I do not think

this Government, or any other Administration, would place an additional taxation burden on the people of Victoria. When the State Government had its own taxing powers, successive Governments, dominated as they were by the Legislative Council, deliberately minimized the rate of taxation on the higher-income groups and made the lower-income groups carry more than their fair share. Uniform taxation did away with that anomaly, and ensured that a patternmaker in Melbourne paid no higher taxation than his counterpart in any other part of Australia. I think uniform taxation will remain in force for many years, and we in Victoria must therefore get as much as we can out of it. Many millions of pounds are required to further the development of Victoria, and that money can be received only by concerted action by the Government. Opposition members have faith in Victoria, but do not expect this State to dominate the rest of Australia.

Mr. BOLTE.—You do not believe in the rest of Australia dominating Victoria, surely?

Mr. SHEPHERD.—It does not. We are all Australians, but, strange though it may seem, all of us will not live in Victoria for the remainder of our lives. Some of us will migrate to other States and so we must accept the advantages and disadvantages associated with those States. In times of difficulty no one raises the question of the line of demarcation between the respective States. It is only when strict attention is given to governmental business that we look to such matters as section 92 of the Commonwealth Constitution for protection, but considerations of that kind have nothing to do with national pride and development.

The Government should not forever cry a poor mouth. Nevertheless, it should not commit the State to perpetual deficits. If that practice is adopted the point will be reached that some future Government will be compelled to act as no Administration would want to act, by enforcing retrenchments. The situation should be seriously considered before a position is reached from which it will be impossible to recover.

The Opposition is not enthusiastic about the Budget and will watch the financial position closely to see how it develops. I believe that at the end of the current financial period, irrespective of which party occupies the Treasury bench, there will be a further increase in the anticipated deficit and that the deficiency will approximate £5,000,000.

Mr. WILCOX (Camberwell).—I do not claim to be an expert on matters pertaining to the Budget, but I regard the Budget debate as a matter of considerable importance to the State. I find difficulty in disagreeing with much of what was said by the Leader of the Opposition, who has such a manner of presenting his arguments that, if one is not careful, one wonders how they can be refuted. Since the honorable member did not discuss the fundamentals of his political philosophy, I could find little in his speech with which to quibble. He concluded by discussing a vital issue in relation to the finances of the State, namely, the incidence of uniform taxation and the need for a readjustment of the financial relationship between the States and the Commonwealth. The Leader of the Opposition expressed the view that uniform taxation at least had the effect of overcoming what he thought to be the will of some State Houses of Parliament, and he said that was a good thing. I believe that uniform taxation might very well have the effect of overcoming the will of both Houses of this Parliament, and that would not be a good thing for Victoria.

The Leader of the Opposition referred also to the deficit last year and the anticipated deficit for the current year. I have no doubt that Opposition members will bandy the word "deficit" so much that, by the time this debate concludes, all members will be heartily sick of it. Consideration must, of course, be given to the factors that contribute to a deficit. Perhaps it is well to recall that the State deals with such matters as education, health, transport, roads, water supply and sewerage. Another aspect is that this State has received 40 per cent. of the migrants that have entered Australia. In recent years it has become clear that it is on

the services which I have enumerated and which the State is required to supply to its citizens that pressure has been exerted because of the increased population. One particular aspect to which I intend to refer is the University of Melbourne. Recently I learned from Professor Cowen, Dean of the Faculty of Law, that if the present position continues at the Law School, consideration will have to be given to imposing a quota on the admission of students.

Mr. SCHINTLER.—Is there any possibility of the legal profession becoming overcrowded?

Mr. WILCOX.—If that happens, I have no doubt that the legal fraternity will take care of the position. In considering matters pertaining to the law school, it must be remembered that many students at that institution eventually take jobs in commerce and enter the Government and diplomatic services. In the past there has been talk about imposing quotas for the admission of students to the Medical School. I think there are few people in our democratic community who would claim that there should be any restriction on the right to higher education. Any such restriction is bad in principle. There are now 804 law students in the faculty, and it is anticipated that within the next decade the number will rise to more than 1,200. I am inclined to think that is not an over-estimation.

Honorable members may be interested to learn that the Melbourne Law School is the largest of its kind in Australia, yet it has no building of its own. I merely mention that aspect of university education because it is a matter in which I personally am interested. Nevertheless, it highlights the difficulties of the Government in the educational sphere. The problems of Australian universities generally are being considered by a committee under the chairmanship of Sir Keith Murray, who is also chairman of the Universities Grants Commission in Great Britain. Before the publication of his committee's report recently, he stated that the position of Australian universities was alarming. It is a good thing that his committee should be considering the difficult

position in which universities are placed. The committee was appointed by the Federal Government; therefore that Administration must be held responsible for the implementation of the committee's recommendations. In recent years, there has been a tendency for people to claim that there is a demand for more scientists and technicians. I do not think lawyers ever profess to be scientists; if they do so, they delude themselves because immediately an attempt is made to make an exact science of the law, one is involved in serious trouble.

I wish to say a word or two about the non-technical faculties. No one will deny that in this atomic age scientists and technical men are most necessary, but let me stress that what the older educationists called the "humanities" side of education is as important as it ever was, and that aspect cannot be overlooked. I make that remark particularly because consideration is being given by the Government to the establishment of a University of Technology. If the "humanities" side of education is neglected, we will not be doing ourselves the service that we might.

Sir GEORGE KNOX.—The trouble is that there is now no time for reflection, as there was in former years.

Mr. WILCOX.—I know that the honorable member for Scoresby will not regard it as a reflection upon him if I say that he, being one of the older school, understands these matters much better than do many other people nowadays. Reverting to the question of applying a quota system at the university, that is something that upsets me very much, although teachers at the university might sometimes think that the quota system could be a means of getting rid of some students who ought not to be attending that institution. Sir Keith Murray said recently that he was concerned about the wastage that occurred. He was referring to the number of people who embark upon university courses but fail to complete them—not always, I submit, because they have not the requisite ability, but sometimes because the available facilities are inadequate.

Three figures relating to deficits were mentioned in the Premier's Budget speech. The deficit for the last financial year was £4,315,000, while the anticipated deficit for the current financial year is £3,500,000. The other amount is an estimate of £4,500,000 payable as interest charges on surplus Commonwealth tax revenue made available in recent years to this State through the Loan Council. The similarity between those amounts prompts me to repeat what the Leader of the Opposition said in relation to that aspect. As I understand the position, this State is allocated a certain total of loan funds each year. In recent years it has not been possible to raise the full amount on the loan market and, out of its taxation surpluses, the Commonwealth Government has made up the difference. Since 1953 the Commonwealth has had surpluses amounting, including the estimate for the current financial year, to a total of £432,000,000. Of course, the Federal Government does not have to pay interest on those amounts, but it does charge the States interest on the loan allocations it makes out of those funds. The amount payable by Victoria last year for that purpose would have wiped out the State's deficit for the year, and would more than do so this year. Therefore, an immediate remedy to the deficit faced by Victoria would be for the Commonwealth to cease charging such interest.

I shall leave the question of high taxation policy to the economists. It is understandable that, with such a policy in operation, there should be difficulty in raising loan funds. Although I am a member of this Parliament, I speak as an Australian when I assert that it is a bit tough for one Government to deal with another in such a fashion. A continuation of that policy could, as has been envisaged, place this State in real danger of being forced out of business, which would be bad not only for Victoria but also for the nation. I should like to compliment the Premier on behalf of this Parliament and the citizens of Victoria for the courage and determination he displays when fighting our battles at Canberra.

