Tariff Board, but I shall certainly refer his query to the Minister of Education to determine the policy in regard to these matters.

I do not think I am as competent, as you are, Mr. Speaker, to reply on behalf of the Government to the matter raised by the honorable member for Melbourne.

The SPEAKER (the Hon. Vernon Christie).—The point taken by the honorable member for Melbourne is well taken and I shall undertake to see what can be done about it.

The motion was agreed to.

The House adjourned at 4.54 *p.m. until Tuesday, November* 21.

Legislative Council.

Tuesday, November 21, 1967.

ABSENCE OF THE PRESIDENT.

The Clerk reported that the Acting President was unavoidably absent.

The Hon. G. L. CHANDLER (Minister of Agriculture).—I move—

That the Honorable G. J. Nicol be chosen in place of the Honorable W. R. Garrett to fill temporarily the office and perform all the duties of the President during the continued absence of the President.

Sir PERCY BYRNES (North-Western Province).—I have much pleasure in seconding the motion.

The motion was agreed to.

The ACTING PRESIDENT **(the Hon. G. J. Nicol)** took the chair at 4.21 p.m., and read the prayer.

THE CONSTITUTION ACT AMENDMENT (GOVERNOR'S SALARY) BILL.

The Hon. G. L. CHANDLER (Minister of Agriculture) presented a message from His Excellency the Governor intimating that, at the Governor's Office on November 21, His Excellency had reserved the Governor's Salary Bill for the signification of Her Majesty's pleasure thereon.

LIFTS AND CRANES BILL.

This Bill was received from the Assembly and, on the motion of the Hon. V. O. DICKIE (Minister of Health), was read a first time.

YARRAVILLE (RECREATION GROUND) LAND BILL.

This Bill was received from the Assembly.

The ACTING PRESIDENT (the Hon. G. J. Nicol).—I have examined this measure, and in my view it is a private Bill.

The Hon. V. O. DICKIE (Minister of Health).—In another place this Bill was also ruled to be a private Bill, but was treated as a public Bill, and I propose that the same procedure be followed 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 the Hon. V. O. DICKIE (Minister of Health), the Bill was read a first time.

MELBOURNE HARBOR TRUST LAND 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.

YEA CIVIC CENTRE AND COURT HOUSE BILL.

This Bill was received from the Assembly and, on the motion of the Hon. R. J. HAMER (Minister for Local Government), was read a first time.

ESTATE AGENTS (OBJECTIONS) BILL.

This Bill was received from the Assembly and, on the motion of the Hon. L. H. S. THOMPSON (Minister of Education), was read a first time.

MILDURA IRRIGATION AND WATER TRUSTS (AMENDMENT) 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.

MELBOURNE AND METROPOLITAN BOARD OF WORKS.

ROAD-BORING MACHINERY: WATER USE.

The Hon. J. M. WALTON (Melbourne North Province) asked the Minister for Local Government—

(*a*) Do private operators of road-boring machinery requiring the use of water in their operation have to get permission from the Melbourne and Metropolitan Board of Works to use water?

(*b*) What restrictions are placed on them in the use of water, and from where do they usually obtain their supply?

(*c*) If supply is obtained from private householders, what arrangement is made for measure and payment?

(*d*) What volume of water is used per hour by these machines, and do some makes use more than others?

The Hon. R. J. HAMER (Minister for Local Government).—The answers are—

(*a*) Permission is granted to private operators of road-boring machines to draw water from fireplugs and hydrants connected to Board's mains subject to certain conditions which include lodgment with the Board of a sum of money to cover the cost of water consumed.

(*b*) The Board requires that the local district maintenance officer, in the appropriate municipality, must be advised by the company of the intention to draw water. The district maintenance officer nominates the fitting to be used and supervises its operation. The private operator must nominate to the Board the name of his employee who will operate the fitting and, in addition, indemnify the Board against damage to its main and fittings.

(*c*) Supply is not normally obtained from services supplying private householders.

(*d*) The quantity of water used by the machines is small and hourly consumption varies. However, approximately 50 gallons per day is required to operate each road-boring machine.

USE OF CHLORINE FOR STERILIZATION OF WATER.

The Hon. A. K. BRADBURY (North-Eastern Province) asked the Minister for Local Government—

(*a*) What amount of chlorine was used for sterilization of Maroondah water at the Preston service basin during 1966-67?

(*b*) For how many years has the Maroondah water at this basin been chlorinated?

(*c*) What is the estimated requirement of chlorine for sterilization of the proposed Dee river and Cement creek diversions for the metropolitan supply, and what are the reasons for sterilization of the water of these two diversions?

The Hon. R. J. HAMER (Minister for Local Government).—The answers are—

Because of the continued residential development of areas in the vicinity of the Maroondah aqueduct and the consequent increased possibility of infiltration of ground seepage from such occupied lands, the Board has chlorinated, as a quality control measure, the water conveyed in this channel prior to its going into consumption for the past six years.

In 1966-67, 70 tons of chlorine was used for this purpose.

As a further measure the Board is progressively replacing the aqueduct by an 84-in. mild steel pipe-line, some 2 miles of which were constructed in March-June, 1967. A further 2 miles is programmed in the same period next year subject to its practicability which will be dependent on the supply position at that time.

Because the catchment areas of the Dee river and Cement creek have not been under the control of the Board and logging has been carried out in them until recently, it is again necessary, as a quality control measure, during the period of temporary diversion, to sterilize the waters so diverted with chlorine at the rate of half a ton per week.

AMPHOMETER.

LEGALITY OF USE.

The Hon. J. M. WALTON (Melbourne North Province) asked the Minister of Agriculture—

As no appropriate legal standard of time is available as required by the Weights and Measures (National Standards) Act 1960, is the use of the amphometer illegal; if so, what action does the Minister intend to take to rectify this position?

The Hon. G. L. CHANDLER (Minister of Agriculture).—The answer is—

No. Section 91A of the Motor Car Act 1958 provides that evidence of the speed of a motor car as indicated or determined by the speed measuring device known as the amphometer when used in such manner and subject to such conditions as are prescribed shall be prima facie evidence of the speed of the motor car.

Regulation 190 of the Motor Car Regulations 1966 provides that every speed or time-measuring instrument of a device for determining the speed at which a motor car travels shall be tested for accuracy and sealed by the Electrical Engineering Department of the University of Melbourne before being first used, and shall thereafter be tested for accuracy and sealed at least once in each six months by the Electrical Engineering Department: Provided that if at any time subsequent to such sealing any repair, alteration or adjustment to the mechanism of such instrument is effected, the instrument shall again be tested for accuracy and sealed by the Electrical Engineering Department.

A certificate in respect of the accuracy of each instrument is issued by the Electrical Engineering Department of the University of Melbourne in accordance with the Motor Car Regulations.

The equipment used at the university for measurements of time is referred back to the National Time Service provided by the Postmaster-General's Department.

WEIGHTS AND MEASURES ACT.

APPROVAL OF SCALES.

The Hon. J. M. WALTON (Melbourne North Province) asked the Minister for Local Government—

Are all scales used in the verification of the weight of vehicles and/or their load of a type approved and verified under the provisions of the Weights and Measures Act 1958; if not, why?

The Hon. R. J. HAMER (Minister for Local Government).—The answer is—

No. All weighing instruments used for weighing vehicles whether loaded or unloaded (other than portable mechanical weighing devices) are verified under the Weights and Measures Act and Regulations. Portable mechanical weighing devices are tested and sealed by the Engineering Department of the University of Melbourne and are covered by Part 6 of the Motor Car Regulations 1966.

EDUCATION DEPARTMENT.

CLASS II. PRIMARY SCHOOLS: LIBRARIES.

The Hon. I. R. CATHIE (South-Eastern Province) asked the Minister of Education—

How many primary schools in class II. and above have not got central libraries, and what are the names of these schools?

The Hon. L. H. S. THOMPSON (Minister of Education).—As the answer contains a long list of schools, I seek leave of the House for its incorporation in *Hansard* without being read.

Leave was granted, and the answer was as follows:—

443. The list of schools is as follows:—

No.	Name of School.
	Dunkeld Consolidated.
	Edenhope Consolidated.
	Manangatang Consolidated.
	Poowong Consolidated.
3	Allansford.
4	Avoca.
12	Warrandyte.
26	Belmont.
28	Bacchus Marsh.
31	Benalla.
33	Ballarat.
34	Ballarat.
35	Brown Hill.
40	Berwick.
60	Beaufort.
112	Carlton.
116	Cavendish.
117	Colac.
119	Castlemaine.
122	Creswick.
123	California Gully.
143	Campbellfield.
184	Dromana.
208	Echuca.
210	Eaglehawk.
244	Hallam.
262	Gisborne.
283	Grovedale.
304	Highton.
343	Kyneton.
404	Maryborough.
427	Mt. Clear.
430	Melton.
450	Fitzroy.
522	Rutherglen.
541	Geelong East.
547	Seymour.
582	Skipton.
596	Stratford.
617	Terang.
631	Thomastown.
647	Woodend.
652	Winters Flat.
688	Woolsthorpe.
699	Yea.
728	Carramut.
731	Cressy.
734	Clayton North.
766	Hawkesdale.
769	Lara Lake.
770	Rosedale.
794	Wedderburn.
795	Rochester.
831	Omeo.
849	Healesville.
854	Lake Bolac.
864	Cobden.
912	Alexandra.

No.	Name of School.
938	Heatherton.
947	Glenthompson.
981	Kangaroo Flat.
982	Westmeadows.
1002	Sunbury.
1003	Diamond Creek.
1028	Scoresby.
1033	Wandin Yallock.
1052	Inglewood.
1057	Rushworth.
1071	Ballarat East.
1090	Sorrento.
1091	Alfredton.
1098	Hastings.
1104	Nagambie.
1108	Heyfield.
1125	Broadford.
1126	Murchison.
1134	Panton Hill.
1141	Bruthen.
1142	Swan Hill.
1146	Leopold.
1165	Quarry Hill.
1167	Sebastopol.
1189	Golden Square.
1190	Queenscliff.
1208	Apsley.
1254	Maldon.
1256	Ballarat Orphanage.
1267	Bendigo North.
1270	Buninyong.
1273	Marysville.
1282	Cowes.
1289	Redan.
1293	Lismore.
1295	Lower Plenty.
1307	Ferntree Gully.
1365	Tallangatta.
1368	Mount Eliza.
1372	Dimboola.
1395	Templestowe.
1403	Dandenong.
1410	Kerang.
1432	Mooroopna.
1434	Deer Park.
1436	Mt. Pleasant.
1441	Tatura.
1460	Swift's Creek.
1464	Frankston.
1477	Epping.
1480	Charlton.
1485	Warburton.
1515	Elmore.
1548	Natimuk.
1549	Murtoa.
1552	Clunes.
1563	Ardmona.
1567	Richmond.
1568	Kilmore.
1571	MacArthur.
1574	Barwon Heads.
1578	Keilor.
1582	Dunolly.
1585	Rupanyup.
1601	Oakleigh.
1645	Drysdale.
1658	Springvale North.
1667	Rye.
1689	West Melbourne.
1712	Pyramid Hill.
1713	Shepparton East.
1757	Wycheproof.
1796	Boort.
1801	Silvan.
1813	Wendouree.
1819	Yarrawonga.
1855	Puckapunyal.
1874	Merrigum.
1895	Collingwood.
1901	Narre Warren North
1916	White Hills.
1992	Croydon North.
1998	Ballarat East.
2015	Winchelsea.
2028	Elliminyt.
2033	Mornington.
2035	Hamilton North.
2043	Black Hill.
2050	Derrinallum.
2051	North Castlemaine.
2058	Casterton.
2060	Nathalia.
2068	Cranbourne.
2084	Richmond.
2087	Leitchville.
2090	Whittlesea.
2096	Doncaster East.
2103	Ballarat.
2118	Coleraine.
2120	Long Gully.
2134	Numurkah.
2162	Lorne.
2167	Minyip.
2178	Yarragon.
2229	Bunyip.
2231	Gunbower.
2253	Toora.
2265	Koondrook.
2329	The Basin.
2432	Neerim South.
2443	Quambatook Group.
2455	Portarlington.
2505	Longwarry.
2566	North Melbourne.
2586	Malvern.
2602	Birchip.
2605	Carlton.
2617	Boolarra.
2627	Rosebud.
2629	Koo-Wee-Rup.
2655	Osborne.
2656	Somerville.
2662	Willaura.
2667	Echuca East.
2672	Lakes Entrance.
2744	Orbost.
2784	Montague Special.
2790	Strathmerton.
2798	North Richmond.
2820	Seville.
2828	Maryborough East.
2837	Moreland.
2857	Laverton.
2888	Glengarry.
2890	Brunswick West.
2899	Lang Lang.
2912	Loch.
2950	Mentone.

No.	Name of School.
2959	Research.
2961	Pearcedale.
2966	Thorpedale.
2988	Jeparit.
3023	Baxter.
3028	Fish Creek.
3080	Crib Point.
3100	Ocean Grove
3109	Beulah.
3146	Clifton Hill.
3163	Nicholl's Point.
3165	Meeniyan.
3167	Hopetoun.
3174	Irymple.
3222	Sassafras.
3265	Monbulk.
3273	Sea Lake.
3278	Lake Boga.
3313	Rainbow.
3322	Point Lonsdale.
3336	Clarinda.
3341	Carrum North.
3350	Hazelwood South.
3356	Tecoma.
3368	Torquay.
3381	Emerald.
3385	Carrum.
3466	Wesburn.
3476	Warrandyte South.
3494	Olinda.
3531	Langwarrin.
3535	Cockatoo.
3551	Belgrave South.
3588	Tally-Ho Special.
3599	Alphington.
3605	Austin Hospital Special.
3613	Carrum Downs.
3615	Ouyen.
3642	Mount Evelyn.
3645	Kilsyth.
3675	Noble Park.
3686	Grahamvale.
3709	Wantirna.
3716	Wonthaggi North.
3736	Maribyrnong.
3805	Orrvale.
3806	Pender's Grove.
3835	Seaford.
3893	Bendigo East.
3920	Cann River.
3922	Nyah West.
3926	Upper Ferntree Gully.
3931	Eildon.
3937	Stanhope.
3939	Hurstbridge.
3971	Girgarre.
3993	Kallista.
4062	Hampton Park.
4123	Red Cliffs East.
4143	Bayswater North.
4152	Salvation Army Boys' Home.
4158	Westbreen.
4214	State Schools' Nursery.
4224	Manifold Heights.
4254	Werrimull Group.
4257	Dingley.
4263	Cardross.
4269	Lemnos.
4316	Preston East.
4341	Briar Hill.
4384	Clayton South.
4389	Mildura South.
4401	Katandra West.
4417	Mooroolbark.
4431	Children's Cottages.
4440	Seaholme.
4530	Upwey.
4549	Pleasant Creek.
4563	Janefield Special.
4582	Wantirna South.
4609	Royal Park.
4634	Bonegilla Migrant Centre.
4647	Children's School Camp, Somers.
4650	Newborough.
4652	Traralgon.
4657	Shepparton.
4663	Roslyn.
4666	Shepparton South.
4667	Flora Hill.
4670	Newborough East.
4676	Marathon Spastic Centre.
4679	Croxton Special.
4680	Morwell.
4681	Herne Hill.
4688	Heathmont.
4689	Katunga.
4690	Ballarat North.
4691	Bandiana.
4692	Morwell.
4693	Bennettswood.
4695	Warragul North.
4697	Horsham West.
4699	Traralgon.
4700	Traralgon.
4701	Wendouree West.
4710	Brooklyn.
4713	Olympic Village.
4715	Blackburn North.
4718	Ferntree Gully North.
4720	Ararat West.
4725	Bairnsdale West.
4730	Harrisfield.
4735	Oberon.
4736	Norwood.
4738	Parklands.
4740	Moe.
4741	St. Albans East.
4743	Swan Hill North.
4744	Sunshine Heights.
4745	Sunshine North.
4747	Clayton.
4748	Geelong Hospital Spastic Centre.
4750	Portland South.
4752	Bay View.
4753	Rosanna Golf Links.
4761	Yarrunga.
4762	Ballarat Special.
4763	Cheltenham North.
4764	Preston North East.
4765	Laverton.
4767	Orbost North.
4770	Craigieburn.
4771	Lyndale.
4773	Warrnambool East.
4775	Colac South West.
4776	Newcomb.
4777	Hamilton.
4779	Fawkner North.
4783	Kananook.

The Hon. L. H. S. Thompson.

No.	Name of School.
4784	Doveton.
4787	North Park.
4789	Eastmont.
4790	Eastmoor.
4792	Footscray North Special.
4794	Winlaton Special.
4798	Bonbeach.
4801	Amstel.
4804	Bell Post Hill.
4805	Altona East.
4806	Gowrie Park.
4807	Yarraman Park.
4808	Nunawading South.
4809	Glenroy West.
4810	Dandenong South.
4811	St. Albans North.
4812	Avondale.
4814	Wodonga West.
4815	Frankston Heights.
4818	Sunvale.
4819	Heathmont East.
4820	Doveton West.
4821	Strathmore North.
4822	Princess Elizabeth Kindergarten for Deaf.
4823	Oakleigh South.
4825	Brooklyn west.
4826	Merrilands.
4827	Thomastown East.
4830	Fairway.
4834	Ewing House.
4836	Glen Waverley Heights.
4838	Watsonia.
4840	Clayton West.
4844	Antonio Park.
4845	Kingsbury.
4846	Ormond Special
4847	Hamilton.
4848	Ardeer.
4850	Benalla West.
4851	Westall.
4852	Tullamarine.
4853	Guthridge.
4854	Park Orchards.
4855	Albion North.
4856	Oakwood Park.
4857	South Wood.
4860	Blackburn Lake.
4861	Doncaster Park.
4862	Altona West.
4864	Fawkner East.
4865	East Meadows.
4866	Kyabram.
4869	Bulleen.
4871	Mitcham Special.
4872	Frankston Forest.
4873	Bellaire.
4875	Broadmeadows.
4876	Moomba Park.
4877	Keilor Heights.
4878	Middlefield.
4879	Croydon West.
4880	Norlane West.
4881	Parkmore.
4882	Lakeside.
4883	Carronbank Special.
4885	Lara.
4886	Mullum.
4887	Cranbourne North.
4890	Croydon South.
4891	Greenslopes.
4892	Viewbank.
4893	Greenhills.
4894	Upwey South.
4896	Invergordon.
4897	Eltham East.
4900	Dallas.
4901	Sandown Park.
4902	Belvedere Park.
4904	Heatherdale.
4905	Mountain Gate.
4906	Fairhills.
4907	Mirrabooka.
4908	Boronia West.
4911	Ringwood Heights.
4914	Glen Devon.
4916	Ruskin Park.
4917	Burbank
4919	Fyan's Park.
4920	Studfield.
4921	Doveton North.
4923	Mount View.
4926	Horsham North.
4927	Corio South.
4928	Moorabbin West Special.
4929	Comet Hill.
4930	Cheltenham Heights.
4931	Altona North.
4932	Burwood Heights.
4933	Dallas North.
4934	Stawell West.
4935	Watsonia Heights.
4936	Ballarat.
4937	Pembroke.
4939	Monterey.
4943	Shepparton.
4949	Kerang South.
4957	Seymour.
4962	Bell Park North.

PERMANENT AND PORTABLE CLASS-ROOMS.

The Hon. I. R. CATHIE (South-Eastern Province) asked the Minister of Education—

(*a*) In view of the answer to Question No. 17 asked in this House on the 15th instant, that 214 portable class-rooms will be available by the start of the new year—(i) what is the expected demand for these class-rooms at the beginning of the school year for primary schools, high schools and technical schools, respectively; and (ii) is it expected that this demand will be met in each division; if not, what alternative arrangements will be made for class-room accommodation?

(*b*) If requests for portable class-rooms are a continuing process, when is it expected that the Department will know the full extent of the needs for the beginning of the next school year, and on what basis are allocations made to individual schools?

The Hon. L. H. S. THOMPSON (Minister of Education).—The answers are—

6. (*a*) (i) If demand is understood to mean minimum need for additional portable class-rooms, the demand at the beginning of the 1968 school year is expected to be as follows:—

Primary schools ..	.. 97 rooms
Secondary schools	.. 64 rooms
Technical schools	.. 72 rooms

(ii) Yes.

(Note: The number available was given as 240 not 214 as stated in the question.)

(*b*) As far as needs can be foreseen from departmental sources, from other Commonwealth and State authorities, and from the private building industry, the needs for February, 1968, have now been assessed. However, information continues to be sought and supplied throughout the year, as changes must continually occur. Rooms are moved according to changing circumstances and new information.

The basis on which portable class-rooms are allocated to individual schools is broadly as follows:—

(1) Total number of pupils in the school.

(2) Average size of classes at various grade and form levels.

(3) Anticipated increases at various levels.

(4) Date of anticipated increases.

(5) Effect of anticipated increases on size of existing groups.

(6) Divisions of classes for special reasons.

(7) Possible combination of classes or groups.

(8) Special instructional requirements arising from curriculum or the needs of individuals.

(9) Accessibility of suitable hired accommodation or accommodation in neighbouring schools.

(10) Any special considerations affecting a particular school.

(11) When permanent additions or new schools are likely to be completed.

TEACHER TRAINING.

The Hon. I. R. CATHIE (South-Eastern Province) asked the Minister of Education—

(*a*) Has he examined the Martin report's recommendations on teacher training; if so, is consideration being given to the establishment of an autonomous Board of Teacher Education?

(*b*) When is it expected that a four-year course of teacher training will be adopted?

The Hon. L. H. S. THOMPSON (Minister of Education).—The answers are—

(*a*) Consideration is being given to the establishment of a Board of Teacher Education which could possibly, at some appropriate stage in the future, become an autonomous authority.

(*b*) Four-year courses of training for some teachers are already in existence and have been for a number of years for secondary teachers. No consideration has been given to setting a date when all courses will be four years in duration.

SUBORDINATE LEGISLATION COMMITTEE.

INQUIRY INTO SUBORDINATE LEGISLATION.

The Hon. G. L. CHANDLER (Minister of Agriculture).—By leave, I move—

That the Subordinate Legislation Committee have power to inquire into and report upon—

(*a*) The provisions contained in the statute law of Victoria enabling the making of subordinate legislation and whether such provisions are satisfactory in content and form;

(*b*) Whether and in what circumstances (if any) a statute should provide for its own amendment by means of subordinate legislation; and

(*c*) Whether, having regard to the provisions in the statutes of the Commonwealth and of the various States of the Commonwealth or of other countries having a system of law similar to the Victorian system, there should be any alteration to the content or form of the provisions of Victorian statutes enabling subordinate legislation to be made—

and that, for the purposes of such inquiry the committee may sit at such times and in such places in Victoria or elsewhere as are convenient for the proper and speedy despatch of business.

The Hon. J. W. GALBALLY (Melbourne North Province).—I have received no previous notice of this motion, and no explanation has been tendered by the Minister of Agriculture. I note that the motion is by leave, and I am reluctant to refuse leave, but the House is entitled to some information in relation to the matter.

The Hon. G. L. CHANDLER (Minister of Agriculture).—By leave, I did take the motion for granted, because it is similar to one that is being moved in another place and one which was agreed to by this House during the last Parliament. When Parliament was prorogued, the motion lapsed, and I understand that the reference is not now before the Subordinate Legislation Committee, I submit this motion in order that it may be put before the committee.

The Hon. SAMUEL MERRIFIELD.—You should have told us.

The Hon. G. L. CHANDLER.—I apologize for having failed to do so.

The Hon. J. W. GALBALLY.—It is merely a formal motion?

The Hon. G. L. CHANDLER.—That is so.

The Hon. J. W. GALBALLY.—I accept the Minister's statement.

The motion was agreed to.

RICHMOND HIGH SCHOOL LAND BILL.

This Bill was received from the Assembly and, on the motion of the Hon. G. L. Chandler (Minister of Agriculture), for the Hon. L. H. S. THOMPSON (Minister of Education), was read a first time.

RINGWOOD AND WARRANDYTE LANDS BILL.

This Bill was received from the Assembly and, on the motion of the Hon. V. O. DICKIE (Minister of Health), was read a first time.

MUNICIPAL ASSOCIATION (AMENDMENT) BILL.

The Hon. R. J. HAMER (Minister for Local Government).—I move—

That this Bill be now read a second time.

It meets a request by the Municipal Association for some small amendments to the Municipal Association Act 1907, and the opportunity is also being taken to repeal some out-of-date and obsolete material in the principal Act. As is generally known, the Association was established in 1897 to promote and protect the interests of Victorian municipalities. It has served its members well, and it has also been of much assistance to successive Governments in dealing with local government matters. The Municipal Association Act 1907 had as its primary purpose the establishment of a Municipal Officers Fidelity Guarantee Fund. A number of amendments have been made in recent years, and the Act was reprinted with amendments last year.

Clause 2 amends section 4 of the principal Act. The 1907 Act provided that a Municipal Officers Fidelity Guarantee Fund should not be established until three-fifths of the total number of Victorian municipalities had agreed to contribute. That condition, which was made 60 years ago and now serves no useful purpose, is to be repealed.

Section 5 of the principal Act which, authorizes municipal councils and certain other authorities to contribute to the Fidelity Guarantee Fund, is amended by clause 3. Other bodies may be declared by the Governor in Council to be authorities for this purpose by proclamation published in the *Government Gazette*. It is proposed that future declarations shall not be published in the *Government Gazette*. The cost of publication is relatively high, and the annual premiums received from the small local authorities usually covered by these declarations may be absorbed in this manner. Sub-section (2) of section 5 provides that the premium payable by any authority to the Fidelity Guarantee Fund shall not be less than any premium paid by that authority for a like guarantee prior to the commencement of the Act in 1907. This provision is 60 years out of date; it now serves no useful purpose and is to be repealed.

Clause 4 inserts new sections 10C and 10D in the principal Act to give formal authority for the Association to act as an insurance agent for local authorities and to publish

the *Municipal Journal*. When local authorities insure with the State Accident Insurance Office or the State Motor Car Insurance Office, the Association asks them to nominate it as their agent. The State Office then pays the Association the commission normally paid to an agent. This practice has been the subject of an objection and, although the Association's solicitors are of the opinion that no legal action could be successfully taken against it, since a substantial part of the Association's revenue is derived from this source, it has been suggested that the matter should be put beyond doubt by legislation. It is also considered desirable that the Association should be specifically authorized to publish the *Municipal Journal*—which it has done for many years, and which has proved to be a valuable publication. I commend the Bill to the House.

On the motion of the Hon. J. M. WALTON (Melbourne North Province), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, November 28.

HARBOR CHARGES BILL.

The Hon. R. J. HAMER (Minister for Local Government).—I move—

That this Bill be now read a second time.

It arises chiefly from the development in the shipping industry of containerization, the creation of large consortia committed to building new types of ships and the development of new techniques of handling general cargo which have been accepted by all sections of the community to-day as inevitable. This development has created difficulties—indeed a challenge—for every major port authority in the world, and its effect on some minor authorities can only be imagined at this stage.

In common with other port authorities, the Melbourne Harbor Trust turned its thoughts to this new system of handling general cargo some years ago and, in fact, it was one of the first ports to have any practical experience in this field. The *Kooringa*, which is owned and operated by the Associated Steamships Proprietary Limited, was built for the container traffic between Melbourne and Fremantle and commenced service in 1964. Containerized cargoes require special facilities and, in particular, they require a substantial marshalling area behind each berth. All over the world, port authorities are endeavouring to provide these facilities and Melbourne has been among the foremost with these developments. The Melbourne Harbor Trust began work on a new dock complex between Appleton dock and the Maribyrnong river in 1966, and the first two berths are expected to be available early in 1969 when the first specialized overseas container vessels are scheduled to arrive. The cost of this development is currently estimated at $16,000,000.

In the early history of Victoria, this Parliament decided that our port authorities should derive their incomes from wharfage levied on import cargo and this system has been perpetuated to the present day. Goods exported across the wharves make use of the facilities provided by the ports to no less an extent than do imported cargoes, and as wharfage rates are levied in order that appropriate port facilities may be provided for ships and cargoes, it is only reasonable that the manner of their levying should be such that the expenses of port operations are fairly and equitably distributed over the greatest number of people and organizations benefiting from port services. An exemption from wharfage charges by Act of Parliament to one section for which the port provides vital services is wrong in principle.

The primary purpose of this Bill is, therefore, to enable a wharfage charge to be made on goods exported through Victorian ports. This involves the amendment of all our marine legislation including the Melbourne, Geelong and Portland Harbor Trust Acts, the Marine Act and the

Harbor Boards Act. The principle of charging wharfage on exports is already recognized by all other Australian States, and Victoria is now the only State in which an export wharfage charge is not made.

In fact, the principle of charging wharfage on both imports and exports applies throughout most of the ports in the world. However, despite the practice that has been followed in Victoria, no evidence can be found that, because of this concession, preference is given to exporting goods through Victorian ports.

It should be pointed out at this stage, perhaps, that where commodities are sold through a Commonwealth pool, such as the Australian Wheat Board, the Australian Dairy Board, the Commonwealth Dried Fruits Board, and other organizations, the primary producer receives payment on a price determined on a Commonwealth basis, so that the benefit of free wharfage does not go directly to the Victorian exporter, but is shared to an only insignificant degree through the pool by the exporters of the particular commodity concerned throughout Australia, with the resultant effect that the State of Victoria is at present subsidizing primary producers in other States.

Export wharfage charges on general cargoes at Australian capital city ports vary from 44 cents per ton in the port of Sydney to $1.05 in the port of Brisbane, and the export wharfage rate on general cargo to be fixed by regulation, with the approval of the Governor in Council, is expected to be comparable with the lowest charged by other States. It is standard practice for the rate chargeable for produce handled in bulk to be considerably lower than the general rate, and the rate on wheat exported at Fremantle, for example, is only 17 cents per ton. The reason is that these cargoes do not involve harbor authorities in the provision of the expensive berth facilities which are required for general cargo.

It may be of interest to honorable members at this stage to note how insignificant the proposed export wharfage charge on overseas general cargo will be to the value of the commodities involved, by taking some examples. If, for example, an export wharfage rate of 50 cents, or 50 per cent. of the import wharfage rate, is imposed, in the case of a bale of wool with an approximate value of $160, the export wharfage charge would be 7.14 cents. On a box of butter of approximate value of $18, the wharfage charge would be 1.25 cents, and on a bag of flour of the approximate value of $5.25, wharfage would be 3.33 cents. I believe a rate of only 40 cents on general cargo is likely, but it will be seen that the effect of export wharfage on exporters' costs would not be significant.

Many advantages will accrue both to importers and to exporters from the provision of the important port facilities which are envisaged, particularly in faster turn-round of ships and hence lower freight rates. These advantages may be thought to readily outweigh the proposed wharfage charges. Investigations by the Melbourne Harbor Trust have shown that one-third of all wharfage transactions are in units of less than one ton, and 25 per cent. of these in units of less than half a ton. As it costs the Trust approximately 35 cents to collect the charges in relation to each unit, there is at present virtually no return for 25 per cent. of the transactions taking place, and very little return in the additional 8 per cent. of transactions under one ton. Provision has therefore been made in the Bill for a minimum charge equivalent to that for one ton or 40 cubic feet at the rate applicable to the commodity. This will eliminate considerable clerical work.

So far I have referred mainly to the Melbourne Harbor Trust, but the same considerations apply in respect of both the port of Geelong and the port of Portland, which will require additional revenue as they are

developed. Similarly, as Westernport develops, revenue from both import and export charges will be required there, too.

It is proposed to repeal the Second Schedule to the Marine Act, which is somewhat archaic and unsuitable for present-day conditions both as to form and to content, and to bring this Act into line with the other Acts under which wharfage is collected. A clause has been inserted in the Bill making transitory provision and there will be a phased withdrawal of the existing rates charged in the Second Schedule to the Act and their progressive replacement by regulations made by the Governor in Council.

With the advent of container traffic, it is expected that there will be considerable increase in transhipment interstate from Melbourne, particularly to Adelaide, Hobart and other Tasmanian ports. When the present provision on transhipment was first written into the State marine legislation, it was the practice for overseas ships to tranship cargo in Melbourne on to intra-state vessels for delivery to other Victorian ports such as Warrnambool, Portland and as far into the Gippsland Lakes as Sale. This practice has, of course, now disappeared. Current marine legislation provides for the exemption from wharfage of goods transhipped within the port not more than 48 hours after the vessel has finally discharged. A transhipment wharfage charge is made in all other Australian mainland capital city ports, and it is considered that, as these cargoes require the use of port facilities perhaps to an even greater degree than other cargoes, there is now no valid reason why a transhipment charge should not also apply in Victorian ports. However, it is expected that this charge will be a concession rate from the normal import and export wharfage charges.

Two further matters have been dealt with in the Bill in relation to the Melbourne Harbor Trust Act 1958. The first of these is to simplify the wording of section 115 of the Act, which has been the subject of several amendments and deletions over the years. The proposed rewording will not alter the meaning of the existing section 115, but it will result in sub-section (1) of section 115 expressly providing for the establishment of the Melbourne Harbor Trust Fund for the purpose of carrying the Act into execution whilst the new sub-section (2) sets out the method of establishing the statutory payments which the Trust is required to make to Consolidated Revenue.

The second alteration deals with the Trust's reserves and reserve funds. Following an appropriation by the Melbourne Harbor Trust to a general reserve in 1965, it was suggested, during the audit of accounts, that, having regard to the terms of sections 116 and 117 of the Melbourne Harbor Trust Act and section 134A inserted by the Melbourne Harbor Trust (Amendment) Act 1965, the question whether the Trust had the legal power to make such an appropriation required clarification. This matter was taken up with the Solicitor-General and, as a result, this Bill proposes a new section to be substituted for the existing section 134A of the Melbourne Harbor Trust Act in order to remove any doubt as to the Trust's powers in this regard. I commend the Bill to the House.

On the motion of the Hon. ARCHIBALD TODD (Melbourne West Province), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, November 28.

STATE FORESTS LOAN APPLICATION BILL.

The Hon. L. H. S. THOMPSON (Minister of Education).—I move—

That this Bill be now read a second time.

This is another of the customary measures which come before Parliament annually, and its purpose is to sanction the issue and application of loan moneys for forest purposes.

Honorable members will notice that the authorized expenditure under the Bill of $3,750,000 provides for an effective loan expenditure by the forests Commission of about $2,800,000 in the year 1967-68, as against an expenditure of $2,150,000 last financial year.

The Hon. I. A. SWINBURNE.—Chicken feed!

The Hon. L. H. S. THOMPSON.—That may be so, but it is interesting to note that the increase is fairly significant. The major portion of the increase from $2,150,000 to $2,800,000 will come from the Commonwealth—the amount is approximately $460,000—and is to be devoted to the planting of softwoods. Although it is " chicken feed", portion of the money will be used in building in the leading town of Myrtleford a new office, which will be constructed in *pinus radiata* with redgum flooring.

The Hon. I. A. SWINBURNE.—That has already been built.

The Hon. L. H. S. THOMPSON.—Part of the expenditure is authorized by this Bill. The building that I mentioned follows the one that was built at Bright. The important thing to remember is that, while a few years ago the plantings to which I adverted were of between 300 and 400 acres a year, this year the area is being increased to 7,000 acres, and it will be further increased to 9,000 acres next year and 15,000 acres by 1972, which is a very significant increase.

I shall discuss in turn the principal headings under which the loan moneys are to be applied. In regard to fire protection, expenditure will be devoted to most of the usual aspects, such as additions to existing detection and access facilities and the provision of more dams where water supplies are not now available in summer. One item of particular interest is provision for the building of 44 heli-pads for the landing and takeoff of helicopters. An area of somewhere between one-half and 1 acre, depending on the height of the surrounding timber, is required for this purpose. These aircraft have been used satisfactorily in recent years in meeting fire dangers.

Another point of interest is that the Forests Commission intends to continue to employ the small water bombing aeroplane which was used with a degree of success in the Benambra area last year. On this occasion, a fire was reported early in the morning by an aerial spotting aircraft, and in a couple of hours a water bomber reached the scene. It made something like nine sorties. The land crew did not reach the area until 3 p.m., by which time it had been estimated that the fire would have a front of half a mile and be out of control. However, when the land crew arrived they found that the fire was virtually out. It was just smouldering ready for treatment by them. As a result of this and other experiments under non-operating conditions, the Commission feels justified in further experimenting with this modern form of fire suppression.

Discussions on the use of a larger water bomber have taken place with the Canadian manufacturing firm as well as the Commonwealth authorities, particularly the Royal Australian Air Force. The Government believes that this type of aircraft is unproved as yet under Australian conditions, but it would be quite happy if the Commonwealth purchased the aircraft and made it available for use by States most affected during the summer fire period. The Government does not contemplate purchasing an aeroplane of this type for fire suppression work in Victoria.

The next item in the schedule relates to indigenous State forests. The amount to be spent this year is of approximately the same order as the expenditure last year, $213,000 as against $209,000, and it will apply to the same field of coppice treatment, liberation, thinning and re-seeding in certain areas. To a large extent

re-seeding is now carried out by aeroplane. Experiments have shown that this method is three to four times as economical as any other. An area is usually turned and sometimes it is raked over, and the seed is then dropped from the aircraft. The amount of seed used is varied according to the nature of the terrain and the type of tree. The method is a distinct advance on previous planting methods which have been used over the years by the Forests Commission.

A smaller amount of money will be spent on extraction roads in the current year, $208,000, as against $264,000 last year. Some major networks of roads have now been completed. About 18,000 miles of road have been built by the Forests Commission, most of them since the major fire year of 1939. Earlier, I mentioned the item covering the planting of softwoods and hardwoods. The target is to make Australia largely self-sufficient in timber by the year 2000. The programme to achieve this objective has been worked out by the States in conjunction with the Commonwealth Government. Legislation was passed by the Federal Parliament earlier this year in anticipation that each State would reach a certain target area planted each year. For 1967, Victoria's target is 7,000 acres. Next year, it will be 9,000 acres; in 1969, 10,000; in 1970, 12,000; in 1971, 12,000; and in 1972, 15,000. These targets are laid down in the schedule to the Softwoods Forestry Agreements Act passed by the Federal Parliament this year. The understanding is that the States will continue to maintain their planting at the base year rate of 1966 which, for Victoria, was 6,000 acres. It is also intended that more hardwoods will be planted. This year about 700 acres will be planted at Olsen's Bridge by the Penal Forestry Group which has performed excellent work over recent years.

There is nothing of a spectacular nature under the item "Forest Officers' Quarters", apart from the building I have mentioned which, Mr. Swinburne informs me, is already completed.

A substantial portion of the money allocated for the purchase of land has been spent on the acquisition of a beautification zone at the foot of the Dandenongs. I am informed that the major portion of that area has now been bought and few blocks remain to be acquired. An area of 20 acres at Kalorama is to be added to the zone on the recommendation of a nature group led by Professor Turner of the Dandenongs. Approximately 1,600-odd acres have already been acquired, and their acquisition has involved dealings with 100-odd landowners.

The amount to be used for the purchase of plant and equipment is $35,000, and advances for farm forestry purposes will amount to $25,000. Some 28 applications under the forestry farm scheme have been approved, and another twelve are in an advanced stage of processing or investigation. This scheme has advanced slowly, perhaps, but certainly on sure lines. The planting area concerned comprises about 1,420 acres. The Commission has carefully examined each application to ensure that softwoods can be grown economically by the farmer. If any honorable member desires any information on any detail which is not outlined in the notes circulated, I shall be pleased to obtain it for him.

On the motion of the Hon. ARCHIBALD TODD (Melbourne West Province), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, November 28.

MELBOURNE AND METROPOLITAN TRAMWAYS (DETOURS) BILL.

The Hon. V. O. DICKIE (Minister of Health).—I move—

That this Bill be now read a second time.

The Bill is brought forward because, earlier this year, when the Tramways Board was carrying out repairs to the

tramway track in Barkers-road, Kew, on a Sunday, the arrangements made for diverting traffic around the work proved to be far from satisfactory and motorists were delayed in endeavouring to find their way through the side streets in the area.

It was unfortunate that on this occasion the work was not done to the usual standard, as the Tramways Board has been complimented on a number of occasions on the excellent manner in which the detours have been marked. The incident was brought to the notice of the Chief Secretary. It served to draw attention to the fact that the Board's Act does not specifically give the Board power to detour traffic or erect signs for this purpose. While the Board does, in fact, detour traffic and erect signs, this is done by agreement with and at the request of the city engineer concerned. It is the usual practice, in the case of major works, for the Board's engineer to arrange a conference which includes the city engineer, representatives of the police and the Traffic Commission, and the Board's traffic department to discuss the proposed method of carrying out the works and the necessary traffic arrangements.

In most cases, the councils are prepared only to erect signs to control parking in the vicinity of the actual works, and the Board is always requested to erect and maintain the necessary signs to detour traffic. On large works, where the job extends over a substantial length and lasts for a considerable period, it would be unreasonable to expect the council to be responsible for the correct installation of the detour and warning signs as frequent alterations to these are necessary—sometimes almost every day—as the work proceeds along the street.

On smaller jobs, which may be carried out over a week-end, or are limited in length, it is the usual practice to notify the city engineer and the police of the proposed work and to obtain their agreement to any closure of the road and detours required. Again, the Board is always asked to provide and erect the necessary signs as most councils would not wish to do such work, particularly at week-ends.

It is considered that any amendments to the schedule should cover the whole of the Board's present practice, both for short week-end jobs and the method of track renewals, using temporary track which has now been accepted by most councils in the metropolitan area. In my opinion, the amendment now proposed will be most satisfactory to the Board, and I expect that councils will be in favour of the proposal as it does not extend beyond the arrangement used at present in the Board's operations.

On the motion of the Hon. D. G. ELLIOT (Melbourne Province), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, November 28.

TEMPORARY CHAIRMAN OF COMMITTEES.

The ACTING PRESIDENT (the Hon. G. J. Nicol) laid on the table his warrant nominating the Hon. G. W. Thom to act as Temporary Chairman of Committees whenever requested to do so by the Chairman of Committees, or whenever the Chairman of Committees is absent.

JURIES BILL.

The Hon. R. J. HAMER (Minister for Local Government).—I move—

That this Bill be now read a second time.

This is a rather long Bill which has some important objectives. The first is to consolidate and amend the present statute relating to juries. The second is to improve the existing procedures and introduce measures which may facilitate the work of the courts in relation to jury trials.

Fortunately, an explanatory paper is attached to the Bill, and therefore it is not necessary for me to traverse the whole of the new provisions in detail. The new provisions

are suggested as a result of recommendations contained in the 1965 report by a British departmental committee on jury service. In that excellent report, numerous recommendations were made covering all aspects of jury service. The report was carefully studied by officers of the Law Department and discussed with the judiciary, and many of its recommendations are incorporated in this Bill. Therefore, the Bill is a result of a complete review of the jury system as it operates in Victoria.

Provisions in respect of eligibility for jury service have been revised, and the administrative procedures have been changed with a view to achieving greater efficiency and economy. Particular attention has been given to the need for minimizing inconvenience to the public. Longer notice will be given to citizens that they are likely to be called for jury service, and more convenient arrangements will be available for the tendering of excuses or the claiming of exemption from jury service. Other provisions clarify some aspects of existing practice in the court.

I direct the attention of honorable members to the explanatory paper, and I shall mention only what seem to be major matters in the Bill. There is an important transitory provision in sub-clause (3) of clause 2 which provides for the use of the present jurors' books until Part III. is proclaimed. By reason of the provisions of the Juries Act 1958, as amended by the Juries Act 1966, these books have been in force since 1st October, 1967, and would, in the ordinary course, remain current until 30th May, 1968. Because the Bill provides for an entirely new system of selection and summoning of jurors, considerable preparatory work will be necessary, and sub-clause (3) has been inserted as a precautionary measure. At all events, it is not contemplated that the present jurors' books will need to be used beyond 1st October, 1968.

The Hon. R. J. Hamer.

Clause 3 provides for interpretations. As may be seen from the explanatory paper, various amendments have been made consequent upon changes made by the Bill. The term "inquest" has been retained because, whilst in modern times this is normally associated with coroner's inquests, it is a recognized legal term for a trial. The term is used to describe any judicial inquiry to ascertain or decide a matter of fact, especially one made by a jury in either a civil or a criminal case.

Part I. of the Bill is of some interest to honorable members. It deals with liability for jury service. Clause 4 of the present measure provides for persons to be divided into three classes for the purpose of determining liability. These classes are—

1. Persons who are disqualified from jury service.
2. Persons who are ineligible for jury service, either because of their connexion with the administration of law and justice, or for other reasons.
3. Persons who have an absolute right to be excused if they choose to exercise it.

The classes to which I have referred are set out in schedules 2, 3 and 4.

Schedule 2 covers the classes of persons disqualified from serving as jurors. It will be noted that any person who has been convicted of treason, or convicted of a felony, or convicted of one or more misdemeanours and sentenced to imprisonment for a term or terms in the aggregate of not less than three years, is thenceforth disqualified from serving as a juror. This provision distinguishes between treason, felony and misdemeanour.

Treason is in a special class; in regard to felony, I should say, for the information of honorable members, that originally at common law this was a crime, conviction for which occasioned the forfeiture of the land

or goods of the offender and the penalty for which was death. Misdemeanours were generally punishable by fine or imprisonment and were lesser crimes or offences. In modern times the nature of these offences has changed.

Felonies have become a category of crimes ranking in seriousness below treason and above misdemeanours and, while the distinction is now largely an arbitrary one, its real significance is that under the Crimes Act no felony attracts a maximum penalty of less than five years. Schedule 2 also provides for the disqualification of persons who, within the preceding five years, have been imprisoned for not less than three months or placed on parole, and excludes persons who are bound by a recognizance or are on probation or are undischarged bankrupts. Honorable members will readily appreciate the desirability of excluding such persons from serving on juries for either criminal or civil trials.

Schedule 3 lists persons ineligible to serve as jurors. They fall into two classes. In the first class, ineligibility is based on profession or occupation. This may arise from close association with the law—as in the case of Judges, justices of the peace, solicitors and others—or from a calling which may appear to give rise to a conflict of interests. The second class consists of persons who are unable adequately to see, hear or speak, are mentally ill or infirm, unable to read or write, or have an inadequate knowledge of the English language.

Schedule 4 deals with persons entitled as of right to be excused from serving as jurors. This category covers those who by virtue of the nature of their employment should be entitled to claim exemption, and it also includes women and persons over the age of 65 years. Other persons included in this schedule are those holding public office where compulsion to attend for jury service could well disrupt the work of the community. In this class are members of Parliament, permanent heads of State Government Departments, and so on.

I need comment only on clause 8. This provision does not retain the concept of a jury as in the 1958 Act. If the Sheriff finds the demand for juries is likely to exhaust the current jury list, he may notify the Chief Electoral Officer of prospective requirements with a view to a further ballot of electors for the next ensuing period. Another important part of this clause is the provision made for continued validity of jury lists notwithstanding changes in electoral boundaries during the currency of the lists.

Provision has also been made in clause 8 regarding the inclusion of women on juries in any particular jury district. As honorable members may be aware, women may be called for jury service in country areas in the course of the jury period which commenced on 1st October, 1967. It is intended that the roll for the Melbourne jury district will include women as soon as possible after new court facilities have been provided in the court building now being erected on the corner of William and Lonsdale streets, Melbourne.

Pre-selection of jurors is the subject of Part III., which, apart from clause 13, consists of entirely new provisions. Clause 10 provides for the Sheriff to send a questionnaire to persons named on the jury list prior to summoning them. This questionnaire, the form of which will be prescribed under clause 74, will be designed with particular attention to the need for easy comprehension and completion. It is intended that the recipient will be required to answer one question only, sign the questionnaire and return it within seven days, and for this purpose a business reply post envelope will be provided. The recipient will be given an indication of the date he or she could expect to be called for jury service, but for obvious reasons a firm date would not be given.

Clause 11 requires the Sheriff to determine liability after examination of the questionnaires and makes provision for him to notify those not required to serve and those whose excuses have been rejected. Honorable members will note that, where excuses have been rejected, an aggrieved person has a right of appeal to the court. Eligibility will be easily determined in some instances. For instance, a woman completing the questionnaire and claiming to be excused as of right could not be called for jury service. On the other hand, other claims to be excused would be examined and determined on their merits.

It has been foreseen that some persons claiming disqualification may be reluctant to disclose the reason for the claim. Such persons will be invited to mark the return envelope "Confidential" and given an assurance that an envelope so marked will be personally opened by the Sheriff and the substance of the claim kept confidential. I draw attention to sub-clause (3) of clause 13. This enables the court in its absolute discretion, notwithstanding the provisions in respect of excuses which I have been discussing, to determine that a person shall not serve as a juror. The purpose of the provision is to ensure that the court may exclude any person if it is deemed desirable in order that justice may appear to be done.

Sub-clause (4) of clause 13 provides for the court to determine that jurors who have served for lengthy periods—this sometimes happens in murder trials and fraud cases—shall be entitled to be excused as of right for a period not exceeding ten years.

Before moving to Part IV. of the Bill, it is appropriate to explain to honorable members the administrative methods to be used in connexion with the pre-selection, summoning and payment of jurors. It is intended that the names of persons ballotted by the Chief Electoral Officer for jury service will be recorded on electronic tape for use in a computor. The selection of those to be sent questionnaires will be made from time to time by use of an arithmetical random formula, and the computer will be programmed to print on the questionnaires the names and adresses of the persons selected. After despatch and return of the questionnaires, liability to serve will be determined and the computer will print jury lists and address notices of acceptance of excuses or summonses.

The computor is to be used considerably in connexion with jury service. Cheque forms for payment of jurors will be prepared by the same method. Considerable savings will ensue in that draft jury rolls, as required by the 1958 Act, will not be printed, and advertisements as to their availability to the public will not be necessary. Furthermore, the clerical cost of drawing jury panels, addressing summonses and payment of cash to jurors will also be eliminated by use of the computer. A preliminary investigation and comparison of the costs of the existing system and that proposed has indicated that the over-all cost will be considerably reduced.

Clause 18 is an entirely new provision making statutory provision for the refund of jury fees where cases have been settled before the hearing. As indicated in the explanatory paper, for a considerable number of years there has been an annual appropriation for refund of jury fees but there has been no statutory provision prescribing the conditions of refund. This clause requires written notification of the settlement to the Sheriff three days before the day fixed for the hearing of the case, and also provides for a deduction of 25 per cent. to cover administrative charges.

Sub-clause (3) of clause 48 contains a new provision which permits both criminal and civil juries to be drawn from the same panel. The need for such a provision arises only in the country and the sub-clause will allow the court, immediately after

concluding the criminal inquests, to impanel juries to try civil cases. This provision will save the time of courts as hearings are frequently delayed if a criminal list collapses and the court is required to await the attendance of a fresh panel of jurors called for a later day.

Concerning clause 50, I draw attention to the changes in the rates of compensation for jurors, as provided in schedule 8. It will be noted that the present daily rates of $5 and $10 are to be increased to $6 and $12 respectively. Part VI., containing provisions relating to pools of jurors at Melbourne, differs from the 1958 Act only in connexion with the rule-making powers of the Governor in Council. Part VII. has only minor variations from the 1958 Act.

Part VIII. deals with offences and penalties, but I do not propose to deal with it in detail. All these matters are dealt with in the explanatory memorandum which has been circulated, and they can be dealt with more fully when the Bill is in Committee. I have said enough at this stage to indicate the general principles of the measure. This Bill will make tremendous changes in the administration of jury services in Victoria and will bring quite substantial advantages to the legal profession and the administration of law. I commend the Bill to the House.

On the motion of the Hon. J. W. GALBALLY (Melbourne North Province), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, November 28.

GOVERNOR'S SPEECH.

ADDRESS-IN-REPLY.

The debate (adjourned from November 15) on the motion of the Hon. H. M. Hamilton (Higinbotham Province) for the adoption of an Address-in-Reply to the Governor's Speech was resumed.

The Hon. J. M. TRIPOVICH (Doutta Galla Province).—Last week, my speech was interrupted to enable the House to deal with a measure which was deemed to be urgent. At the time, I was dealing with the question of crash courses in education which were designed to assist the children of European and Asian descent who are now in attendance at our schools and who have very limited and, in some cases, no knowledge of English. I was commending to the Government something of which it is well aware, namely, the experimental crash course which was carried out at the Fitzroy High School under which children were given twelve weeks' tuition in English. I believe it has been a successful experiment. The problem throughout my electorate, and particularly throughout the inner metropolitan area, is such that the language problem exists not only at the high school level but also at the State school level.

At the North Fitzroy State school, there are 593 pupils who were born in Europe, Asia and the Near East. Some of them have no knowledge of the English language and they come from homes in which English is not spoken. These children are confronted with tremendous difficulties. Apart from the crash courses, they must depend entirely on the environment of the school which they attend to improve their English because they do not learn it at home.

The Minister of Education needs no convincing of the need for the education of new Australians in English, because he was most generous in a letter of appreciation that he wrote to the headmaster of the Fitzroy High School commending the school for what it had done. Crash courses similar to the one conducted at Fitzroy could be organized throughout the inner metropolitan area. Even in your province, Mr. Acting President, special courses in English would enable the migrant pupils to understand the lessons at school; they would also considerably help the teachers, who must do their best, through their normal channels of tuition, to bring the

students up with a working understanding of the English language. I commend that to the Government and sincerely hope it will do something about it.

There is another suggestion that I have made to the Minister, and he agrees with me. It is that I believe that oral English should be a subject to count in qualifications just as does German, Dutch, or any other foreign language. If credit were given for a pass in oral English at examinations, there would be a considerable improvement in the use of English in secondary schools.

The Hon. H. M. HAMILTON.—People who wish to learn how to speak properly should not listen to radio or television programmes.

The Hon. J. M. TRIPOVICH.—That is so. If the subject were counted in examinations, greater emphasis would be placed upon it by the schools, and children would be encouraged if they knew that they could be granted a credit for using English fluently and expressing themselves well.

I believe in the State school system, and I consider that, given the staff stability that exists in private schools, the prestige of the State school system can be built up. When I go to St. Columban's Seminary and speak to the girls there, and when I go to Essendon Grammar School and speak to the boys there, I cannot help noticing the difference in the quality of English spoken there compared with the English spoken at high schools. I should like to see the standards of the high schools lifted, and I think that what I have suggested would be of assistance in that direction.

During another debate Mr. Fry was rather critical that I should have emphasized conditions in Sydney compared with those in Melbourne. The honorable member said something like, "Oh, Sydney again; that marvellous New South Wales!" and added, "The Government had to put in a supervisor to control the council". Rather than take up the matter at that stage, I thought I would save it for a later occasion. Administrators have been assigned to two councils in New South Wales. One is Liberal-controlled and the other is the Sydney County Council.

The Sydney County Council had a most democratic form of representation, inasmuch as the Lord Mayor was elected on adult franchise. I should like the same principle to be followed in Melbourne, where it is the prerogative of a non-Labor caucus meeting in the Melbourne Town Hall to elect the Lord Mayor. The Sydney County Council is to be re-formed, but the manager who has been appointed in the interim is none other than the former Liberal leader, Mr. Vernon Treatt, who was sacked, not only by the people but also by his own party, in an election some time ago because of his inability.

Action was taken to re-form the Sydney County Council because rates collected in Sydney totalled $13,918,519 as compared with Melbourne's revenue of $5,401,295 last year, and it was said by the Honorable P. Morton that too much money was being taken from the pockets of Sydney people and that a change should be made. It did not matter that the area of Sydney was comparable to that of Melbourne. It did not matter that there was a different basis for the fixation of the rate. What really mattered was that the Liberals got control of the Sydney County Council.

A comparison which appeared in the *Australian* of 31st July showed that, although the over-all sizes of Sydney and Melbourne were about the same, the resident population of Sydney was almost double that of Melbourne; it had 302 miles of streets to maintain compared with Melbourne's 192 miles; it had eleven libraries, fixed and mobile, compared with Melbourne's four; and it had sixteen kindergartens catering for 795 children compared with Melbourne's seven kindergartens catering for 480 children.

When the Statute Law Revision Committee went to Sydney some years ago, when a Labor Government was in office, the New South Wales Premier made arrangements for members of the committee to be shown over the freeways there. The committee could not traverse all of the freeways, because they were limited to two and a half hours, but one could travel over all of Melbourne's freeways in 25 minutes. It is not my intention, therefore, to make out that Sydney is better than Melbourne; all I intend to do is to emphasize how backward is the Melbourne City Council.

I wish to conclude my speech by referring to two aspects of complaint in relation to Government administration. The first is the attitude of the Government which was revealed in answers to questions I asked in this House last Thursday. The questions were—

(*a*) Does the Government and/or any of its semi-governmental instrumentalities give a percentage preference to Victorian industries above tenderers from other States in the allocation of work let by public tender?

(*b*) Is the Government aware that other States allocate their work on this basis by granting up to a 10 per cent. preference to local tenderers?

(*c*) Will the Government consider giving a similar preference so that Victorian workers and industries may retain maximum production in some industries where competition is now more than keen and Victorian industries are placed at a disadvantage?

After admitting that it knew that the 10 per cent. preference applied, the Government said that it was its policy to give preference to local tenderers within reasonable limits. I do not know of any preference that the Government gives, apart from what I was astounded to find in a Bill which will be debated later in this session. It gives one industry a monopoly within a radius of 30 miles —this is the attitude of the Government in relation to the baking of bread. The building up of secondary industries in this State is of much more importance than the protection of local bakers within a radius of 30 miles.

When one considers some companies, one cannot believe to-day what one believed yesterday, so to speak, in relation to their names and ownership, because some have been taken over by international cartels and continue to trade under their Australian names. If overseas concerns with advanced know-how submit tenders that Australian industries cannot hope to compete with, the Australian industries will soon fold up, and this will be the easiest way for foreign companies to take over local companies.

I refer to the supply of 3-in., 4-in. and 6-in. valves to the Melbourne and Metropolitan Board of Works. The 3-in. and 4-in. valves —particularly the 3-in. valves—can be supplied by a Sydney company at a rate with which Melbourne engineering firms cannot compete. I do not know whether Mr. Murray Byrne is aware of this project, but one industry in Ballarat that has depended a great deal on getting a contract for the supply of 3-in. and 4-in. valves has been out-priced, and has not been awarded one tender for 3-in., 4-in., and 6-in. valves on this occasion. I understand that within the last fortnight 46 employees of an industrial company at Horsham have been put off. In tendering for contracts, Victorian companies have to compete with companies in other States which receive Government protection. It is evident that manufacturers in those States are able to manufacture valves more cheaply than they can be produced in Ballarat or Melbourne.

The Hon. MURRAY BYRNE.—I should be happy to receive information about this matter.

The Hon. J. M. TRIPOVICH.—The firms of M. B. John and Hattersley, of Ballarat, and Robison Bros., of Melbourne, have been tendering in competition with each other and have been sharing the market, but they now find themselves outpriced by Bergmann—New South Wales, by 20 per cent. The tender by Robison Bros. for 3-in. valves was $49.50, that of M. B. John was $50.70, and that of

Bergmann–N.S.W., was $40.75. I am not complaining about this competition, but I do want the Government to be consistent. If it is to give a monopoly to a baker over an area encompassed by a radius of 30 miles, it should also look after secondary industries in Victoria.

The Hon. MURRAY BYRNE.—Is Bergmann–New South Wales an overseas company?

The Hon. J. M. TRIPOVICH.—I do not know. I cannot find out anything about it. I do not know whether it is the result of an industrial take-over in Sydney. When a Victorian engineering industry which is possibly second to none in its organization and is not wasteful in its production methods cannot compete within 20 per cent. of a Sydney company, I believe that something is seriously wrong.

I take some umbrage regarding Government administration as it relates to the Company Fraud Squad. On 3rd October I asked questions on notice regarding the conditions under which the police confiscated documents from a person or company in the course of investigations, and the Government replied that the documents seized were dealt with in accordance with the provisions of the Justices Act. The first question I asked was—

> When, following complaints, the business activities of any persons, partnerships or firms, &c., are investigated by the police Company Fraud Squad and books, documents and records are seized, charges subsequently laid and prosecuted, is any list of such documents seized prepared at the time of confiscation or a reasonable time thereafter; if so—(i) by whom is the list prepared; and (ii) is any representative of the accused present during the listing and are they entitled to receive and/or are they given in each instance a receipt showing such list as recorded; if not, why is it not done?

I thought that was a reasonable question. If the Company Fraud Squad, at the instigation of the Law Department, is instructed to investigate a company and seizes books and documents which may later lead to prosecution, I do not think the officers concerned will have any difficulty in listing what is confiscated. The person whose property is confiscated is entitled to see what is taken and to say, "Yes, that is a cash book", or, "That is an order book".

When they have agreed, and the documents are listed, the people seizing the documents ought to give a receipt at that stage. However, the Ministerial reply was as follows :—

> Documents seized under the circumstances described are taken before a magistrate to be dealt with in accordance with the provisions of the Justices Act 1958 and are listed as soon as practicable.

It could be a fortnight, or it could be three weeks. In the case which I propose to mention to-night, they were not listed at all. Then I asked—

> If any of the records seized are later found to be not needed for submission to substantiate charges laid, at what stage are they returned to their owners?

The answer to that question was—

> As soon as practicable.

I do not propose to mention names in connexion with the case to which I am now referring, but the Under Secretary has been provided with full details, and the relevant information has also been passed over to the Statute Law Revision Committee. The Chief Secretary has all the documents in his office, but the poor chap concerned cannot get his documents back. As a matter of fact, he has no receipt to prove that they were ever taken from him. I also asked—

> If the charges laid are not sustained as a result of court action, at what stage and by what procedure are the documents returned to their owners?

The answer to that question was—

> Following the trial the owners usually obtain the documents by arrangement with the Company Fraud Squad and/or the Law Department.

We just cannot seem to break through. I asked this further question—

> If the accused are found to be not guilty of the charges laid, are they entitled to recover reasonable costs involved in sustaining their defence; if so, by what procedure?

The answer to that question was—

If the matter is determined on indictment, the court has no power to award costs. In the case of summary proceedings the magistrate has a discretionary power to award costs.

To summarize the case, which is not a hypothetical one, three men formed a company which sold businesses and lent money. This was the type of business concerning which the Government rightly saw the need to strengthen the legislation, but in this particular instance there was no need to blacken the reputation of the company concerned, although the reputation of some people associated with the sale of mixed businesses could well have been suspect.

The three members of the company to which I refer sold a business to a lady who lacked sufficient capital to buy it, and they advanced the additional capital which was necessary. They later sold the business on her behalf. Twelve months or so later, one of the three members of the company decided to leave it, but later expressed a wish to return. The remaining two members did not agree, following which the member who had left the company made certain threats. He told the lady who had bought the business that the firm had re-sold the business for a sum which was $2,000 more than they had revealed to her, and that they had retained the difference for themselves. He advised her to report the matter to the Registrar of Real Estate Agents, which she did.

The man concerned told other clients of the firm that the firm had been selling their properties at prices above those quoted or required by their clients, and they had been taking the difference for themselves. This was certainly a serious charge in connexion with the conduct of that business, and I reiterate that all the documents relating to the matter are in the hands of the Under Secretary and the chairman of the Statute Law Revision Committee. One of the persons concerned in this matter is a constituent of mine, and he has stated—

We did not hear from the Registrar at any time regarding these complaints, but a long time later our office was visited by two detectives—Detective King and Detective Purcell.

If I may say so, they were honorable decent men, who were doing their job—

We were both asked many questions. At a later date we were again questioned and then charged with false pretences.

The charge laid was not that of selling the property at a price higher than that required by the woman concerned; it was that the business was not in fact hers but belonged to the company and, when it was sold, the takings had been misrepresented. My constituent went on to say—

Before the committal proceedings began, we were told by our respective solicitors and barristers that we would be automatically committed for trial.

and that proved to be so. He continued—

The charges against us were altered several times—it appeared as though they did not know what to charge us with—but eventually we went to court on different charges from which we were committed for. The trial was listed for July, then cancelled till August, then September, October, and only for the fact that my barrister insisted on being tried or the charges dropped, we probably would not have been tried in November 1966.

That is, two years later. The Crown had various witnesses, one of whom was given an indemnity, and the trial was held. The Judge's summing up was to the effect that one of the witnesses who had been given an indemnity was not, in fact, protected from perjury charges; that the main witness, the person who left the company, proved to be an unreliable witness, and that several of the counts should not have been made against these two particular men. Consequently, the jury was instructed to ignore them. Naturally, the verdict was, "Not guilty".

The position is that the sum of $5,000 has been paid in legal fees to protect the honour of the persons

involved in this case and, moreover, they have sustained a considerable loss of business if only for the reason that it had become common talk that the police had been investigating their business. The inference to be drawn from this set of circumstances was that they were a lot of crooks. How can any business function effectively against this sort of activity?

Naturally, I do not want to prevent the Police Force from obtaining information in order to do what the Government wants it to do. Indeed, I commend the Force for doing everything possible to apprehend crooked business manipulators. However, if the case I have cited is an example of the manner in which the Company Fraud Squad intends to operate, I raise a strong protest in this House and ask the Government to review the manner in which receipts are given for property confiscated, particularly when there is no physical resistance.

In a letter dated 25th July from my constituent—a copy of which letter is in the hands of Mr. Dillon, the Under Secretary—it is stated—

> Further to our discussion today, relative to the documents which were returned to me by the Crown Law Department. Those returned are as follows :
>
> 1 small size pocket cheque book
>
> 1 Bank advice slip
>
> 1 Document single sheet (33 of Estate Agents Act)
>
> 1 Document single sheet (34 of Estate Agents Act)
>
> 1 Document single sheet (34 of Estate Agents Act)
>
> 1 Document single sheet—Contract of Sale.
>
> —
>
> 6 TOTAL DOCUMENTS

The credibility which I place on this communication is that if these were the documents received by the Company Fraud Squad to mount charges in relation to an allegation of company fraud, these aspects should never have been considered. Therefore, I am inclined to think that the detectives actually took away more than has been mentioned. My constituent continued—

> The actual documents taken were carried out in the arms of four detectives and comprised the records of the company, numerous files relating to various transactions, trust account records, bank statements, and private papers. The documents taken were such that it was necessary for my accountant to visit Russell Street Police Station on several occasions in order to prepare my taxation returns.
>
> Mr. Buckley of the Crown Law Department advised me that none of the missing documents were ever submitted as evidence —I prefer to say that they were restrained from evidence.

My contention is that, in this case, the credibility falls on the side of my constituent. I should like the Government to examine this case very carefully, and I shall be pleased to assist in every way possible, as it has always been my practice to uphold the law to the fullest extent. However, if what I have stated indicates the manner in which the Company Fraud Squad proposes to operate, the Government should carefully consider the matter of improving its activities so that people will be impelled to respect the Squad instead of forming the opinion that it acts unfairly in the carrying out of its functions.

The Hon. D. G. ELLIOT (Melbourne Province).—My contribution to the debate will be brief, but I hope that it will be of some service to this State, and that the Government will heed it because I think it is sufficiently important to be heeded—and, with promptness. Recently it was my privilege and pleasure to visit Canada and the City of Vancouver, and, at the suggestion of the Victorian Automobile Chamber of Commerce, I investigated a vehicle testing system in the City of Vancouver which I consider should also be closely examined by the Government of Victoria—and, indeed, by the Governments of all States. A close examination should be made here of a system which would materially contribute to road

safety, to the saving of lives and to greater safety in vehicles, as well as to far greater efficiency so far as the average motor vehicle is concerned.

The superintendent of the vehicle testing system of the City of Vancouver, Mr. Harry Gray, a former police officer in the Province of British Columbia, was most co-operative, and I cannot praise him too much for the considerable volume of information which he saw fit to pass on to me. He virtually opened up the whole station and explained his methods of working. He conducted me throughout the processes and the various systems involved. I cannot help but quote a few of his remarks concerning the average motorist.

Mr. Gray told me that, in his opinion, the average motorist is a well-intentioned individual, but at heart he is a procrastinator, and the vehicle inspection system in Vancouver is designed to get maintenance work done before it becomes too late. He said that a motor driver is somewhat like a cow puncher with his horse ; he cannot do without it long enough to have it shod. Herein lies a great danger. " Manana "—to-morrow—seems to be the key to service when it is required in respect of motor vehicles.

I can see Mr. Murray Byrne nodding his head in enthusiastic agreement. I do not know why, but I think at some time we can all admit to the fact that we put off until to-morrow what should be done to-day in relation to the motor car which we own.

Sir PERCY BYRNES.—There is an old saying to the effect that you never do to-morrow anything that you can put off until the day after to-morrow.

The Hon. D. G. ELLIOT.—I imagine that could quite easily encompass the philosophy of Sir Percy Byrnes because I have often pictured him at Boundary Bend gazing into eternity per medium of the beautiful River Murray. Under such circumstances I should think he would be prepared to put it off not only for two days but for two months.

Mr. Gray told me that the worst case he ever experienced in the early days of this station was a car with non-power steering on which the steering wheel had to be turned three and a half times before the wheels started to move. At one period in British Columbia it was discovered that a brand new vehicle produced by General Motors—the Oldsmobile —had a slack in a ball joint and this resulted in 23,000 current model Oldsmobiles being taken off the road. The Canadian national average of unroadworthy vehicles involved in accidents is in excess of 9 per cent. —that is still the national average— but as a result of the introduction of this vehicle testing station in Vancouver, the average in that city is only .9 per cent. Those are startling figures, and I should like honorable members to take a note of them, because a similar scheme could make a contribution to road safety in Victoria.

The Hon. MURRAY BYRNE.—That is amazing.

The Hon. D. G. ELLIOT.—I agree, and that is why I said at the start of my speech that this was something that could be properly investigated by the Government with a view to making a major contribution to road safety in Victoria and eventually throughout Australia. My remarks are not intended to be critical ; I am making an honest contribution in the hope that this scheme will be examined by the Government.

The Hon. L. H. S. THOMPSON.—What period do the figures cover?

The Hon. D. G. ELLIOT.—From 1959 to 1966, and they are the latest figures available. Other figures I quote relate to 1944 and indicate that the proportion of vehicles rejected on first inspection at this stage was as high as 46 per cent. and the proportion rejected now at the first inspection is as low as 20.9 per cent. This improvement has been brought about by continual inspections. This form of inspection has also increased the roadworthiness and road safety

factors of vehicles to such an extent that they are becoming more easily saleable in British Columbia than in any other Province in Canada. The system, which has been installed by the city of Vancouver, has been so proven over this period that a general law is being introduced throughout the Province of British Columbia. In addition, every other Province in Canada is looking at the scheme with a view to adopting it as a national scheme.

Before installing this testing system, practically every system used in every State in the United States of America as well as in every Province in Canada was closely examined and the definite conclusion arrived at was that where vehicle testing units were installed in existing service stations they were not effective. So many rackets were observed over the years and so many underhand methods were adopted that it was considered unwise to indulge in any form of vehicle testing on a basis of licensing existing garages or service stations.

Mr. Gray quoted to me an example of a combination of a service station and a new car agency, and what happened when a regular dealer comes along for a roadworthiness certificate. Mr. Gray saw much evidence of merely cursory examinations that were ineffective and did not contribute to a lowering of accidents and particularly accidents in which unroadworthy vehicles were involved.

The Hon. R. J. HAMER.—Do those figures relate to cases where unroadworthy vehicles were involved in accidents?

The Hon. D. G. ELLIOT.—I believe so. I do not propose to keep these facts and figures to myself. Whoever is responsible for this matter in the Government can peruse them and all the attendant information on how the scheme works.

The Hon. MURRAY BYRNE.—Who pays for the scheme?

The Hon. D. G. ELLIOT.—It pays for itself. In fact, it operates at a profit.

The Hon. M. A. CLARKE.—Is this a compulsory annual test?

The Hon. D. G. ELLIOT.—It is compulsory.

The Hon. R. W. MAY.—Is a fee charged?

The Hon. D. G. ELLIOT.—Yes, and I think it is $1.50. I shall give honorable members details of the whole scheme. The compulsory examination is held once every six months and the owner of the vehicle is given a roadworthiness certificate which is clearly visible on his car. He must take his vehicle to the testing station, and it takes on an average about five minutes to test each car. Because a large number of lanes are available, the waiting period is kept to a minimum. Of course, there are rush periods at lunch-time and in the evenings, but these are combated quite successfully by rostering staff. In the whole of my experience I have never had the privilege of seeing anything more efficiently and effectively run in the interests of road safety.

The Hon. SAMUEL MERRIFIELD.—If a person thinks there is something wrong with his car, can he have it tested more frequently than at six-monthly intervals?

The Hon. D. G. ELLIOT.—That would be left to the common sense of the person owning the car. People in British Columbia have become so road safety conscious that they veer towards conservatism in ensuring that their vehicles are safe. They find that the cost of this examination more than covers all contingencies so far as vehicle safety is concerned. In addition, the average re-sale price of cars in British Columbia, because of this road safety testing unit, is appreciably higher than in any other Province in Canada. So, on an economic basis, the scheme is worthy of consideration.

The Hon. K. S. GROSS.—Are the inspections carried out by only one mechanic, or is a series of mechanics used?

The Hon. D. G. ELLIOT.—The inspection is carried out by a series of specialists, such as specialists in brakes, headlights and so on. The car is illuminated from underneath and moved slowly along a line. As it is moving, tests are made by the three experts. The information gleaned as a result of the test is registered in duplicate on a card, and if an owner gets a first pass at a first inspection he pays his $1.50 and off he goes. Sixty-five per cent. of all vehicles are passed at a first testing and in the vicinity of 30 to 35 per cent. of the vehicles may have to come back, some of them for minor defects and others for major defects. However, if a vehicle is declared to be unsafe for driving, it must be towed away.

With your permission, Mr. Acting President, I should like to quote from the general information handout of the motor vehicle inspection station which was given to me by Mr. Gray. This gives a complete run-down of the system adopted in Vancouver.

The sitting was suspended at 6.26 *p.m. until* 7.55 *p.m.*

The Hon. D. G. ELLIOT.—I shall now quote from the basic details which were provided by Mr. Harry Gray. From this general information, it is disclosed that the Vancouver motor inspection station has operated continuously since the 6th March, 1939. Originally it was a City Hall Department, but the station is now a division of the City Finance Department, and from latest information, I understand that, because of the success of the Vancouver motor vehicle inspection station, the scheme will now become a State-wide affair and eventually, it is hoped, a Canada-wide operation.

Enabling legislation is found in the city charter as granted by the British Columbia Government. A city by-law drawn pursuant to the city charter, requires that all motor vehicles and trailers registered under the Motor Vehicle Act of British Columbia, and which are driven, operated or parked on Vancouver city streets, shall be presented for inspection twice annually. Of course, this will be extended to the whole of British Columbia.