Mr. Wilcox.

Recently the Leader of the Opposition referred to pay-roll tax and I was gratified to hear him say that it was time Victoria ceased paying it. The honorable member did not go so far as to say it was a bad, socialistic type of tax, but he did aver that it was unfortunate that the State should have to continue to pay it and that the Government should do everything in its power to induce the Commonwealth to abandon that form of taxation. I understand that doubts exist in legal circles as to the validity of this tax. The amounts of pay-roll tax paid by the Departments are set out on different pages of the Budget papers, but I believe the total is approximately £2,000,000. That amount would go far towards alleviating the deficits I have mentioned—in fact they could easily be wiped out by action along the lines I have suggested. In all the circumstances I fail to see how the Government could provide the services demanded by the citizens of this State and at the same time avoid budgeting for a deficit. I do not think the Leader of the Opposition suggested what alternative action the Government could take. However, the deficits must be examined. It is unhealthy for Australia as a whole that there should be huge Commonwealth surpluses at the same time as States are incurring large deficits.

I am always an Australian before I am a Victorian. I know that no Government supporter has the slightest doubt that the Government has taken proper steps in relation to uniform taxation, or adopts other than a national viewpoint. We do so because we consider the issue is vital for the good not only of Victoria but also for the interests of the nation as a whole. If the financial relationship between the States and the Commonwealth is not straightened out, we will move more and more towards a system of unitary Government. That will thrill the top officials at Canberra and no doubt those who favour a form of unification. I invite the Opposition to state unequivocally whether it is in favour of one Government for Australia or whether it considers that the greatest

safety for individual citizens and the nation lies in a firm adherence to the Federal system.

Mr. STONEHAM (Midlands).—The further the honorable member for Camberwell went the better he became. If he had continued to speak, by now he would have been criticizing outright the Government's policy of continuing to budget for a deficit. His closing view is shared largely by the successful businessmen who occupy the back benches on the Government side of the House. Actually the Premier has had very little real support from them in his conduct of the financial affairs of the State. The honorable member for Camberwell asserted that the Premier was a most courageous fighter for Victoria. If that statement is true he must be a very poor and ineffective fighter. Let us consider the magnificent epoch-making victory which the Government has had on uniform taxation, and remember the forecast made of what would happen if the court decision went against the Commonwealth. In the Premier's Budget Speech the following statement occurred:—

In our view it would be desirable for representatives of the Commonwealth and the States to meet at an early date to discuss the practical effects of the judgment on present Commonwealth-State financial relationships. I recently asked the Prime Minister to convene a meeting of Premiers for this purpose but he has informed me that he is not prepared to do this.

There we see the attitude of the Prime Minister, the head of Australia's Liberal party Government. Here we have a spectacle of humbug and hypocrisy on the part of members of the Liberal party in Victoria, speaking in this Parliament on a question affecting the whole of Australia. In this House they say that something ought to be done to ensure that the State receives justice to enable it to handle the special responsibilities which it has to carry.

The Liberal party is supposed to have a policy affecting the whole of the Commonwealth. The Labour party, by contrast, has a platform and constitution which anyone can obtain and read. What is the policy of the Liberal party,

as distinct from that of the Government, in relation to the matter of taxation reimbursement? Now we have the daily experience of closely watching page 4 of the *Herald* in order to learn what the Government of Victoria is going to do. Obviously there is a very close connexion between those people who write certain articles that appear in the *Herald* and those who write the policy of the present Government. We can all read in that publication what the Government is going to do, and if we want to learn the policy of the Liberal party we look to it also.

I propose to quote from the leading article of the 11th September last, the day after the Premier and Treasurer had submitted his Budget in this House. That article states that Mr. Bolte is quite prepared to leave the excess of expenditure as an unfunded debt in the lap of the financial gods. Now where could we find a more stringent criticism of governmental irresponsibility? This leading article states—

While his choice is undoubtedly popular, its consequences cannot lightly be put out of mind. The Government proposes to spend about £3,500,000 more than it will receive this year. This follows a deficit of about £4,300,000 last year. No State can afford to go on indefinitely living beyond its means.

The Budget, therefore, reflects an economic fatalism that must become dangerous if it goes on. The cause of the drift is partly in the inadequacy of financial arrangement between the Commonwealth and the States and a frank conference on future financial relationships seems urgently necessary. To people trained in traditional methods of finance it seems clear that no sound finance policy can be built on a string of recurring deficits.

That is what the honorable member for Camberwell wanted to say but he was not prepared to go so far. The Budget is a very pathetic document. It is obvious that the Government realizes it will not remain in office very long and is preparing to hand over as a legacy to a Labour Government that will shortly take its place, a financial position which, in the three years of office of the present Government, will have deteriorated by about £14,000,000.

I have before me the more recent Budget speeches of the late John Cain as Premier and Treasurer of Victoria. In the second of these Budget speeches he announced for the year 1953-54 a surplus of £708,000. He also forecast a small surplus for the following year although the actual surplus was £1,337,000. The cry of the Liberal party office holders who do not want to face up to the facts is, "How many schools would he have built? How many hundred employees would he have put off?" The late John Cain did not dispense with the services of anyone, and at the same time he was responsible for the increase in the activities of Victoria to a far greater extent than the present Government. He was able to achieve that end and show a surplus by good management and careful financing. In one Budget speech the late Mr. Cain said—

It is a source of satisfaction that for the first time since 1946-47 budget equilibrium has been restored.

The financial policy of the Government which has been directly responsible for this result has also enabled increased provision to be made for the various essential services such as Education, Health, Hospitals, Mental Hygiene and Child Welfare.

Furthermore, it has made it possible to assist financially both country and metropolitan municipalities, the Melbourne and Metropolitan Tramways Board and the Country Roads Board. At the same time care has been taken to ensure that commitments will not exceed our resources.

Development of the State is proceeding on sound lines and many of our vast projects will be furnished within the next few years.

One of the biggest projects that was being undertaken at that stage was the new Eildon weir which has cost in the aggregate £26,000,000. Now, in that speech from which I just quoted are the words of a statesman. If the present Premier and Treasurer could only display the same business acumen in handling the affairs of Victoria as did the late John Cain we should not be faced with the deficit that has been forecast in the latest Budget.

Mr. BOLTE.—Would you sack a few hands?

Mr. Stoneham.

Mr. STONEHAM.—When the present Government hands over to a Labour Administration next year, the financial situation, in the brief space of one Parliament, will have deteriorated to the extent of £14,000,000. The Liberal party Government came into office when there was a surplus of £1,337,000. The present Treasurer forecast in the first of his Budgets a deficit of £2,227,000. In reality, the deficit for 1955-56 was £3,245,000, against which must be placed the surplus handed over by the Cain Government, making a total deficit for the first year of the Liberal Government in office of £4,582,000. That is a shocking thing to reflect upon.