A fee of $1.50 is charged upon first examination each six months. Subsequent re-inspections following rejection, which may be necessary prior to approval, carry a charge of 50 cents for each subsequent inspection. The fees collected have been sufficient to cover all costs and to write off equipment. With the high cost of government to-day, and sometimes the apparent neglect of overheads, it is important to find that a city-controlled operation actually makes money sufficient to cover all costs and to write off equipment.

The station has four lanes, three of which are equipped to handle passenger type vehicles and light trucks. The fourth lane is equipped with "universal" type machinery capable of handling heavy commercial vehicles and medium weight passenger cars. In each lane equipment is installed in this order:—

"Bear" Wheel Alignment Indicator (tire scuff detector).

"Weaver" Headlight Tester (screen and optoscope type).

"Weaver" front-end Hydraulic Lift (accumulator type).

"Bear" Brake Tester (hydraulic, platform, drive-on type).

At the end of the lanes there are two National cash registers of the bank accounting type. They are installed near the exit. These machines record moneys received, licence plate numbers, sub-totals of rejected and passed vehicles, &c., and also stamp the inspection record cards and issue receipts. These machines almost talk, and I assure honorable members they save a lot of time in man-hours. "Approved" vehicles receive numbered stickers. I have a number of these stickers which I will present to the Minister. In order that there will be no doubt in the mind of the peruser as to the particular six months' duration, the stickers are perforated with the expiry date, which is exactly six months from the date of approval.

This is for the purpose of spreading "due dates" evenly over the following six-monthly inspection period. The transfers are affixed to the lower right hand corner of windshields.

The Hon. M. A. CLARKE.—What are the hours and days of operation; is it a 24-hour day for seven days a week service?

The Hon. D. G. ELLIOT.—I shall answer that question later. Transfer numbers are in sequence with the serial numbers on the accounting machine cash tapes, which also list the licence plate numbers of vehicles. The serial number advances only in "approved" transactions. if vehicles have to be brought back, no serial number is given, and this is allowed for on the cash register.

I shall not quote all the details supplied but shall refer only to the important points. The inspection of a vehicle occupies an average of ten minutes. However, when things are working smoothly, I understand that inspection takes five and a half minutes to six and a half minutes. Rejected vehicles receive rejection certificates, and are allowed seven days for the correction of the defects and to return for further inspection.

These times could be varied according to the capabilities of service stations within the State of Victoria. "Dangerously unsafe vehicles", of which an average of one per day is detected, and those found to have entirely inoperative brakes, steering mechanism in danger of failure, or other serious defects are so certified by means of a special rejection certificate —plaster—affixed to the windshield. In such instance, the vehicle is required to be removed by a towing truck to a place of repair designated by the owner.

The staff comprises 45 full-time and twelve part-time evening employees. The inspection station is open from 8 a.m. until 9.30 p.m., five days per week, Mondays to Fridays. The accumulated inspections, comprising inspections and re-inspections, average approximately 1,500 per day. During the past sixteen years, traffic accidents occurring in the City of Vancouver have been reported to involve vehicle defects in less than 1 per cent. of the instances —the actual figure is .9 per cent. Areas of non-inspection report ten times as many defective vehicle accidents. The national average is a little over 9 per cent.

This is no longer an experiment; the undertaking in Vancouver has incited keen interest, inspection and close examination by those concerned with road safety from all over the United States of America, Canada and many European countries. I do not suggest that this would not have to be multiplied somewhat in a State such as Victoria. The annual coverage in Vancouver is approximately 145,000 vehicles in the city itself. Therefore, it is obvious that there would have to be five or six inspection stations of this kind, not necessarily in the City of Melbourne, but in the greater metropolis and in key country areas.

In my humble opinion this is an almost watertight scheme which, if persevered with, should replace some of the misgivings of the Government in relation to the present licensed vehicle testing set-up. If this system was adopted, Victoria could confidently look forward in a period of ten to fifteen years to low accident rates similar to the position in Vancouver. If this system saved one life only, it would be worth while. However, I was assured by Mr. Gray, the superintendent of the Vancouver undertaking, that literally hundreds of lives have been saved by the introduction of that system of testing. I am willing to place at the disposal of the Minister, or honorable members who may be interested, my file on the Vancouver experiment, and I hope the Government will examine it seriously with a view to action and not prolonged discussion.

The motion for the adoption of an Address-in-Reply to the Governor's Speech was agreed to, and it was

ordered that the Address be presented to His Excellency the Governor by the President and such members of the Council as may wish to accompany him.

VETERINARY SURGEONS (AMENDMENT) BILL.

The debate (adjourned from October 31) on the motion of the Hon. G. L. Chandler (Minister of Agriculture) for the second reading of this Bill was resumed.

The Hon. D. G. ELLIOT (Melbourne Province).—This short measure empowers the Veterinary Board of Victoria to deal with various disciplinary matters that may arise. At present the powers conferred on the Board under the principal Act are certainly less than those conferred on the Royal College of Veterinary Surgeons and those existing in other parts of Australia, particularly those conferred on the medical and dental professions to act in a similar manner. I could talk on the subject of veterinary surgeons and their importance to the community from now until to-morrow night, and I should not cover all the good that they do in the community. My party supports the measure and wishes it a speedy passage.

The Hon. S. R. McDONALD (Northern Province).—The Country Party supports this measure which, as Mr. Elliot has said, is a simple one. It proposes amendments sought by the Veterinary Board of Victoria and is concerned with the maintenance of the professional standing and conduct of its members. In recent years, there has been a significant increase in the number of veterinarians in Victoria, many of whom are in private practice. This year it is expected that 38 new veterinary scientists will graduate from the Veterinary School of the University of Melbourne and that a corresponding addition can be expected in future years.

This Bill seeks to give the Veterinary Board the necessary powers to deal with any instances of professional irregularity. Clause 2 substitutes a new section for section 11 of the principal Act to give the Board power as to inquiries and to summon and examine witnesses. Clause 4 inserts a new section 22 and enables the Board to investigate complaints against veterinarians and gives them the important right of reply. The measure is desirable, and my party supports it.

The Hon. F. S. GRIMWADE (Bendigo Province).—This is a straightforward measure caused by the rapid expansion in the profession of veterinary science. It is useful to examine the background to the problem. I was interested in the figures quoted by the Minister of Agriculture showing that there were 93 veterinary scientists from Sydney, 65 from Queensland and 47 from overseas, making a total of 205, registered in Victoria since 1962. There is a five-year period of study for veterinary surgeons, which does not include specialization—it is a general course. There are variations in the courses of veterinary science throughout the world; for instance, in the United States of America, animal husbandry is a subject of minor importance. However, in the United Kingdom and in Australia it receives a great deal more attention. In fact, 13 to 15 per cent. of the total time is spent on animal husbandry.

Even within Autralia there is some variation in courses; in Queensland, animal husbandry is a department of the School of Veterinary Science. In Melbourne, animal husbandry is a department of the School of Agricultural Science. It is an independent department in New South Wales. The Veterinary School in Melbourne was established in 1960 after public appeals and grants from the Commonwealth and State Governments had raised $364,000. The school took its first group of first-year students in 1964, and they are expected to graduate at the end of this year. In

1966, the figures for full-time students of veterinary science are interesting. They are: New South Wales, 375; Victoria, 180; Queensland, 423; and Tasmania, one; a total of 979 veterinary science students.

The Hon. D. G. ELLIOT.—Why are there so many in Queensland?

The Hon. F. S. GRIMWADE.—The Queensland school has been established for some time. In the past, students went to that school from Victoria and New South Wales. The enrolment figures for 1967 were: New South Wales, 75; Victoria, 44; and Queensland, 122; a total of 241.

Last year, 102 degrees were conferred. At the moment there are 241 enrolments, and in five years' time, 60 per cent. are expected to pass the course.

The Hon. M. A. CLARKE.—Some New Zealand students go to Queensland.

The Hon. F. S. GRIMWADE.—That is possible, but I have not those figures. Of the 922 veterinary scientists, 430 are in private practice —representing 46 per cent. of the total—and 29 per cent. are in Government Departments. This gives rise to the problem of ascertaining how many veterinary science graduates are needed. In his report, Farquhar recommends that a special study of the needs of veterinary education should be undertaken, because it is not known how many veterinarians are needed in Australia and how best those needs can be supplied. There is no doubt that, as productivity increases in Victoria and becomes more specialized, more trained men will be needed. To illustrate this problem I cite the question of animal husbandry and, in particular, the breeding of livestock. In the past the selection of animals for breeding has been on the basis of their appearance and show standards. Nowadays, a more scientific approach is adopted and animals are selected on the basis of production. This is not new in the milk and dairying industry, but it is new in the wool and meat industry.

Recently, I attended a lecture given by Mr. Bill Mason, a beef, cattle scientist from the University of California. He cited figures suggesting that less than 1 per cent. of the Victorian beef cattle breeders are using performance testing, which is based on the production of the animal itself or its progeny. It is the record of the live weight and growth of the animal concerned, which becomes an indication of its potential. Mr. Mason suggested—I think he is correct—that we should pay more attention to the scientific application of breeding principles. He further suggested that an authority should be set up to collate and use this information, and to disseminate useful data. Mr. Mason stated that the Department of Agriculture would be the most suitable organization to do this, and I support this suggestion.

This illustrates the need for trained personnel within the primary industries. Of course, if we expect these industries to have more trained personnel, the means of controlling their professional conduct should be provided. Therefore, I support the Bill.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Power of the Board as to inquiries).

The Hon. G. L. CHANDLER (Minister of Agriculture).—First, I wish to thank Mr. Elliot, Mr. McDonald and Mr. Grimwade for their support of the measure. For those who are interested, the opening of the clinic connected with the Veterinary School will take place at Werribee on Monday next. No doubt some honorable members would like to attend. The standing of the profession in Australia is very high. Apart from the devaluation of the £1 sterling, another national disaster from which the United Kingdom is suffering at present is the incidence of foot and mouth disease. There were 100 outbreaks of the disease over a period

of three days, and on one particular day 45 outbreaks occurred. The situation is extremely serious, and it is likely that more veterinarians will go from Australia to assist the authorities in the United Kingdom to gain control over this devastating disease. I thank honorable members for their support of this very useful Bill.

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.

PORTLAND HARBOR TRUST (AMENDMENT) 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.

COUNTRY FIRE AUTHORITY (NOTICES) BILL.

This Bill was received from the Assembly and, on the motion of the Hon. L. H. S. THOMPSON (Minister of Education), was read a first time.

MONASH UNIVERSITY COUNCIL.

JOINT SITTING OF PARLIAMENT.

The ACTING PRESIDENT (the Hon. G. J. Nicol).—I have received the following communication from the Minister of Education—

Dear Mr. Acting President,

Section 7 of the Monash University Act 1958 provides that three members of the council of the University shall be members of the Parliament of Victoria who have been recommended for appointment by a joint sitting of members of the Legislative Council and the Legislative Assembly, and conducted in accordance with rules adopted for the purpose by the members at the sitting.

A vacancy on the council has occurred as the result of the resignation of the Honorable John F. Rossiter, M.L.A., and it is requested that arrangements be made for such a joint sitting before the Houses go into recess.

From our records and information furnished by the Clerk of the Legislative Assembly, it appears that the Parliamentary representatives on this council have never been appointed by a joint sitting as required by the Act. The practice adopted was to ask each of the three Parliamentary parties to nominate one member, and an Order in Council was then obtained appointing them. I am satisfied that this procedure is not correct.

At present there are two members—Dr. H. A. Jenkins, M.L.A. (first appointed in 1961 and re-appointed in 1965) and the Honorable S. R. McDonald, M.L.C. (appointed to replace the Honorable P. V. Feltham, M.B.E., on 26th September, 1967), who have not been appointed in accordance with the Act. I would like these two appointments to be regularized at the proposed joint sitting.

Section 25 of the Monash University Act provides, among other things, that no proceedings of the council shall be invalidated if it is discovered afterwards that there is some defect in the election or appointment of the members of the council.

I have addressed a similar letter to the Speaker of the Legislative Assembly.

Yours sincerely,

L. H. S. THOMPSON,

Minister of Education.

EDUCATIONAL GRANTS BILL.

The debate (adjourned from October 31) on the motion of the Hon. L. H. S. Thompson (Minister of Education) for the second reading of this Bill was resumed.

The Hon. SAMUEL MERRIFIELD (Doutta Galla Province).—This is a Bill to make provision with respect to financial aid for certain registered schools. Briefly, it is proposed to make available funds from the Consolidated Revenue for the purpose of aiding education in various registered schools, that is to say, the private school system.

As honorable members are aware, the whole matter of grants to private educational institutions has been in dispute and the subject of debate for many years—100 years or more—particularly since the passing of the Education Act of 1872, which excluded private schools from public assistance. There has been a change in public opinion, more particularly in the past few years, concerning the value of a private system as a variation to the public system and particularly because of the achievements of these schools in respect of the outlook and training of students. Thus the private school system has been looked upon as a valuable

adjunct to the State schools system. Secondly, many of the private schools have in recent years suffered considerable financial hardship. This has been caused by several circumstances, the first, I suppose, being the great setbacks suffered by institutions generally during the war period. Even the State itself has not quite caught up with some of the problems caused by the war.

Since 1945, the population has increased by leaps and bounds because of both natural increase and immigration. In all types of schools there has been a great increase in pupil population with a corresponding need for increased accommodation. The Minister of Education has held his portfolio for a relatively short period, but he knows of the long battle which the State has had to meet the needs of the State educational system. The private schools have been faced with similar difficulties.

Not only are there many more pupils to be educated, but, generally, pupils are nowadays educated to higher standards. In Frank Tate's time—in the period about 1906—there was practically no secondary education. The number of State high schools in existence could be counted on the fingers. It was not until after the first world war that the secondary school system, which has grown so quickly over the past 14 or 15 years, was developed. Young people do not now enter occupations, including those of artisans, or of a commercial or professional character, at such an early age as they did formerly. In earlier years, fewer students attempted to obtain a university education. In most cases, these young people, despite their tenacity, were restricted because of the limitation of their parents' means. Now, with three universities in Victoria, more and more students are entering universities. Technical education in the tertiary field is also expanding, and there is at present before Parliament a Bill dealing with the Victoria Institute of Colleges.

The Hon. Samuel Merrifield.

There has been a great demand for the expansion of educational facilities in the State system, and for extensions in the private sector of education. The State has now decided to assist that sector. For many years, scholarships have been available to individuals. At one time, they were won by students taking part in competitive examinations conducted throughout the State, but both the Commonwealth and the State are now more generous in awarding scholarships, and the competition for them is, perhaps, a little easier.

The availability of more scholarships was not sufficient, however, to meet the greater demand for education, and some three or four years ago the Commonwealth Government led the way in assisting private schools by granting funds for the building of science blocks. Victoria followed by agreeing to pay the interest on capital funds expended by private schools in certain ways. These schools are required to raise the money themselves to build new blocks, but the State has agreed to pay the interest on the capital invested.

The State has now decided to assist schools, or the governing bodies conducting them, in the manner provided by the Bill. I understand that similar Bills will be introduced in the Parliaments of other States of the Commonwealth. It seems that most political parties have accepted the principle that private schools should be assisted, and most of the Bills to authorize such assistance will pass through the various State Parliaments without opposition.

The only reservations on this matter of grants for education held by the Labor Party were expressed during the last State election campaign. My party then said that, instead of the available funds being spent on all registered schools, including those well enough provided for to meet their own expenses, it might have been better to concentrate assistance in the areas where there were grave difficulties. Those areas

would include schools situated on the perimeter of the Melbourne metropolitan area, and other large cities such as Geelong, Ballarat and Bendigo. The people living in those areas have faced substantial hardships. Many communities have had to find the money to build churches and the additional cost of establishing schools has been too great for them. It is they who require assistance.

As all honorable members know, there are different social and economic strata in various parts of Melbourne. Generally speaking, people living in Toorak are able to pay for education of the standard they want their children to be given. In the areas of a working class character, and particularly where there is a great proportion of immigrants who have come to this country with almost all of their possessions on their backs, the need is greater. These people have had to build homes and establish themselves within the community generally. Providing the education they want for their children has been a burden to these people. Because of the facts I have mentioned, the Labor Party believes the Government would have been wise to concentrate its expenditure where it would most benefit the people who are oppressed by the circumstances which this Bill is designed to relieve.

Subject to the observations I have made, my party offers no opposition to the Bill. We hope it will relieve some of the disabilities of the people it is intended to assist, and will remove many of the unfortunate feelings which have always been engendered by this issue. Members of the Australian community have always been prepared to help others, and it should not matter that people have different outlooks. The community will be all the better if the Bill removes some of the friction and bias that has existed in the past.

The Hon. A. K. BRADBURY (North-Eastern Province). — The Country Party supports this Bill which makes provision for the granting of financial aid to certain registered schools, but it feels that it is premature. A measure such as this should not have come before Parliament until such time as a Commonwealth or State inquiry had been held into our educational system. In recent years, responsibility for education has become divided. In the past, the burden of financing education in this State was largely borne by the State itself, but in recent years, for reasons best known to itself, the Federal Government has entered the field. It now provides financial assistance to private schools, and, almost yearly, accepts more responsibility and provides more funds for education.

The Hon. I. R. CATHIE.—It is doing it too slowly.

The Hon. A. K. BRADBURY.—That may be correct. This Bill should have been held over until the conclusion of a full inquiry on the nature of education in Australia when honorable members could have been informed of the precise responsibility of the Commonwealth and the part that the State was, or should be, playing in education in Victoria.

To some extent, Governments of all complexions have delved into the field of assisting, in various ways, the independent schools. However, no Government should bring forward a Bill making provision to assist independent schools at the rates of $10 and $20 a year for primary and secondary pupils respectively, and just leave it at that. In his second-reading speech, the Minister indicated that the Government had been providing assistance to registered schools for many years. No party quarrels with that; all parties have provided some form of assistance to registered schools.

The Minister went on to say that, last year, the Government provided some $2,500,000 to help students attending registered schools in the form of transport, allowances and scholarships. The Federal Government also makes provision for scholarships. In this matter, the State and Commonwealth Governments are cutting across one another to a large

extent, and it is not clear where the responsibility of this State lies in the provision of financial assistance to our registered schools.

It is doubly regrettable that this Bill has been brought into the House as a result of sheer blackmail at the last State election. It was said to the Government, "Unless you do something for the registered schools, you do not get the Democratic Labor Party preferences." I appreciate the position in which the Government finds itself to-day. In another place, out of 44 members representing the Government party, 25 members are dependent on preferences of the Democratic Labor Party. If these preferences were withdrawn overnight, there would be a change of Government and, as a result, the Premier and Government members generally felt impelled, for self-preservation, to yield to this pressure and announce in their policy speeches that they would make provision for a capital grant to registered schools in Victoria. The Country Party, which appreciates that this is a complex matter, was honest in its policy speech in saying that there should be a top level inquiry into education throughout the whole of the Commonwealth.

Members of the Country Party are not satisfied from their reading of the Bill, as drafted, or from the Minister's second-reading speech how far aid for registered schools will go. There has been continual pressure down the years for assistance for registered schools, and now the gate is open. What will we be facing at the next general State election? In this situation, the age-old saying could well be applied: "Give a person an inch and he will take a foot, and give him a yard and he will take a mile." At the next general election it will be a wonderful stick with which to belt any Government or any political party. It may be said, "We will withhold our preferences unless you increase these grants." We feel that education is being brought into the political field by the use of blackmail; such a situation should not exist.

The Country Party is not satisfied concerning the manner in which this legislation will be administered and whether it will actually achieve the aims enunciated by the Premier in his policy speech and by the Minister of Education in his second-reading speech. Is there any assurance that the children who will be attending registered schools will derive benefit from the legislation?

The Hon. I. R. CATHIE.—If they go to Scotch College they will.

The Hon. A. K. BRADBURY.—I believe that schools such as Scotch College are in a completely different category from other schools. I do not think any person who can afford to send his child to Scotch, Wesley, Xavier or any of the schools of this type should be entitled to financial assistance from the State. The Government should be more concerned in assisting the underprivileged children of the State and the children of workers who are on the basic wage, so that their children will be able to receive equality of education with those who have money behind them.

The Hon. H. M. HAMILTON.—Such as the farmers!

The Hon. A. K. BRADBURY.—Mr. Hamilton should speak for himself. As an accountant, he is probably in a better class, because he is able to doctor up his books. There is no assurance that this Bill will achieve the results which the Government claims will be achieved, because the grants will be made on the basis of so much per child attending each primary and secondary school. Will individual children benefit from this legislation?

I was amazed to read in a newspaper recently that at the annual conference of my church—the Methodist Church of Victoria and Tasmania—a policy was laid down concerning the use of the funds to be granted under this new method. According to the

Age of Wednesday, 18th October, the policy adopted by the church was that 75 per cent. of the grants promised by the State Government for independent schools should be used in Methodist schools to help children who are prevented from attending by economic reasons. Here, I believe, a blow is being struck at the basis of the principle behind this legislation, which is to help the parents who are not in a position to send their children, if they want to segregate them, to private schools. If I understand the Bill correctly, this principle is not being applied; the proposed financial assistance will not be granted on the basis of individual children.

What control and supervision will the Government have over the application of these funds? What guarantee have we that these schools will benefit as a result of the grants that will be made available to them? Paragraph (*a*) of sub-clause (2) of clause 2 provides that a capitation grant—

> shall be applied by the governing body to whom or to which it is paid in or towards defraying the costs and expenses incurred in the provision of education at the school in relation to which it is granted;

The money will first be handed over to the governing body of the school, but where will it go after it has been handed over to the governing body? Will there be any supervision on behalf of the Treasurer or the Education Department concerning the schools which will benefit from this money or to what purpose it will be applied? It is a complete blank cheque to win preferences of the Democratic Labor Party. I feel sorry for Government members, who are paying this high penalty of opening the door of discrimination in a young country such as Australia, which has a tremendous future in front of it. This measure will simply divide the community.

The Hon. G. W. THOM.—I have not heard of the link between the Methodist Church and the Democratic Labor Party.

The Hon. A. K. BRADBURY.—I am speaking about the Liberal Party being bribed to get the Democratic Labor Party preferences and paying for it. It is not in the best interests of this State, because it will create an atmosphere, such as exists in England, where the old school tie will become a standard and there will be segregation of the children of the State. Australia is a young country, and cannot afford to have its children divided into sections. The education system in Victoria offers wonderful opportunities in secular education for any child; all children have the chance to go to the highest level. I am proud that my family was reared to the standard that they were able to attain through our high schools, which I believe, are adequate.

In his second-reading speech, the Minister said that the registered schools are now facing problems. No one denies this assertion, but is that not another reason why there should be a full inquiry into education? Is not our State educational system also facing financial problems? No one knows better than the Minister of Education the problems that must be sorted out to provide with the money that is available for education a fair measure of justice to all in Victoria. The honorable gentleman would be the last person to admit that sufficient money is available to meet the needs of the State educational system.

The Bill is premature. Before legislation of this type is enacted, there should be a full inquiry to ascertain where we are going because of the complexities of the education system and because the Commonwealth Government is now entering this field. We do not know where we are going or what our responsibilities are.

Whilst Country Party members support the Bill, we do it with the reservations that I have expressed. The measure is premature, and there is no assurance that the money which will flow from it will achieve the

desired results which were enunciated by the Premier in his policy speech and the Minister in his second-reading speech.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Power to Minister to pay capitation grants).

The Hon. L. H. S. THOMPSON (Minister of Education).—As Mr. Bradbury pointed out, this is a new type of legislation. We believe that it is justified in the educational situation in which we find ourselves to-day. I believe that in Australia and in Victoria people are not divided on the basis of the school which they attend. As a race of people, Australians tend to judge people, not by their forbears or what school they attended, but by what they are, by what they can do and by their character. I should hope that this legislation would usher in an era of greater co-operation than has existed in the past between the people administering the different types of school systems. I believe all the portents point in this direction.

Mr. Bradbury asked whether all the money would be spent for the purpose for which it was appropriated. The Government has taken some pains to ensure this in sub-clause (2) of clause 2, but I am not distrustful of the people who run schools, whether within the State or the private school system. I have the highest regard for the councils, the head masters, the head mistresses and the teachers in these schools, and believe that they will use the money in the best interests of the pupils.

The Hon. A. K. BRADBURY (North-Eastern Province).—Sub-clause (5) of clause 2 provides, *inter alia*—

> "Governing body" in relation to a school, means the person who or body of persons (whether incorporated or unincorporated) which is registered under Part III. of the Education Act 1958. . . .

Can the Minister state which schools are registered under Part III. of the Education Act?

The Hon. L. H. S. THOMPSON (Minister of Education).—All schools must be registered. They are schools which have pupils ranging from six to eighteen years of age, but the proviso here is that grants will apply only to schools which enrol children who are more than five years of age.

The method of appropriation would be for the money to be paid to the governing body, or to any body which was regarded as the proprietor of the school, upon agreement with the Treasurer. This general procedure has been adopted by the Treasury and by the Premier's Department with numerous semi-educational and cultural bodies. It is a procedure which is also adopted with the Free Library Services Board when money is paid to a particular organization for a particular purpose.

The Auditor-General has the power to ensure that money purported to be paid to an organization is received by that organization. I suppose it is difficult in the case of, say, libraries to ensure that 35 particular books, for example, are bought for a given amount coming from Government funds, and it has never been the practice of the State to take supervision to that degree. In the matter under discussion, the money would be paid to the proprietor registered under Part III. of the Education Act and thereafter it must be spent in the manner laid down in sub-clause (2) of clause 2.

The clause was agreed to.

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

WATER (FURTHER AMENDMENT) BILL.

The debate (adjourned from November 1) on the motion of the Hon. V. O. Dickie (Minister of Health) for the second reading of this Bill was resumed.

The Hon. I. R. CATHIE (South-Eastern Province).—It is probably appropriate, in a period of drought, that this Parliament should be considering an amendment to the Water Act 1958. Water has been well described in Australia as " liquid gold ". The Commonwealth and this State must develop a national water conservation policy, because we must treasure our essential resources and ensure that they are used to the best advantage of the whole community. I regret that such magnificent authorities as the Snowy Mountains Authority are being dismantled.

This Bill carries out a recommendation of the Public Works Committee that the Government should take appropriate action to control the extraction of ground water in the King river valley. In this area current water supplies were being affected by the construction on private property of drag-line holes, which were filled by seepage or other means. In this case, water was being obtained by unauthorized persons in unauthorized ways from unauthorized streams and watercourses, and it is clear that such procedures were clearly cutting across proper planning of the distribution of Victorian water resources, not only in this valley but anywhere else where this method could be used.

The Labor Party, therefore, supports this Bill. It is sound and sensible, in that it attempts to rationalize and plan the proper use and distribution of the State's water resources. There are one or two provisions in the Bill about which I and my colleagues are not very happy, such as the proposal to increase the rate of interest on unpaid rates from 6 per cent. to 8 per cent. but, on the whole, we generally commend the Bill to the House.

On the motion of Sir PERCY BYRNES (North-Western Province), the debate was adjourned.

It was ordered that the debate be adjourned until the next day of meeting.

MOTOR CAR (HOURS OF DRIVING) BILL.

The debate (adjourned from November 14) on the motion of the Hon. R. J. Hamer (Minister for Local Government) for the second reading of this Bill was resumed.

The Hon. J. M. WALTON (Melbourne North Province).—I suppose that some of the most important legislation that can come before Parliament these days is that relating to road safety. In this session, the Government has proposed several amendments to the Motor Car Act, and those embodied in this Bill concern hours of driving. Although it deals with road safety, in my view its effect will be the opposite of that which is intended in the other legislation, and I refer to one clause in particular.

Although for 30 years certain restrictions have been placed on the number of hours during which drivers could drive commercial vehicles, in 1964 legislation dealing with this aspect was brought in and it is now to be amended. The 1964 legislation was enacted after a committee of experts from all States made recommendations, one of which was that drivers must have at least one clear day off in seven days. This was a new restriction in Australia, but was in line with legal requirements in Europe and the United States of America, and I am sure that it was acceptable to both employers and drivers.

In reaching their conclusion, this committee of interstate officers was supported by the Police Commissioners, and I should think that they must have put up a pretty strong argument to get all States to agree that legislation to be uniform throughout Australia should be enacted. Referring to one clause, the Minister has said that its purpose is to bring Victoria into line with New South Wales, but he made no mention of uniformity in regard to clause 2.

The Opposition intends to oppose clause 2 because it allows drivers to have two days in fourteen days rest in lieu of one clear day for rest

in seven days, plus other small periods of time which, under the legislation, they are required to have off. The reason for the introduction of the legislation in the first instance was that it was considered that, after seven days of driving for the number of hours permitted, the drivers would be absolutely fatigued.

As has been stated by the Minister in this House, and in another place, over-tired drivers are a danger on the road. Yet to-night we have heard the proposition that no longer is it required that transport drivers should have one clear day off in every seven; they can now have two days' rest in every fourteen days. I regard that as being completely wrong because, as members of this House know, after working long hours in this Chamber for three days we become fatigued and our mental faculties are not as acute as they were at the beginning of the week. It is impossible to work for long hours and still maintain the concentration that is required of a member in a House of Parliament, and the same condition obtains on the roads. A person who is driving a motor vehicle cannot sit back and take things easily.

Over the whole period that a person is driving a motor vehicle he must be completely alert. We know that transport drivers are driving for many hours in the evenings, and everyone knows how difficult it is for one to drive at such a time, particularly when it is raining. A driver could be operating between Sydney and Melbourne for a period of thirteen days continuously, without having one full day off duty. Such a driver is a menace on the roads. In 1964 he was described as a menace. Is he not still a menace? Why has the Government now decided to bring this new provision forward? Has the committee met again and decided that what was stated in 1964 no longer applies? The Police Commissioners and road safety experts have not changed their minds and decided that the proposed provision is in order. The one reason advanced by the Minister is that the employers find it more convenient to work out their rosters on a fortnightly basis. Should we jeopardize the lives of those who travel on the roads merely because owners of vehicles which operate interstate find it more convenient to draw up their rosters on a fortnightly basis? I ask the House to reject clause 2. I cannot understand why the Government, which has made a reasonable pretence at doing something worth while in the matter of road safety has brought this measure before the House.

The Opposition party does not intend to oppose any other clauses in the Bill. One of those provisions is to the effect that, within a radius of 50 miles, drivers who deliver from place to place will not be required to have a log book. I suppose that is reasonable, although there are probably still some loopholes. It is difficult to draw a line of demarcation and to determine that a driver who operates within a radius of 51 miles shall carry a log book whereas a driver who operates within a radius of only 49 miles does not have to do so, although a distinction must be made somewhere. Nevertheless, I think there will be times when drivers will evade the regulations under this legislation one way or another, as they have done in the past.

Another concern of the Government relates to taxi trucks that are driven from State to State. To-day, a taxi truck may travel from Melbourne to Geelong, and tomorrow it may travel between Melbourne and Sydney. Whether there is to be any special requirement in the legislation to cater for taxi trucks which are not necessarily travelling interstate every day I do not know. They have been a problem in the past, and no doubt they will be in the future, also.

Clause 5 deals with a new formula in regard to axle weights. This is the result of a meeting of the Australian Transport Advisory Council,

which body accepted the recommendations of the Australian Motor Vehicles Standards Committee.

I have already indicated that the Opposition is prepared to support the Bill, but I ask the House to think seriously about clause 2, because this is tantamount to a step in the wrong direction, and any accidents that occur because of this provision we will certainly lay at the door of the Government.

The Hon. M. A. CLARKE (Northern Province).—This Bill will amend the hours of driving of motor vehicles which, as was stated by Mr. Walton, were laid down as a safety measure so that people would not become overtired, particularly when driving heavy vehicles, and thereby cause accidents. The Country Party has listened with considerable interest to the remarks of Mr. Walton on clause 2 concerning rest periods. We cannot agree that the provision would involve thirteen days without rest, because two rest periods, each of 24 hours, are provided for within a period of fourteen days.

The Hon. J. M. WALTON.—Well, twelve days.

The Hon. M. A. CLARKE.—The Country Party will listen with interest to the explanation which we trust the Minister will make in Committee with reference to the attack which Mr. Walton has made on this provision.

Sir PERCY BYRNES.—There ought to be two separate periods of 24 hours.

The Hon. M. A. CLARKE.—Yes. We think there should definitely be two separate spells each of 24 hours. That is probably meant by the Government, but we certainly would not agree to any other interpretation.

The clause with which the Country Party is particularly concerned is clause 3, which deals with the radius of 50 miles from the place of business from which a motor car normally operates, and this, of course, deals with the matter of exemption from the keeping of log books. When the original legislation was before the House, the Government, in an airy fairy sort of way said, in effect, "If you pass this Bill it will not affect the primary producers in any way at all." What has happened? We have had varying interpretations from the Chief Secretary and from the Transport Regulation Board, as well as from different police officers and officials throughout the State as to whether primary producers have to keep log books.

The stage has now been reached when the matter of safe driving hours has been completely disregarded, and the Transport Regulation Board and the police are merely pulling up anyone driving a truck over 2 tons in weight and saying to the driver, "Where is your log book?" These log books, which are complicated, require a good deal of filling in, and they cost 60 cents each. Everyone who drives a truck must have a separate log book. These log books have been used by the Transport Regulation Board not to ensure safer driving but to act as a taxing measure so far as primary producers and the man who does not drive his truck more than a limited distance from his place of business or farm is concerned.

The Hon. K. S. GROSS.—It is a small tax, over the years.

The Hon. M. A. CLARKE.—It might be a small tax, but I am surprised that Mr. Gross as a member representing a country district has not received representations from primary producers on this particular matter. Probably he has received such representations, but he is not prepared to say so. Members of the Country Party have received numerous representations about the effect of the log book provision, and letters from individuals and from shire councils asking us to change it. The Country Party has, for three years approached the Government on this matter, but we are now most disappointed to find that

Government back-benchers are circulating information throughout country districts to the effect that they propose to change the law.

The Hon. V. O. DICKIE.—We would have to get up pretty early in the morning to beat the Country Party at that sort of thing.

The Hon. M. A. CLARKE.—It has been made to appear that some predecessor of this Government brought in the legislation, which it is proposed to amend. The newly elected members of the Government party have said to country constituents, "We will change this law and bring in a new one." The Country Party was assured that the new legislation would not affect primary producers.

The Hon. K. S. GROSS.—The current legislation came into operation in May of this year.

The Hon. M. A. CLARKE.—That is so. The legislation on this particular aspect was proclaimed by the present Government during the current year, yet members of the Government party are saying that they must change it. This is tantamount to saying that some previous Government brought in legislation that contained a defect, which the present Government proposes to remedy.

The Hon. V. O. DICKIE.—You said that the Country Party had been trying for three years to change the legislation.

The Hon. M. A. CLARKE.—I do not intend to be bamboozled on this issue. The provisions with respect to log books have brought about a serious injustice and a measure of inconvenience. Moreover, there has been agitation from country people concerning them. In this regard, the Country Party is trying to help primary producers to escape from obnoxious legislation. Despite the fact that certain of the provisions with respect to log books are being repealed, there is a provision to the effect that certain records must be kept at home, and we trust that that provision will not be used against the primary producer.

The Hon. I. A. SWINBURNE.—A storekeeper should not have to keep a log book.

The Hon. M. A. CLARKE.—Anyone operating a truck within a radius of 50 miles is exempt from the regulations with respect to carrying a log book on each trip, but he is bound to keep records at home. The amount of paper work which this Government requires a driver to do is remarkable, and it should be diminished.

The Hon. A. K. BRADBURY.—Does the Government intend to provide every transport driver with a secretary?

The Hon. M. A. CLARKE.—If that were proposed, the Country Party would oppose the proposition on the ground of extravagance. The Country Party supports the Bill but, as I said in my preliminary remarks, we should like to receive from the Minister a full explanation concerning clause 2.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Exemption from requirement to keep log book, &c.)

The Hon. R. J. HAMER (Minister for Local Government).—In regard to the criticism of this clause, I remind the Committee that the section of the Act which this clause amends is one that contains a number of limitations on the periods during which a person may drive. This clause merely amends one of those limitations; the others remain in full force. Section 37B of the principal Act provides—

A person shall not drive a motor car at any time if immediately prior to that time—

(*a*) he has driven a motor car for a continuous period of more than five hours;

(*b*) he has driven a motor car for continuous periods amounting in the aggregate to more than twelve hours in the period of twenty-four hours immediately before that time;

(c) he has not had at least ten consecutive hours for rest in the period of twenty-four hours immediately preceding that time; or

(d) he has not had at least one period of twenty-four consecutive hours for rest during the seven days immediately preceding that time.

I think the impression was conveyed to the House that the change proposed in the Bill would somehow leave drivers free to drive night and day for twelve days consecutively.

The Hon. J. M. WALTON.—I did not say that at all.

The Hon. R. J. HAMER.—Nevertheless, that impression needs to be corrected. There is a series of restrictions of which the last is only one. The explanation which I gave for this change was that this last one is difficult to implement in some cases. Some industries do not operate on a seven-day roster; they work over a longer period. This amendment is brought forward not to replace the existing restriction, but as an alternative to it. There will be two alternatives—the driver must have at least one period of 24 consecutive hours off during the seven days preceding, or 48 hours in the fourteen days immediately preceding.

I come now to the matter raised by Mr. Clarke. It is provided in the clause that these 48 hours must be in two periods of not less than 24 consecutive hours. So, the actual change is not considerable. I do not believe that the risks and dangers caused by the sleepy driver will be materially altered by the proposed amendment. The present provision is causing difficulty for people who operate bus services in country and other areas and who operate on more than a seven-day roster. That is the simple reason for the change. I do not think we will precipitate a rash of road accidents because of it.

The Hon. J. M. WALTON (Melbourne North Province).—The Minister did not attempt to explain to the Committee whether or not the proposed amendment conforms with legislation operating in the other States. When the original legislation was before Parliament, Opposition members in another place moved many amendments, but it was stated that in the interests of uniformity the Bill could not be amended. We can understand the need for uniform legislation, particularly in regard to Victoria because a person does not have to drive for many hours before he is out of this State.

The Minister has stated that the provisions of clause 3 in regard to the 50-mile radius have to conform with the law in New South Wales, but he did not say whether the other amendments will conform with the law in New South Wales. If the amendment in clause 2 goes against the law in New South Wales, it will be difficult to implement. Whilst this is stated to be an alternative, it is an alternative only because it refers to two separate periods of 24 hours. However, these two periods could be close together. In fact, there could be only one hour between them.

In the interests of road safety and in the interests of people who want to work out their rosters on a fortnightly basis, I suggest that the clause should be rejected because it is against the principles enunciated by the Government in 1964. In addition, the Minister has not given the Committee a logical reason for accepting the amendment. In other words, what was said in another place in 1964 in regard to drivers being an absolute danger on the road still applies to-day. Therefore, this amendment should not be accepted unless a good and reasonable explanation is given. The explanation that some people work on fortnightly rosters is not good enough.

The Hon. R. J. HAMER (Minister for Local Government).—On the subject of uniformity, the Committee will recall that the original legislation came into being as a result of a determined effort to obtain uniformity, particularly on the part of Victoria, and mainly because Victoria, being smaller than New South Wales or South Australia, has a particular problem in enforcing this restriction. The comparatively short distance from the border to Melbourne made it difficult to obtain convictions and to discover the facts on which to base prosecutions for excessive hours of driving.

When the original legislation was introduced, it was intended that it should be uniform, but it is fair to say that this has not proved to be so. One example of uniformity not being achieved is in regard to clause 3. In New South Wales the radius is 50 miles, but in South Australia a different figure has been adopted. We have not achieved as much as we had hoped. However, a uniform system of log books has been achieved, and in this way a person is liable in this regard to record information and there is thus a check on hours of driving. I do not say that the log books are infallible, but they represent a big improvement. That part of the law has remained uniform.

Representations have been made that it is impossible for certain industries to comply with the provisions of paragraph (*d*) of section 37B. The Government does not consider that the change proposed is a major one. It is an alternative, and it is still obligatory on any driver to comply with all the other restrictions imposed by section 37B. I do not think we are creating a danger on the roads by approving the alternative proposal.

The Hon. ARCHIBALD TODD (Melbourne West Province).—The Committee is indebted to Mr. Walton for continuing to press this point. I have in mind the number of fatilities that occur from time to time when trucks turn over on the road, catch fire and the driver is incinerated. After driving for long hours day after day, the driver becomes mentally weary and is continually using drugs to keep himself awake. It is proposed to convict him for carrying certain types of tablets, on the one hand, and to make it easier for him to drive for long periods, on the other hand. How far do we go in the interests of the person who drives a truck, but who will eventually be cast on to the scrap heap because he can no longer stand up to the rigors of this job? We deplore the continual weakening of rules that are made from time to time. Things seem to be working all right, although drivers are incessantly being pursued to ensure that they keep log books and that they are not in possession of certain tablets. In many cases, convictions are secured for these offences. Now it is proposed to tell the drivers that they can drive for nine days in succession so long as they take two days off at the end of this period.

The Hon. D. G. ELLIOT (Melbourne Province).—Evidently the Minister is impressed by his advisers in this matter. Would he care to tell the Committee who is advising him? The more one thinks of it the more one becomes convinced that he is under pressure from some of the "big boys". When this happens, once again it is "achtung", which is the automatic reaction of the Government to the requests of big business. A man may drive for long periods, but he must have ten hours off duty. What about the man who drives day after day for eleven days without a day off? I wonder if this is an Ansett proposition, because his bus drivers go away for a fortnight at a time.

The Minister is smiling; perhaps it is a smile of embarrassment. It would be a nice old "divvy" to allow drivers to drive day after day with a consequent fattening of the purse of the big boys. The Pioneer Tours go to North Queensland and Darwin,

and the drivers work every day with a minimum of time off. The economics of such a scheme will suit the big operators. I do not know why the Minister is looking so puzzled. It seems to me to be ridiculous that the Government will condone drivers working continually for eleven days before having a day off. I want the Minister to say whether or not this is so. If it is so, the Government stands condemned for prostituting labour conditions, and it is to be hoped that everyone is aware of this.

The Hon. J. M. WALTON (Melbourne North Province).—Members of the Labor Party feel strongly about this matter. Mr. Elliot has indicated that we are pressing it not on behalf of the transport operator, but in regard to the road bus operator. The matter should be considered in terms of road safety. Of all people, bus drivers should avoid accidents because the buses they drive carry up to 40 other people. It is obvious that the road bus operators want their drivers to work for longer periods than six days on and one day off.

The Hon. R. J. HAMER.—Sometimes.

The Hon. J. M. WALTON.—No, nearly always. Mr. Elliot asked the Minister to name his advisers in this matter. Who is asking for this amendment? Two important committees, including one of Ministers of all States, recommended the original legislation, but on this occasion we have not been told who has asked for the amendment. I do not know whether or not Mr. Ansett has asked for it, but it is important that we should know. It would pay that gentleman's organization to work its drivers for eleven days and 23 hours straight, give them their 24 hours off, let them work for one hour, give them another 24 hours off, and then work them for another eleven days and 23 hours. Instead of having two separate periods of rest, they would have one long period with one hour's work in between.

The Hon. K. S. GROSS.—I do not know how that would be shown in the log book.

The Hon. J. M. WALTON.—It could be done according to the amendment being considered tonight.

The Hon. K. S. GROSS.—That is not so.

The Hon. J. M. WALTON.—The amendment contained in clause 2 refers to 48 hours for rest in two periods of not less than 24 consecutive hours each during the fourteen days immediately preceding that time. This could be worked in the way that I have suggested. However, if the Minister agrees with Mr. Gross that it could not, the Minister should deny what I have said. If what I have said is true, it is an indictment of the Government.

The Hon. D. G. ELLIOT (Melbourne Province).—I should like to hear some comment from members of the Country Party who were vocal in their condemnation of this measure. I do not want again to have to call them by their political description of mug-wumps; they sit on the fence with their "mugs" on one side and their "wumps" on the other. They should have the courage of their convictions and say that they want the passage of this measure delayed until the Minister has examined it properly. I agree with what Mr. Walton has said. What would be the position if it was carried to the stage where there was only one hour's work between the two rest periods of 24 hours? This is prostituting the whole principle behind the origination of this measure. When one travels on a Pioneer tour again, it will be "Ansett and chance it"; the vehicles will be not "parlour cars", but "parlous cars", because of the conditions under which passengers will be travelling. The Government should wake up to itself and admit that there could be a mistake. It should consider the matter and report back.

The Committee divided on the clause (the Hon. G. W. Thom in the chair)—

Ayes	22
Noes	8
Majority for the clause	14

AYES.

Sir Percy Byrnes	Mr. Hewson
Mr. Campbell	Mr. Houghton
Mr. Chandler	Mr. Hunt
Mr. Clarke	Mr. McDonald
Mr. Dickie	Mr. Mansell
Mr. Fry	Mr. May
Mr. Gleeson	Mr. Swinburne
Mr. Granter	Mr. Thompson.
Mr. Grimwade	
Mr. Gross	*Tellers:*
Mr. Hamer	Mr. Bradbury
Mr. Hamilton	Mr. Byrne.

NOES.

Mr. Galbally	Mr. Walton.
Mr. Knight	
Mr. Merrifield	*Tellers:*
Mr. Todd	Mr. Cathie
Mr. Tripovich	Mr. Elliot.

Clause 3 (Exemption from requirement to keep log book, &c.).

The Hon. F. J. GRANTER (Bendigo Province).—I am particularly pleased to note the amendment proposed by this clause, because log books have proved irksome for farmers in my province. The books have proved ineffective, due to mishandling, because farmers did not want to use them, and because it was necessary to fill in the log book for a short journey down the road. Primary producers and bee keepers in the Bendigo Province have found the books troublesome because even for a short journey across the road they were obliged to make an entry. The proposed radius of 50 miles will be welcomed by farmers.

The Hon. M. A. CLARKE (Northern Province).—I have listened to Mr. Granter with astonishment. This Act was passed in December 1964, when Mr. Granter was a member of the House.

The Hon. MURRAY BYRNE.—So were you.

The Hon. M. A. CLARKE.—Mr. Granter was a member of the Liberal Party Government which introduced this Act and bulldozed it through Parliament, despite objections by members of the Country Party. I ask the Minister why the Act was not proclaimed until 1967. I think the answer is that the Government was not game to proclaim it.

The Hon. R. J. HAMER.—It was not a matter of the Government not being game.

The Hon. M. A. CLARKE.—The Government did not proclaim the Act until this year, and possibly over Mr. Granter's swooning body in the party room. It was then that objections came in. However, members of the Country Party were a wake-up in 1964. Now the Liberal Government is repealing the provision that log books shall be kept in respect of a motor truck whilst it is being used on a journey within a radius of 50 miles from the place of business. Members of the Country Party know why the Government waited so long before proclaiming the Act, and why it is now repealing the section. The Government is repealing the section because of Country Party pressure. Government members may laugh, but they know that this is true. I now ask the Minister when the Government proposes to proclaim this Bill.

The Hon. R. J. HAMER (Minister for Local Government).—The Act was passed originally in 1964. Victoria was the first State to pass this legislation; although it had been agreed upon, the other States were slow to pass similar complementary legislation. That is why there was a delay in proclaiming the Act. To the best of my knowledge, it was proclaimed in May this year, and came into effect on that date. The section is now being amended because of strong representations by members of all parties from country districts.

The Hon. I. A. SWINBURNE.—In other words, it fell on you.

The Hon. R. J. HAMER.—In other words, it was found to be full of difficulties and inopportune in practice.

I remind the Committee that it was part of the original so-called uniform scheme, but New South Wales and Queensland departed from the scheme. We are more than happy to come into line because we recognize that it was a severe handicap not only to primary producers, but also to people travelling on business or otherwise.

The Hon. A. K. BRADBURY.—Do the New South Wales and Queensland Acts contain a clause similar to clause 3?

The Hon. R. J. HAMER.—As Mr. Bradbury is possibly aware, New South Wales, in particular, does many more things by regulation than does this State. In New South Wales, this has been done by regulation.

The Hon. A. K. BRADBURY.—Therefore it is not uniform legislation.

The Hon. R. J. HAMER.—As I said, almost immediately there was a departure from the uniform scheme of the legislation and, by clause 3, this State is tending to get back to uniformity because the position will be the same as provided for by regulations in New South Wales.

Mr. Clarke asked when this Act will be proclaimed. He will observe that there is no provision for proclamation, which means that the Act will come into force on the day that it receives Royal assent.

The Hon. A. R. MANSELL (North-Western Province).—Emphasis has been placed on the fact that the farmer seems to be the nigger in the woodpile, and the one who has caused this trouble. However, it must be realized that not only will the farmer benefit by this amendment, but that business interests in Melbourne, Geelong and Ballarat will also benefit. These people will get a far greater advantage than the primary producers.

The Hon. M. A. CLARKE (Northern Province).—The Minister answered exactly as I expected him to do; he said that the Act was passed in December, 1964, and that it was proclaimed in May of this year. I direct the attention of the House to the fact that this was just after an election when this Government was returned with a majority in this House. One is entitled to draw one's own conclusions as to why the Government proclaims measures of this nature which cause so much inconvenience to the State.

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.

FERTILIZERS (AMENDMENT) BILL.

The debate (adjourned from November 14) on the motion of the Hon. G. L. Chandler (Minister of Agriculture) for the second reading of this Bill was resumed.

The Hon. ARCHIBALD TODD (Melbourne West Province).—The Minister of Agriculture described this as a technical Bill which dealt with the terms used in the description of ingredients for the various fertilizers. Victoria is represented on the Australian Agricultural Council, which has sought uniformity of description throughout the States. For example, "phosphoric acid" will now be known as "phosphorus" and "potash" as "potassium."

The Bill is divided into two sections relating to change of name and administration. I wish to be assured that there will be no breakdown in the quantity of fertilizers to be sold to the farmer. Clause 3 appears to ensure that there is to be a maintenance of standard and that the quantities proposed are the same as those now existing. My party will not delay the measure and offers no objection to it.

The Hon. S. R. McDONALD (Northern Province).—The Country Party supports the Bill which, as Mr. Todd has said, proposes to change the expression of fertilizer mixtures and to make the registration of fertilizers more realistic. The changes

are necessary because of the use of more complicated and sophisticated fertilizers in the primary industries. The Agricultural Council suggests that the composition should now be expressed as a percentage of the elements.

The only disadvantage is that it will take members of the farming community some time to be reassured that they are not being fleeced by the fertilizer manufacturers. In time they will appreciate the change and, as the Country Party believes that the amendments are desirable, it supports the Bill.

The motion was agreed to.

The Bill was read a second time and committed.

Clauses 1 to 6 were agreed to.

Clause 7 (No. 6250 s. 18 repealed).

The Hon. S. E. GLEESON (South-Western Province).—I direct the attention of the Minister of Agriculture to the fact that the principal Act prescribes the composition of certain chemical compounds, but there is no mention of their solubility or availability. Some forms of a chemical are less readily available to plants than others, although in the long term they may be just as good.

The Hon. G. L. CHANDLER (Minister of Agriculture).—I cannot answer a technical question of this nature, but I shall refer Mr. Gleeson's remarks to the chief chemist, who is the person concerned with the registration of these compounds. The matter will be thoroughly examined.

The clause was agreed, as were the remaining clauses.

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

ADJOURNMENT.

WATERWORKS TRUSTS: AUDITING OF ACCOUNTS.

The Hon. G. L. CHANDLER (Minister of Agriculture).—I move—

That the House do now adjourn.

The Hon. H. A. HEWSON (Gippsland Province).—I wish to raise a very serious matter, which concerns the efficiency of Government administration. A number of waterworks trusts throughout my province have communicated with me, seeking information on the reason for the present situation concerning the audit of their accounts. In most cases, this work is at least two years in arrears. I remind the House that sub-section (1) of section 169 of the Water Act 1958 provides, *inter alia*—

> The Auditor-General or an audit inspector under the Audit Act 1958 shall audit and may from time to time inspect the accounts of every waterworks trust and shall have in respect thereof all the powers conferred on the Auditor-General or audit inspector by any law for the time being in force relating to the audit of public accounts.

As the delay in the auditing procedure seems to stem from a shortage of staff in the Audit Office, I consider that the Premier and Treasurer should take immediate action to remedy the situation by increasing the staff there or, alternatively, by permitting the waterworks trusts to appoint private auditors to carry out the work.

The motion was agreed to.

The House adjourned at 10.18 *p.m.*

Legislative Assembly.

Tuesday, November 21, 1967.

The SPEAKER **(the Hon. Vernon Christie)** took the chair at 2.21 p.m., and read the prayer.

AUDITOR-GENERAL'S REPORT.

OPPORTUNITY FOR DISCUSSION.

Mr. CLAREY (Melbourne) asked the Treasurer—

> Whether, in view of the importance of the Auditor-General's report which was not available during the Budget debate, he will afford this House an opportunity of discussing such report?

Sir HENRY BOLTE (Premier and Treasurer).—I suggest that an opportunity will occur when the Appropriation Bill is under consideration.

Mr. CLAREY.—The difficulty is that very few copies of the report are available.

Sir HENRY BOLTE.—I shall see that additional copies are provided.

MOTOR VEHICLES.

ROADWORTHINESS: TESTS AND CERTIFICATES.

Mr. WILKES (Northcote) asked the Chief Secretary—

1. How many motor vehicles have been road tested or inspected for roadworthiness by the Victoria Police in each of the years 1965 and 1966 and this year to date?

2. How many motor vehicles have been issued with roadworthiness certificates by authorized authorities in each of the years 1965 and 1966 and this year to date?

Mr. RYLAH (Chief Secretary).—The answers are—

1.

1965.	1966.	1967 (to and including 7th Nov., 1967).
92,425	73,201	55,686

2. The figures are not readily available as roadworthiness certificates are issued by private persons or firms who are licensed to test vehicles for roadworthiness.

SAFETY FEATURES.

Mr. MUTTON (Coburg) asked the Chief Secretary—

1. Whether he will consider taking steps to make it compulsory—(*a*) to have guard flaps fitted to all motor vehicles, both commercial and private, by motor car manufacturers before sale to the public; and (*b*) to treat steel used in motor body construction with a preparation to prevent rust and premature disintegration?

2. If he will ascertain and inform the House the types of safety glass fitted into motor vehicles as windscreens and the place of manufacture of each?

3. Whether he is aware of a special type of safety glass at present being manufactured for motor vehicles which does not fully obscure the vision of the motor car driver in the event of damage through impact?

4. Whether he will consider taking steps to make compulsory the fitting of the disc brake system by motor car manufacturers in lieu of the present brake shoe type system?

Mr. RYLAH (Chief Secretary).—The answers are—

1. (*a*) The Australian Motor Vehicle Standards Committee is at present preparing a specification for the provision of satisfactory mudguards on all vehicles. When this specification has been approved, consideration will be given to incorporating similar provision into the Victorian Motor Car Regulations.

(*b*) Due to improved treatment by manufacturers, rusting of motor vehicle bodies is now much less of a problem than formerly. The Government would consider incorporating into Victorian legislation any design rule approved by the Australian Transport Advisory Council to provide for rust inhibition treatment of steel in motor vehicle bodies.

2. Two types of safety glass are fitted into motor vehicle windscreens—

(*a*) Toughened glass.

(*b*) Laminated glass.

Virtually all glass of both types used in Australian-made cars is manufactured at Geelong. Windscreen glass in imported vehicles is, in general, manufactured in the country of origin of the vehicle.

3. Yes.

4. No.

TULLAMARINE FREEWAY.

BLASTING OPERATIONS: COMPENSATION FOR DAMAGE.

Mr. EDMUNDS (Moonee Ponds) asked the Minister of Public Works—

Whether consideration will be given to claims for compensation from persons whose properties are being damaged by blasting operations in the vicinity of the Wilson-street over-pass, Dean-street over-pass, Ormond-road over-pass, and other works which form part of the Tullamarine Freeway project?

For **Mr. PORTER** (Minister of Public Works), Mr. G. O. Reid (Attorney-General).—The answer is—

The Board will investigate and consider all claims for compensation for damage alleged to have occurred as a result of blasting operations.

CONSTRUCTION OF OVER-PASSES.

Mr. EDMUNDS (Moonee Ponds) asked the Minister of Public Works—

1. When it is expected the Wilson-street over-pass, being constructed in conjunction with the Tullamarine Freeway, will be completed and opened for public use?

2. When the Dean-street over-pass will be commenced, and when and for how long it is expected to be necessary to close Dean-street to the public?

3. When the Ormond-road over-pass will be commenced, and when and for how long it is expected to be necessary to close Ormond-road to the public?

For **Mr. PORTER** (Minister of Public Works), Mr. G. O. Reid (Attorney-General).—The answers are—

The contracts provide as follows:—

1. Wilson-street over-pass open to traffic in April, 1968.

2. Construction should commence in January next. Dean-street will be closed in April, 1968, for approximately six months.

3. Construction of Ormond-road over-pass has recently commenced. It appears that it will not be necessary to close Ormond-road during this construction.

MELBOURNE AND METROPOLITAN BOARD OF WORKS.

SALE OF WATER TO SHIPS: RESTRICTIONS ON SUPPLY.

Mr. HOLDING (Leader of the Opposition) asked the Minister of Public Works, for the Minister for Local Government—

Since the imposition of water restrictions in the metropolitan area how much water has been sold to ships berthed in the Port of Melbourne, giving—(*a*) the names of these ships; (*b*) their port of origin; (*c*) their next port of call; and (*d*) the amounts purchased in respect of each ship?

For **Mr. PORTER** (Minister of Public Works), Mr. G. O. Reid (Attorney-General).—The answer supplied by the Minister for Local Government is voluminous, and I ask that it be incorporated in *Hansard* without my reading it.

Leave was granted, and the answer was as follows:—

MELBOURNE AND METROPOLITAN BOARD OF WORKS.

Water Supplied to Shipping—15th September, 1967, to 15th November, 1967.

Date Supply Completed.	Vessel.	Port of Origin.	Next Port of Call.	Amount Water (Gallons).
15th Sept., 1967 ..	*Barwon*	Kwinana ..	Sydney	61,000
„ ..	*Straat-Cumberland*	Burnie	Africa	78,000
„ ..	*Lemnos*	Japan	Japan	30,000
„ ..	*Dulverton* ..	Sydney	Albany	32,000
„ ..	*Binburra*	Brisbane ..	Brisbane ..	107,800
„ ..	*Seaway Queen* ..	Hobart	Hobart	7,000
„ ..	*Wm. Holyman* ..	Launceston ..	Launceston ..	6,000
16th Sept., 1967 ..	*Saidor*	Port Moresby ..	New Guinea ..	8,000
„ ..	*South Esk* ..	Stanley	Burnie	17,000
„ ..	*Port Montreal* ..	Marseilles ..	Newcastle ..	28,000
18th Sept., 1967 ..	*Karepo*	Tauranga ..	Auckland ..	17,000
„ ..	*Cap-Colorado* ..	Los Angeles ..	U.S.A.	11,000
„ ..	*Kulmerland* ..	Hamburg ..	Sydney	47,000
„ ..	*Dono-Margarita* ..	Vancouver ..	Malaysia ..	20,000
„ ..	*Tarawera* ..	Lyttleton.. ..	Auckland ..	20,200
„ ..	*Boonaroo* ..	Rockhampton ..	Rockhampton ..	14,700
19th Sept., 1967 ..	*Straat Luanda* ..	Durban	Auckland ..	45,000
„ ..	*Aradina*	Manila	Japan	33,000
„ ..	*Australian-Surf* ..	Adelaide ..	U.S.A./Canada ..	17,000
20th Sept., 1967 ..	*Goeree*	British Columbia ..	Adelaide ..	23,000
„ ..	*Burwah*	Devonport ..	Devonport ..	39,000
„ ..	*South Esk* ..	Burnie	Stanley	3,000
„ ..	*Lake Ontario* ..	Adelaide ..	U.S.A./Canada ..	44,000
21st Sept., 1967 ..	*Kooringa* ..	Fremantle ..	Fremantle ..	53,000
„ ..	*Chandpara* ..	Karachi	Persian Gulf ..	68,000
„ ..	*Nachiharu Maru* ..	British Columbia ..	Adelaide ..	73,000
22nd Sept., 1967 ..	*Straat-Cook* ..	Port Kembla ..	South Africa ..	11,000
„ ..	*Poona*	Sydney	U.K./Continent ..	43,000
„ ..	*Munchen* ..	Bremen	Geelong ..	31,000
„ ..	*Asia Breeze* ..	Japan	Jeddah	60,100
„ ..	*Seaway Queen* ..	Hobart	Hobart	7,000

MELBOURNE AND METROPOLITAN BOARD OF WORKS—*continued.*

Water Supplied to Shipping—15th September, 1967, to 15th November, 1967—*continued.*

Date Supply Completed.	Vessel.	Port or Origin.	Next Port of Call.	Amount Water (Gallons).
23rd Sept., 1967 ..	*Maratha-Endeavour*	Great Lakes ..	Sydney	11,000
,, ..	*Port Launceston* ..	London	Adelaide ..	51,000
,, ..	*Pacific Ocean* ..	Bay City.. ..	Adelaide ..	17,000
,, ..	*Arakawa* ..	Nagoya	Japan	22,000
25th Sept., 1967 ..	*Norango* ..	Darwin ..	Not Known ..	10,000
,, ..	*Eugowra*	Townsville ..	Townsville ..	6,300
,, ..	*Wanliu*	Japan	Japan	94,000
26th Sept., 1967 ..	*Eastern Star* ..	Shanghai.. ..	Adelaide ..	31,000
,, ..	*Tjinegara* ..	Japan	Devonport ..	77,000
,, ..	*Empire Star* ..	London	Sydney	66,000
,, ..	*Ryuzarin-Maru* ..	Japan	Singapore ..	48,000
,, ..	*Tappuz*	Eilat	Eilat	68,000
,, ..	*Janek-Krosicki* ..	Sydney	Gdynia	44,000
,, ..	*Kooliga* ..	Stenhouse Bay ..	Stenhouse Bay ..	25,000
,, ..	*Matthew Flinders* (Dredge)	Melbourne ..	Port Phillip Bay–Melbourne	8,000
,, ..	*Pioneer* (Dredge) ..	Melbourne ..	Port Phillip Bay–Melbourne	8,000
27th Sept., 1967 ..	*Piako*	London	Sydney	36,000
,, ..	*Adelaide Star* ..	Liverpool ..	Sydney	35,000
,, ..	*Karamu*	New Zealand ..	New Zealand ..	22,000
,, ..	*Tientsin*	Adelaide ..	Japan	58,100
,, ..	*Baralga*	Darwin	Darwin ..	19,000
28th Sept., 1967 ..	*Kweilin*	Japan	Japan	42,000
,, ..	*Rio de Janiero Maru*	Japan	Geelong	47,000
,, ..	*South Esk* ..	Launceston ..	Launceston ..	3,000
29th Sept., 1967 ..	*Bamora*	Hobart	Calcutta	54,000
,, ..	*Arawatta* ..	Japan	Japan	18,000
,, ..	*African Dawn* ..	Adelaide ..	U.S.A./Canada ..	20,000
,, ..	*Theben*	Portland ..	Sydney	29,000
,, ..	*Sierra*	Los Angeles ..	U.S.A./Canada ..	16,000
,, ..	*Binburra*	Brisbane ..	Brisbane ..	59,000
,, ..	*Seaway Queen* ..	Hobart	Hobart	6,000
,, ..	*Cape-Pillar* ..	Services Lighthouses	.. .. ..	44,000
30th Sept., 1967 ..	*Pilar-Regidor* ..	Indonesia ..	Indonesia ..	14,000
1st Oct., 1967 ..	*Niuvaki*	Suva	Suva	65,000
,, ..	*Tsingtao* ..	Hong Kong ..	Launceston ..	66,000
2nd Oct., 1967 ..	*Cap Roca* ..	U.S.A.	U.S.A./Canada ..	24,000
,, ..	*Wm. Holyman* ..	Launceston ..	Launceston ..	6,000
,, ..	*Bilkurra* ..	Newcastle ..	Cairns	45,000
3rd Oct., 1967 ..	*Waikare* ..	Nelson	Wellington ..	10,000
,, ..	*Kooliga*	Stenhouse Bay ..	Stenhouse Bay ..	27,000
,, ..	*Delos*	Madang ..	New Guinea ..	21,000
,, ..	*Straat Luzon* ..	Africa	Sydney	25,000
,, ..	*Koranvi*	New Zealand ..	Stenhouse Bay ..	26,900
4th Oct., 1967 ..	*Koolama* ..	Sydney	Fremantle ..	38,000
,, ..	*Boogabilla* ..	Sweden ..	Burnie	29,000
,, ..	*Megantic*.. ..	London	Sydney	55,000
,, ..	*Tenos*	Keelung ..	Japan	25,000
,, ..	*Illoura*	Newcastle ..	Port Hedland ..	33,000
,, ..	*Kinshasa* ..	Wallaroo ..	Jeddah	17,000
,, ..	*Clan McDonald* ..	Antwerp ..	Sydney	33,000
5th Oct., 1967 ..	*Kooringa* ..	Fremantle ..	Fremantle ..	42,000
,, ..	*Tjinegara* ..	Devonport ..	Colombo ..	89,000
6th Oct., 1967 ..	*Thorsorient* ..	Singapore ..	Singapore ..	8,000
,, ..	*Moritoro* ..	Lae	New Guinea ..	22,000
,, ..	*Broholm* ..	Singapore ..	Singapore ..	22,000
,, ..	*Wongala* ..	Sydney	New Zealand ..	5,000
,, ..	*Matthew Flinders* (Dredge)	Melbourne ..	Port Phillip Bay ..	8,000
,, ..	*Seaway Queen* ..	Hobart	Hobart	7,000
7th Oct., 1967 ..	*Iron Knight* ..	Kwinana ..	Pt. Leonard ..	39,000
,, ..	*Tarawera* ..	Lyttleton.. ..	Auckland ..	18,000
,, ..	*Kooringa* ..	Fremantle ..	Fremantle ..	4,500

MELBOURNE AND METROPOLITAN BOARD OF WORKS—*continued.*

Water Supplied to Shipping—15th September, 1967, to 15th November, 1967—*continued.*

Date Supply Completed.	Vessel.	Port of Origin.	Next Port of Call.	Amount Water (Gallons).
8th Oct., 1967	*Eiken Maru*	Japan	New Caledonia	28,000
9th Oct., 1967	*Bulimba*	Calcutta	Sydney	8,000
,,	*Pioneer* (Dredge)	Melbourne	Port. Phillip Bay	8,000
10th Oct., 1967	*Dorset*	Risdon	U.K.	25,000
,,	*Kooliga*	Stenhouse Bay	Stenhouse Bay	30,000
,,	*Kinshasa*	Wallaroo	Jeddah	7,000
,,	*Radja*	Hamburg	Geelong	29,000
11th Oct., 1967	*Aramac*	Japan	Japan	108,000
,,	*Clara Jepson*	Shanghai	China	15,000
,,	*Cellina*	Venus	Sydney	19,000
,,	*Wm. Holyman*	Launceston	Launceston	6,000
12th Oct., 1967	*Iron Dampier*	Whyalla	Port Kembla	283,000
13th Oct., 1967	Karepo	Tauranga	Auckland	8,000
,,	*Tunaru Star*	Africa	U.S.A.	39,000
,,	*Port Auckland*	London	New Zealand	51,000
,,	*King Charles*	Cornerbrook	Port Pirie	8,000
,,	*Binburra*	Brisbane	Brisbane	105,800
,,	*Seaway Queen*	Hobart	Hobart	6,000
14th Oct., 1967	*City of Adelaide*	Montreal	Adelaide	48,000
,,	*Tjiluwah*	Japan	Japan	105,000
,,	*Taiyuan*	Hong Kong	Japan	53,000
17th Oct., 1967	*Van Voort*	Bangkok	Hobart	42,000
,,	*Taru*	Baltic	Bell Bay	44,000
,,	*San Ernesto*	Japan	Japan	23,000
,,	H.M.N.Z.S. *Yukon* and *St. Croix*	No record—Naval Ships	..	62,600
18th Oct., 1967	*Kaituna*	Tauranga	Auckland	2,000
,,	*Vishva Mahima*	Calcutta	Calcutta	20,000
,,	*Marama*	Scallop Boat	No record	1,000
19th Oct., 1967	*Parrakoola*	Los Angeles	Adelaide	24,000
,,	*Burwah*	Devonport	Devonport	17,000
,,	*Leinerick*	Japan	Noumea	9,000
,,	*Afric*	London	Sydney	27,000
20th Oct., 1967	*Maria Susanah*	Philippines	New Zealand	14,000
,,	*Golden Spring*	Singapore	Singapore	56,000
,,	*Straat Van Diemen*	Africa	Sydney	105,000
,,	*Fernpoint*	Vancouver	Singapore	24,000
,,	*Port St. Laurence*	Portland	Japan	13,000
,,	*Tsingtao*	Adelaide	Japan	46,000
,,	*Bulwarra*	Devonport	Devonport	14,900
,,	*Seaway Queen*	Hobart	Hobart	6,000
,,	*Matthew Flinders* (Dredge)	Melbourne	Port Phillip Bay	8,000
,,	*Wm. Holyman*	Launceston	Launceston	6,000
21st Oct., 1967	*Kooringa*	Fremantle	Fremantle	60,000
,,	*Minkara*	Stenhouse Bay	Stenhouse Bay	43,000
,,	*Bendigo*	London	Sydney	51,000
,,	*Karamu*	Dunedin	Dunedin	23,200
22nd Oct., 1967	*Burwah*	Devonport	Devonport	16,400
23rd Oct., 1967	*Tafekawa Maru*	Japan	South America	38,000
,,	*Iron Warrior*	Adelaide	Newcastle	25,000
,,	*Pioneer* (Dredge)	Melbourne	Port Phillip Bay	8,000
24th Oct., 1967	*Pennsylvana*	Chile	Hobart	50,000
,,	*Australasia*	Singapore	Singapore	87,000
,,	*Woosung*	Kobe	Japan	15,000
,,	*San Ernesto*	Japan	Japan	21,000
,,	*Carpentaria*	Karachi	Persian Gulf	43,000
,,	*Queenscliff*	Bay Cruiser	No Record	2,200
25th Oct., 1967	*Nagaosan Maru*	Adelaide	Japan	38,000
,,	*Rhexenor*	Singapore	Singapore	17,000
,,	*Belasitza*	Germany	Not Known	41,000
,,	*Hobart Star*	London	Adelaide	50,000
,,	*Straat Lowbok*	India	Hobart	50,000
,,	*Boonaroo*	Townsville	Cairns	26,000

MELBOURNE AND METROPOLITAN BOARD OF WORKS—*continued.*

Water Supplied to Shipping—15th September, 1967, to 15th November, 1967—*continued.*

Date Supply Completed.	Vessel.	Port or Origin.	Next Port of Call.	Amount Water (Gallons).
26th Oct., 1967	*Woolaroo*	Gothenburg	Sydney	9,000
"	*Paparoa*	Liverpool	Sydney	44,200
"	*Ecuadorian Reefer*	Adelaide	Japan	23,000
"	*Tarawera*	Lyttleton	Auckland	23,200
27th Oct., 1967	*Straat Luanda*	Hobart	Africa	79,000
"	*Minkara*	Stenhouse Bay	Stenhouse Bay	42,000
"	*Kawerau*	Tauranga	Lyttleton	9,000
"	*Binburra*	Brisbane	Brisbane	57,100
"	*Seaway Queen*	Hobart	Hobart	6,000
28th Oct., 1967	*Lake Eyre*	Hamilton	Adelaide	56,400
"	*Kloosterkerk*	Hamburg	Sydney	6,000
"	*Cedar*	Great Lakes	Sydney	20,200
29th Oct., 1967	*Panjnad*	Geelong	Pakistan	40,000
30th Oct., 1967	*Oceana Maru*	Japan	Adelaide	30,000
"	*Vosges*	Newcastle	Europe	70,000
"	*Delamere*	Brisbane	Adelaide	22,400
"	*Wm. Holyman*	Launceston	Launceston	6,000
31st Oct., 1967	*Parrakoola*	Adelaide	U.S.A.	15,000
"	*Yamatsuki Maru*	Japan	Adelaide	33,000
"	*Aruna Maru*	Adelaide	Japan	13,000
"	*Nagaski Maru*	Japan	Burnie	39,000
"	*Mountha*	China	China	7,000
"	*Foylebank*	Houston	Adelaide	28,900
"	*Various Tugs*	..	..	45,000
1st Nov., 1967	*Wonoigri*	Adelaide	Not known	13,500
"	Katea	Tauranga	Adelaide	38,000
2nd Nov., 1967	*Sonoma*	Los Angeles	U.S.A.	86,000
"	*South Esk*	Brisbane	Devonport	9,000
3rd Nov., 1967	*Sussex*	Liverpool	Sydney	70,000
"	*Bulimba*	Portland	Calcutta	12,000
"	*Kooringa*	Fremantle	Fremantle	22,000
"	*Regeustein*	Bremen	Geelong	19,000
"	*Seaway Queen*	Hobart	Hobart	6,000
6th Nov., 1967	*Cellina*	Sydney	Europe	49,000
"	*Saidor*	New Guinea	New Guinea	6,000
"	*Barpeta*	Calcutta	Sydney	33,000
"	*Bilkurra*	Cairns	Cairns	56,100
"	*Matthew Flinders*	Melbourne	Port Phillip Bay	8,000
8th Nov., 1967	*Pioneer*	Melbourne	Port Phillip Bay	8,000
"	*New York Star*	Montreal	Adelaide	9,900
"	*Van Cloon*	Bangkok	Bangkok	46,000
"	*Karepo*	Tauranga	Auckland	9,000
9th Nov., 1967	*Samos*	Keelung	New Guinea	7,000
"	*Waikare*	Auckland	Wellington	13,700
"	*Wm. Holyman*	Launceston	Launceston	3,000
"	*Seaway Queen*	Hobart	Hobart	6,000
10th Nov., 1967	*Kabalaris*	China	China	5,000
"	*Straat Leuzon*	Adelaide	Bombay	27,000
"	*Purnea*	Colombo	Arabian Gulf	19,000
"	*Suevic*	Liverpool	Sydney	15,000
"	*Straat Lombok*	Adelaide	Bombay	27,000
"	*Lemnos*	Japan	Japan	12,000
"	*Binburra*	Brisbane	Brisbane	73,400
13th Nov., 1967	*Iron Whyalla*	Newcastle	Whyalla	11,000
"	*Kooyong*	Stenhouse Bay	Stenhouse Bay	25,000
"	*Kumalla*	Strahan	Pt. Kembla	21,000
14th Nov., 1967	*Tjiwangi*	Japan	Japan	143,000
"	*Travaylor*	Adelaide	Jeddah	25,000
			Total	5,988,000

The port of origin and the next port of call have been extracted from the *Shipping News* paper and the accuracy of this information cannot be verified.