For the year 1956-57 the present Premier and Treasurer forecast a deficit of £2,045,000, but he had to show an actual deficit of £4,315,000. For the current year the Premier and Treasurer has forecast a deficit of £3,550,000. But, as my Leader has stated, it is certain to be at least £5,000,000. On that basis, there will be a total depreciation of the financial position of Victoria amounting to £14,000,000 over a period of three years. I repeat, what a shocking record! The honorable member for Camberwell would have us believe that Sir Keith Murray, chairman of the University Grants Commission of Great Britain, at present visiting this country, has made the astounding discovery that in Victoria we need a University of Technology and another university as well.

Mr. BLOOMFIELD.—He did not say that at all.

Mr. STONEHAM.—If he did not, he should have. A few months ago the honorable member for Brunswick West and the honorable member for Coburg spoke in this House of the position of the medical school at the University of Melbourne. The honorable member for Camberwell to-night asked members to listen to what he implied was an original story. We know that a University of Technology is needed and that another university is required in the country. There was no necessity to have brought Sir Keith Murray here to tell us that. I appreciate that our visitor is a very eminent person and that his visit to Australia is fully justified. I am attacking the

Government of Victoria because it has done absolutely nothing since it was first announced that Sir Keith Murray was coming to Australia.

In his latest Budget speech the Premier and Treasurer stated that the policy of the Government on all matters concerning a proposed University of Technology would be finally determined when the report of the committee had been received. Yet nothing has been done during the visit of Sir Keith Murray. It was pure humbug on the part of the Treasurer to put into the Budget speech those words that I have just quoted. As for the remarks of the honorable member for Camberwell in pleading for attention to the needs of the university, the stark facts have been known to all of us for years, and had the Labour Government been left in office the new university would now have been under construction.

The CHAIRMAN (Mr. Christie).—Order! There is far too much uproar and interjection from the Government side of the House—far more than a Government speaker would receive from the Opposition. Members on the Government side must assist the Chairman in maintaining order.

Mr. STONEHAM.—The Premier and Treasurer will, I am sure, agree that his Budget speech, contrasted with that of the late Mr. Cain in 1955, clearly proclaims the difference between the philosophy of the Labour party and that of the anti-Labour party. On the one hand, there are the utterances of a statesman, while on the other there are those of an escapologist, a person who twists at every turn to avoid facing up to any issue. He thinks he can solve a problem by piling up deficits which he will hand over to a Labour Administration next year. In his Budget speech, the Premier stated, *inter alia*—

In this regard the Government has been encouraged by the response which has followed the work of recent overseas missions from this State, and it will continue its policy of taking all practical steps to maintain and stimulate this interest. During the debate on the Supplementary Estimates, I was prevented by the Standing Orders from ventilating my grievances in connexion with this matter.

I said that the basic reason for the Premier's trip abroad was very good, but, in my view, if a person visits the United States of America and there completely misrepresents the position in this State—

Mr. BOLTE (Premier and Treasurer).—I ask that the honorable member withdraw his statement.

The CHAIRMAN (Mr. Christie).—The Premier regards the statement as offensive and I ask the honorable member for Midlands to withdraw it.

Mr. STONEHAM (Midlands).—I withdraw the statement if it hurts the Premier. I did not intend it in an offensive manner. However, assuming the newspaper reports were reasonably true, it is evident that the Premier did not accurately represent to important people in the United States of America the true position concerning the Nowa Nowa iron ore deposits. Probably, the Premier would agree that one of the most important gatherings he addressed in the United States was that of the Congressmen at Washington.

Mr. BOLTE.—That is not so.

Mr. STONEHAM.—That is the impression gained by close observers of the Premier's visit to America. I should like to enlighten members as to a report which appeared in the *Herald* on the 19th of June, 1956. It reads—

GIPPSLAND IRON ORE INTERESTS AMERICA.

BOLTE PUTS STEEL PLAN.

Washington, Monday. Four American private firms are interested in the possibility of developing iron ore and brown coal deposits in the Gippsland area of Victoria for the manufacture of steel.

The Victorian Premier, Mr. Bolte, disclosed this in an address to United States Congressmen at a luncheon in Washington to-day.

He said the firms had told him they were interested in large scale development of the deposits, if further examination showed that the iron deposits were at least four times bigger than the amount already proved.

He had told these industrialists that his Government had established the existence of big iron deposits close to huge deposits of brown coal.

"I have had a tremendous reception from American business firms when I have told them about the possibilities of capital investment in Victoria", Mr. Bolte told the Congressmen.

I have no doubt that the Premier received a cordial reception, but did he have the right to tell a number of hard-headed American businessmen that this Government had succeeded in establishing the existence of big iron ore deposits in Victoria? If that statement was untrue, surely the Premier would realize that American interests would be able to check on his statement. Probably, had they desired to do so, they could have obtained more detailed information from their own records than the Premier was able to supply. Obviously, the Premier has been misled on this question.

Yesterday, in this House, I asked the Premier what quantity of iron ore had been proved by tests at Nowa Nowa, and at what depths, to which he furnished the following reply:—

Since the last progress report was made, drilling has disclosed another 500,000 tons of iron ore, bringing the total of proved ore to 3,000,000 tons. The ore body dips to the east and the top varies from 90 feet to 271 feet below the surface.

On the occasion mentioned by the honorable member, I made reference to the work being carried out by the Mines Department to establish the extent of the Nowa Nowa deposits, and to the potential for development there if these deposits proved adequate.

Since drilling is necessarily slow and costly, work is still in progress on the first of the three anomalies indicated by the geological and geophysical surveys. Even at the present stage of the investigation, considerable interest has been shown by more than one Australian company, and by overseas firms.

The Premier intimated that American businessmen were interested more particularly in large scale developments, and that they would not be interested in our deposits of iron ore unless there was an absolute minimum of 100,000,000 tons available. It should be remembered also that the iron ore at Nowa Nowa is some hundreds of feet below the somewhat rocky surface. Is it good publicity to tell progressive businessmen something that is not true? Surely if the Premier thought there were huge deposits of iron ore at Nowa Nowa, he would have referred to the fact in his Budget speech. However, he did not do so, nor was there any such reference in his Budget Speech for the previous

Mr. Stoneham.

financial year. Consequently, it is obvious that the cause of Victoria's publicity and advancement was not enhanced by the Premier's utterances overseas.

During the debate on the Supplementary Estimates, I referred to the fact that the Flinders-street press had far too much influence upon the Government. It is possible from time to time to obtain advance information from the *Herald* of forthcoming legislative events. On the 21st April of last year, prior to the Premier's visit abroad, the front page of the *Sun News-Pictorial* contained an article under the heading, "Steel for Victoria," and stating, *inter alia*—

Vast deposits of iron ore have been found in East Gippsland.

They may lead to a big steel industry in Victoria.

Total ore reserves may be 100,000,000 tons.

Obviously that information was not furnished by the Mines Department. Some one misled the *Sun News-Pictorial* and, in turn, the Premier himself was misled. He then "rushed off" to the United States of America to tell the highly efficient businessmen there a completely fantastic and bogus story about this State.

In his Budget speech, the Premier made the following reference to education:—

Other services for which additional provision has been made include conveyance of pupils, and technical education.

I have received from the principal of the Bendigo School of Mines and Industry, the following letter:—

My Council is perturbed to learn that the increase in the maintenance grant to Technical Schools will be very much lower in the new Budget than the Estimates prepared by the Education Department.

In view of the fact that there are three new technical schools to be opened next year, it is felt that the amount budgeted for maintenance of all technical schools will be quite inadequate, in view of rising costs in all directions.

It is also understood that the amount allocated for special equipment in technical schools is practically the same as for the last Budget season, and this amount is nowhere near the amount which the larger diploma issuing schools alone require to bring their equipment reasonably up to date and adequate for instructional purposes.

My Council therefore respectfully requests that, when the Budget is being discussed in the House, every endeavour be made to secure an increase in the amounts allocated for technical education, as it is considered that this is one of the most important factors in the progress of our State and nation.

The Government is doing nothing to expedite the establishment of the University of Technology. One would have thought that it would take some action to improve the State's technical education facilities. In the Estimates of Expenditure for the year ending 30th June, 1958, it is revealed that the estimated expenditure for equipment of technical schools and technical sections of high schools amounts to £69,000, and for examinations the estimated expenditure is £26,000, making a total of £95,000. However, last financial year, £95,558 was made available for this purpose. It is difficult to reconcile these figures with the Premier's statement to the effect that additional provision had been made for technical education. Obviously, a great deal of reliance cannot be placed upon some of the statements of the honorable gentleman.

On the occasion of the visit of Cabinet to Bendigo recently, the Premier was reported to have stated that the Eppalock weir was the most dangerous dam project in the State, because of erosion in the catchment area. However, in the report furnished on 11th May, 1949, by the Public Works Committee, there appears the following recommendation:—

The Committee therefore recommends:—

1. That the existing Eppalock Reservoir be enlarged to impound 200,000 acre feet of water, the cost of which enlargement, as at 1st January, 1948, was estimated to be £1,600,000.

A further recommendation was in the following terms:—

9. That a comprehensive scheme of soil conservation be prepared and implemented immediately throughout the catchment serving the Eppalock Reservoir.

That is the normal type of recommendation made in respect of all reservoir proposals. I have failed to gather any information whatever to support the extraordinary statement by the Premier when he went to Bendigo, apparently for the specific purpose of "knocking"

this Eppalock dam proposal. One of the most responsible publications in Australia is the *Bendigo Advertiser*. On August 7th of this year it published a leading article headed "Extra Water is Vital in the North." Yesterday, in this Chamber, I referred to the tragic fact that drought conditions in the catchment area of the Coliban have necessitated the imposition by the State Rivers and Water Supply Commission of water restrictions. That fact illustrates how prophetic was the article published by the journal mentioned, which stated—

The need for increased water storages and better distribution facilities in this part of the State has been embarrassingly felt for many years, and each year the urgency is heightened.

From time to time hopes have been raised, only to be dashed. The completion of the Eppalock dam has been delayed indefinitely, and it was officially stated that it would not be much use completing it because soil erosion in the district would cause it to silt up. Is the huge amount of money that has so far been spent on this dam to be written off as a loss just because of conditions which its completion would do much to remove? If such a spiritless, woebegone attitude were to govern all future decisions on water conservation, it would be a bleak outlook indeed. Surely a wiser, more far-sighted approach will soon be made? The future progress of a wide tract of Northern Victoria is at stake.

The article refers to the fact that the State Rivers and Water Supply Commission, after spending more than two years on an investigation of the system, stated that its report would not be furnished until June of next year. It continues—

For instance, the Coliban system, which serves this part of the State, has become inadequate to permit of much needed further development in both primary and secondary industry. Closer settlement or more intensified farming are impossible, and urban areas cannot appreciably expand their populations save at considerable risk.

It is pointed out by the Coliban Water Investigation Committee that the recent dry spell again emphasized the inadequacy of water reserves in the Coliban system. Its precariousness was illustrated by the fact that when normal irrigation finished in May the Coliban storages were almost emptied, apart from Lauriston, which was reserved for the town supply, and there had been the utmost concern about the water situation for the coming season even before the winter ended.

To convince the State Rivers and Water Supply Commission of the need for increased storages in the district, the Coliban committee is embarking on a direct investigation of producers' needs. They will be asked to supply all data on the number of stock being carried on their properties, production figures in a variety of primary goods, and will also be asked to estimate the increased production from their holdings if they had more water for their properties. This survey should yield invaluable information which should surely stir the authorities into taking a "new look" at the district's handicaps.

The State Rivers and Water Supply Commission, with its large and highly paid staff, who are provided with all modern equipment and office facilities, has already taken more than two years to investigate the matter, but has not yet completed its report. A body of public-spirited citizens is doing the major part of the work for it. I feel that in the Commission there is a strong tendency to over-estimate the importance of engineers. This subject has previously been discussed in this Chamber. The chairman of the Commission, Mr. L. R. East, enjoys the esteem of members of all political parties, but I believe that on the question of utilization of engineers' services he has a most exaggerated view. He would like engineers to transact the whole of the business activities of the Commission. It seems to me that this inquiry could be greatly speeded up if the Commission were to employ, with the engineers, a staff of competent clerical workers and research students, and others who would be capable of undertaking responsibility for vital work in connexion with the inquiry. We know the liberal approach of the Premier to all problems. He takes the attitude, "Why did not the Labour party do it when in office?" If he would study the record of our party, and try to appreciate how so much was accomplished in such a short time, he would understand that the Labour Administration was extremely busy and that it is unreasonable to expect that it could have accomplished more.

I wish to refer to one other matter of great importance financially, namely, the question of co-ordinating the activities of all Departments respecting the maintenance of vehicles, plant, and equipment. The previous Government,

in July, 1954, referred this matter to the Transport Regulation Board for expert investigation. Its report, when ultimately presented, showed that a saving of £2,000,000 could be achieved by effective reorganization. The Premier chooses at this moment to leave the Chamber, and I do not blame him. This obviously is a matter that the Government has let go by. When the Labour party takes office next year it will give effective attention to the subject.

The report was presented to the Government on the 14th October, 1955. Some months ago I asked for the relevant file to be placed on the table of the Library, and I made a summary of the recommendations. In addition to a study group which the Transport Regulation Board formed within the Public Service, outside experts were brought in as consultants. One was Mr. J. G. Deste, consulting engineer, of the Victorian Automobile Chamber of Commerce. An estimate based on the recommendations of these top-ranking experts showed that a saving of £1,655,540 per annum could be achieved. I contend that the total could be £2,000,000, because the State Electricity Commission, the Railway Department, and a number of other big public utilities were not included in the survey. I am sure members of the Committee are well conversant with the proposal for the co-ordination of activities. This recommendation was made—

To achieve worth-while results it will be necessary to face up to the major project of setting up a Government Transport and Plant Hiring Authority to supervise and direct all matters associated with purchase, usage, storage, and maintenance of Government assets in the way of vehicles and plant.

Mr. FRASER.—What has been done in that regard?

Mr. STONEHAM.—That is a very pertinent question. In a letter dated 28th May, 1957, the Minister of Transport wrote me copiously on the subject. Part of his letter reads—

Action has already been taken to control departmental purchases of motorized plant and all types of motor vehicles. In addition, physical stocktake of all bulk holdings of motor transport stores is well advanced and major disposal programmes are in progress.

Mr. Stoneham.

All aspects, including garaging, repair, use and cost of operations are being progressively reviewed and dealt with as expeditiously as limited skilled man power will allow. An Advisory Plant Panel of departmental experts has been organized under the Co-ordinator of Transport to assist attain the object of over-all economy.