MELBOURNE HARBOR TRUST.

Water Supplied to Shipping—15th September, 1967, to 15th November, 1967—*continued.*

Date Supply Completed.	Vessel.	Port of Origin.	Next Port of Call.	Amount Water (Gallons).
15th Sept., 1967 ..	*Trianon*	Baltic Sea ..	Continent ..	33,000
17th Sept., 1967 ..	*Barenstein* ..	Sydney	Continent ..	19,000
19th Sept., 1967 ..	*Orsova*	U.S.A.	U.K./Continent ..	143,000
,, ..	*Kumalla*	Strahan	Strahan	21,000
20th Sept., 1967 ..	*Guglielona Marconi*	Genoa	Sydney	116,000
,, ..	*Waroonga* ..	Port Kembla ..	U.K./Continent ..	90,000
21st Sept., 1967 ..	*Persic*	Liverpool ..	Sydney	88,000
22nd Sept., 1967 ..	*Turanna*	Sydney	Continent ..	45,000
23rd Sept., 1967 ..	*Zuiderkirk* ..	Sydney	Continent ..	57,000
24th Sept, 1967 ..	*Ellinis*	U.K.	U.K./Continent ..	125,000
25th Sept., 1967 ..	*Kumalla*	Strahan	Strahan	24,000
,, ..	*Capitan Psarros* ..	Christmas Island ..	Christmas Island ..	8,000
,, ..	*Orana*	U.K.	U.K./Continent ..	105,000
,, ..	*Raffailla*	New Britain ..	Italy	43,000
,, ..	*Jason*	Sydney	U.K./Continent ..	82,000
27th Sept., 1967 ..	*Achille Lauro* ..	U.K.	Sydney	63,000
,, ..	*Willowbank* ..	U.S.A.	Adelaide ..	30,000
,, ..	*Rosina Topic* ..	Japan	Japan	2,000
,, ..	*City of Melbourne* ..	Adelaide ..	U.S.A./Canada ..	62,000
29th Sept. 1967 ..	*Guglielona Marconi*	Sydney	Genoa	153,000
,, ..	*Macedon* ..	Adelaide ..	Adelaide ..	33,000
2nd Oct., 1967 ..	*Kumalla*	Strahan	Strahan	22,000
3rd Oct., 1967 ..	*B.P. Explorer* ..	Kwinana ..	Kwinana ..	44,000
4th Oct., 1967 ..	*Straat Clement* ..	Wellington ..	Africa	39,000
5th Oct., 1967 ..	*Flavia*	U.K.	Sydney	130,000
,, ..	*Francis Drake* ..	Kobe	Japan	75,000
,, ..	*Oronsay*	U.K.	Sydney	160,000
,, ..	*Achille Lauro* ..	Sydney	U.K.	9,000
,, ..	*Pacific Ocean* ..	Adelaide ..	U.S.A./Canada ..	85,000
6th Oct., 1967 ..	*America Star* ..	Adelaide ..	U.K.	43,000
,, ..	*City of Birkenhead*	Canada/U.S.A. ..	New Zealand ..	144,000
,, ..	*Waitara*	Sydney	Continent ..	21,000
,, ..	*Lake Torrens* ..	Newcastle ..	Whyalla	78,000
,, ..	*Koonya*	Strahan	Strahan	21,000
,, ..	*Waitara*	Sydney	Continent ..	18,000
7th Oct., 1967 ..	*Talarah*	Sweden	Sydney	22,000
,, ..	*Antrim*	N.Z.	Continent ..	3,000
10th Oct., 1967 ..	*Southern Cross* ..	U.K.	U.K.	153,000
,, ..	*Arctic*	Brisbane ..	U.K.	45,000
,, ..	*Kumalla*	Strahan	Strahan	21,000
11th Oct., 1967 ..	*Kulmerland* ..	Hobart	Continent ..	14,000
13th Oct., 1967 ..	*Arcadia*	U.K.	Sydney	42,000
,, ..	*Koonya*	Strahan	Strahan	14,000
,, ..	*Lake Sorell* ..	Port Kembla ..	Adelaide ..	56,000
,, ..	*Lake Eyre* ..	Newcastle ..	Whyalla	19,000
14th Oct., 1967 ..	*Helenus*	U.K.	Sydney	71,000
,, ..	*B.P. Endeavour* ..	Sydney	Kwinana ..	14,000
,, ..	*Callesc Liverpool* ..	Kurnell	Kurnell	48,000
15th Oct., 1967 ..	*Capitan Psarros* ..	Nauru	Nauru	47,000
16th Oct., 1967 ..	*Australis* ..	Fremantle ..	U.K.	142,000
17th Oct., 1967 ..	*Rip*	Ports and Harbors	Ports and Harbors	26,000
18th Oct., 1967 ..	*Yamakuri Maru* ..	Adelaide ..	Japan	11,000
,, ..	*Riefenstein* ..	Bremen	Sydney	19,000
,, ..	*Lake Eyre* ..	Newcastle ..	Whyalla ..	47,000
,, ..	*Koonya*	Strahan	Strahan	19,000
19th Oct., 1967 ..	*Macedon* ..	Adelaide ..	Adelaide ..	24,000
,, ..	*Port Brisbane* ..	Sydney	U.K.	68,000
20th Oct., 1967 ..	*Tamerlane* ..	Bremen	Sydney	7,000
,, ..	*Fairsky*	Southhampton ..	Southhampton ..	91,000
21st Oct., 1967 ..	*Arcadia*	Sydney	U.K.	120,000
,, ..	*Port Launceston* ..	Devonport ..	U.K.	80,000
,, ..	*Empire Star* ..	Burnie	U.K./Continent ..	31,000
,, ..	*Galilia Galilee* ..	Genoa	Sydney	226,000
23rd Oct., 1967 ..	*Meringa* ..	Lucinda Point ..	Lucinda Point ..	4,000

MELBOURNE HARBOR TRUST—*continued.*

Water Supplied to Shipping—15th September, 1967, to 15th November, 1967—*continued.*

Date Supply Completed.	Vessel.	Port or Origin.	Next Port of Call.	Amount Water (Gallons).
23rd Oct., 1967 ..	*Koonya*	Strahan	Strahan	21,000
24th Oct., 1967 ..	*Angelina Lauro* ..	Southhampton ..	Sydney	75,000
25th Oct., 1967 ..	*Fairstar*	Southhampton ..	Hobart	75,000
,, ..	*Vishios Mahima* ..	Hobart	India	22,000
,, ..	H.M.A.S. *Supply* ..	.. .. ..	.. .. ..	93,000
,, ..	*Minchin*	Sydney	Continent ..	22,000
26th Oct., 1967 ..	*Orcades*	U.K.	Sydney	238,000
,, ..	*Piaka*	Brisbane ..	Continent ..	63,000
27th Oct., 1967 ..	*Galilia Galilee* ..	Sydney	Continent ..	130,000
,, ..	*Aurelia*	Rotterdam ..	Rotterdam ..	91,000
,, ..	*Serafin Topio* ..	Japan	Japan	17,000
28th Oct., 1967 ..	*Andros*	Japan	Japan	26,000
,, ..	*Magdalena Oldendorf*	Gasozlanca ..	Brisbane ..	7,000
29th Oct., 1967 ..	*Musci Maru* ..	Adelaide ..	South America ..	64,000
,, ..	*Ionic*	Antwerp	Sydney	7,000
30th Oct., 1967 ..	*Castel Felice* ..	Southhampton ..	Southhampton ..	116,000
,, ..	*Riefenstein* ..	Sydney	Continent ..	19,000
31st Oct., 1967 ..	*Lake Illawarra* ..	Newcastle ..	Whyalla	19,000
1st Nov., 1967 ..	*Rip*	Ports and Harbors	Ports and Harbors	16,000
,, ..	*Magdalena Oldendorf*	Gasozlanca ..	Brisbane	9,000
,, ..	*Ravi*	Pakistan	Sydney	3,000
3rd Nov., 1967 ..	*Migantic* ..	Brisbane ..	U.K.	99,000
,, ..	*Angelina Lauro* ..	Sydney	Southhampton ..	25,000
,, ..	*Capitan Annastaissis*	Japan	Risdon	10,000
4th Nov., 1967 ..	*Kumalla* ..	Strahan	Strahan	20,000
8th Nov., 1967 ..	*African Moon* ..	Boston	U.S.A./Canada ..	55,000
,, ..	*Fairsea*	Southhampton ..	Southhampton ..	62,000
,, ..	*Oceania Maru* ..	Adelaide ..	Japan	29,000
9th Nov., 1967 ..	*Macedon* ..	Adelaide ..	Adelaide ..	13,000
11th Nov., 1967 ..	*Capitan Psarros* ..	Christmas Island ..	Nauru	10,000
,, ..	*Pacifique* ..	Noumea ..	U.K./Continent ..	54,000
,, ..	*City of Adelaide* ..	Adelaide ..	U.S.A.	43,000
12th Nov., 1967 ..	*Maasdam* ..	Amsterdam ..	Sydney	83,000
,, ..	*Port Burnie* ..	Sydney	U.S.A./Canada ..	18,000
13th Nov., 1967 ..	*Falkanger* ..	U.S.A.	Port Kembla ..	25,000
14th Nov., 1967 ..	*Bendigo*	Sydney	U.K.	31,000

The following vessels use one berth exclusively and the water meter is only read once a month :—

30th Sept., 1967 ..	*Various Tankers ..	Persian Gulf ..	Persian Gulf ..	282,000
2nd Oct., 1967 ..	*Princess of Tasmania*	Devonport ..	Devonport ..	370,000
,, ..	*Bass Trader* ..	Devonport ..	Devonport ..	162,000
,, ..	*King Islander* ..	King Island ..	King Island ..	19,000
2nd Nov., 1967 ..	Various Tankers ..	Persian Gulf ..	Persian Gulf ..	218,000
,, ..	*Princess of Tasmania*	Devonport ..	Devonport ..	121,000
,, ..	*Bass Trader* ..	Devonport ..	Devonport ..	198,000
,, ..	*King Islander* ..	King Island ..	King Island ..	25,000
15th Nov., 1967 ..	Various Tankers ..	Persian Gulf ..	Persian Gulf ..	37,000
,, ..	*Princess of Tasmania*	Devonport ..	Devonport ..	13,000
,, ..	*King Islander* ..	King Island ..	King Island ..	7,000
,, ..	*Bass Trader* ..	Devonport ..	Devonport ..	42,000
			Total	6,919,000

* The number of tankers visiting the port during the period in question was nine.

The port of origin and the next port of call have been extracted from the *Shipping News* paper and the accuracy of this information cannot be verified.

Mr. HOLDING (Leader of the Opposition) asked the Minister of Public Works, for the Minister for Local Government—

What quantity of water has been acquired by ships berthed in the Port of Melbourne from 3rd November instant to date, setting out the name of the ship and the amount purchased in each case?

For **Mr. PORTER** (Minister of Public Works), Mr. G. O. Reid (Attorney-General).—A lengthy answer has been supplied by the Minister for Local Government, and I ask that it be incorporated in *Hansard* without my reading it.

Leave was granted, and the answer was as follows:—

MELBOURNE AND METROPOLITAN BOARD OF WORKS.

Water Supplied to Shipping, 3rd Nov., 1967, to 15th November, 1967.

Date Supply Completed.	Vessel.	Amount Water (gals.).
3rd Nov., 1967	*Sussex* ..	70,000
,,	*Bulimba* ..	12,000
,,	*Kooringa* ..	22,000
,,	*Regeustein* ..	19,000
,,	*Seaway Queen* ..	6,000
6th Nov., 1967	*Cellina* ..	49,000
,,	*Saidor* ..	6,000
,,	*Barpeta* ..	33,000
,,	*Bilkurra* ..	56,100
,,	*Matthew Flinders*	8,000
8th Nov., 1967	*Pioneer* ..	8,000
,,	*New York Star* ..	9,900
,,	*Van Cloon* ..	46,000
,,	*Karepo* ..	9,000
9th Nov., 1967	*Samos* ..	7,000
,,	*Waikare* ..	13,700
,,	*Wm. Holyman* ..	3,000
,,	*Seaway Queen* ..	6,000
10th Nov., 1967	*Kabalaris* ..	5,000
,,	*Straat Leuzon* ..	27,000
,,	*Purnea*	19,000
,,	*Suevic*	15,000
,,	*Straat Lombok* ..	27,000
,,	*Lemnos* ..	12,000
,,	*Binburra* ..	73,000
13th Nov., 1967	*Iron Whyalla* ..	11,000
,,	*Kooyong* ..	25,000
,,	*Kumalla* ..	21,000
14th Nov., 1967	*Tjiwangi* ..	143,000
,,	*Travaylor* ..	25,000
	Total ..	786,700

MELBOURNE HARBOR TRUST.

Water Supplied to Shipping, 3rd Nov., 1967, to 15th Nov., 1967.

Date Supply Completed.	Vessel.	Amount Water (gals.).
3rd Nov., 1967	*Angelina Laura* ..	25,000
,,	*Capetan Annastaissis*	10,000
4th Nov., 1967	*Kumalla* ..	20,000
,,	*Megantic* ..	99,000
8th Nov., 1967	*Fairsea* ..	62,000
,,	*African Moon* ..	55,000
9th Nov., 1967	*Macedon* ..	13,000
,,	*Oceania Maru* ..	29,000
11th Nov., 1967	*Pacifique* ..	54,000
12th Nov., 1967	*Maasdam* ..	83,000
,,	*Port Burnie* ..	18,000
,,	*City of Adelaide* ..	43,000
,,	*Capetan Psarros* ..	10,000
13th Nov., 1967	*Falkanger* ..	25,000
,,	*Bendigo* ..	31,000
15th Nov., 1967	*King Islander* ..	7,000
,,	Various Tankers (two vessels)	37,000
,,	*Princess of Tasmania*	13,000
,,	*Bass Trader* ..	42,000
	Total ..	676,000

Mr. HOLDING (Leader of the Opposition) asked the Minister of Public Works, for the Minister for Local Government—

What limitations and restrictions have been imposed by the Melbourne and Metropolitan Board of Works upon ships requiring water in the port of Melbourne?

For **Mr. PORTER** (Minister of Public Works), Mr. G. O. Reid (Attorney-General).—The answer supplied by the Minister for Local Government is—

The masters of all ships requiring water from the Board's mains whilst in the port of Melbourne (whether supplied directly by the Board or through the Melbourne Harbor Trust) are now required to certify by means of a statutory declaration—

(*a*) The quantity of water required for domestic purposes to enable the ship to proceed to the next scheduled port;

(*b*) The quantity of water required for purposes of trimming the ship and that no other suitable alternative is available to ensure the safe handling of the ship.

TRANSPORT OF WATER BY TANKER FROM SYDNEY.

Mr. HOLDING (Leader of the Opposition) asked the Minister of Public Works, for the Minister for Local Government—

1. What arrangements the Government has made to unload the water being brought from Sydney by tanker?

2. Whether this water is suitable for domestic, industrial, and parkland usage, respectively?

3. To what use this water will be put?

For **Mr. PORTER** (Minister of Public Works), Mr. G. O. Reid (Attorney-General)—The answers supplied by the Minister for Local Government are—

Approximately 40,000 gallons of water ex Sydney per the *Tarn* arrived in Melbourne at 5.30 p.m. on Thursday, 16th November.

The water will not be used for domestic purposes, and arrangements have been made to transport the water by tanker to the Melbourne City Council, Parks and Gardens Department, and the Royal Botanic Gardens.

The water will be discharged into artificial lakes and its usage will be at the discretion of the parties supplied.

A further 180,000 gallons of water ex Jamaica arrived in the *Wharanui* on Sunday, 19th November, 1967.

The water is unfit for domestic consumption but the Health Commission of Victoria and the Commonwealth Department of Health have approved its use by the National Cultural Centre to protect the water-proofing membrane in the moat and west garden podium in time for the handing over of the centre to the trustees next month.

DIGHTS FALLS PIPE-LINE.

Mr. HOLDING (Leader of the Opposition) asked the Minister of Public Works, for the Minister for Local Government—

1. When the pipe-line from Dights Falls was last used for the supply of water?

2. What is the estimated cost to repair or renovate this pipe-line to place it in working condition?

For **Mr. PORTER** (Minister of Public Works), Mr. G. O. Reid (Attorney-General)—The answers supplied by the Minister for Local Government are—

1. The pipe-line supplying water to the Botanic Gardens has been lifted or abandoned in several sections. The abandoned portions of the pipe-line were last used about 1955.

2. The repair or renovation of the original Dights Falls pipe-line and pumping station is not practicable. The pumping station has been demolished, the land on which the pumping station was erected has reverted to the Crown, and the pipe-line which is some 80 years old has deteriorated beyond repair.

INDUSTRIAL USE OF WATER.

Mr. HOLDING (Leader of the Opposition) asked the Minister of Public Works, for the Minister for Local Government—

1. Which industries in the metropolitan area use large quantities of water, giving the weekly amount used by each?

2. What restrictions on the use of water have been placed on these industries?

3. What arrangements have been made for these industries to use reconditioned water?

For **Mr. PORTER** (Minister of Public Works), Mr. G. O. Reid (Attorney-General)—The answers supplied by the Minister for Local Government are—

1. The Board does not record consumptions on a weekly basis or any industries as such, and accordingly is unable to precisely answer the question without extracting the consumption of each factory operating in each industry. However, the attached schedule indicates consumers requiring 5,000,000 gallons or more of water per month.

The answer to question No. 1 is in the form of a voluminous schedule, and I seek leave of the House to have it incorporated in *Hansard* without my reading it.

Leave was granted, and the schedule was as follows:—

COMPARATIVE STATEMENT OF CONSUMPTIONS OF CONSUMERS USING MORE THAN 5,000,000 GALLONS MONTHLY—OCTOBER, 1966 AND 1967.

Firm.	Oct., 1966, in 1,000 Gals.	Oct., 1967, in 1,000 Gals.
Gas and Fuel Corporation, West Melbourne ..	23,809	15,318
Dodd and Co., West Melbourne	2,465	1,792
Victoria Brewery, East Melbourne	22,227	19,973
Carlton Brewery, Carlton..	19,232	18,758
Commonwealth Serum Lab., Carlton	8,410	6,221
Royal Melbourne Hospital, Laundry, Carlton ..	5,402	5,840
Yarra Falls, Collingwood..	5,237	5,647
Abbotsford Brewery, Collingwood	19,368	22,957
Ansell and Son, Richmond	4,344	4,652
Pizzey and Son, Richmond	3,905	3,526
Protein Enterprises, Richmond..	6,273	4,990
Rosella Jam, Richmond ..	3,561	3,458
Smith Mitchell, Richmond	6,055	2,998
Dunlop Rubber, South Melbourne	27,517	32,163
A.P.M., South Melbourne..	35,624	20,851
General Motors, Port Melbourne	13,270	10,750
Kraft Walker, Port Melbourne	11,479	6,488
Unilever, Port Melbourne..	7,534	6,169
Tom Piper, Port Melbourne	14,883	12,867
Aust. Glass, Williamstown..	17,453	13,896
S.E.C., Williamstown ..	15,051	5,497
Naval Dockyard, Williamstown	4,647	4,647
Newport Freezing Works, Williamstown	12,228	6,916
Kodak, Coburg	8,924	9,380
A.P.M., Fairfield ..	13,766	15,823
Michaelis Hallenstein, Footscray	5,778	5,491
Maize Products, Footscray	9,776	8,738
Wm. Angliss, Footscray ..	15,343	14,664
Ammunition Factory, Footscray	5,334	3,812
Davies Coop., Footscray ..	21,410	19,830
Olympic Tyre, Footscray ..	6,163	3,595
Commonwealth Fert., Footscray	10,370	7,111
Colonial Sugar Co., Footscray	20,300	13,539
I.C.I., Footscray ..	20,396	18,252
Glues and By-Products, Flemington	4,448	10,305
M.C.C. Abattoirs, Flemington	6,496	4,205
A.P.M. Fibrecraft, Preston	3,376	8,915
Harvest Foods, Moorabbin	5,414	5,074
J. Lucas, Moorabbin ..	5,043	5,027

COMPARATIVE STATEMENT OF CONSUMPTIONS OF CONSUMERS USING MORE THAN 5,000,000 GALLONS MONTHLY—OCTOBER, 1966 AND 1967—*continued.*

Firm.	Oct., 1966, in 1,000 Gals.	Oct., 1967, in 1,000 Gals.
Borthwick and Sons, Sunshine	8,797	11,786
N. Smorgan and Sons, Sunshine	43,416	47,353
Monsanto Aust., Sunshine..	15,524	11,753
I.C.I. of Aust. and N.Z., Sunshine	17,561*	11,098
Moulded Products, Sunshine	4,441	4,462
Dyecraft, Sunshine ..	10,293	10,853
Explosives Factory, Sunshine	7,110	5,140
Ordnance Factory, Sunshine	5,930	3,356
Bowater-Scott, Box Hill ..	21,943	17,799
Metropolitan Dairies, Broadmeadows	6,057	5,495
Ford Motor Co., Broadmeadows	9,093	9,428
Werribee Council, Werribee	18,410†	16,880
Standard Vacuum, Altona..	31,195	48,336
R.A.A.F., Laverton ..	5,925	4,569
R.A.A.F., Point Cook ..	3,715	2,891
C.S.R.C. Dow, Altona ..	10,492	8,106
Hoechst Chemicals, Altona	1,711	6,726
Altona Petro - Chemicals, Altona	34,544	38,923
Aust. Synthetic Rubber, Altona	6,605	11,556
Aust. Carbon Black, Altona	7,459	6,965
R. J. Gilbertson, Altona ..	11,440	10,607
General Motors, Dandenong	13,933	11,898
H. J. Heinz, Dandenong ..	10,400	10,420
Larundel Mental Hospital, Bundoora	8,800	7,970
Totals	767,105	714,505

* All meters at I.C.I., Deer Park.
† This includes all bulk supply meters to Werribee.

Mr. G. O. REID (Attorney-General).—The answers to the remaining questions are—

2. At the present time the Board has not imposed restrictions on the use of water by industrial consumers other than those applying to garden watering.

3. In the main, industry does re-use water where practical but many processes are such that re-use is not practical. Additional re-use has been instituted as a result of the Board's recent investigations of the consumption of water by industry.

WATERING OF PUBLIC PARKS.

Mr. HOLDING (Leader of the Opposition) asked the Minister of Public Works, for the Minister for Local Government—

1. What was the date on which the Melbourne and Metropolitan Board of Works imposed water restrictions in the metropolitan area?

2. What arrangements have been made for the provision of water to Melbourne public parks and gardens; for example, the Royal Botanic and Fitzroy Gardens?

For **Mr. PORTER** (Minister of Public Works), Mr. G. O. Reid (Attorney-General).—The answers supplied by the Minister for Local Government are—

1. The recent water restrictions were initially imposed on all consumers supplied from the Board's water supply system on the 15th September, 1967.

2. Permits have been granted by the Board to certain municipal authorities to pump water from rivers and streams under the control of the Board for the purpose of watering public parks and gardens.

At present the Royal Botanic Gardens are being hand watered in accordance with the restrictions imposed by the Board.

Arrangements are currently in progress to supply water for reticulation from the ornamental lake in the gardens by means of pumping. Additional water was made available from the ship *Tarn*.

A further proposal currently in hand is to augment the lake supply using industrial waste water to an acceptable standard.

Gardens other than the Royal Botanic are the responsibility of municipal councils.

VICTORIAN PIPELINES COMMISSION.

NATURAL GAS: PROPOSED SALE–MELBOURNE PIPE-LINE: CONTRACT.

Mr. HOLDING (Leader of the Opposition) asked the Minister for Fuel and Power—

1. What was the name of the company whose tender was accepted by the Victorian Pipelines Commission for the laying of the Sale to Melbourne pipe-line?

2. What was the accepted contract price for the laying of the pipe-line?

3. Whether the contract price was the lowest tender submitted; if not—(*a*) which company submitted the lowest tender; (*b*) what was the tender price; and (*c*) why this price was not accepted?

For **Mr. BALFOUR** (Minister for Fuel and Power), Mr. G. O. Reid (Attorney-General).—The answers are—

1. Snam Progetti Australia Pty. Ltd.

2. Based on the estimated quantities of the various items in the schedule of rates contract and the alternatives submitted by this tenderer, the total contract amount is $5,151,522.

3. The tender of Snam Progetti Australia Pty. Ltd. was not the lowest tender received. It could be detrimental to the interests of other tenderers to release the details of their tenders. However, as stated in this House on 18th October, I am prepared to discuss the tenders personally with the honorable member and make available to him any information he may require.

EDUCATION DEPARTMENT.

COLLINGWOOD HOUSING DEVELOPMENT: PROVISION OF ADDITIONAL SCHOOL FACILITIES.

Mr. HOLDING (Leader of the Opposition) asked the Minister of Labour and Industry, for the Minister of Education—

1. What plans the Education Department has for the erection of a new school in the City of Collingwood, consequent on the erection of high-rise flats?

2. What additional accommodation and educational facilities are proposed for existing schools, in the City of Collingwood, as a result of the construction of high-rise flats in this area?

3. What properties have been acquired for the provision of additional recreational space at existing schools in the Collingwood area?

4. What additional properties in the Collingwood area the Education Department intends to acquire in the near future to cope with the ever-increasing problem of providing additional recreational space?

Mr. ROSSITER (Minister of Labour and Industry).—The answers supplied by the Minister of Education are—

1 and 2. Collingwood Girls' High School has been declared a co-educational high school and a new building is to be erected. A two-storied extension is to be added to Cromwell-street State School. The Education Department has developments in the Collingwood area under constant review.

3. Over the past four years the following properties have been acquired for additional recreational space:—

(*a*) School No. 2462, Collingwood.
Apartment-house situated at the south-west corner of Vere and Cromwell streets.

(*b*) Girls' Secondary School, Collingwood.
169 Islington-street.
167 Islington-street.
176 Cromwell-street.
172 Cromwell-street.
170 Cromwell-street.
168 Cromwell-street.

4. The Department is considering the acquisition of a number of other properties in the Collingwood area. As the owners have not been advised of our intentions, detailed information regarding our plans cannot be released at this stage.

ENROLMENTS: TECHNICAL SCHOOLS.

Mr. EDMUNDS (Moonee Ponds) asked the Minister of Labour and Industry, for the Minister of Education—

1. What was the total number of pupils of each sex admitted to Form I. in all State schools for the 1967 education year, giving the respective totals for—(*a*) metropolitan high schools; (*b*) country high schools; (*c*) metropolitan technical schools; (*d*) country technical schools; and (*e*) girls' secondary schools?

2. With respect to the pupils referred to above, what percentage of each group was reading, and able to handle arithmetic, respectively—(*a*) at or above—(i) grade 6 level; (ii) grade 5 level; (iii) grade 4 level; and (iv) grade 3 level; and (*b*) below grade 3 level?

3. What State technical schools, already established, will operate in temporary accommodation in 1968 and at what addresses?

4. What new State technical schools will begin operation in 1968 and at what addresses?

Mr. ROSSITER (Minister of Labour and Industry).—Although the answers to these questions, as supplied by the Minister of Education, are short, they contain a good deal of statistical material. Consequently, I seek leave for their incorporation in *Hansard* without my reading them.

Leave was granted, and the answers were as follows:—

1. Male, 25,094; female, 22,100.

	Metropolitan.		Country.	
	Male.	Female.	Male.	Female.
High schools	7,334	10,431	5,302	8,056
Technical schools	6,655	1,420	4,832	809
Girls' secondary schools	..	593	..	..
Other schools	699	564	272	227

2. Information regarding 1965 and 1966 appears on page 4,204 of *Hansard* issued 17th May, 1966. No later information is available.

3. Broadmeadows West; care of Glenroy Technical School, Glenroy-road, Glenroy.
Dromana; Palmerston-street, Dromana.
Leongatha; care High School, Leongatha.

In addition, the following four schools will be required to spend portion of 1968 in temporary accommodation:—

Knox; care of Fern Tree Gully Technical School, Main-road, Upper Fern Tree Gully.
Monterey; care of Monterey High School, Monterey-boulevard, Frankston.
Northcote; care of State School 3139, Speight-street, Northcote.
Shepparton South; Showgrounds, Shepparton.

4. Caulfield Technical School; Dandenong-road, Caulfield (separated from Caulfield Technical College).
Bell Park North Technical School; Barton-street, Bell Park, Geelong.
Lalor Technical School; care of Keon Park Technical School, Sturdee-road, Reservoir.
Mildura South Technical School; care of Mildura Technical School, Deakin-avenue, Mildura.
Warrnambool North Technical School; Grafton-road, Warrnambool.

DELLICKNORA STATE SCHOOL: REMOVAL OF BUILDING FROM DELEGATE RIVER.

Mr. B. J. EVANS (Gippsland East) asked the Minister of Labour and Industry, for the Minister of Education—

1. With reference to Dellicknora State School, whether the Education Department has come to any decision regarding the removal of the building at Delegate River to Dellicknora; if not, what is causing the delay?

2. On what date a private house was rented for use as a school and on what date rental was paid to the owner?

Mr. ROSSITER (Minister of Labour and Industry).—The answers supplied by the Minister of Education are—

1. Yes. It has been decided to transfer the school building from Delegate River to Dellicknora and steps are being taken to effect the transfer as soon as possible.

2. 1st July, 1965. The Department has recently received advice of a change of ownership of the property, and arrangements are in hand to effect payment of rental to the new owner.

LABOUR AND INDUSTRY ACT.

EXEMPTION UNDER SECTION 80A: APPLICATION BY SALE CHAMBER OF COMMERCE.

Sir HERBERT HYLAND (Gippsland South) asked the Minister of Labour and Industry—

When it is expected that a reply will be made to the application of the Sale Chamber of Commerce for an order of exemption under section 80A of the Labour and Industry Act 1958?

Mr. ROSSITER (Minister of Labour and Industry).—The answer is—

Under section 80A of the Labour and Industry Act 1958, it is competent for a municipal council to apply for an order of exemption. The council of the City of Sale has made such an application and that application will be dealt with this week.

MELBOURNE AND METROPOLITAN TRAMWAYS BOARD.

RELAYING OF TRACKS IN CONCRETE: MAINTENANCE IN ST. GEORGES-ROAD, NORTHCOTE.

Mr. WILKES (Northcote) asked the Minister of Transport—

1. What tram tracks have been relaid in concrete, giving the lengths and costs involved in each case?

2. What priorities exist in respect of tracks to be relaid in concrete in the future?

3. What was the cost of track maintenance in St. Georges-road, Northcote, over the last ten years?

Mr. WILCOX (Minister of Transport).—The answers to these questions are lengthy and, with the leave of the House, I should like them incorporated in *Hansard* without my reading them.

Leave was granted, and the answers were as follows:—

1. Since 1953, when the Board commenced the practice of laying tram tracks in mass concrete to the street surface, the following lengths of track have been relaid in concrete:—

Location.	Length. Miles of Single Track.	Cost.
		$
1953—Esplanade, St. Kilda	0·50	54,000
1954—Epsom-road, Ascot Vale—Racecourse-road to railway ..	0·61	74,000
Nicholson-street–Victoria-parade junction, Melbourne ..	0·34	62,000
1955—Northcote Conversion—Nicholson-street to Dundas-street ..	9·31	1,023,000
Bridge-road, Richmond—River-street to Hawthorn bridge ..	0·17	49,000
Nicholson-street, Fitzroy—Gertrude-street to Park-street ..	3·36	311,000
1956—Swanston-street, Melbourne—Flinders-street to Batman-avenue	0·17	28,000
Swanston-street Franklin-street junction, Melbourne ..	0·18	35,000
Swan-street, Burnley—Park-grove to Wallen-road bridge ..	1·01	243,000
1957—High-street, Kew—Barker's-road to Princess-street	1·08	127,000
Whitehorse-road, Balwyn—Burke-road to Wharton-street ..	3·00	293,000
Cotham-road, Kew—High-street to Burke-road	3·18	292,000
Waverley-road, East Malvern—Finch-street to Turner-street ..	0·24	26,000
1958—St. Kilda-road—Princes Bridge to St. Kilda Junction ..	5·21	349,000
Riversdale-road, Glenferrie-road junction, Hawthorn ..	0·17	20,000
Ballarat-road, Footscray—Droop-street to Gordon-street ..	0·47	51,000
Riversdale-road, Hawthorn—Power-street to Burke-road ..	3·20	351,000
Lygon-street and Holmes-street, Brunswick—Park-street to Moreland-road	3·20	324,000
1959—High-street, Kew—Princess-street to Cotham-road	0·40	44,000
Swan-street–Church-street junction, Richmond	0·21	27,000
Batman-avenue and Swan-street, Melbourne—Swanston-street to Punt-road	2·34	207,000
St. Kilda Junction	0·40	71,000
Fitzroy-street–Esplanade curves, St. Kilda	0·21	25,000

Location.	Length. Miles of Single Track.	Cost.
		$
1960—Flinders-street, Melbourne—Spencer-street to Market-street ..	0·77	65,000
Keilor-road, Niddrie—Graves-street to Matthews-avenue ..	0·82	117,000
Dandenong-road, Windsor—Chapel-street to railway ..	0·14	23,000
1961—Toorak-road scissors cross-over, Malvern	0·11	25,000
Flemington-road, Melbourne, and Mt. Alexander-road, Moonee Ponds—Peel-street to Puckle-street	6·50	608,000
Swanston-street and Elgin-street, Carlton—Victoria-street to Lygon-street	1·75	172,000
Grantham-street–Dawson-street curves, West Brunswick ..	0·11	7,000
Victoria-street–Church-street junction, Richmond	0·21	24,000
Pascoe Vale-road and Fletcher-street, Essendon—Coates-street to Napier-street	2·32	204,000
1962—Merri creek bridge, Clifton Hill	0·30	41,000
Epsom-road, Union-road, and Maribyrnong-road, Ascot Vale—Sandown-road to Hurtle-street	3·22	316,000
Esplanade and Acland-street, St. Kilda—Alfred-square to Barkly-street	0·89	90,000
1963—Hopkins-street, Footscray—Leeds-street to Droop-street ..	0·12	7,000
Plenty-road, Preston—Dundas-street to Tyler-street	2·94	256,000
Wellington-parade, East Melbourne—Crossover and curves at Simpson-street	0·12	12,000
Chapel-street, South Yarra—Toorak-road to Yarra river ..	0·85	76,000
1964—Glenferrie-road–Malvern-road junction, Malvern	0·33	68,000
Collins-street, Melbourne—Russell-street to Swanston-street ..	0·11	7,000
Peel-street, North Melbourne—William-street to Victoria-street	0·42	26,000
Spencer-street, Melbourne—Collins-street to Flinders-street ..	0·21	10,000
Balaclava-road and Carlisle-street, St. Kilda—Orrong-road, to Acland-street	3·40	328,000
1965—Sydney-road, North Coburg—Bell-street to Bakers-road ..	1·93	232,000
Swan-street, Richmond—Botherambo-street to Church-street ..	0·54	66,000
Chapel-street, St. Kilda—Carlisle-street to Brighton-road ..	0·44	27,000
Commercial-road, Prahran—Punt-road to Chapel-street ..	1·01	110,000
Melville-road, West Brunswick—Reverse curves south of Moreland-road	0·10	14,000
Hawthorn-road, Caulfield—Balaclava-road to Dandenong-road	0·87	81,000
St. Georges-road, Northcote—Elizabeth-street to Sutch-street ..	0·38	27,000
1966—Glenhuntly-road–Hawthorn-road junction, Caulfield	0·31	71,000
Church-street, Hawthorn—Barker's-road to Burwood-road ..	1·34	154,000
Camberwell-road and Toorak-road, Camberwell—Burke-road to Summerhill-road	3·24	210,000
Collins-street, Melbourne—Elizabeth-street to cross-over east of Queen-street	0·13	21,000
Brunswick-street–St. Georges-road, curves, Fitzroy	0·12	11,000
Glenferrie-road, Glenferrie—Toorak-road to Barker's-road ..	3·34	345,000
Collins-street at Queen-street, Melbourne	0·10	6,000
Nicholson-street, Coburg—Moreland-road to Bell-street ..	1·93	239,000
High-street, St. Kilda—Wellington-street to Carlisle-street (portions)	0·15	5,000
1967—Peel-street–William-street junction, North Melbourne ..	0·17	27,000
Sydney-road, Coburg—Moreland-road to Moore-street ..	0·23	7,000
Sydney-road, Coburg—Sheffield-street to Bell-street	0·68	21,000
Sturt-street, South Melbourne—City-road to Dorcas-street ..	1·44	118,000
Maribyrnong river bridge, Maribyrnong	0·39	52,000
Carlisle-street–High-street junction, St. Kilda	0·19	45,000
Riversdale-road, Camberwell—Burke-road to Fermanagh-road ..	0·32	32,000
Swanston-street and Victoria-street, Melbourne, Franklin-street to Bouverie-street	0·15	12,000
Glenferrie-road, Malvern—Dandenong-road to Toorak-road ..	2·62	330,000

In addition to the foregoing, some small sections of tram track of a length of less than .1 of a mile of single track in each case, have been relaid in concrete at various locations throughout the system.

All the above were laid wholly in concrete to the street surface. The tracks in Bourke-street, Melbourne, Spring-street and Nicholson-street, from Spencer-street to Victoria-parade, were laid in 1954–1955 substantially in concrete but with an asphalt roadway. They total 1.34 miles double track (=2.68 miles as single track) in length. Sundry other short lengths, not included in the above, were also laid partly in concrete.