It is obvious that a sufficiency of panels, committees, and co-ordinators has been on the job. The only thing the Government has not done is face up to the major project to which the report refers. It is of no use merely chasing butterflies; it is necessary to go and hunt "big elephants"! The Government should take the major step of reorganizing and co-ordinating the whole of these activities. There is a substantial sum of money to be saved by the first Government that cares to tackle the problem in a thorough manner.

I trust that the references I have made to various subjects will be accepted by members on the Government side of the House in the spirit in which they were intended—constructively and for the good of the State. It is the responsibility of the Opposition to criticize, and honorable members on this side of the Chamber intend to uphold that tradition, not in any destructive spirit, with the object of breaking down the status and position of the Government, but for the purpose of indicating to the electors that there is, on the Opposition side of Parliament, a group of men capable of efficiently and effectively handling the problems of government in Victoria. I take this opportunity of expressing my great appreciation of the splendid speech made to-night by the Leader of the Opposition, when making his first appearance, as our Leader, in replying to a Budget speech. It is obvious that he possesses an encyclopædic knowledge of the financial affairs of the State, and it augurs well for the future of the Labour party that we have a man so capable in financial affairs. I trust that notice will be taken by the respective Ministers of the various matters raised, and that in due course I will receive a reply, either verbally or in writing, from each of them.

Mr. FRASER (Honorary Minister).—I suggest to the honorable member for Midlands that before he retires to-night

he should read the eleventh verse of Chapter XIII. of the First Book of Corinthians. It states—

When I was a child, I spake as a child, I understood as a child, I thought as a child; but when I became a man, I put away childish things.

I wish to reply only briefly to the remarks of the honorable member. I refer firstly to the remarks he made regarding the extravagant use of transport. He directed attention to a report received in 1954.

Mr. STONEHAM.—We asked for the report and your Government received it.

Mr. FRASER.—I am aware of that. However, whilst the previous Government knew that there was waste and extravagance it did nothing to prevent it.

Mr. STONEHAM.—The Labour party Government did not know that it was going out of office when the report was requested.

Mr. FRASER.—That Government was satisfied to call for a report and do nothing about it. When the present Government came into office the position was found to be even worse than has been stated by the honorable member for Midlands. The task confronting us was colossal. The Transport Regulation Board reported that it was not capable of correcting the situation and asked to be relieved of the responsibility. The Government immediately set about taking steps to correct the state of affairs that existed. The extravagant waste on Government vehicles was almost totally eliminated and then attention was given to the larger task of first of all getting rid of surplus stocks of equipment and then co-ordinating the operation of Departments using heavy plant and equipment and motor vehicles. A stocktaking is now being held so that action can be taken to dispose of surplus items, many of which are obsolete and probably will have to be sold at a loss. That might not be a correct statement, as much of the equipment was purchased in bulk at cheap rates and it is possible that the use already made of the plant has covered the total cost.

Mr. DOUBE.—That is pure conjecture.

Mr. FRASER.—That may be true, but it is quite clear that the Government is taking active steps to deal with a problem which the Labour Government was not able to handle. In addition, as was pointed out in the letter from the Minister of Transport which was quoted by the Deputy Leader of the Opposition, supervision is now being exercised over the departmental purchase of plant and equipment. There is also co-ordination between Departments in the use of heavy equipment. It is true that up to the present time we have not been able effectively to handle the question of workshop repairs but that matter is under notice and it is hoped that will be under way prior to this Parliament completing its term of office.

Mr. STONEHAM.—Are you looking to Golden Square in that connexion?

Mr. FRASER.—The use of the establishment at Golden Square is under notice. I have already made an inspection with other members of Cabinet and we know the position which exists at Bendigo. Both the Country Roads Board and the State Rivers and Water Supply Commission possess large workshops and it is considered that better results could be obtained if there was co-ordination between the two authorities. A definite effort has been made to overcome troubles that were in existence prior to our assuming office. The task has been colossal and could not be solved overnight. The Deputy Leader of the Opposition first suggested that £1,500,000 might be saved by co-ordination and later extended the figure to £2,000,000. I believe that if our Government were able to start *de novo* and proper care were exercised in the establishment and management of efficient workshops, a saving at least equal to the latter figure he quoted could be effected. However, we must accept the position as it is, and before any improvements can be instituted much dead wood has to be cut away. That is represented in this case by many obsolete machines that are owned by the State to-day. I assure the House and the people of Victoria that the Government is alive to the problem and that much headway has already been made. Nevertheless, it is not satisfied with the

progress achieved. In view of the size of the problem and the large technical staff required to handle it, some delays must occur before proper co-ordination can be achieved.

Mr. CLAREY (Melbourne).—This is the third Budget that has been presented since the election on the 28th May, 1955. I recall referring to the first one as a dismal document. The second one was even worse, and the third one is absolutely alarming. The Budget is of vital concern not only to all members of this Chamber, but to every citizen interested in the welfare of his State. Unfortunately, the Premier is not present at the moment, but I have reminded him on more than one occasion of certain remarks he made in the policy speech he delivered during the 1955 election campaign. During the course of that speech he stated, *inter alia*—

Good housekeeping is the real test of Government. Accordingly, the financial policy we will pursue will have the following five principal features.

He said that one of those features would be economy and prudent administration, and added—

I do not propose to go weeping to Canberra at every available opportunity.

On his own record, his Government stands condemned as being guilty of the worst housekeeping ever experienced in the history of the State. Victoria has just completed 100 years of responsible Government, and immediately afterwards we are presented with a document that reveals that the Government regards itself as completely irresponsible. At the end of the financial year 1954-55—the last year of the Cain Government—the finances of Victoria showed a net surplus of £1,337,000. The Budget speech delivered by the Premier shortly after the 1955 elections revealed that the Government estimated that the year's operations would show a deficit of £1,850,000. The actual figure was £3,245,000. As a consequence, of the first year's mismanagement of the State's finances by the present Premier, £290,000 per annum has to be provided as interest and sinking fund charges funds to fund the deficit. In the following year the Premier budgeted for a deficit of £2,445,000 and the actual result was £4,315,000.

Mr. PETTY.—Victoria is booming.

Mr. CLAREY.—It appears that it is likely to burst at the rate the Government is going. For the financial year 1957-58 the Premier has budgeted for a deficit of £3,555,000, but as my Leader has pointed out, in all probability that figure will be doubled. In the debate on the Supplementary Estimates honorable members on each side of the Chamber complained that it was completely inexplicable that £3,000,000 should be needed to cover supplementary expenditure. We are aware that exceptional and unforeseen items of expenditure must be incurred, but also certain items of revenue may exceed what has been anticipated. Assuming that the deficit for this year will not be greater than £3,555,000, what will have been the result of the first three years of the Bolte Government? It will be that Victoria, so far as finances are concerned, slipped back by £12,447,000. Surely that is an alarming state of affairs.

Mr. SHEPHERD.—I direct attention to the State of the House. The honorable member for Melbourne is making an important speech and I think he is entitled to some attention.

A quorum was formed.

Mr. CLAREY.—The Auditor-General has viewed the situation as one of great seriousness. In his report for the year ended 30th June, 1956—the last report presented to Parliament—at page 108 he stated, *inter alia*—

Each year's loan expenditure involves the State in additional debt charges. Expenditure for purposes for which no monetary return will be received or in respect of which the return is on a lower scale than the Treasury obligation requires an equivalent increase in revenue in subsequent years until the liability is liquidated.

Current general revenue is carrying a burden arising from "deadweight" loan liabilities. Losses on land settlement following the first world war, loans raised for relief of unemployment during the financial depression and transfer to the State of the railways liabilities in 1937 are responsible for debt charges in 1955-56 amounting to £2,806,488. Other loan expenditure in the same category include the subsidizing of coal and building materials brought from overseas.

Deficits add their quota to subsequent budgetary problems. In 1955-56 debt charges thereon amounting to £663,451 were met from current revenue; deficits, at present financed temporarily from the Public Account, when funded, will increase this figure by an annual sum of roundly £400,000.

The task of regaining budgetary balance is an extremely difficult one. The ability of the State to continue its developmental plans at the present level is linked with the solution to this problem.

The position is becoming worse. The Auditor-General accepted the deficit for 1956-57 at the estimated figure. As the actual result was worse than what was estimated, the £400,000 mentioned would probably be doubled. It is not for the Opposition to suggest how the Government should balance its Budget. All that we are able to say is that the previous Labour Government was able to maintain financial equilibrium, despite the fact that it received from the Commonwealth Government nothing like the income tax reimbursement that the present Government has been granted.

The ACTING CHAIRMAN (Mr. Rafferty).—Order! There are too many interjections from the Government benches.

Mr. CLAREY.—As I was saying, the previous Labour Government balanced its Budget, but the present Government has not been able to do so. In fact, the Premier made the lamentable statement that the Government has no intention of doing so. I regret that no report has been given by the Premier or the Deputy Premier of the deliberations of the Loan Council or of the discussions at the recent Premiers' conference. In a letter from Canberra, dated 22nd August, in reply to a request by me, it is stated that no copy of the transcript of the proceedings could be made available as the discussions were *in camera*. Why should a Premiers' conference be held *in camera*? Perhaps our own Premier had something to do with that!

(Honorable members interjecting.)

The ACTING CHAIRMAN (Mr. Rafferty).—Order! There are too many interjections.

Mr. CLAREY.—I repeat that possibly our Premier had something to do with the decision to hold the conference *in*

camera. Last session, references were made by Opposition members to what the Premier said on the 16th August, 1957, and three weeks later. One statement was completely at variance from later reports. We recall that at the Premiers' conference the Commonwealth Treasurer told our Premier that Victoria's proposals were fantastic. The Premier made a press statement to the effect that the Commonwealth Government should finance the deficits of the State. That is an example of complete irresponsibility. The total reimbursements of the previous Labour Government under the income tax formula and special grants in 1954-55 were just under £37,500,000, but for 1957-58 the total grants from the Commonwealth to Victoria under the formula and the special assistance grant of £6,301,000 will bring the total reimbursement to £50,301,000, almost £13,000,000 more than the amount made available to the previous Government in 1954-55.

Reference has been made to uniform taxation, but I shall not weary the Committee by going into details of that question. The Premier has undertaken that members shall be given an opportunity to discuss the implications of the High Court judgment on this matter, and I trust the debate will be permitted at an early date. Prior to July, 1946, the total reimbursement Victoria received under the uniform taxation scheme was slightly below £7,000,000, but to-day the amount has increased to £50,301,000. Are Government supporters going to say that they would have increased tax on Victorian taxpayers in that proportion?

Mr. PETTY.—We would not have done anything of the sort.

Mr. CLAREY.—I am unable to understand the reference in the Premier's Budget speech to "specific disabilities in this State under the existing arrangement." I know that Victoria suffered in the past, but from this year onwards we will be on the same basis as any other State, and will receive the same ratio of reimbursements as other States, according to the adjusted population.

Mr. HOLDEN.—Will we get the same tax reimbursement as the other States?

Mr. CLAREY.—I do not know how figures contained in the Budget speech were compiled. Victoria is now on the same basis as any other State under the formula, which was agreed to unanimously by the States in 1946. I have already stressed the necessity for a revision of the reimbursement formula, as Commonwealth revenues have increased in greater proportion than reimbursements to the States. However, the formula was worked out immediately after the cessation of war and had to take into account a possible recession. There was no recession because the then Commonwealth Labour Government adopted a program providing for the rehabilitation of ex-servicemen and women, and it operated more smoothly than that which obtained in any other country. Full employment was maintained and so Commonwealth revenues soared. The time has arrived when the formula should be revised. If a Labour Government was in office in the Commonwealth sphere that would have been done by now. We would not have been starved of housing, because it is a principle of the Federal Labour party to make available, at low interest rates, all the money States can use for housing. Our opponents backed Mr. Menzies and the present Federal Government, but now they are squealing because that Government is not as liberal as it ought to be.

The effect of the judgment of the High Court is that uniform taxation has come to stay. Earlier I pointed out that the implication in the 1942 judgment was that, irrespective of its defence powers, the Commonwealth had full authority to make advances to the States, and to impose any conditions it wished. The vital provision in this connexion is section 96 of the Commonwealth Constitution, not section 221 of the Commonwealth Income Tax Act. On the 10th instant, the Premier replied to the honorable member for Williamstown, who had asked a question relating to uniform taxation, as follows:—

The recent decision of the High Court on uniform taxation was of great significance in emphasizing the true Federal nature of the Constitution. While the decision itself does not bring the so-called "uniform" tax scheme to an end, the

invalidation by the court of the priority provisions in the Commonwealth legislation has removed an important element which has supported the scheme. In the view of the Government, this calls for a reconsideration of the allocation of financial resources between the Commonwealth and the States and, in particular, appropriate action to rectify the specific disabilities of the State of Victoria under the present arrangements. Although the Prime Minister has rejected my proposal for a special Premiers' conference, the whole problem is under active consideration by the Government.

The Opposition would like to know what the Government intends to do. We must be realistic and face the fact that uniform income taxation is here to stay and the only way any injustice to the State can be overcome is by changing the Federal Government and putting into power a Labour Government that will listen to reason, instead of retaining an Administration that is keen on the big business interests to such a degree that it considers it should amass surpluses every year as if it were an organization similar to the Broken Hill Company Proprietary Limited. The answer of the Premier continues—

In the meantime, I can assure the honorable member that the Government will not be party to any decision that will require the taxpayers of Victoria to pay more income tax than they pay now.

No one wants the taxpayers to have to pay more income tax. If the appeal had been upheld, the position would have been worsened. The Commonwealth Government could have imposed any tax that it liked and then the State would have had to impose its taxes in addition. The second part of the question was—

What total amount of legal expenses was incurred by the State of Victoria in connexion with the preparation of the case and its presentation in the High Court?

The answer given by the Premier was—

Payments are not complete, but it is anticipated that legal expenses will amount to approximately £6,400.

In view of the decision given by the High Court, I think that the costs incurred were quite reasonable.

According to press reports, the Premier claimed that it was a wonderful victory. I have not read the full judgment but only the rather comprehensive report which was published in the *Age* on 24th August, 1957. It was a great victory by a majority of one—four

Judges to three held that section 221 of the Commonwealth Income Tax Act, as amended, was invalid. It must have been a borderline case. On the question of validity of section 96 of the Commonwealth Constitution—that is the section under which the Commonwealth Government reimburses the States on condition that they do not impose income tax of their own—the court was unanimous.

Mr. BOLTE.—Are you not pleased?