2. The Board's order of priority, as seen at present, is as follows:—

(*a*) Tram track works associated with St. Kilda Junction improvement scheme.

(*b*) Glenferrie-road (partly done).

(*c*) Glenhuntly-road–Selwyn-street to Kooyong-road.

(*d*) Melville-road–Daly-street to Albion-street.

(*e*) Toorak-road, Burwood–Summerhill-road to terminus.

(*f*) Flinders-street, Melbourne–Market-street to Spring-street.

(*g*) Wellington-parade.

(*h*) Bridge-road, Richmond–Hoddle-street to River-street.

3. The cost of track maintenance in St. Georges-road, Northcote, from 1st July, 1957, to 30th June, 1967, was $239,000.

RAILWAY DEPARTMENT.

CARRIAGE OF LIVESTOCK.

Mr. B. J. EVANS (Gippsland East) asked the Minister of Transport—

What increases (if any) have taken place in numbers of stock carried and revenue to the Railway Department as a result of the recent reduction in stock freight charges?

Mr. WILCOX (Minister of Transport).—The answer is—

During the first two months following the introduction of reduced livestock freight rates on 1st July, the number of animals carried increased by 43 per cent. and the revenue by 22 per cent., compared with the same period in 1966.

Since then, the increase in numbers has been sustained, but revenue figures are not yet available.

MELBOURNE CRICKET GROUND.

TOILET FACILITIES.

Mr. TREZISE (Geelong North) asked the Minister of State Development, for the Minister of Health—

1. Whether toilet facilities at the Melbourne Cricket Ground outer grounds are acceptable to the Department of Health as adequate to conveniently cater for football finals crowds, especially at half-time intervals?

2. Whether officers of the Department inspected such facilities during the course of this year's final games; if so, what reports were given by such officers?

Mr. MANSON (Minister of State Development).—The answers supplied by the Minister of Health are—

1. The toilet facilities at the Melbourne Cricket Ground outer grounds more than complied with the standards laid down by the Commission of Public Health for league football grounds. The standards are based on either the capacity of the ground or the maximum attendance.

2. The facilities at the Melbourne Cricket Ground were inspected during each of this year's finals games by both engineering and health officers of the Department of Health. The officers reported that there was some congestion during the half-time interval, but, in their opinion, the facilities were satisfactory. In addition, the toilets were regularly serviced throughout the day of each finals match and were maintained in a clean condition.

MONASH UNIVERSITY COUNCIL.

JOINT SITTING OF PARLIAMENT.

The SPEAKER (the Hon. Vernon Christie).—I have received the following letter from the Minister of Education:—

16th November, 1967.

Dear Mr. Speaker,

Section 7 of the Monash University Act 1958 provides that three members of the Council of the University shall be members of the Parliament of Victoria who have been recommended for appointment by a joint sitting of members of the Legislative Council and the Legislative Assembly, and conducted in accordance with rules adopted for the purpose by the members at the sitting.

A vacancy on the council has occurred as the result of the resignation of the Hon. John F. Rossiter, M.L.A., and it is requested that arrangements be made for such a joint sitting before the Houses go into recess.

From our records and information furnished by the Clerk of the Legislative Assembly, it appears that the Parliamentary representatives on this council have never been appointed by a joint sitting as required by the Act. The practice adopted was to ask each of the three Parliamentary parties to nominate one member, and an Order in Council was then obtained appointing them. I am satisfied that this procedure is not correct.

At present there are two members—Dr. H. A. Jenkins, M.L.A. (first appointed in 1961 and re-appointed in 1965) and the Hon. S. R. McDonald, M.L.C. (appointed to replace the Hon. P. V. Feltham, M.B.E., on 26th September, 1967), who have not been appointed in accordance with the Act. I would like these two appointments to be regularized at the proposed joint sitting.

Section 25 of the Monash University Act provides, among other things, that no proceedings of the council shall be invalidated if it is discovered afterwards that there is some defect in the election or appointment of the members of the council.

I have addressed a similar letter to the Acting President of the Legislative Council.

Yours sincerely,
L. H. S. THOMPSON,
Minister of Education.

SUNDAY ENTERTAINMENT BILL.

Mr. RYLAH (Chief Secretary), by leave, moved for leave to bring in a Bill to make provision with respect to the holding or conducting of public entertainment on Sundays and for purposes connected therewith.

The motion was agreed to.

The Bill was brought in and read a first time.

PRIVATE AGENTS BILL.

Mr. RYLAH (Chief Secretary), by leave, moved for leave to bring in a Bill to amend the Private Agents Act 1966.

The motion was agreed to.

The Bill was brought in and read a first time.

FITZROY (EDINBURGH GARDENS) LANDS BILL.

For **Sir WILLIAM McDONALD** (Minister of Lands), Mr. Rylah (Chief Secretary), by leave, moved for leave to bring in a Bill relating to certain lands at Fitzroy.

The motion was agreed to.

The Bill was brought in and read a first time.

EXTRACTIVE INDUSTRIES (AMENDMENT) BILL.

Mr. BALFOUR (Minister of Mines), by leave, moved for leave to bring in a Bill to amend the Extractive Industries Act 1966 with respect to the ownership of stone, and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

SUBORDINATE LEGISLATION COMMITTEE.

INQUIRY INTO SUBORDINATE LEGISLATION.

Mr. G. O. REID (Attorney-General).—By leave, I move—

That the Subordinate Legislation Committee have power to inquire into and report upon—

(*a*) the provisions contained in the statute law of Victoria enabling the making of subordinate legislation and whether such provisions are satisfactory in content and form;

(*b*) whether and in what circumstances (if any) a statute should provide for its own amendment by means of subordinate legislation; and

(*c*) whether, having regard to the provisions in the statutes of the Commonwealth and of the various States of the Commonwealth or of other countries having a system of law similar to the Victorian system, there should be any alteration to the content or form of the provisions of Victorian statutes enabling subordinate legislation to be made—

and that, for the purposes of such inquiry, the committee may sit at such times and in such places in Victoria or elsewhere as are convenient for the proper and speedy despatch of business.

By way of explanation, I should like to say that this motion is similar to a motion that was proposed to the previous Parliament on 6th December of last year. Of course, it lapsed with the cessation of the Forty-third Parliament, and it is now being renewed in this present form.

The motion was agreed to.

APPRENTICESHIP (AMENDMENT) BILL.

Mr. ROSSITER (Minister of Labour and Industry).—I move—

That this Bill be now read a second time.

Its purpose is to amend the Apprenticeship Act 1958. Since the consolidation in that year, the Act has been amended in 1961, 1963, 1965 and 1966. This Bill contains another series of amendments, based upon recommendations made by the Apprenticeship Commission, which is a body constituted of members representative of the Trades Hall Council on the one hand and the employer organizations on the other hand, with an independent chairman.

I am pleased that the Apprenticeship Commission has had the initiative and energy to examine critically from time to time the legislation which it is required to administer and to make such recommendations as it considers would improve the apprenticeship system in this State.

It is worth noting that apprenticeship in Victoria is now big business. The annual report of the apprenticeship Commission for the year ended 30th June, 1967—which, I may say, was circulated some months ago—shows that at the end of that year there were 12,000 employers employing 27,000 apprentices under the Apprenticeship Act. Thus the Apprenticeship Commission has nearly 40,000 customers with whom to deal and that number grows from year to year—although, perhaps, it is not growing as fast as we would like, as the proportion of school-leavers entering apprenticeship has remained more or less constant. I recommend those honorable members who have not already done so to read the last annual report of the Commission; they will find there a great deal of interesting information.

The amendments proposed to be made by this Bill concern several diverse matters. Therefore it is very much a Committee Bill, and I propose to treat it as such and refer to the matters contained therein in the order in which the relevant clauses appear in the Bill.

Clause 2 would reverse the present situation, in which the Act does not apply to any Government Department, and make the provisions of the Act binding on the Crown. Section 3 of the Act at present excludes from the definition of "trade or occupation" any trade or occupation "so far as it is carried on in any Government Department". I believe that when the Bill for the original 1927 Act was drafted, this exemption was made in conformity with the practice of those times of exempting all Crown instrumentalities from binding obligations to conform to the general law. The general policy of the present Government, however, is that in matters such as these the Crown should not be placed in any situation which might be interpreted as being more favourable than that under which industry is required to operate.

The present position is that all Government Departments and statutory corporations which employ apprentices, except the Railways Commissioners, have them indentured under the Apprenticeship Act and are pleased to do so. However, it is quite clear that the Act does not apply to any Government Department, and thus neither the Department nor the apprentice can properly claim any rights or benefits under the legislation. It is quite clear, also, that this unsatisfactory situation should be corrected, so that the parties concerned may know exactly where they stand.

So far as the Railways Commissioners are concerned, I can say with the greatest confidence that the Victorian Railways have long been renowned for the excellent training which is available in their workshops and technical classes and that a railways-trained tradesman can be sure of obtaining employment anywhere. This matter is not in issue; what the Government is endeavouring to do here is to develop one co-ordinated

system of apprenticeship training in Victoria. Progress towards this end has already gone a long way. Most of the trades proclaimed to be apprenticeship trades under the Apprenticeship Act have now been so proclaimed throughout the State, and the inclusion of Government Departments within the same system will go a long way towards achieving the objective.

Clause 3 deals with two separate matters. Sub-clause (1) amends section 19 of the principal Act, and relates to wage rates for applicants for apprenticeship. It is intended to clarify a matter that at present is in some doubt. Sub-section (1) of section 19 of the Act requires that apprentices be bound by indentures, subject to employment on probation, and provides that during the probationary period an applicant for apprenticeship shall be paid at the rate of wages payable to a first-year apprentice. However, under subsection (1) of section 18, the Commission may admit an applicant with previous experience at any stage of the apprenticeship. The Commission points out that it might admit an applicant into the second year of a term of four or five years but, as the Act now stands, it would appear that he would be entitled to be paid wages at the first-year rate only. It is desirable that as a matter of justice this situation should be corrected, and therefore the Bill provides that such a person shall, from the date he is admitted to the later stage, be paid wages at the rate payable to apprentices at that stage.

Sub-clause (2) inserts new subsections to section 19, and provides that persons employed after probation expires may become apprentices. It relates to a situation which has given the Commission some concern because of the administrative difficulties that arise and also because of disadvantages that can be suffered by some applicants for apprenticeship when their indentures are not executed promptly.

Mr. Rossiter.

In many cases, the Commission has considerable difficulty in getting the parties to sign the indentures, perhaps because of a dislike for " paper work ", and it has therefore proposed that in appropriate cases the persons who have failed or neglected to sign shall be deemed to have done so. The Act allows a probationary period of three months, which may be extended to six months with the approval of the Commission. At the end of the period of probation, it is the responsibility of the employer either to execute indentures or to terminate the employment. The Bill provides that, where the employer fails to do either of these two things, the Commission may give one month's notice of its intentions; if the position remains unchanged at the end of that period, the Registrar will execute the indentures and the persons failing to sign will be deemed to have entered into those indentures.

Clause 5 inserts new section 29B in the principal Act, providing that, in certain circumstances, the Registrar may execute assignments. It introduces a similar measure in the case of the transfer of an apprentice from one employer to another and the assignment of the indentures accordingly. In some trades there is a considerable degree of movement of a kind which causes the transfer of apprentices from one employer to another. In these cases, unless the Commission is able to act fairly promptly, the situation can become very confusing and the apprentice may be placed at a disadvantage.

Clause 5 amends section 33 of the principal Act, and relates to the taking of legal proceedings under the Act. Pursuant to section 41, no proceedings may be taken for an offence except on a direction of the Minister or his delegates. This is similar to the provisions contained in the Labour and Industry Act, and successive Ministers have delegated authority for this purpose to the Secretary and Assistant Secretary of the Department of Labour and Industry, both with respect to the Labour and Industry Act and to the Apprenticeship

Act. Section 33 of the Apprenticeship Act makes it an offence for a person to employ an "improver"—that is, broadly, a minor who is not apprenticed—in any apprenticeship trade, but provides that no action shall be taken for such an offence unless the Commission so recommends to the Minister. Having regard to the delegations made under section 41, it is thought appropriate to delete from section 33 the words "to the Minister" so that the recommendation of the Commission shall be directed in any case to the person responsible for issuing the direction.

Sections 40 and 45 are amended by clause 6 which revises the penalties to be imposed for offences under the Act. The general penalty under the Act at present is a maximum of $40. It is proposed that this be increased to bring it into line with the general penalty provided by the Labour and Industry Act, which is as set out in the proposed sub-section (2).

Paragraph (*b*) of this clause relates to fines that may be imposed on apprentices by the Apprenticeship Commission for breaches of apprenticeship indentures or for failing to attend technical school classes, for which the maximum is at present $4. The amount of $4 was fixed in 1946, when this provision was first included in the Act. It was the legislation that provided for the present system of daylight training, which practically abolished compulsory attendances at technical school classes in the evening and provided for the technical school instruction to be given during the day time at the employer's expense. It was considered at that time that the Commission ought to be given some disciplinary powers for use against the occasional apprentice who did not "play the game". A maximum of $4 might have been appropriate in 1946, but, 21 years later, it is of little effect and the Commission suggests that the maximum amount be increased to $20, which is the amount contained in the Bill. The Government believes that, if there is to be a penalty—it is clear enough that there ought to be—it should be sufficient to act as a deterrent. The occasional case where an apprentice is given time off with pay to attend technical school classes, but plays truant instead of attending, or otherwise misbehaves, is one that ought not to go unpunished.

Clause 7 is purely a machinery clause amending section 43 which, with reference to the powers of inspecting officers under the Act, enables such officers to require the production of documents and to inspect and examine them and take copies of extracts therefrom. This is a power that is normally given to inspecting officers under regulatory Acts, and it is appropriate that it be included.

Sections 44 and 45, which are amended by clause 8, relate to the powers of the Commission to prepare draft regulations for submission to the Governor in Council and the powers of the Governor in Council to make regulations accordingly. Regulations may be made with respect to various matters, including "attendance by apprentices at classes for instruction". Some doubt has been raised whether this is wide enough to permit the making of regulations requiring that an apprentice enrol at such classes as well as subsequently attend them. If an apprentice has not enrolled, he is not permitted by the school to attend, and in this case it is doubtful whether proceedings could be taken against the employer for failing to allow his apprentice to attend. In order to resolve these doubts, it is proposed to redraft the regulation-making power as shown in the Bill.

These provisions have been presented to the House on the unanimous recommendation of the Apprenticeship Commission. There are some fields within my administration in which parties who are normally thought of as antagonists, have such common interests and display such mutual goodwill that they are able to find a great amount of common ground. The field of apprenticeship

is one of these, and I am very pleased that it should be so. I commend the Bill to the House.

On the motion of Mr. WILKES (Northcote), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, November 28.

ESTATE AGENTS (OBJECTIONS) BILL.

The debate (adjourned from November 14) on the motion of Mr. Manson (Minister of State Development) for the second reading of this Bill was resumed.

Mr. WILKES (Northcote).—This is a small Bill to amend the Estate Agents Act 1958. Its purpose is to place beyond doubt the right of a magistrate or Court of Petty Sessions, in certain circumstances, to refuse or to cancel the licence of a sub-agent under section 17 of the principal Act. It was brought to the notice of the Government that in one instance the police had opposed the granting of an application for a licence to a sub-agent on the ground that the applicant was in debt in his business to the extent of $3,000. The court deemed that the mere fact of the applicant being in debt did not in any way imply that he was an unfit character to hold a sub-agent's licence. Of course, this view was not held by the police, the Estate Agents Committee or anyone else. That is why the Government has introduced this measure, which proposes to add the words "or is otherwise not a fit and proper person to hold the licence" in the relevant provision in section 17 of the principal Act. This amendment will place beyond doubt the right of a magistrate in such circumstances.

The Government and the Opposition in this Parliament have always been conscious of the necessity to regulate the issue of sub-agents' licences. The Minister of State Development will recall that, when he was chairman of the Statute Law Revision Committee, that committee conducted an inquiry into the Estate Agents Act. At that time the committee pointed out the necessity for care to be taken in the issue of these licences, in the interests of the estate agents generally and of the public at large. Because it believes in these principles, the Opposition has no objection to the Bill.

Mr. McLAREN (Bennettswood).—I should like to refer briefly to one small matter related to this measure, which amends section 17 of the principal Act by adding certain words, relating to the grounds of objection to the grant of a sub-agent's licence. Having been chairman of the Estate Agents Committee, I appreciate the need for constant supervision in the regulation and registration of both agents and sub-agents. The matter I wish to advert to relates to persons who become old, almost senile. There has recently been an instance of this type. I suggest that the Government might consider this point, with the view of enabling the court to take senility into consideration in relation to the granting of licences.

The motion was agreed to.

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

YEA CIVIC CENTRE AND COURT HOUSE BILL.

The debate (adjourned from November 14) on the motion of Mr. G. O. Reid (Attorney-General) for the second reading of this Bill was resumed.

Mr. WILKES (Northcote).—This small measure is to validate or approve an agreement between the Minister of Public Works and the president, councillors and ratepayers of the Shire of Yea, which provides for the demolition of the Yea court-house and the construction of a civic centre on the site. The new building will contain, amongst other things, a court-house. The Opposition realizes the necessity for the ratification of the agreement by

Parliament, and for this Parliament always to have the right to approve or disapprove of such agreements.

The council of the Shire of Yea wrote to the member of the Opposition who was handling this Bill on behalf of our party but who unfortunately is not present at the moment. The council thanked the honorable member for his letter, and stated that whilst it had signed and sealed the agreement, the council had not received a copy of the Bill until my colleague sent one to the council. It went on to say that the proposed legislation did not vary from the spirit of the agreement and appeared to be satisfactory from their point of view. The council stated that the only point that needed clarification was the reference by the Minister in his second-reading speech to the Government's contribution being free of interest. The council claimed that it was paying interest on the money borrowed, and acknowledged that this would compensate the Government for agreeing to the use of the site for municipal purposes as well as the court-house. The shire is quite happy with the position. A civic centre will be erected in place of the court-house that is to be demolished, and this will be in the best interests of the people concerned. The Opposition does not oppose the Bill.

Mr. STOKES (Evelyn).—Yea forms part of the new electorate of Evelyn. I wish to make some comments on the ratification of this agreement by Parliament. The Deputy Leader of the Opposition stated that he had a letter pointing out that the shire council had not received a copy of the Bill. The position is that I sent to Mr. Frank Berkery, the shire secretary, copies of the Bill and the Minister's second-reading speech, and I have here his acknowledgment, dated the 17th November last. I should like to quote one or two small paragraphs from the letter. Mr. Berkery commenced by thanking me for the copies of the Bill which I had forwarded to him. The shire and the residents are all very pleased with the development, and grateful to the Government for making it possible for them to build the new court-house and civic centre. Mr. Berkery said—

> It is in keeping with the spirit of the agreement and to us it is a most gratifying moment after years of patient planning.
>
> However, it has been well worth while as the council has no doubt that this is the ideal site for the civic centre.

He referred also to the co-operation so readily given by the Minister when the approval was sought for the project and right through the whole of the negotiations. I should like to pay a tribute to the previous shire president of Yea, Councillor Alan Purvis, and the present shire president, Councillor A. J. Bett, both of whom played a considerable part in this development and will continue to do so. I should also like to place on record a further tribute to Councillor H. S. Long, who, as chairman of the council's building and planning committee since 1959, has borne the worry and burden of the scheme.

Those who have some knowledge of the development of Yea consider that the support and money given by the Government is more than worthwhile. The residents of Yea, unlike the residents of many other country towns, realize that the development and advancement of Melbourne is of real benefit to their area and other country areas. Yea is fortunately placed; because it is due north of the eastern suburbs of Melbourne and due north from Dandenong and the highway to the Latrobe valley, it will probably become part of the alternative main link road east of Melbourne. The first stage of this road through Dixon's Creek has been completed and the 40 miles of new road between Yarra Glen and Yea is proving to be a great success.

The SPEAKER (the Hon. Vernon Christie).—Order! The honorable member is getting away from the subject of the Bill, which refers to a civic centre and court-house.

Mr. STOKES.—I want to establish that it is obvious that this development will be of great value to

Victoria because of the importance of Yea. Recently the Government made it possible for the rich lands surrounding Yea in the Goulburn Valley to receive additional irrigation water to what was previously available.

The SPEAKER.—Order! The honorable member is opening up an entirely new subject. The Bill relates to a court-house and civic centre.

Mr. STOKES.—I also refer to these matters to illustrate that there is a great potential in the area. The citizens and the Shire of Yea are delighted that the Government and Parliament have supported this worth-while development, which is in the interests of this important Victorian country centre.

Mr. TREWIN (Benalla).—I was the Parliamentary representative for Yea when this project was started, and I assisted with some of the early work done by the Yea Shire Council. The fine efforts of the council over the years have now been brought to fruition, and I agree with the honorable member for Evelyn that the council is undertaking a worthwhile job in making a new civic centre available at Yea. About five or six years ago, an arrangement was made with the Country Fire Authority to establish the fire station for the district in another area so that the land on which the fire station at Yea was built would be readily available for the development of the civic centre. The old court-house is an historic building, but it is necessary that it should be rebuilt. It is pleasing to know that the Government has seen fit to amalgamate the court facilities with the civic centre, which already embraces a library and pre-school centre. I am sure that when the project is completed, the citizens of Yea will be proud of the efforts of the present and past councillors in developing this centre.

For old times' sake, I sent a copy of the Bill to the shire secretary. Although I did not ask for his comments, I know that he will be pleased that I remembered him. Despite the fact that the electoral boundaries of the district have been altered, the Country Party is still adequately represented in the area. I am sure that the construction of the civic centre will be another step forward in the continued progress of Yea.

The motion was agreed to.

The Bill was read a second time, and committed, *pro forma*.

Mr. G. O. REID (Attorney-General) presented a message from His Excellency the Governor recommending that an appropriation be made from the Consolidated Revenue for the purposes of this Bill.

A resolution in accordance with the recommendation was passed in Committee and adopted by the House.

The House went into Committee for the consideration of the Bill.

The clauses and the schedule were agreed to.

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

THE CONSTITUTION ACT AMENDMENT (GOVERNOR'S SALARY) BILL.

Sir HENRY BOLTE (Premier and Treasurer) presented a message from His Excellency the Governor intimating that, at the Governor's Office, on November 21, His Excellency had reserved the Governor's Salary Bill for the signification of Her Majesty's pleasure thereon.

MILDURA IRRIGATION AND WATER TRUSTS (AMENDMENT) BILL.

The debate (adjourned from November 14) on the motion of Mr. Borthwick (Minister of Water Supply) for the second reading of this Bill was resumed.

Mr. STONEHAM (Midlands).—Members of the Opposition offer no objection to this Bill, the principal purpose of which is to re-enact former section 122 of the Mildura Irrigation and Water Trusts (Amendment) Act. This is a most unusual procedure, and I cannot recall the

last occasion on which such a practice was adopted. Prior to 1954, court orders were made in respect of lands on which there were long-standing arrears of rates to enable the Trust to sell those lands, but the actual transfer has not yet been completed. Last year, in a Bill to amend the principal Act, section 122 was deleted to enable, in future dealings of this kind, the Trust to be placed on exactly the same footing as other water authorities throughout the State. However, to permit the Registrar of Titles to consummate the transactions, it is necessary that section 122 should be temporarily re-enacted. In the circumstances, the Opposition offers no objection to this procedure being adopted. The remaining clauses of the Bill contain machinery amendments in line with amendments recently made to the Water Act, with which the House is fully conversant.

Mr. WHITING (Mildura).—I could take this opportunity to deliver a long dissertation on the benefits of living in a place like Mildura and the water problems affecting this centre at the moment, but no doubt I would be ruled out of order. Therefore, I shall deal with the Bill.

The honorable member for Midlands has already stated that the purpose of this Bill is to correct a situation which developed after the Mildura Irrigation and Water Trusts (Amendment) Act was enacted last year by this House. It was found that the Registrar of Titles was not able to effect the transfers of the lands held by the Trust in 1966, and following upon that discovery there was criticism by Mr. Justice Gillard which prompted the amendment made last year to the principal Act. Subsequently it was found that the Act had been tightened too much and that the Registrar was still unable to effect the transfers. This is the basic reason for the amendment proposed by clause 5, and I trust that all honorable members will give their blessing to the proposal.

The other clauses in the Bill implement amendments made to the Water Act this session whereby the interest to be charged on arrears is increased from 6 per cent. per annum to 8 per cent. per annum, except in cases of hardship where the interest rate will remain at 6 per cent. per annum. I have no desire to further prolong this debate. The Country Party supports the Bill.

The motion was agreed to.

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

RICHMOND HIGH SCHOOL LAND BILL.

The debate (adjourned from November 14) on the motion of Sir William McDonald (Minister of Lands) for the second reading of this Bill was resumed.

Mr. HOLDING (Leader of the Opposition).—From the point of view of the electorate and municipality of Richmond, this Bill is a welcome measure; it culminates a struggle, which has now gone on for many years, for a high school in the area of Richmond. This measure is so welcome that I do not propose to make a lengthy speech saying how good it is. I am happy that it should proceed with some expedition. However, I feel that a number of matters should be raised at this stage.

The Bill deals with an area of some 6½ acres. In actual fact, more land is available in the area to the Education Department, as and when required. This land is at present the subject of negotiation. The land on which the school will be built is one of the most beautiful sites in Melbourne. It is located south of Bridge-road, and is bounded by the Boulevard on one side and the Yarra river on the other. Originally, during negotiations concerning the proposed new school, the Education Department stated that it required a minimum area of some 5 acres for the school. When the plans for the school were produced, it was found that the school had, in fact,

been sited on an area which was less than 5 acres—it was more like 3 acres. The northern portion of the site was occupied by a bowling club and an area was set aside for public parkland.

Acting with proper initiative and in conjunction with the Richmond Parent-Teacher Council, the Richmond City Council decided that the whole of this area ought to be available for educational purposes. Accordingly, the Richmond City Council made arrangements with the Richmond Bowling Club to move from the site allocated to it, leaving the whole area now available for educational purposes. I am conscious of the fact that certain discussions are now proceeding with the Education Department, but I am not clear why, when there is an area of approximately 9 acres available, the Bill refers to an area of only some 6½ acres. However, I have no doubt that this deficiency can be rectified before the Bill is dealt with in another place. The Richmond City Council regards the whole area as being available for use by the children who will attend the proposed new high school.

So far as the erection of the high school is concerned, the people of Richmond take the view, correctly I believe, that it will probably be the most significant building to be erected in this area for many years to come. The new high school will be the apex of the educational system that exists in the district. As I have stated previously in this House, Richmond is a low income area and, as a result, it will not be possible for the parents to provide all of the facilities that are provided by way of parents' contributions at other levels of our education system. I hope that in its planning and thinking about the Richmond High School, the Education Department will take into account that the children come from a low income area and that this will be complemented by the nature and quality of the structure.

Mr. WHEELER.—Do you want special privileges for Richmond?

Mr. HOLDING.—Yes, and I make no apology for adopting that attitude. The problem with the honorable member for Essendon is that he is not prepared to recognize, no matter how often it is stated, that there is gross inequality in our educational structure. As I have stated recently in this Chamber, that is true not only of the State educational system, but also of the private educational sector.

Mr. WHEELER.—We do not believe you.

Mr. HOLDING.—I do not know what it would take to convince the honorable member for Essendon. All modern educationists are aware that this situation is a most pressing problem in education to-day, and Parliament can only subscribe to the concept of equal educational opportunity for all by providing more and better facilities for children in the community who need it. Equality of opportunity means that more opportunities are given to those who might not otherwise have them. Therefore, I do not make any apology for saying that I believe this is a unique opportunity for Parliament and the Education Department to provide a structure which will reform and re-orientate the whole of the educational thinking as it is applied in the inner industrial areas.

The site which has been selected for the new high school is a first-class one. The Richmond council, the Richmond Parent-Teacher Council and the citizens of Richmond—the honorable member for Hawthorn would want me to include also the citizens of Hawthorn—have spent many hours thinking of and planning for this school and, by virtue of their efforts, which have made the high school possible, they are entitled to a first-rate structure.

I conclude on this note: It is important to realize that this high school would not have been built unless the Richmond council had made the land available for it. That is something which might impress the honorable member for Essendon. When the Education Department decided that it wanted to build a high school in this

area, the first major obstacle to be overcome was the problem of the prohibitive cost of the land in this area. The Department found that, in terms of cost, the acquisition of an area of 5 acres in the electorate of Richmond was absolutely prohibitive.

I should add that a minimum valuation of the land now available to the Department would be in the vicinity of several hundred thousand dollars. That being so, I should have thought that it was proper for the Department to take account of the fact that the efforts of the council have paved the way for the Department to build a structure of which the citizens and the Department can feel proud. Accordingly, I commend the Bill to the House and wish it a speedy passage.

Mr. JONA (Hawthorn).—I do not propose to speak at great length on this measure but, as this area of land is situated in the electorate of Hawthorn, I should like to say a few words. I take the opportunity of expressing to the Minister of Education, on behalf of all those who for many years have made representations for the establishment of a new high school in the area, their gratification and satisfaction at his response, which has led to the introduction of this Bill.

I endorse the remarks of the Leader of the Opposition regarding the area of land on which this school will be located. It is ideally situated, well serviced by public transport, and centrally placed in relation to the various State schools situated within Hawthorn and those areas on the western side of the Yarra river from which students will come.

Although the school will no doubt experience many growing pains and difficulties, I trust that it will be not only symbolic but also representative of the tremendous growth of high school activities and development in this State which have taken place particularly during the past twelve or thirteen years. It will provide increased opportunities for students in eastern suburbs to undertake secondary education under conditions which not only meet their needs but also are in line with modern thinking. I trust that the school will have a long and successful life, and that it will leave its mark on the secondary school system in this State.

The motion was agreed to.

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

COUNTRY FIRE AUTHORITY (NOTICES) BILL.

The debate (adjourned from November 15) on the motion of Mr. Manson (Minister of State Development) for the second reading of this Bill was resumed.

Mr. STONEHAM (Midlands).—This is a small but nevertheless important Bill, particularly at this time of the year, because its enactment will facilitate the work of the authority in having dangerous fire hazards cleared from land the owners or occupiers of which are unknown to the proper officer.

The Bill sets out a simplified but, in our opinion, fair system under which the notices shall be published. It will greatly reduce costs and will in every way facilitate the publishing of these notices.

We on this—the Opposition—side of the House share with members of the Government and members of the Country Party a desire to do everything possible to facilitate the work of the Country Fire Authority and of the municipalities in their task of having hazards removed. Consequently, we are in favour of this Bill.

Mr. TREWIN (Benalla).—The Country Party supports the measure. Only two years ago, amendment of the Country Fire Authority Act was necessary to cover certain situations that had arisen over the previous few years, and an amendment is now required to make provision with respect to some owners who still do

not remove fire hazards and whose places of abode may not be known to councils of the municipalities in which the land they own is situated.

The proper officer of a municipality is usually the shire engineer, and he has the responsibility of seeing that fire hazards are removed. I think that he always seeks the assistance of the local fire brigade, and this involves the brigade and the municipality in certain expenses. These expenses have been difficult to collect. The absentee landowner may not know that a notice was inserted in the local newspaper or that a fire hazard existed on his property. The expenses involved may approximate $18 and these must be paid by someone. The amendment will make this a charge against the land.

Problems may arise more particularly in the outer metropolitan areas where land was purchased years ago. The present owner may have no interest in maintaining it in a safe condition. A block of land that was once in an outer area may now be in a residential section and could constitute a fire hazard to neighbouring properties. This amendment will materially assist not only the municipalities but also the local fire brigades. Many volunteer firemen do an excellent job in the community and they should be afforded every assistance that can be given. My party supports the Bill.

Mr. MUTTON (Coburg).—The purpose of this measure is to amend section 41 of the Country Fire Authority Act and to streamline the existing regulations by giving a municipal council the responsibility of clearing a property which constitutes a fire hazard. The amendment goes only part of the way ; the onus is still left on the municipality to prove that a fire hazard exists. It would have been more effective to place the onus on the landowner and not on the Country Fire Authority or the municipality.

The SPEAKER (the Hon. Vernon Christie).—Order! This Bill relates only to the service of notices.

Mr. MUTTON.—That is so. I relate my remarks to the circumstances existing in the electorate of Broadmeadows, of which I am a municipal councillor. It is the responsibility of the proper officer of the municipality or the Country Fire Authority to travel around the various areas to see whether a fire hazard exists, and to serve notices. This involves tremendous time and expense. If the Government were prepared to place the onus on the landowner and not on the municipality, it would go a long way to ensuring that areas of land did not constitute fire hazards.

The SPEAKER.—The honorable member will appreciate that this is not relevant to the issue of notices. The question of whether or not there is a fire hazard is not the subject of this Bill.

Mr. MUTTON.—Paragraph (*b*) of clause 2 provides *inter alia*—

For sub-section (2A) there shall be substituted the following sub-sections :—

" (2A) Where the owner or occupier of any land or his place of abode is unknown to the proper officer who desires to serve any notice upon such owner or occupier or where the owner or occupier is believed by such officer to be absent from his land and the owner or occupier has no agent known to such officer and resident in Victoria the notice may be served by affixing it on a dwelling-house or in some conspicuous place upon the land but particulars of the material directions contained in the notice shall be published once in an abbreviated form as prescribed in some newspaper circulating in the neighbourhood of the land.

The SPEAKER.—The Bill relates to affixing of notices.

Mr. MUTTON.—The amendment has the specific purpose of streamlining the existing legislation. If the amendment placed the onus on the landowner and not on the municipality or Country Fire Authority, it would go a long way to assist those bodies. If you continue to rule me out of order, Sir, I can only abide by your ruling.

The SPEAKER.—It is fairly plain ; the honorable member must appreciate, as I am sure the House does, that the question of whether or not there is a fire hazard is an entirely

different subject. The Bill relates to the affixing and the giving of notice. I invite the honorable member to discuss that subject.

Mr. MUTTON.—Thank you, Sir, for your guidance, but your ruling does not permit me to discuss the main purpose of my contribution to the debate. I was under the impression that the provisions of this Bill were sufficiently wide to permit me to make my point. I support the Bill and I hope that, at some later stage, there will be a complete investigation of this subject, and that when a measure is introduced to cover the question of prohibited periods, I can make the contribution to that debate that I should like to make on this Bill.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2—

Section 41 of the Principal Act is amended as follows :—

. . . . . .

(*d*) In sub-section (5) after the words "interest thereon" there shall be inserted the words "and the amount of fees paid for the registration of the charge and the removal thereof and".

Mr. MANSON (Minister of State Development).—I move—

That, in paragraph (*d*), the word "and" where last appearing be omitted.

This small amendment, which removes the word "and" at the end of paragraph (*d*) on line 34 of page 2 of the Bill, is purely a drafting error. The word "and" already appears in sub-section (5) of section 41 of the principal Act, immediately following the words which paragraph (*d*) inserts in the sub-section.

Mr. TREWIN (Benalla).—I direct the attention of the Minister to the fact that paragraph (*d*) commences on line 36 of page 2 of the Bill, so that apparently there is an error in the honorable gentleman's reference to line 34.

Mr. MANSON (Minister of State Development).—The honorable member for Benalla is correct, and in order that the matter may be clarified I suggest that progress be reported.

Progress was reported.

RINGWOOD AND WARRANDYTE LANDS BILL.

The debate (adjourned from November 15) on the motion of Mr. Manson (Minister of State Development) for the second reading of this Bill was resumed.

Mr. WILTON (Broadmeadows).—The purpose of this Bill is to transfer certain Crown lands, which were reserved for recreational purposes, to the municipality of the City of Ringwood to enable that municipality to develop a civic centre, comprising municipal offices, as the first stage, and a city hall and other ancillary buildings, at a subsequent stage. In exchange for this land, the municipality has entered into an agreement to transfer to Her Majesty from the ownership of the city and its ratepayers certain other land for reservation for public recreational purposes.

The Opposition offers no objection to this Bill, as it involves only an exchange of lands to suit the convenience of the City of Ringwood and its ratepayers. I understand from the deputy town clerk of the City of Ringwood that the Crown land that is to be transferred to the municipality is at present undeveloped and that the council has over the years incurred some expense in an endeavour to keep the area tidy. It is an elevated site and is eminently suitable for the type of development that the city is planning. Under the proposed exchange, the Crown will retain an area of approximately the same size as that which is to be transferred to the municipality. As a result of the transaction, the local community will enjoy the benefits of a civic centre, which all honorable members will agree is important because such facilities enable worth-while activities to take place within a municipality.

In a municipality as progressive as the City of Ringwood, the provision of a city hall is an important step. My experience in the City of Broadmeadows has been that a tremendous change occurs when a council undertakes the construction of a city hall. For the reasons I have stated, the Opposition commends the Bill to the House.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (On surrender of land in the Schedule).

Mr. MANSON (Minister of State Development).—I thank honorable members for their indulgence and the speedy way in which the House has dealt with the Bill.

The clause was agreed to, as was the schedule.

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

JOINT SELECT COMMITTEE (ROAD SAFETY) BILL.

The debate (adjourned from November 15) on the motion of Mr. Manson (Minister of State Development) for the second reading of this Bill was resumed.

Mr. WILKES (Northcote).—The purpose of this measure is to establish a Joint Select Committee of both Houses to inquire into road safety in this State. In the past the Opposition has had a lot to say about road safety and measures akin to this subject. On this occasion, the Opposition believes that, in seeking to establish an all-party committee to inquire into this very important subject, the Government is taking a positive step.