Mr. CLAREY.—I am. The honorable member for Camberwell said that he spoke as an Australian and not as a Victorian, and I think that is the attitude of most Victorians. Every State has not the same taxable capacity. Victoria has a greater capacity than most other States. It is interesting to note that the States were not keen to take over taxing powers when the Prime Minister offered them in 1952.

Mr. BOLTE.—Your party formed the Government at that time.

Mr. CLAREY.—The Labour party believes in uniform taxation. Following that offer by the Prime Minister, in 1952 a report was published by Treasury officials on the question of the resumption of income taxing powers by the States, and the report showed that the relative taxable capacities of the States ranged from 73 per cent. of the Australian average in Tasmania to 113 per cent. in Victoria. Why should we in Victoria complain if we are helping Tasmania? In regard to the disinclination of the States to accept the responsibility of imposing income tax, I refer honorable members to an article in the *Economic Record* of May, 1956, by K. J. Binns and L. V. Bellis in which it is stated—

From the Commonwealth viewpoint the major disadvantages of uniform income taxation is the unreasonable demands that the States are tempted to make for supplementary grants. When all that they demand is not forthcoming, the Commonwealth is accused of infringing the spirit of Federalism and is blamed for the inability of the States to expand services.

When the Liberal party went to the polls in 1955, it knew that uniform taxation was in existence. In his policy speech the Premier—he was then

Leader of the Opposition—said that good housekeeping was the real test of Government, and by his own standards it has fallen lamentably low. Now the Premier has presented a Budget which proposes a record expenditure. At the conclusion of his Budget speech the honorable gentleman said—

The continued high levels of personal prosperity, employment and of primary and secondary production provide the basis on which we can look forward in all confidence to further progress in the development of our State.

How will the State keep on developing if there are continued deficits? I sound a note of warning. These times of continued prosperity may not go on indefinitely. Unemployment is increasing, and while that may not directly affect the State Budget—

Mr. BOLTE.—Is that why you want us to sack Government employees?

Mr. CLAREY.—I am not suggesting that any employees be sacked. I suggest that the Premier should try to balance his Budget. Has the Government made any effort, at Premiers' conferences or at Loan Council meetings, to have the formula by which funds are allocated to the State revised?

Mr. BOLTE.—Yes.

Mr. CLAREY.—Then no report to that effect has been made to this House. The Opposition views with misgiving the fact that unemployment is increasing.

Mr. FRASER.—Where?

Mr. CLAREY.—I shall quote the figures later. The trend of unemployment figures indicates that a dangerous situation is developing. I fear much more the gradual creeping paralysis of unemployment than I do sudden unemployment which can be explained and rectified immediately. The figures released by the Department of Labour and National Service show that a regrettable trend is developing. For example, the low level of unemployment in the Commonwealth was reached about October, 1955, when the number of persons registered as seeking work totalled 14,294. The total for January, 1956, was 30,601.

Mr. FRASER.—Where were these people residing?

Mr. CLAREY.—All over Australia. I shall quote figures to show that the position in Victoria is just as bad as it is in other States. The figures for Geelong, speaking from memory, were 503 unemployed, and on a pro rata basis there was twice as much unemployment in Geelong as in Melbourne. The latest figures available show that the number of persons registered as unemployed in July, 1957 totalled 53,108. Those figures were published by the Department of Labour and National Service and quoted by Mr. Holt in the Federal Parliament. They are not complete because thousands of unemployed do not register. Statistics recorded by the Department of Labour and National Service show that there is a decline in the number of positions vacant. In 1955 there were 56,112 vacancies and by July, 1956, the number had fallen to 28,784. In July, 1957, there were only 18,770 vacancies registered with the Department.

A report published in the *Age* of 21st August stated that unemployment throughout Australia increased by more than 12 per cent. to a total of 20,291 receiving unemployment benefits during July. The rise in Victoria was 814. The number of people receiving unemployment benefits increased in all States except Queensland, where seasonal work in the sugar industry created a strong labour demand. The Honorary Minister (Mr. Fraser) has asked for the figures relating to Victoria.

Mr. FRASER.—And to Western Australia.

Mr. CLAREY.—I do not think there is any satisfaction in knowing the conditions are any worse in Western Australia than they are here. We are concerned about our own backyard.

Mr. PETTY.—You said that you were speaking as an Australian.

Mr. CLAREY.—I am dealing with the Victorian State Budget.

The ACTING CHAIRMAN (Mr. Rafferty).—Order! I am having difficulty in hearing the honorable member for Melbourne because of the interjections from the Government benches. I ask the honorable member to continue and to ignore interjections.

Mr. CLAREY.—The only figures I have in relation to Victoria refer to the number of persons receiving unemployment benefits. These figures were published in the *Monthly Review of Business Statistics* for June, 1957. In Victoria in March, 1957, 2,771 persons were receiving benefits; in April, the figure was 3,772; in May, 4,057 and in June, 5,073. Is not that a dangerous trend? The figures for Western Australia are: in March, 1,607; in April, 1,804; in May, 1,803 and in June, 2,441. In other words, the Western Australian figures increased by 50 per cent. from March to June and the Victorian figures increased by a considerably larger percentage over the same period. This is a dangerous trend. The conditions of prosperity that we should like to see maintained are in grave danger of being undermined. Two years ago I suggested that the financial agreement between the Commonwealth and the States should be revised. I understand that the Federal Parliament has since appointed an all-party committee to review the Commonwealth Constitution. Included in this review should be the consideration of the financial agreement between the Commonwealth and the States, which was drawn in 1927-28. If the Government has not made any representations to the committee on the subject, I suggest that it should do so.

I intend to refer to what the Prime Minister said at a conference of Premiers that was held in 1934, but first I might mention that, as a result of the agreement, Victoria receives annually—and will continue to receive for the next 28 years—the sum of £2,127,159. This represents Victoria's share of the £7,584,912 advanced yearly to the States for payment of interest on public debts. The payment, which commenced on the 1st July, 1927, will continue for 58 years from that date. These amounts are equal to the sums paid by the Commonwealth to each State in the year 1926-27 at the rate of £1 5s. a head of population, at which rate the Commonwealth had contributed annually to the States since 1st July, 1910, as compensation for the States relinquishing, after Federation, the right to levy customs and excise duties. Probably the States regarded

that as a welcome contribution in 1927, but money values have changed considerably since then, and a grant in fixed terms of money for 58 years certainly needs revising in view of to-day's changed conditions.

In a speech which he delivered in 1934 on the relations of Commonwealth and States, the Right Honorable R. G. Menzies, who was then Acting Premier of Victoria, said—

As to the financial agreement, I am afraid I do not belong to that group of people who regard the financial agreement as a permanent solution of the financial problems of the States. I feel justified in saying . . . that the financial agreement of 1927 was obtained at the point of the pistol. It was not a Labour Administration that was then in office in the Federal sphere. The quotation proceeds—

If the agreement is put forward as a permanent adjustment of the financial arrangements of the Commonwealth and the States it becomes necessary to examine it from that point of view.

On the Budget side we find that the agreement provides for payments to the States, apart from sinking fund contributions, to be fixed on the basis of population in 1927. In other words, the financial agreement seems to me to proceed on the assumption that the responsibilities of the States will be reduced from year to year, and that the States' need for financial assistance will be correspondingly reduced.