Many people have shown an interest in road safety and many organizations have made suggestions relating thereto. The Government has received the advice of special committees—one of them quite recently—and I am sure that the State will benefit from the deliberations of this all-party committee if it functions as the Statute Law Revision Committee has functioned over the years. I have always considered that an all-party committee has the advantage of being able to listen without prejudice to advice and evidence relating to very important problems—in this instance road safety and the road toll. If other committees have failed—I do not suggest that they have—no doubt their members will be interested in submitting their views to the Joint Select Committee which is to be appointed.

An all-party committee can form an unbiased opinion and advise on the measures to be taken to deal with a particular problem. In the final analysis it will be Parliament, not the Government only, which will decide whether the committee's report is to be adopted. In the long run, the Government and the State of Victoria will benefit from the deliberations of the committee.

Mr. B. J. EVANS (Gippsland East).—The Country Party supports this measure. Road safety is a problem to which numerous people have given consideration and it is one which, unfortunately, affects many members of the community. As late as the past week-end, I had the unenviable task of helping to look after a couple of young fellows, who tipped over their car, for about three-quarters of an hour until an ambulance arrived. Fortunately, they were not seriously hurt.

It is a tall order to ask the committee to find a worth-while solution to road safety problems, but the committee system is one which should receive the commendation of this House. My experience leads me to believe that it is one of the most effective ways by which honorable members may be informed on any subject. Members of a committee become very well informed on the matters with which they deal. They are able to call before them people who are experts and who have given long consideration to the matters under review. A committee hears various viewpoints and different sug-

gestions on how to overcome a problem and, in course of time, its members become really expert on the subject and can usually make sound and worth-while suggestions. Every member of the community will wish the committee well in its deliberations on road safety. Certainly, every person in Victoria is anxious to see something done to reduce the serious road toll in this State.

The motion was agreed to.

The Bill was read a second time, and committed, *pro forma.*

Mr. MANSON (Minister of State Development).—By leave, I inform honorable members that the Bill cannot be dealt with immediately in Committee as the Governor's message relating to it has not yet arrived.

It was ordered that the Bill be considered in Committee later this day.

PORTLAND HARBOR TRUST (AMENDMENT) BILL.

The debate (adjourned from November 14) on the motion of Mr. Porter (Minister of Public Works) for the second reading of this Bill was resumed.

Mr. STONEHAM (Midlands).—The main purpose of this Bill is to broaden the interpretation of the word "grain" which, as it applies with respect to the grain terminal at Portland, is limited to meaning oats and barley. Clause 2 of the Bill provides that—

> In section 3 of the Principal Act for the interpretation of "Grain" there shall be substituted the following interpretation :—
>
> '"Grain" means oats barley or sorghum.'

Clause 3 provides, *inter alia*—

> After section 3 of the Principal Act there shall be inserted the following section :—
>
> "3A. (1) The Grain Elevators Board may from time to time by notice in the Government Gazette declare that this Act shall for such period or periods and subject to such terms conditions restrictions and exceptions as are specified in the declaration operate and have effect in relation to wheat as if any reference to grain included a reference to wheat.

Over the years, one school of thought has held that wheat should be exported from Portland. As I recall, the former distinguished chairman of the Grain Elevators Board Mr. Glowrey, for a long period, argued that, because of the restricted number of types of wheat which would be delivered to Portland from the immediate hinterland, the necessary blending of wheat could not be carried out there to fulfil the exacting desires of overseas purchasers. In his second-reading speech explaining the purpose of the Bill, the Minister of Public Works said—

> . . . if, through accident or any other reasons, the State's asset at Geelong could not be used, the Portland facilities would be barred until amending legislation could be enacted.

The Minister is asking the House to agree that wheat may be exported from Portland under these most unusual conditions. I suggest that this Bill may be the thin end of the wedge and that, ultimately, without any catastrophe occurring at Geelong, wheat will be exported from Portland. Mr. Glowrey's argument concerning the need to blend various types of wheat is valid. If Portland is to be used for this purpose, it will be necessary to strengthen the railway network converging on the port to permit wheat to be brought from various areas so that it may be blended there in order that overseas customers may receive the blend they desire.

The Minister also said that inquiries had been made regarding export shipments of sorghum during May and June of 1968. I have been unable to obtain any definite information about this matter, and I do not know how the proposed export of sorghum would come about. I have heard it suggested that Japanese interests are sponsoring the growing of sorghum in an area from which it would be convenient to export from Portland. The production of sorghum would prove beneficial, because it would result in a diversification of our agricultural pursuits. Honorable members, generally, would welcome that development. If the Minister has any information about this, I ask him to reveal it to the House to-day because his comment has aroused great interest.

It was my honour, as a member of a Labor Government, to take to Portland two very distinguished experts on the construction of ports. It was wholly and solely as a result of their examination of the problems which had existed there for a long time, and their report on what could be done, that the harbor of Portland was developed, with the magnificent facilities available there to-day. The Labor Party is jealous, indeed, to safeguard the development of this port, and it supports the Bill.

Mr. BUCKLEY (Lowan).—The port at Portland was officially opened in 1965 for the despatch of bulk grain. In the following two years, because of drought conditions which were, of course, beyond the control of the Harbor Trust Commissioners, the expected export of grain did not occur. At present, the Act does not permit the export of grains other than oats and barley from Portland. By allowing the export of other grain, this Bill will be beneficial to the State as a whole and will assist the development of the port. The Country Party supports the measure.

Mr. TREWIN (Benalla).—Because I live in a consistent grain-growing area of the State, I usually take the opportunity of participating in the debate on measures which relate to the handling of grain. The port of Portland, which is situated some 220 miles to the west of Melbourne, handles a good deal of the export oat crop from the north-east of the State. This amending Bill is necessary because overseas interests are seeking an area, in close proximity to a port, which would be suitable for the production of grain sorghum. The area selected by the Japanese interests is in the Riverina, north of the River Murray, where grain sorghum will be grown under irrigation. It is expected that 40,000,000 bushels of grain sorghum could be produced in the Riverina.

In view of the fact that the only port facilities in Victoria for handling grain are at Geelong and Portland, and that the Geelong system is used almost wholly for the export of wheat, the Portland authorities have consented to handle sorghum, when it is available, through the local port. The production of sorghum will prove beneficial, first, to the port of Portland, secondly, to the irrigators in the Riverina, and, thirdly, to the overseas interests who look upon this wonderful country as a place in which grain can be produced in unlimited quantities as food for human beings or as stock food. Honorable members may be aware of the fact that a large quantity of grain sorghum is produced in Queensland and northern New South Wales, and that some of that grain is exported to Japan. Further sorghum projects are planned in the northern part of Australia.

The sorghum industry in Australia is being developed by Japanese interests. Victoria will be able to share in this new industry in which production will be made possible by irrigation waters from the Snowy Mountains area which, I hope, will continue to boost production not only of grains but of other products.

Mr. FENNESSY.—What do you mean by Japanese interests?

Mr. TREWIN.—The grain sorghum will be exported to Japan, just as wheat is exported to that country. I understand that the grain sorghum will be produced under contracts similar to those which apply to the production of rice in the Griffith area, where growers have a certain amount of water available to their properties for rice production. A similar system will apply to the sorghum grown in the Riverina.

The disposal of the grain sorghum has been assured by the demand in Japan for grain sorghum as a stock feed. Hence, this industry will develop with a secure market, although sorghum must be grown on a restricted basis because, as honorable members will appreciate, the industry could not be allowed to expand to such a degree that it would flood the good market that is available in an overseas country. The Country Party is pleased that this measure is

before Parliament. We trust that the production of grain sorghum will prove a successful venture and that, along with other commodities handled at the port, the port of Portland will develop and take a prominent part in the development of the western part of the State.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 relating to the definition of "Grain".

Mr. PORTER (Minister of Public Works).—The question asked by the honorable member for Midlands concerning the areas where grain sorghum would be grown was answered by the honorable member for Benalla. Japanese interests have entered into contracts with prospective growers in the new irrigation areas in the Riverina. Under these contracts, if a grower sows a certain number of acres, the Japanese interests will buy the whole of his crop. The sorghum will be sold to Japan. The port of Portland has been selected for this traffic because the Portland Harbor Trust Commissioners, who were aware that this move was taking place, did their best to attract the business to their port, for which I give them full credit. From memory, I think the Japanese firm of Mitsui is concerned with the production of grain sorghum here and its agent in Victoria is Australian Cement Limited.

Mr. TREWIN.—It has a few others.

Mr. PORTER.—That is so, but Australian Cement Limited, in the main, has been conducting the negotiations. All honorable members will give their blessing to this new venture, and hope the undertaking being embarked upon by the growers concerned and the port of Portland will prove successful. My only fear is that as a result of the current dry season the venture may not be quite the success that it could otherwise be.

The clause was agreed to, as was clause 3.

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

COUNTRY FIRE AUTHORITY (NOTICES) BILL.

The House went into committee for the further consideration of this Bill.

Discussion was resumed of clause 2, providing, *inter alia*—

Section 41 of the Principal Act is amended as follows :—

. . . . . .

(*d*) In sub-section (5) after the words "interest thereon" there shall be inserted the words "and the amount of fees paid for the registration of the charge and the removal thereof and".

and of Mr. Manson's amendment—

That, in paragraph (*d*), the word "and" where last appearing be omitted.

Mr. PORTER (Minister of Public Works).—When this clause was previously under consideration, my colleague, the Minister of State Development, explained the amendment which he moved and, in doing so, he referred to line 34 of page 2 of the Bill. The honorable member for Benalla pointed out that the printed amendment, which had been circulated to honorable members, referred to line 36 of page 2 of the Bill. The amendment has been redrafted in correct form to cover the position.

Mr. TREWIN (Benalla).—I think the confusion arose because the lines on page 2 of the Bill were incorrectly numbered; line 30 was wrongly numbered 35.

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

The Bill was reported to the House with an amendment, and passed through its remaining stages.

WEIGHTS AND MEASURES (PRE-PACKED ARTICLES) BILL.

Mr. PORTER (Minister of Public Works).—I move—

That this Bill be now read a second time.

The main purpose of this Bill is to give effect to an agreement which has been reached for Australia-wide

uniformity of weights and measures law dealing with packaged goods. The principal object of such law is to give buyers of packaged goods reasonable means of assessing and comparing quantities of goods contained in packages. To achieve this, two main methods have been used, the first being of very wide application and consisting of a requirement that packaged goods be marked with statements of the quantities contained in the individual packages. The second method is used to supplement the first one, rather than to replace it, and consists of requiring that certain goods be packed only in packages holding specified quantities, such a requirement being commonly known as standardization of packages.

In some cases, standardization of packages can be carried to a point at which many prospective purchasers would be able to tell the denomination of which a package purports to be merely by considering its size, without looking at the statement of quantity on it; an example would be provided by goods of a kind permitted to be sold only in packages of 4 oz., 8 oz., or 1 pound, which would also make it very easy to compare prices per unit weight of packages of different denominations or offered by different suppliers. For a variety of reasons, it is not usually practicable to apply so drastic a form of "standardization" but, for obvious reasons, it is still very much easier to compare prices per unit weight for, say, 6 oz. and a 10-oz. package than it would be for, say, two marked as containing 5⅝ oz. and 10-3/16 oz. respectively.

Although there has been general recognition of the desirability of requiring the marking of packaged goods with statements of quantity and of the standardization of certain packaged goods, there have been very considerable differences in the requirements of different States. The marking requirements have varied in regard to such matters as the size of print required and the units of weight or measure which could be used in expressing the quantities. The differences in regard to standardization have probably been greater than with marking; for example, Victoria has given a total exemption from standardization for goods in metal packages such as tins whereas this general exemption was not given in other States, although there were some exemptions for specific tinned goods. The Victorian exemption was consistent with a recommendation of the Hodgson Committee on Weights and Measures, whose report was presented to the British Parliament in 1951.

The differing requirements in the various States of Australia were, and still are, extremely frustrating to manufacturers and packers operating on a national scale. It would be an illusion to think that consumers do not have to meet at least a part of the extra costs resulting from the need for packers to allot different forms of labelling and packaging in different States. In 1959, an informal conference of weights and measures officers of all States recommended the development of a uniform code to deal particularly with standardization.

There has been complete general agreement in regard to the desirability of uniform law on these matters but serious differences in regard to the desirable form of such uniform law became apparent. In 1962, the Chief Secretary of this State put the view to a conference of Commonwealth and State Ministers that, as many of the current requirements had their origin many years ago, the time was opportune for a thorough investigation of the factors affecting packaging, with special reference to more modern techniques. The Chief Secretary then offered, on behalf of this State, to arrange for the holding of a public inquiry into such matters. This offer was accepted, after which Mr. W. J. Cuthill, stipendiary magistrate, was appointed as a Board of Inquiry by the Executive Council. Mr. Cuthill made an extremely

thorough inquiry, hearing many witnesses, making an extensive survey of relevant legislation both in Australia and overseas and also visiting a number of factories where packaged goods were prepared for the market.

Mr. Cuthill's report of over 2300 pages was presented to this Parliament in 1964, after which Ministers and weights and measures officers of all States gave further concentrated attention to the matter. A packaging code was produced, amounting to something in the nature of instructions to Parliamentary draftsmen; this code was made available to such bodies as Chambers of Manufactures and has received some modifications, without however affecting its basic general requirements. The necessary drafting of a uniform Bill was done by a drafting committee comprised initially of legal officers from Queensland, South Australia and Tasmania; the South Australian officer, however, accepted another appointment when part of the work had been done, and the drafting was then completed by the Queensland and Tasmanian officers.

The work of the drafting committee was carried out in association with senior weights and measures officers of all States and of the Department of Trade and Customs which watched Commonwealth interests in the matter, particularly from the point of view of its own obligations in regard to controlling the admission of goods into Australia but also from other points of view; for example, in connexion with ordinances in Commonwealth Territories, to cover the same ground as State weights and measures Acts and regulations in other parts of Australia. The National Standards Commission, although having a broad general interest in Weights and Measures work of all kinds, does not have a direct specific interest in weights and measures law regarding packaging; in the negotiations leading to the development of the uniform weights and measures packaging law, the Commission has however given major assistance, by providing a secretariat and also by co-ordination of the various activities and by assisting in reconciling different points of view.

Earlier this year, a stage was reached at which the officers concerned in this matter were able to report that very substantial agreement had been reached in regard to the recommended form of legislation, and Ministers of the Commonwealth and of all States met in May last to consider the matter. In general, the Ministers were satisfied to approve of the recommendations of the officers but they did think it necessary for them to give some further directions, largely in relation to matters on which the officers had sought directions on policy. Following this the drafting committee produced a new draft of a uniform Bill, which forms the basis of the relevant parts of the present Bill.

The uniform draft Bill was prepared and accepted on the understanding that individual States would have a discretion as to whether they made the draft Bill the basis of an entirely separate Act or whether they amended existing State weights and measures legislation in a way which would produce the same effect. The current Bill follows the latter course; the former course would have necessitated extensive amendment of the present Weights and Measures Act to modify or repeal provisions rendered redundant by the new law or inconsistent with it.

To a very large extent, the present Bill substantially repeats provisions in the existing weights and measures law, although frequently with considerably different verbiage. It does not seem necessary, at the present stage, to examine in detail provisions of the Bill which do not involve any changes of principle, but I do propose to outline the directions in which the main changes are proposed.

I would say, first, that assurances have been given to trading organizations that no packages which could legally be sold immediately before the time of commencement of the

new packaging law would be rendered illegal for at least twelve months thereafter, although anything permitted by the new law would become acceptable immediately. It is thought that this transition period should be sufficient, in general, to avoid hardship to bona fide traders, but it is intended that there be means of extending this period should a real need for it be demonstrated to exist in regard to particular classes of goods. To some extent, effect is given to these undertakings by such provisions as the proposed new sections 82E.(6) and 82F.(6) and also clauses 2 and 4 of the Bill. This undertaking will, however, also be kept in mind in the preparation of necessary new regulations under the present Bill and in determining dates to be fixed by administrative actions such as proclamations of commencement of operation of sections and matters on which Ministerial directions are to be given.

Another matter of a general nature is that some selective increases in penalties are proposed. For example, while the present general maximum penalty for breaches of the Weights and Measures Act or regulations is a fine of $100, the proposed new section 82H provides for a penalty of $200 for a first offence of giving short weight or measure and of $400 for a second or subsequent offence. A further general point of difference between the Bill and present Victorian weights and measures law is that the Bill does not retain the distinction between wholesale and retail sales.

Turning to more specific points, I point out that the proposed new section 82D requires packages to be marked to enable the packer to be identified either by an actual statement of name and address, or by means of an approved brand which would be in the nature of a code mark. Section 74 of the present Act places certain responsibilities on the manufacturer or packer if his name and address appear on the package, with a corresponding reduction in responsibilities of a re-seller; the existing section 74, however, does not require the manufacturer or packer to be indentified by a marking on the package.

The new section 82G empowers the Minister to issue permits for the sale of packaged goods not complying with the relevant provisions of the Weights and Measures Act or regulations. It is anticipated that this power would be sparingly used but it is nevertheless considered desirable to provide it, as experience has shown that the complete inflexibility of the present law can be a source of embarrassment in cases of minor infractions or, perhaps, the first consignment of some new kind of packaged goods. Under the present Act local authorities clearly can not be directed to disregard any breach of the weights and measures law, even though the matter may be of a very technical nature and the traders concerned may be regarded as bona fide without any intention of deceiving the public. It is believed that, in general, local authorities take a reasonable administrative attitude in regard to such matters but their inspectors can nevertheless feel understandably concerned at suggestions that they should disregard laws which it is their duty to enforce, even though they may be personally of opinion that such laws are unnecessarily stringent in particular circumstances. The proposed new section 82H has the effect of making prosecutions for minor average deficiences of weight or measure possible only if the average is based on at least six packages, although it continues to be possible to prosecute for gross deficiencies in even single packages.

Weights and measures administrations have long found it a problem to know how best to deal with goods liable to diminution of weight, usually by reason of evaporation of moisture during storage. Sub-section (4) of section 73 of the resent Act has dealt with such matters by permitting any goods subject to such diminution to be marked in terms of "net weight when packed", with

the effect that the effectiveness of the inspection which could be exercised over such goods is greatly reduced. The proviso to the present sub-section (4) of section 73 has been intended to improve the effectiveness of this inspection but, its application having been found difficult, the power given by the proviso has not been exercised. The proposed new section 82I applies considerably more restrictive provisions to "net weight when packed" markings, which should considerably increase the effectiveness of the control which can be exercised by the administration, in the interests of consumers.

The new section 82J is to prohibit completely the use on packages of expressions such as the "big gallon" which imply that a particularly large amount is being given for a particular unit of weight or measure which is of course actually of a fixed quantity. The section also gives power to restrict the use of certain other expressions, which it is considered could include such words as "economy size" or "giant" unless the actual quantity in the package is stated prominently in association with the restricted expression.

The new section 82K makes a principal liable for the acts of his agent and the new section 82L makes an employer liable for offences by his employees.

The proposed section 82M introduces an important new principle, in making the consent of the superintendent necessary for the prosecution of offences relating to pre-packed articles—other than in relation to short weight or measure. The object of this provision is to remove a frequent source of present embarrassment, in that the Superintendent of Weights and Measures is frequently asked by traders for statements as to whether or not particular packages comply with the weights and measures law. The superintendent has to reply that, while he is quite willing to examine packages or labels brought to him and to give an opinion in regard to their compliance or otherwise with the Weights and Measures Act and regulations, he cannot—even in cases where he takes a favourable view of such packages or labels—give any assurance that local authorities and the inspectors employed by them will take the same view. The local authorities are entitled to institute proceedings in regard to such matters without the consent of the superintendent or even informing him of their intentions; in any such prosecution, a court would give its decision on the basis of its own interpretation of the law, which would not necessarily be consistent with any view which might have been expressed by the superintendent.

This is obviously highly unsatisfactory from the point of view of traders generally, and particularly of those who are contemplating undertaking major projects involving the use of packages of some particular kind. The problem has been accentuated by reason of the fact that there is a clear desire for ability to give assurances of Australia-wide acceptability of particular forms of packages. This new provision does not empower the superintendent to give legal interpretations overriding those given by the courts but, from a practical point of view, it will empower the superintendent to give satisfactory assurances of freedom from prosecutions in respect of packages which are regarded as complying with the uniform packaging law. It is not expected that this power would be exercised, other than in connexion with packaged goods in respect of which assurances of acceptability have been given. In the proposed section 82O, arrangements are proposed to give a prospect of reciprocal action between States, to facilitate the prosecution of interstate offenders against packaging law.

Paragraphs (*d*) of sub-clause (2) of clause 3 provides for an increase in the responsibilities of directors of corporations, in regard to compliance

with the requirements of the Weights and Measures Act and regulations. Such a provision occurs in the uniform draft Bill dealing with packaging, but it has seemed logical to make it apply to offences of all kinds under the Act. The uniform draft Bill, however, has appeared to be unduly onerous in this respect, in that there would appear to be a possibility of a director being charged under it, in respect of an offence actually committed by an employee of the company and of which the director could not possibly have had any personal knowledge. The director would have a defence in such a case, but it seems unfair that he should be put to the trouble, indignity and expense of being put in the dock in these circumstances. The words "knowingly and wilfully" have therefore been inserted, to remove this risk.

Although the Bill deals mainly with packaging, the opportunity is being taken of making several other amendments which experience has shown to be desirable. The first of these additional provisions occurs in clause 5, which makes it possible for the central administration to be authorized to undertake prosecutions which are impracticable for the local administration. This is proposed, because the present Act is considered to require all prosecutions in connexion with the sale of goods to be carried out by the local administration, except in so far as the offences may be detected in the course of general supervision of the local administration. In practice, it would seldom, if ever, be practicable for the local administration to undertake a prosecution in connexion with the weighing or measuring of some kinds of goods by means of weighing or measuring equipment, the verification of which is a function of the central administration. For example, the local administration is not likely to have the necessary standards and auxiliary equipment to deal effectively with complaints alleging short measure in large deliveries of liquid petroleum products or short weight of gold or other precious metals. The new provision is intended to provide means of rectifying this position.

In an amending Act passed earlier this year, a provision was inserted to ensure that weighing and measuring equipment which had been previously stamped was not rendered ineligible for further stamping by reason of "approval of pattern" requirements. In general, it is still thought proper to recognize these "ancient rights", but cases have arisen in which unsatisfactory features of some previously-stamped instruments had come to notice, leading to the view that there should be provision for some modification of such "ancient rights". Such provision is provided by clause 6, which also empowers the Minister to deal with certain possible emergencies arising from "approval of pattern" requirements. The Local Government Act requires suitable security in connexion with the work of any officer handling money on behalf of a municipality. Clause 7 extends substantially the same provisions to secretaries of weights and measures unions.

Complaints have been received in regard to the sale of truck-loads of commodities such as fertilizers; it has been alleged that some sales purporting to be on a basis of weight have been made, without the sellers having in fact any means available for weighing the material. Clause 8 is intended to deal with this position; the proviso is intended to cover certain special cases as, for example, where goods are weighed on a public weighbridge or where the weight or measure of the goods is determined by the buyer. In connexion with the complaints referred to, there has also been an administrative problem in that there has appeared to be considerable doubt in regard to the powers of an inspector to require goods, other than firewood, on a vehicle to be transported for the purpose of being check-weighed. Clause 9 is intended to rectify this defect.

As indicated, the main purpose of this Bill relates to packaged goods. In Australia-wide uniform legislation, it is inevitable that some element of compromise has to be accepted. The negotiations leading to this Bill have been somewhat protracted, due in part to a strong view held and pressed on behalf of this State that the whole of the relevant requirements of packaging should be critically examined in the light of modern needs, giving due regard both to the protection of buyers and to packaging methods which can be economically used having regard to materials, equipment and techniques which have become available in recent years. This has applied particularly in matters to be dealt with in the regulations relating to standardization of packages, in which connexion it has been agreed that, instead of generalized requirements with numerous exemptions, individual treatment should be given to different classes of goods, based on a careful examination of what is both desirable and practicable.

With the drafting in the hands of legal officers of other States, it was to be expected that there would be some differences of style as compared with usual Victorian practices. Also, as previously indicated, some compromises were essential if uniformity was to be obtained. Nevertheless, I am of opinion that the end result has been the production of drafts which should be accepted as a satisfactory basis of uniform weights and measures packaging law which will be of great benefit to manufacturers, packers, re-sellers and consumers throughout Australia. I therefore commend the Bill to the House.

On the motion of Mr. GINIFER (Deer Park), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, November 28.

WESTERNPORT DEVELOPMENT BILL.

The debate (adjourned from October 26) on the motion of Mr. Porter (Minister of Public Works) for the second reading of this Bill was resumed.

Mr. STONEHAM (Midlands).—As the Minister indicated in his second-reading explanatory speech, this is a most important Bill to the State of Victoria as a whole, and the Opposition sincerely regrets that it cannot agree with the manner in which the honorable gentleman and the Government have aproached the all-important question of developing, in the public interest, Westernport and the great potential of its environs. It so happens that the subject of developing Westernport goes back a very long way indeed, and without occupying too much time of the House on this particular aspect, I think it would be appropriate to refer to the 19th annual report of the Town and Country Planning Board of Victoria for the year ended 30th June, 1964. In a special section dealing with Westernport, the report, at paragraphs 155 and 156, states—

> From time to time proposals have been advanced for the conversion of Westernport into an alternative deep-sea port for Melbourne. Little has come from these earlier proposals, although the Royal Commission on Victorian outer ports of 1928 stated that Westernport possessed pre-eminent physical advantages for development of an overseas port as an auxiliary or even a potential rival to the Melbourne port.
>
> The report went on to comment on the complete freedom of ingress and egress in all conditions of weather; the great depths of water that existed in places of close proximity to the shore of the mainland, offering unrivalled advantages in the economic construction and subsequent maintenance of wharves for the use of vessels of any tonnage; sweeping expanses of fine anchorages; and the broad land areas suitable for storage purposes and manufacturing sites.

There is quite a long section dealing with the Board's view on the need to plan for the orderly development of Westernport, and at paragraph 163 it is stated—

The Board is of the opinion that a Parliamentary committee should be requested to investigate the potential of the Westernport area as a port in order that governmental guidance can be given to the local planning authorities. At present it would appear that local enthusiasm for a large-scale port of development is tending to overshadow the facts. In the interests of ensuring a minimum of speculative ventures some high level investigation should take place.

For once, the Government heeded the recommendation of the Town and Country Planning Board, and the State Development Committee was asked to investigate, under quite extensive terms of reference, what form this future development should take. The relevant report was furnished in March of this year. The members of the committee could not, of course, possibly be criticized for the promptitude which they displayed in furnishing the report, but it so happened that the report was completely mistimed, because very soon after its lodgement plans were revealed by big overseas interests—some of them in conjunction with local Australian interests—for big industrial developments including the establishment at Westernport Bay of a fractionation plant to deal with the by-products of natural gas that had been discovered in Bass Strait, and so we have this report. It is ludicrous to measure the very worth-while and well-merited recommendations which the committee made at that time against a situation that exists to-day because of the phenomenal development that has been launched in the meantime, and I merely wish to refer briefly to the recommendations of that committee. Recommendation No. 1 was—

That the establishment of further port facilities at Westernport be deferred until there is firm evidence that industrial development economically justifies such facilities.

Immediately upon the lodging of this report, announcements were made of a tremendous natural gas development that had been launched, and

I now proceed to recommendation No. 2, which is as follows :—

That, if and when further port development for cargoes other than petroleum products is assured—

I emphasize those words—

the appropriate port facilities be provided at Long Island, approximately one mile north-east of Hastings. This site is close to the deep water channel and is also sufficiently removed from the dangerous cargoes being handled at the oil terminal at Crib Point.

What the Government proposes in this Bill is a complete negation of that recommendation. The State Development Committee rightly argued that in view of the fact that the BP Refinery had been established at Crib Point in accordance with the carefully prepared plan that the Shire of Hastings had drawn up, with the support of eminent professional advice, no industrial development relating to petroleum products should take place at Long Island, but should go to Crib Point. Contrary to all the planning that had taken place, the Bill provides that the fractionation plant is to be built at Long Island, the very place which the State Development Committee said an industry of that type should not be located.

Obviously all the sincere and proper efforts of the Shire of Hastings, the Town and Country Planning Board and other people to plan the development of Westernport in the interests of the State and of the public are being torn up and trampled under foot at the behest of big vested interests from overseas. Of course, that is a familiar story. Another example of this is the unfortunate case of the manner in which this Government handled the Alcoa affair some years ago. One would think that, following that experience, the Government would not have allowed itself to be so completely and pliably used to serve the interests of large overseas companies contrary to the public interest. Most of the initiative has come from big overseas companies such as the Esso section of the Esso-B.H.P. partnership which is proposing to develop natural

gas and its by-products. The fourth recommendation of the State Development Committee was—

That planning should provide that sufficient areas commensurate with the type of port and industrial development, and associated communal development ultimately envisaged, be included in rural zones for the time being.

It is of interest to refer to the transcript of a deputation to the Minister of State Development on 29th June of this year and to the remarks of the Honorable A. J. Hunt, M.L.C. According to the official transcript of that deputation, Mr. Hunt emphasized the following points:—

That the land marked yellow on the plan was zoned for public purposes—namely port facilities—and that these facilities would be open to "all-comers". Despite the zoning, the companies had purchased this land and the fear was that the purchase of land zoned for public purposes could defeat the very purpose of the zoning. The fear was that the only facilities to be provided would be facilities to suit the present companies only and that future development of further facilities would thereby be prevented.

A leading member of the Liberal Party here is on record as having said that the development of the great national asset of Westernport Bay in the public interest was to be completely bypassed because some enterprising people from overseas purchased land, which everybody thought had been reserved for public purposes, and then confronted the Government with a *fait accompli*. The Government was foolish enough to accept their submissions on this basis and has now presented a Bill to validate the agreement that these bushrangers have perpetrated, thus denying the people of Victoria their rights from the fruits of the development of this extremely valuable national asset.

I intend to submit an amendment that the second-reading debate on this measure be not proceeded with at this stage. I pay a tribute to members of the State Development Committee for the excellent report which they presented to Parliament in March of this year. However, the circumstances upon which they reported are so completely different from the existing situation that it is obvious that if the Government is sincere and has any intentions of heeding the words of the Town and Country Planning Board it will quickly set up a further investigation.

I shall quote from the letter which the Shire of Hastings sent to the Minister on 23rd May of this year. The letter is signed by Mr. L. A. Walker, the shire secretary, and reads—

In view of the recently announced developments proposed for the Long Island area of Westernport Bay, my council considers that firm action must be taken at this early stage, to ensure that this magnificent harbour is properly planned to be of the greatest benefit to the State in the future.

Under the Town and Country Planning Act, the council has sufficient powers to properly plan the use of the land mass adjacent to the port, but the big problem will be to co-ordinate the planning of the port facilities and waters of the Bay with the surrounding land. It is therefore suggested that the closest co-operation will be required between the Ports and Harbors Branch of your Department, and the council.

I have been instructed to place before you, the following resolution of the Council, and to seek your assistance in implementing the suggestions contained therein.

"That this council requests the Minister for Public Works, the Honorable Murray Porter, M.L.C.,

1. To carry out a complete investigation into the future planning of Westernport harbour, to ensure that the port is planned properly to allow future economical development to serve the public of Victoria as a whole, and not to be reserved exclusively for a small number of industries.

2. To recommend that the State Government adopt a policy to closely co-ordinate land use and town planning with proper use and planning of harbour and port facilities in Westernport.

3. The Government to give urgent consideration to the necessity for setting up a Westernport Development Authority by legislation, to ensure the proper planned economic development of the whole of the Westernport region, including the harbour and port facilities".

The Shire of Hastings has now changed its attitude, and it cannot be said with certainty at this stage what influenced the shire in this regard. In the past, the shire, in keeping with the plan which it so carefully prepared after seeking the best expert advice available, has strongly argued that any industry related to petroleum should

be located at Crib Point and that the Long Island area should be reserved for other purposes. However, the Bill represents the negation of everything the shire and every acknowledged planning expert in this State said in regard to this matter.

In the meantime, by devious means, Esso-B.H.P. and other big vested interests which seek to by-pass the public interest have succeeded—as they knew they would—in getting this Government to kow-tow to them. At the same time, the Government has been able to induce the Shire of Hastings to withdraw its objections to this most obnoxious plan. Therefore, members of the Opposition consider that the Public Works Committee should, because of the tremendous industrial development which is now planned in the area, undertake an investigation into the matter. We certainly do not wish to torpedo any soundly based schemes for development, but we hope the Minister will accede to our suggestion in this regard. There is no need for the matter to be delayed for a long time because the Public Works Committee could submit a report fairly quickly. We are satisfied that the action proposed by the Government in validating the agreement is not in the interests of the people of Victoria, and that if this plan is carried out it will be a gross betrayal of the public interest.

The preamble to the agreement states, *inter alia*—

> II. The State, for the purpose of encouraging decentralization, desires to facilitate the establishment of the said plant.

This is ridiculous and a misrepresentation of the fact that the fractionation plant to be established at Westernport Bay will be a decentralized industry.

Mr. PORTER.—Do you want it in Melbourne?

Mr. STONEHAM.—If it were possible for the plant to be established in Melbourne and the Government was deliberately establishing it in the Westernport area, the industry could qualify as a decentralized industry, but no sane person would postulate the idea that this industry should be established at Port Melbourne, inside Port Phillip Bay. It could not possibly be established in the Melbourne area.

Mr. PORTER.—Why not?

Mr. STONEHAM.—The people of Victoria would not stand for it. However, this provision appears in the preamble to the agreement, so that the "poor" Esso company, whose parent, the Standard Oil Company of New Jersey, makes $4 billion profit a year, can be subsidized by concessions from the Shire of Hastings. When a Bill to enable the establishment of the BP refinery at Crib Point was introduced into this House, complementary legislation was also introduced enabling municipalities to assist decentralized industry financially. No notice had been taken by the Government of the plea of country people for this provision until BP, a company as rich as the Standard Oil Company of New Jersey, selected the best site in the State, at Crib Point, and raised the question of receiving concessions from the local municipality. The company should have been called upon to pay a bonus to the State for obtaining such a perfect site ahead of everybody else. The pleas from municipalities all over the State, which had been ignored for years, were suddenly answered, and the Minister, in explaining the Bill, said that the measure was introduced specifically and deliberately to enable the Shire of Hastings to assist BP financially. That was a scandal, and this Bill perpetrates the same sort of conduct. The legal advisers to Esso–B.H.P. have insisted that this plant should be officially designated in the agreement as a decentralized industry so that the company could be enabled to apply pressure on to the Shire of Hastings for concessions, which cannot now be refused by the shire on legal grounds.

Many other aspects of the agreement indicate how generous the Government has been to this large overseas interest. The definition of "pipelines" reads—

"Pipelines" means pipelines installations and attendant facilities erected, constructed, laid down, established or fixed by the Companies on the jetty or between the plant and the jetty or between the plant and petroleum installations established or to be established in other parts of the said State.

No mention is made of the Victorian Pipelines Commission, whose establishment was the subject of a lengthy debate in this House. Under this definition, pipe-lines can be established anywhere in Victoria. The definition of "plant site" reads—

"Plant Site" means the whole of the land described in Certificates of Title volume 7926 folio 090 and volume 4784 folio 753 and other land in the vicinity thereof which has or may be acquired by the Companies.

Overseas companies with large financial resources can pay high prices for land, which then becomes part of the plant site. Throughout the agreement public interest has been completely ignored and everything is laid on for the rich overseas interests. American lawyers are very good at reaching favourable agreements with Australian Governments. On the question of pollution, it is provided that the companies will—

(*e*) not cause, or permit to be caused any pollution of the waters of Westernport Bay from within the Plant, the Plant site, the Pipelines, or other sources within the control of the Companies: Provided that this clause shall not be understood to impose any obligation or operating restrictions on the Companies more stringent than those imposed on any other persons engaged in similar operations in the Westernport Bay area;

Everybody knows how difficult it is to handle effluent from such an industry. The first part of that paragraph is rendered almost meaningless because no one can say that similar operations are carried out in the area. The whole agreement is set up for the benefit of overseas combines.

On the question of the type of danger that could arise, the *Australian* of 29th July contained an article under the heading, "A State disaster that never was". On the 28th July, great consternation was expressed throughout the State when radio stations reported details of the disaster plan that was being put into operation in Westernport Bay. The article in the *Australian* refers to a Greek tanker which accidentally discharged 25,000 gallons of oil into Westernport Bay and then states—

Victoria's disaster plan swings into action. Police. Fire Engines. Ambulances. The Army. The Navy. Disaster is averted.

The article continues—

10.00 a.m. Wednesday, Andromeda empties the oil into the bay.

10.30. Captain Saunders, the Harbor Master, notices petrol stains in the water outside his office. He keeps track of the slick and warns all craft in the bay. Local fire and ambulances services are told, but not the police.

12.15. Police at Hastings nearby are told about a highly inflammable oil slick off shore. Fumes in the town are heavy. D24, Melbourne police headquarters, is told. Disaster Plan, stage one.

For the sake of brevity I shall omit some references. The article also states—

1.15. By now gallons have become tons. Inspector Adams, chief inspector of the district, is ordered to take charge. Local doctors and Hastings Hospital are alerted.

1.21. A single spark could set off an explosion, residents are told. Hastings Town Hall is taken over. The Post-Master General's Department is poised to link up communications. Hastings holds its breath. Experts at BP try frantically to work out the flash point of an oil slick.