That proposition will not stand examination for a moment. Mr. Menzies claimed that the financial agreement was extremely unjust to the States. There is in office in Victoria a Government of the same political complexion as the Commonwealth Administration, and I hope it will act in the manner I have suggested.

I wish to refer briefly to the question of pay-roll tax, which was adverted to by the honorable member for Camberwell, whose views I strongly support. I extracted from the Budget papers the relevant figures under different categories with respect to the payment to the Commonwealth of pay-roll tax and discovered that Victoria is paying to the Commonwealth approximately £1,600,000 annually. In addition there are numerous statutory authorities whose accounts do not appear in the Budget papers. In my view, the State of Victoria is making payment directly and indirectly to the

Commonwealth of about £2,500,000 annually in the form of pay-roll tax. Statistics compiled early this year by the Taxpayers Association of Victoria indicate that out of a total pay-roll tax contribution of £49,000,000 which the Commonwealth is due to collect in the current period, £13,850,000 will be paid by Government Departments, semi-governmental instrumentalities and local government authorities. The honorable member for Camberwell raised a pertinent point, namely, "Has the Government investigated the validity of the payment by the States of pay-roll tax to the Commonwealth?"

Mr. BOLTE.—The answer is, "Yes."

Mr. CLAREY.—I claim that such payment constitutes a violation of the spirit of the Constitution, because section 114 provides that the States shall not levy any tax on the property of the Commonwealth nor shall the Commonwealth levy any tax on the property of the States. Obviously, the Commonwealth is levying taxation on the revenues of the States, out of which they are enabled to pay their employees. That is contrary to the spirit of the Constitution. If the Premier believed it was proper for the State to expend a sum of £6,400 on an appeal to the High Court in respect of uniform taxation—and from which he derived only some sort of verbal satisfaction—two or more of the States should combine to contest the validity of pay-roll tax payments to the Commonwealth.

In his speech, the honorable member for Camberwell predicted that before this debate concluded, members would be tired of hearing the word "deficit." I point out that the Opposition party has been sick of hearing about deficits ever since the Bolte Government assumed office. The honorable member contended also that deficits could easily be changed and wiped out. If that is so, why has not the Government acted accordingly? The Premier's reasoning is somewhat amusing. In his Budget speech, he said—

In the Estimates for 1957-58, we have had to provide a total of £4,500,000 to meet debt charges on surplus Commonwealth

tax revenues which have been made available through the Loan Council in recent years.

The honorable gentleman observed that those debt charges were incurred on non-existent debts. They may be non-existent in his mind, but they exist so far as the States are concerned. The Premier's argument to the effect that, because the Commonwealth advances money out of its own funds, it is not a debt which is completely fallacious, but it is characteristic of the honorable gentleman's submissions.

The housing situation is really alarming. Figures that have been quoted in this Chamber, in answer to members' questions, indicate how rapidly the position is deteriorating. During the year 1953-54, 3,590 new Housing Commission units were constructed. For subsequent years, the relevant figures are, 1954-55—the last year of the Cain Government's administration — 3,960; 1955-56—the first year of the Bolte régime—4,152. I think the Minister of Housing explained at that particular time that the Government was embarrassed because it was committed to several projects. After it got rid of the commitments it inherited from the preceding Government the number of new Housing Commission units constructed in 1956-57 dropped to 2,580, and the tentative programme for 1957-58 was for 2,255 units—1,187 to be built in the metropolitan area and 1,068 in country centres. The number of court evictions in the metropolis now exceeds 200 per month, so what hope is there of dealing realistically with the housing problem? No provision whatever is made in this year's Estimates for emergency housing accommodation. According to a statement made recently by the Minister of Housing, many new Commission homes to be erected in the metropolis will be sold to people who can afford to pay from £4,000 to £5,000 cash for them.

I wish to correct a misstatement which was probably made inadvertently by the Premier. He said that his Government had continued the rental rebate system and he stated also that no Labour Government in the Commonwealth was doing so. The 1955-56 report of the

Housing Commission in Western Australia—that State has a Labour Government—contains this passage—

The now expired Commonwealth State Agreement provided that in necessitous circumstances rebate of rent was to be allowed. The new agreement does not carry this condition and leaves the matter of rebate, one for State determination. The State Government has decided to continue this system of assistance and rebate privileges under the same conditions will prevail with the Commission absorbing any losses.

During the past year, claimants have increased from 580 to 773 and the total weekly value now amounts to £892 or 3.2 per cent. of the total weekly rent collection.

That works out at £46,384 per annum. The House was informed when certain amendments to the landlord and tenant legislation were being debated that more houses would become available for tenancy. The following report appeared in the *Age* of 24th September:—

NEW HOUSE RATE SLOWER LAST YEAR.

Canberra, Monday.

More than 3,000 fewer new houses and flats were begun in the 1957 financial year than in 1956, according to figures released to-day by the Commonwealth Statistician (Mr. Carver).

This year 70,332, at a total value of £211,875,000, were begun, compared with 73,551, valued at £214,629,000, last year.

About 10,000 fewer were completed during the year, but 3,000 more were under construction at the end of June, 1957, than at the end of June, 1956.

The housing position must be faced in a realistic manner. I fear that unless a Labour Government, pledged to provide all the houses the States require, takes office at Canberra the position will go from bad to worse. Then eventually this Government will be turned out of office, but it will leave an awful mess for the Labour party to clear up.

Progress was reported.

ADJOURNMENT.

Mr. REID (Minister of Labour and Industry).—I move—

That the House, at its rising, adjourn until Tuesday next at half-past Three o'clock.

The motion was agreed to.

The House adjourned at 11.3 p.m. until Tuesday, October 1.

LEGISLATIVE COUNCIL.

Tuesday, October 1, 1957.

The **PRESIDENT (Sir Clifden Eager)** took the chair at 4.57 p.m., and read the prayer.

CO-OPERATIVE HOUSING.

SEAHOLME NO. 1 CO-OPERATIVE HOUSING SOCIETY.

The **Hon. A. J. BAILEY** (Melbourne West Province) asked the Minister of Transport—

In respect to the Seaholme No. 1 Co-operative Housing Society which is financing the construction of roads for lot-holders—

- (a) Is the Registrar of Co-operative Housing Societies aware that some lot-holders are not reimbursing the society for such money expended by the society?
- (b) How many lots are involved and by whom are they owned?
- (c) Have four members of this society had an expulsion order passed against them; if so—(i) what are the reasons for their expulsion; (ii) have they paid their road charges; and (iii) will the Government undertake an inquiry into all aspects of the road-making scheme and the action taken against those members involved in the expulsion?

Sir ARTHUR WARNER (Minister of Transport).—The answers are—

(a) Yes.

(b) Five.

(c) Yes, Seaholme Co-operative Housing Society Limited has passed a special resolution expelling four members;

(i) The reasons for expulsion as stated in the special resolution are as follows:—

“That the members had acted in a manner which made them guilty of conduct detrimental to the society. By their attempted withdrawal of written authorities previously given to the society, authorizing the society to pay portion of their loan moneys to the Werribee Shire Council for the construction of roads, they had been directly responsible for all work on the said roads being suspended indefinitely. This action had put the society and its members into disrepute with the Werribee Shire Council. The action taken by these members had involved the society in additional and unnecessary expense.”

(ii) Yes.

(iii) No.