Radio stations warn that a seven-mile pool of oil threatens to engulf Westernport in a sea of flames.

1.30. Mr. Arnold, the Chief Police Commissioner, moves the State Disaster Plan into stage two.

1.45. Emergency services within a 40-mile radius are poised on the alert. Even the Navy waits.

3.00. Mr. Rylah declares a State disaster. The Army is alerted.

3.30. Brief message from Hastings corrects the amount of oil from tons to gallons.

4.15. Inspector Adams reports that the slick is small. It is being observed by a team of explosives experts from the Mines Department.

8.00. Inspector Adams makes a final inspection. No oil.

He gives the all clear. Everyone goes home. The crisis is over.

This article indicates how sensitive the responsible authorities are to the existing dangers in Westernport Bay; yet this Bill provides that the fractionation plant shall be established at Long Island—precisely where the State Development Committee recommended that such an industry should not go, and where the planning scheme of the Shire of Hastings provided that it should not go. Both the State Development Committee and the Shire of Hastings recommended that industries of this type should be established at Crib Point, where the BP refinery is situated. The people in that part of the State have shown resentment and indignation at the hole and corner attitude adopted in this matter. There is no reason why a report of the Public Works Committee should not be presented to Parliament without undue delay. The Government should be prepared to call Parliament together early in the new year to deal specifically with a matter that is fundamental to the State. Therefore, I move—

That all the words after the word "That" be omitted with the view of inserting in place thereof the words "this Bill be not proceeded with until such time as further inquiries into the planning and future development of Westernport Bay are completed by the Public Works Committee".

The SPEAKER (the Hon. Vernon Christie).—Order! Honorable members will be aware that, in speaking to the amendment, they will be regarded as speaking to the main question, "That this Bill be now read a second time". Honorable members should direct themselves to the first question that will be put, "That the words proposed to be omitted stand part of the question".

Mr. PHELAN (Kara Kara).—This Bill proposes to ratify an agreement between the Government and Esso Exploration and Production Australia Incorporated and Hematite Petroleum Proprietary Limited. It is strange that the discussions were with the Broken Hill Proprietary Company Limited and Esso Exploration and Production Australia Incorporated but in the presentation of this Bill to Parliament, Broken Hill Proprietary Company Limited has used Hematite Petroleum Proprietary Limited as the partner with Esso. No explanation has been given to Parliament why this has been done.

The Country Party is just as anxious as any other party that Westernport should be developed for the benefit of Victoria. My party expresses concern at the somewhat vague approach to the general agreement. The State Development Committee investigated development at Westernport and evidence was taken from departmental officers, shires and instrumentalities. The report and conclusions of that committee indicate that there is no immediate need for further port facilities at Westernport until industrial expansion takes place. When this development occurs, there will be a need for specialized wharfing to meet the requirements of industry needing large volume cargo handling facilities.

Whilst the State Development Committee was taking evidence from various shires and instrumentalities, the Government was aware of the facts that have now emerged from the agreement.

Mr. PORTER.—That is not right.

Mr. PHELAN.—Esso Exploration and Production Australia Incorporated, Broken Hill Proprietary Company Limited, and other companies had taken up options and leases whilst the committee was taking evidence but this information was not divulged. Contrary to the information given to the committee in its investigations into suitable development, large companies, including Broken Hill Proprietary Company Limited, Lysaghts and Cresco had taken up options on all of the deep-water frontages of Westernport.

Mr. WILKES.—According to the press, another company is involved.

Mr. PHELAN.—I am not interested in half of what I read in the newspapers because the information seems to be a little biased. There is some ambiguity in this Bill in relation to the agreement. As indicated by the honorable member for Midlands, an unreasonable latitude is given to the operating companies as parties to the agreement.

The Country Party cannot accept the amendment proposed by the honorable member for Midlands, because it is necessary that the project at Westernport should proceed quickly and effectively in order that Victoria may receive some benefits from discovery of vast mineral resources. Nevertheless, the Government should realize that, because it has been proved that these natural assets exist, it is not necessarily a justification for selling out Victoria lock, stock and barrel.

There is a lot of looseness in the Bill. The control of the discharge of effluent and the pollution of the bay should not be on an unknown standard; there is no comparable activity within the Commonwealth. This is indicative of the unsatisfactory type of proposed legislation that is frequently introduced into this Parliament. Many agreements have shown a great bias in favour of large overseas companies, and it would seem that Victoria has sold a large slice of its birthright. There is a necessity for a deep-water port at Westernport and, notwithstanding a measure of danger which may arise from some industries, development should proceed. In the past Westernport has not been developed, although it is an ideal site for many industries.

When the State Development Committee was investigating the development of Westernport, by devious means information was conveyed that the State was to bear the cost of installing specialized wharves to be used by many people. Subsequently it was found that the wharves would be controlled under exclusive licence to BP.

Mr. STONEHAM.—That was specifically stated by the Premier.

Mr. PHELAN.—The Premier denied it. I quoted his remarks from *Hansard* and still the honorable gentleman would not believe it. This is only the start of the "giveaway" of Victoria. The State will be saddled with heavy capital costs for the installation of wharf facilities on reclamation works to the detriment of the taxpayers. It has been suggested that wharfage fees and charges so obtained will show a profit. The Minister is trying to persuade the House that it is a good investment, but Victoria is in no position to invest in a speculative manner. It must consolidate its finances because it is now completely in the hands of the Canberra financiers who are taking tight control. The Country Party supports the Bill, with criticism and reservations concerning the looseness of various clauses. The Government should examine certain clauses before the Bill is finally passed, particularly the one concerning the discharge of effluent and unusable by-products into the bay. I trust the Government will take a further look at the basis of the agreement to see whether it should be amended in the interests of the public.

Mr. DUNSTAN (Dromana).—I listened with interest to the honorable member for Kara Kara. I should have liked the honorable member to go further and report on the point that the Government will incur further heavy costs in relation to this agreement. I do not understand what additional costs could be incurred. I am not sure whether the honorable member admitted that the main cost to the Government under the Bill is the sum of $3,500,000 for the construction of wharfage at Long Island. I point out that that is the maximum amount to be expended. The Bill clearly sets out the wharfage charges—10 cents a ton on the first 4,500,000 tons in a year and 5 cents a ton thereafter, with a minimum guaranteed return of $300,000 in

each of the first three years, increasing to $350,000 in each of the next six years, and thereafter $450,000 a year.

I am sure that the honorable member for Kara Kara, with his knowledge of economics and financial arrangements, will agree that this is an excellent investment by the Government. I do not know how much consideration the honorable member gave to the Minister's second-reading speech, but the honorable gentleman emphasized that the revenue quoted would be the minimum amount. If the production and export of by-products is greater than expected, the return will be even greater than I have indicated.

I expected the honorable member for Midlands to make far more of the points that the honorable member for Kara Kara dealt with. It has become a catch-cry of the Labor Party that we are selling out our natural resources to rich overseas companies. I can never swallow that assertion. If members of the Labor Party and the Country Party are advocating socialization or State ownership of this sort of project, why do not the members who speak on behalf of those parties come right out into the open and say, "If we were the Government, we would take this over. We would nationalize it"?

Mr. WILCOX.—I wonder whether the honorable member for Kara Kara would do that?

Mr. DUNSTAN.—I do not know. I cannot say what a Country Party member may or may not do, but socialization is still a policy of the Labor Party and I wish that party would make its policy clear. The honorable member for Midlands referred to the profits of a rich American company. I point out that, in this instance, it is not only an American company. The arrangement concerns an Australian company, Broken Hill Proprietary Company Limited, which has a half interest in the project. Let us examine the costs in which these companies are involved and try to anticipate the profits that will be made. Let us see whether the State Government or even the Commonwealth Government would have the money to explore, develop and distribute these natural products. Before it is decided whether, if it had been open to the State or Commonwealth Government or any Australian company to explore for this oil and natural gas, the matter would have reached its present stage of development, an examination should be made of the costs of exploration.

Mr. B. J. EVANS.—You work on the principle of "finders keepers," do you?

Mr. DUNSTAN.—I shall ignore interjections from the socialist section of the Country Party. I have it on good authority that in other parts of the world exploration of this type has taken place over four or five years, and that at the end of the period nothing has been discovered and a complete loss has been incurred. So the losses incurred by the large companies should be kept in mind. The Esso-B.H.P. partnership is particularly fortunate. The by-products which are to be transported to the Shire of Hastings will come from offshore deposits south of Sale. *Glomar III*. the first rig put in there after being transported to Australia, has already sunk twelve wells. The rig, which has been working in the area for three years, operates at a cost of $9.500.000 a year. The *Ocean Digger*, which started drilling in September this year, is operating at a cost of $10,000,000 a year, and it has sunk only one well. By the end of this year the companies will have spent $31,000,000. Early next year *Discoverer II*, the third rig, will be operating at a cost of $9,500,000 a year. We have not come yet to the profits with which the honorable member for Midlands is concerned!

It appears that Esso-B.H.P. are spending at the rate of about $29,000,000 a year on exploration

alone, and this exploration will continue for several more years. It will bring great wealth and prosperity and progress to the area represented by the Deputy Leader of the Country Party. Now let us examine the profits. Taking 100 per cent. of the value of the product, 11 per cent. is deducted in royalties—4 per cent. for the Commonwealth and 7 per cent. for the State. Out of the remaining 89 per cent., the companies are faced immediately with a tax rate of 40 per cent. The remaining 49 per cent. is shared 24½ per cent. each by Esso and Broken Hill Proprietary Company Limited. Out of those amounts the companies have to meet the exploration costs that I have mentioned, depreciation and operating expenses. I should like someone like the honorable member for Kara Kara to show how, out of those figures, each company will make between 10 and 15 per cent. profit. If the figures I have quoted are correct, the profit is not huge in relation to the amount of risk involved.

I have not mentioned the cost of building the fractionation plant, which is estimated at between $7,000,000 and $9,000,000. Initially there will be a construction crew of 150, 90 per cent. of whom will be Australians. It has been implied in this and previous debates, when Parliament has dealt with the legislation relating to the British Petroleum refinery, that it would be un-Australian for these men—about 135 or 140 of them—to be working for an American company. When the fractionation plant is built, it will be operated initially by a staff of 35, 95 per cent. of whom will be Victorians.

The amendment honorable members are discussing is that the Bill shall not be proceeded with until such time as further inquiries into the planning and future development of Westernport Bay are completed by the Public Works Committee. The State Development Committee, which investigated the matter, did a thorough job and presented an excellent report to Parliament. It seems to me that the amendment is out of order, and that the honorable member for Midlands should have referred to the State Development Committee, although his motion is that the Bill be referred to the Public Works Committee. In his inimitable style, the honorable member has confused honorable members as to what they are to vote on. Am I to vote against the motion to refer the whole matter to the Public Works Committee, or is it intended that it should be referred to the State Development Committee? Perhaps the House should adjourn to allow the Opposition time in which to decide exactly what motion it wants to move. The confusion is understandable because the Leader of the Opposition is so seldom in the House that it is not known whether the Opposition is led by its Deputy Leader or the Whip, both men of sterling character and political skill. Perhaps the Deputy Leader of the Opposition could indicate whether he desires the debate to be adjourned so that he can consult with his Leader to sort out this confusion. I want to know what I am voting against, even if Opposition members do not know what they are voting for.

Mr. WILKES.—We know what we are talking about, even if you do not.

Mr. DUNSTAN.—That was a most unfortunate interjection by the Deputy Leader of the Opposition. I have been trying to be kind to the honorable member. On behalf of the Government, I submit that the motion is frivolous, irrelevant and no more than a red herring coming from an honorable member who has not done his "homework" on the Bill. I wish to inform the honorable member for Midlands that there are many sound, reliable, intelligent and informed people in the area who could have given him the information which he obviously did not care to seek. There has been co-operation in regard to the Bill and the matters that led up to it. There was co-operation between the Government and Esso-B.H.P., and there has been

full co-operation between the Government and the shire council through its committee dealing with the port and its development of which Mr. L. A. Walker is a member. His letter was quoted earlier. Mr. Walker keeps the shire fully informed of what is happening on the committee, including the representations made by the Government instrumentalities which are represented on it. I am advised that there has been co-operation between Esso-B.H.P. and the shire.

The amendment has no relation to the facts, because planning for the future development of the area had been carefully considered by the co-ordinating committee and the shire. The week before last, when neither House of the Parliament was sitting, I spent some considerable time with the shire council in obtaining its views on this Bill. A Labor Party member in another place who represents the area would have been welcome to attend the same shire council meeting to obtain its advice. If the honorable member concerned had done so, I am sure the honorable member for Midlands would have been far better briefed. Knowing the judgment of the honorable member, if he had been better briefed, I doubt whether this amendment would have been proposed, and the Deputy Leader of the Opposition would not have been sitting in this Chamber blushing with embarrassment and shame.

The council raised two points in relation to the measure. The first was this: Clause 4 of the Bill provides for ratification of the agreement, "notwithstanding anything in any Act or in any proclamation regulation Order in Council by-law" and so on. The council believes this would absolve the companies from any necessity to take out permits under the Local Government Act, the Town and Country Planning Act, or the Uniform Building Regulations. Yet, paragraph 5, which appears in Part III. of the schedule, expressly sets out the necessity for obtaining permits under the Town and Country Planning Act and the Local Government Act. I ask the Minister to give his interpretation of these provisions and, if there is a conflict between clause 4 and paragraph 5 of the schedule, to state how the conflict will be resolved. It is my view that there is no conflict.

The second matter with which the Hastings Shire Council is concerned is this: The Bill provides for the companies to reclaim an area of 250 acres at Hastings Bight and for the reclaimed area, which will be Crown land, to be leased to them. In time, if the companies wish to buy the land, they may do so. The Hastings Shire Council can find no provision in the Bill for a permanent reservation of land adjoining the waterfront in the reclaimed area. The council recommends that, if necessary, provision should be made for a permanent reservation, 2 chains wide, of the reclaimed area between the high water mark and the land which is either to be transferred or leased to the companies. That is an understandable request. I have raised these matters so that the Minister may clarify them for the Hastings Shire Council when clause (2) is under discussion in Committee. It is clear that this amendment will be soundly and deservedly defeated.

The sitting was suspended at 6.23 *p.m. until* 8.3 *p.m.*

Mr. FENNESSY (Brunswick East).—It was not my intention to enter this debate, but I have been spurred on by the honorable member for Dromana.

Mr. WILKES.—He did not say much, did he?

Mr. FENNESSY.—He said nothing material, but he made some personal attacks on the Leader of the Opposition who, he said, was not in the House very often. That is not true. Probably the Leader of the Opposition is in the Chamber more often than any other member, and he has a good deputy who can at all times act in his

place when, on occasions—like the Premier—he has to attend to certain administrative duties outside the House.

I did not think anybody would suggest that the Leader of the Opposition does not take his place regularly in the House ; in fact, after the hammering that it has taken over the last couple of months, I should say that the Government party would prefer to see him in the House less often. The honorable member has taken the Government to task on numerous occasions—too many for the comfort of Government members, including the honorable member for Dromana.

In attacking the Opposition, the honorable member for Dromana said that he wondered what would have been the situation if the Opposition had formed the Government. He added that the Labor Party would probably do what it had always proposed to do ; namely, nationalize this industry. In saying that, he may not be far from the truth. The Opposition makes no apology for its policies on the question of nationalization.

The honorable member for Dromana is an admirable example of a Tory on the Government benches. We all know that the great international financiers have their agents and stooges throughout the world, and they have them in this Parliament. In the current situation the heritage of the nation is at stake, and the State of Victoria is being sold down the drain. I would expect the Minister of Transport not to like to hear that report, but he knows as well as I do that the Government represents big interests and that those interests are taking out of this country everything they can to suit themselves and for their own profit. The Opposition subscribes to the principle that what belongs to the people should stay with the people, and that the people of Australia should share in the national wealth.

The honorable member for Dromana cited several batches of figures, including the cost of the operation of *Glomar III.* in the development taking place in Bass Strait. He said that it cost approximately $9,500,000 a year to operate *Glomar III*, and about $9,000,000 to maintain the oil drilling rig *Discoverer II*. The honorable member stated that exploration costs totalled about $31,000,000 a year, and that Victoria would receive 11 per cent. in royalties. He went on to say that after the companies paid their exploration costs and royalties they might be lucky to get 8½ per cent. return on risk capital invested.

Mr. DUNSTAN.—I did not say that.

Mr. FENNESSY.—How silly can the honorable member be? We all know that his statement is untrue. American companies would not be interested in investing capital for a return of 8½ per cent. We all know how much they will receive over the years from the discovery of oil and gas.

Mr. RAFFERTY.—How would they know before they made the discovery?

Mr. FENNESSY.—The honorable member for Glenhuntly wonders how they discovered oil and gas. The Mines Department has known for many years that the oil has been there waiting to be discovered, and I remind those unintelligent and ignorant members of the Government party that oil was known to be there as far back as 1922 when bores were sunk at Lakes Entrance. However, I would not expect them to know that, because they have had their heads buried in the sand ; some of them are too young to know, anyhow, and others were completely disinterested at that time, in the early 1920's.

I would have expected members supporting the Government at least to study the history of oil exploration in this State. I know it only too well, because I have had experience. I have spoken to people who were engaged in oil exploration back in the early days of this activity, and we all know that the great international financiers were not prepared at that

time to invest their money in oil exploration in Australia because they were more concerned with getting rid of what they had on their plates.

The SPEAKER (the Hon. Vernon Christie).—Order! The honorable member is answering some of the matters brought forward by the honorable member for Mornington, but the House is debating the Westernport Development Bill.

Mr. FENNESSY.—I agree, Mr. Speaker, but the point I am making is that the honorable member for Dromana made quite a point of stating how much the oil companies had expended in exploration and how much they were entitled to get in return. The Opposition has made its position quite clear regarding both this Bill and previous legislation relating to oil and gas discoveries. I do not need to say more on that point.

The honorable member for Dromana took the honorable member for Midlands to task on the ground that the amendment as prepared was incorrect, and suggested that he should have another look at it. For the benefit of the House, and so that the honorable member for Dromana can get clearly in his mind what is contained in it, I shall read the amendment. It states—

> That all the words after the word "That" be omitted with the view of inserting in place thereof the words "this Bill be not proceeded with until such time as further inquiries into the planning and future development of Westernport Bay are completed by the Public Works Committee".

Mr. DUNSTAN.—Should it not be the State Development Committee?

Mr. FENNESSY.—No. The State Development Committee brought down a report, but this Government did not take any notice of it. Opposition members believe that the appropriate committee to deal with the matter is the Public Works Committee. At one time the predecessor of the Public Works Committee—the Railways Standing Committee—functioned under the Railways Standing Committee Act, which provided that money in excess of a certain figure could not be spent without the approval of that committee. The Public Works Committee Act superseded that legislation, but the principle remains the same. Even the Premier will admit that the Public Works Committee is an expert body which is well equipped to undertake the inquiry that this amendment contemplates.

I do not think I need worry further about the statement made by the honorable member for Dromana. It would appear from his speech that this country has invested no money in oil exploration, but I point out that a booklet entitled *Australian Petroleum Statistics 1966,* published by the Petroleum Information Bureau (Australia), states that up to 1966 a total sum of almost $30,000,000 had been spent in subsidies for oil exploration.

The Bill provides for the ratification of an agreement that has been made between the Premier and the companies involved in the development of Westernport. I do not think any Opposition member would disagree with the contention that there should be development at Westernport.

Sir HENRY BOLTE.—You tried to stop the BP company.

Mr. FENNESSY.—Members of the Opposition asked what Victoria was going to get out of it. Reference to the schedule to the Bill reveals that the Government will be called upon to provide for maintenance of dredging, navigational aids, harbor services, supply of power and water, construction of roads, pilotage service, and the disposal of effluent water—plus the sum of $3,500,000.

Mr. WILKES.—The companies concerned are to be given the exclusive use of the jetty.

Mr. FENNESSY.—That is so. It appears that the State of Victoria is on the wrong end of the shovel in this instance. We are certainly not on the receiving end. Apparently it is the

policy of the Government to sell out the birthright of this State and to provide all the services that these overseas companies need. I have no objection to overseas capital flowing into this country, provided that there is a good Australian content in any company or organization that is established here.

Mr. WILCOX.—That is exactly what there is in the case of B.H.P.

Mr. FENNESSY.—I have no shares in B.H.P., and I do not know of any Opposition member who has, either. I am sure that the average person in the street has no shares in that company. By whom are the shares of that company held? Are they held by members on the Government side of the Chamber?

Sir HENRY BOLTE.—By Doug Elliot.

Mr. FENNESSY.—Shares are held in London. In fact, most of the shares are held outside Australia. The Government would fall for the three-card trick. It has already fallen for the trick of the thimble and the pea. The honorable member for Lowan might fill in with a few tricks which he could produce; the Government would fall for them, too.

The report of the State Development Committee on Westernport was very guarded indeed, and the Government obviously did not like its text. The report was prepared prior to the Government's knowing that any of the current natural activity in the area would come about, and it was then felt that further port facilities for general cargo freight were not warranted. What sort of vessels will call at the jetty? The Hematite company and the BP company do not want these facilities. Nevertheless, the wharfage space will be taken up by those two companies, and there will be no room for expansion of anything else. As the honorable member for Midlands has stated, American lawyers are pretty smart people. Indeed, I take my hat off to them. They have certainly tricked the Government on this occasion. History will reveal that the State of Victoria has been sold out on this issue, and when the Premier is no longer a member of this House history will show that he was not the smart fellow that he thinks he is at this stage. Generally speaking, the public have long memories and they will be reminded of the position in the future, even though we are no longer members of this place.

Mr. WILKES.—The Liberal Party got only 36 per cent. of the votes.

Mr. FENNESSY.—That is so, and the Government party derived support from the Democratic Labor Party. What is the attitude of the Democratic Labor Party towards this matter?

The SPEAKER (the Hon. Vernon Christie).—Order! I request the honorable member for Brunswick East to discuss the Bill.

Mr. FENNESSY.—I maintain that the Democratic Labor Party does not like this measure any more than does the Opposition party and, after all, the Democratic Labor Party is represented on the Government side of the Chamber. The honorable member for Midlands has already stated where the Opposition stands concerning this matter, and I support the amendment.

Mr. B. J. EVANS (Gippsland East).—As was indicated by the honorable member for Kara Kara, Country Party members support the Bill, but it is fair to state that we are not entirely happy about it. I wish to take up a point which was made by the honorable member for Dromana, when he referred to the tremendous benefit that will flow to the electorate I represent as a result of natural gas discoveries off the coastline of Gippsland East. In recent years, the Government has done its best to persuade the people of Gippsland that this development will bring great prosperity and reward to that part of Victoria.

I fear, however, that this measure is a straw which indicates which way the wind is blowing so far as the

Government is concerned, because it is clear that the benefits to be derived from the development of these natural resources will flow to the metropolis and not to the area where the resources have been discovered.

Mr. PORTER.—Do you mean to imply that Westernport is part of the metropolis?

Mr. B. J. EVANS.—In the view of electors in my part of the State, Westernport is a metropolitan district. If it is not so at the moment, it will become such an area in the foreseeable future. The Melbourne metropolis will extend completely around Westernport and Port Phillip Bays and there will be a population of 6,000,000 within a 50-mile radius of the mouth of the Yarra river as compared with a population of 2,500,000 at the present time. The rest of the State will continue to suffer from the neglect and disinterest from which it has suffered over the past ten or twelve years. The honorable member for Dromana tried to persuade the House that the exploration companies had taken considerable risks in discovering the deposits which have been located off the coastline of Gippsland, and in that regard I point out to the House briefly—because I realize that it is not entirely related to the Bill—that in a letter which I received from the Secretary for Mines dated 16th February, 1966, he advised that—

> Approximately 66 wells have been drilled by oil exploration companies and the State and Commonwealth Governments in the Lakes Entrance-Metung area, and, of these, several encountered minor pockets of free gas. In no case does an appreciable flow of gas appear to have been sustained for any significant period of time, e.g. the flow from the Lakes Entrance Development No. 1—(Lake Bunga) well was found to be approximately 1,000 cubic feet per day three years after the drilling of the well.

I make that reference to indicate to the House that I firmly believe the oil exploration companies knew that "where there is smoke there is fire" and, accordingly, that where there are suggestions of natural gas in a minor way, that is a sufficient indication that a main flow strike is not far off. It is apparent that there was not the element of risk that the Government would have us believe.

The SPEAKER (the Hon. Vernon Christie).—Order! I ask the honorable member for Gippsland East to discuss the development of Westernport.

Mr. B. J. EVANS.—The point I am trying to make is that in view of the promises and suggestions, as well as the statements, that have been made by the Government concerning the development that will take place throughout Gippsland as a result of off-shore discoveries——

Sir HENRY BOLTE.—Your policy was not adopted, in the main.

Mr. B. J. EVANS.—I have with me a record of the Premier's statements on this matter. On one occasion, the honorable gentleman said that I was talking through my hat when I said that Gippsland would not get a large part of the natural gas flow. However, I appreciate that that is beside the point so far as this measure is concerned. Nevertheless the Government's attitude confirms the thought I have always had in mind, namely, that the Government's handling of the natural gas and oil discoveries in the State will mean a further impetus to the centralization of activities on the part of this Government. In other words, the area in which these resources have been discovered will not benefit to any substantial degree, and that is the aspect about which my constituents are most concerned.

I now quote from a letter which I received as far back as February, 1966, from a very thoughtful woman in Bairnsdale who occasionally writes to me expressing her views. I do not think she is by any means a supporter of my political party. She stated—

> If one is to believe the glowing possibilities of what can be done to exploit it—

meaning the natural gas flow off the coastline of Gippsland—

> one visualizes an enormous upsurge of constructive Government thinking and planning to incorporate the diversified commercial interests who will be interested too.

It seems such a pity though to read that Melbourne and already highly productive areas of natural resources are to benefit primarily.

Would it be possible to ask if any crumbs are going to fall from the table which will help to nurture the existing and continuing labouring force in this area—

referring to the Bairnsdale area.

Mr. WILTSHIRE.—By whom was that letter written—Dorothy Dix?

Mr. B. J. EVANS.—For the information of the honorable member it was written by a Mrs. Joan Vincent, of Bairnsdale.

Mr. WILTON.—Is she the local secretary of the Liberal Party?

Mr. B. J. EVANS.—I do not probe into these things. Nevertheless, I think what she has stated is typical of the attitude of very many people in my electorate. We are disappointed that this Bill seems to indicate that our fears are confirmed. We recognize that development of these resources requires port facilities and that a large amount of liquid petroleum condensates will be exported, for which port facilities are necessary. We appreciate all these factors, and we ask the Government, so far as it is practicable to do so, to give encouragement to the development of subsidiarv industries from these great natural resources in the area where they are discovered.

Mr. PORTER (Minister of Public Works).—I have already spoken on the motion, but I have a right to speak on the amendment. Certain statements have been made during this debate to which I think I should reply at this stage. I refer first to the remarks of the Deputy Leader of the Country Party, which at no time had relevance to the Bill or the amendment. However, he asked what was being done in the district in which oil and gas have been found. The honorable member should be well aware that the partnership which discovered oil and gas has already entered into contracts for the erection of a gas purification plant, not in the metropolitan area but in the electorate represented by the honorable member for Gippsland South. The only thing wrong with that is that it is not in the electorate represented by the honorable member for Gippsland East.

Mr. B. J. EVANS.—Tell us how many men will be employed there.

Mr. PORTER.—This plant will employ equally as many men——

Mr. HOLDING (Leader of the Opposition).—On a point of order, Mr. Speaker, I understood that the Minister was to speak on the amendment. While I find his remarks interesting and more informative than usual, I fail to see how he is speaking to the amendment, which is precise and concise.

The SPEAKER (the Hon. Vernon Christie).—Order! I uphold the point of order. The Minister should speak to the amendment. He will have other opportunities to speak generally on the Bill.

Mr. PORTER (Minister of Public Works).—I thank you for your advice, Mr. Speaker, and I thank the Leader of the Opposition, who does not often speak sense, for his assistance. The amendment moved by the honorable member for Midlands reads—

That all the words after the word "That" be omitted with the view of inserting in place thereof the words "this Bill be not proceeded with until such time as further inquiries into the planning and future development of Westernport Bay are completed by the Public Works Committee."

In moving this amendment the honorable member made a mistake, despite the defence put forward on his behalf by the honorable member for Brunswick East. He said that a report had been produced by the Public Works Committee and that this committee should re-examine the matter. No matter which committee has produced a report, some of the arguments used by the honorable member for Midlands in defence of this amendment showed a complete and utter lack of an appreciation

of the problem associated with the development of natural gas and its resources in the interests of Victoria. He went back a considerable distance of time and referred to a report of a Royal Commission in 1928 on the possibility of Westernport Bay being used as a port. Anything more utterly devoid of fact on the current situation would be hard to imagine. The honorable member also referred to the report made by the State Development Committee this year.

Mr. HOLDING.—It was not a bad report.

Mr. PORTER.—It was a first-class report and, having regard to the information available at the time, the committee did an excellent job and proved its ability to look into the future. In fact, it was stated in this report that at this stage there is no need for a general cargo port at Westernport. I agree with that statement. However, the report went further and said that the future development of this area was dependent on new industries requiring facilities of a specialized nature. I also agree with that statement. Now that an industry which needs facilities of a specialized nature is to be established at Westernport, it is suggested that an area of land at Long Island ought to be reserved and used for a general cargo port. With the advent of containerization, there is less possibility of this now than there was when the State Development Committee made its report, because in future large cargo ships will visit fewer ports. In March of this year, when the committee brought down its report, it could find no justification for the establishment of a general cargo port, so how can it be suggested, six months later, that we should not develop this part of the port in a different way? The House was told, in justification of the amendment, that in May of this year the local council asked me a few questions. The council in fact prepared a town planning scheme which had not been approved.

Mr. HOLDING.—It was certainly ignored by you and your advisers.

Mr. PORTER.—It was not ignored. In May of this year, the shire secretary was quite justified in trying to find out what was happening at Westernport. At that stage, I would have liked to know, too. There is no law in this country that prevents anybody—the honorable member for Williamstown, the Leader of the Opposition, representatives of Esso or B.H.P., or any honorable member —from buying land. The shire was concerned as to who was buying this land, and so was I. However, it was apparent that somebody was purchasing land in the Westernport district. The shire council did not know who it was and, in fact. the Government found out before the council did. When the Government discovered who was buying the land, it realized the necessity to plan for the sort of port facilities which might be desired or required, having regard to the future developments which then became apparent. The Government took the council into its confidence and told it what was happening. In fact, the Government has been doing this for some months.

The honorable member for Dromana referred to a co-ordinating committee comprised of representatives of the various Departments and including the secretary of the shire. When the council knew what was happening, it drew up a new and more grandiose planning scheme covering the whole of the Westernport Bay area and not just one area. The honorable member for Midlands has my copy of that scheme, so he knows all about it. The shire, not the Government, produced this scheme.

Mr. STONEHAM.—Under duress.

Mr. PORTER.—When this company applied to the council for a permit, the council granted the permit under its own town planning scheme, and without a request from the Government.

Mr. HOLDING.—When was this?

Mr. PORTER.—I do not know the date, but the council did in fact grant a permit. Discussions I have had with the company—and I have had many over recent months—have always been on the basis that the company will conform to all laws and regulations of a town planning scheme. It is not my fault if the information of members of the Opposition is not up to date, and it is not my fault if they follow their traditional practice of trying to mark down development in this State. Their only hope of ever becoming the Government is to prove that this State is not a success, and they have no hope of doing that.

The two companies that have purchased land, and with which the Government has made an agreement for the construction of a fractionation plant at Westernport, have already entered into contracts for the erection of a gas purification plant at Dutson. They have entered into an agreement with the Government, which this Bill seeks to ratify, for the erection of a fractionation plant. I point out that the discoverers of natural gas are bound by an agreement with the Government to deliver gas to the metropolitan area and to industry surrounding the metropolitan area by March, 1969. That is not far off. If this House accepts the amendment which has been moved by the honorable member for Midlands, the companies will have no hope of delivering gas in Melbourne or anywhere else by March, 1969. On that ground the Government rejects the amendment.

Mr. HOLDING (Leader of the Opposition).—The Minister has avoided the central point contained in the amendment moved by the honorable member for Midlands. Before enumerating to the House the areas of disagreement which exist on this issue between the Opposition and the Government, I shall refer to those areas about which honorable members may agree. The first is that it is important to this State, to the Shire of Hastings and to the people who live and work in the general area of Westernport that this area should be developed.

Sir HENRY BOLTE.—You are opposed to that.

Mr. HOLDING.—If the Premier has something to say I shall be delighted to hear him. He has had little to say in this House on the over-all issue of natural gas and the secret deals which the honorable gentleman makes with large international companies. I have no doubt that he will not participate in this debate. That is his form. If ever there was a Premier in the history of Australia that the international oil companies have in the bag, it is the Premier of Victoria.

The SPEAKER (the Hon. Vernon Christie).—Order! The Leader of the Opposition should speak to the Bill.

Mr. HOLDING.— Honorable members generally agree that the Westernport area ought to be developed. If one examines the work undertaken by the Shire of Hastings and by a committee of this House, one realizes that this matter has been under consideration for some time past. Before there was any mention of the Esso-B.H.P. complex acquiring land in the area, the Shire of Hastings had done a considerable amount of planning. It had hired experts and produced a plan for future development of a port.

The facts are clear and indisputable. Before anyone had heard of the interest in this area of Esso-B.H.P. or Cresco Fertilizers, the Shire of Hastings, as was its duty, spent a great deal of time, energy and money preparing a plan for the development of this whole area. The plan, copies of which were sent to relevant Government Departments, indicated the council's desire for development of general port facilities. To this end, a considerable area of the foreshore close to the deep-water channel was zoned for general purposes. Acting as a responsible local government

authority, in setting aside this land for general purposes, the shire intended that the area should ultimately be available for development in the interests of this State, including the Westernport area. Surely no one would seriously suggest that the Shire of Hastings acted recklessly or foolishly.

The State Development Committee recommended that the provision of port facilities at Westernport should be deferred until there was evidence of industrial development. The committee's recommendation as to the desirability of general port facilities was at one with the view of the Shire of Hastings, the only point of difference being in terms of the rate of development. An oil terminal existed at Crib Point, and the shire contemplated that any further industrial development in the oil industry would take place within the general area of the existing complex, and that general port facilities would be developed where they could be most economically developed—close to deep water.

This was the situation until Esso-B.H.P. decided otherwise. The Labor Party has never had any argument with the directors of Esso-B.H.P. because their only duty is to their shareholders. Their skill, capacity or initiative has never been doubted. Our argument is not with Esso-B.H.P. but with a Government which slavishly agrees with whatever the companies seek. When it comes to dealing with Esso-B.H.P., the Government is incapable of negotiating or protecting the interests of the people of this State. These companies have out-manœuvred this Government at every point, and because of the attitude of the Government this process will continue.

All the argument in the world does not alter the fact that the Shire of Hastings prepared a plan for the provision of general port facilities, and that a Government committee agreed with the plan, the only point of disagreement being the rate of development. It was agreed that the development of the general port facilities should be close to deep water. In Government offices there are plans which zone this land for general purposes. The Minister of Public Works knows that land is zoned for general purposes because it is intended to be used for the purposes of the people of this State.

Esso-B.H.P. decided that they needed a jetty at the best site which they could get. From the companies' point of view, there was nothing wrong in acquiring land which had been set aside for general purposes. It was necessary only to sign a contract, and then say to the Government, "Look what we have", in the full knowledge that not one Minister of this Government would approve the companies' plans. Of course, the Shire of Hastings was placed in a difficult position. The council wanted to see the area developed and wanted to see Esso-B.H.P. established. However, the council also wanted its basic concepts protected by a Government whose duty it is to protect local authorities. However, the Government just tore up the plans and told Esso-B.H.P. that if they wanted the land that was zoned for general purposes, they could have it. The Minister justifies that by saying that if any honorable member had bought land in the area, that would be all right because it was not possible to stop people dealing in land. Of course, land dealings cannot be stopped, but local councils can determine what development takes place on the land. It is not possible to erect a factory on land in Bourke-street. It is not possible to buy land which is zoned for domestic purposes—unless the purchasers are Esso-B.H.P.—and build a factory thereon.

Sir HENRY BOLTE.—You could not get land for a high school in Richmond.

Mr. HOLDING.—For five years, land was available for a high school in Richmond, but we could not get

a school from this Government. The Premier should know that this Government has been treated very generously by the people of Richmond.

The SPEAKER (the Hon. Vernon Christie).—I ask the Leader of the Opposition to speak on the Bill, and not on a question concerning Richmond.

Mr. HOLDING.—I was going to say that if the people of Richmond were like some of the Premier's friends, instead of donating land to the Government they would have sold it at an inflated price.

The SPEAKER.—Order! I have ruled that subject to be out of order.

Mr. HOLDING.—You are quite right, Mr. Speaker; it is quite irrelevant. The Premier and his Ministers cannot explain why this preferential treatment has been given to Esso-B.H.P. It is false for the Minister of Public Works to suggest that if any honorable member could have purchased land in the area, he would have received the same treatment. He knows perfectly well that this is not true.

The amendment moved by the honorable member for Midlands pinpoints the fact that Esso-B.H.P. have been given this privileged treatment. These are not poor companies, but they will make millions of dollars from the discovery of natural gas and oil and from the price which they have extracted from the Government. Opposition members have made it clear that the companies have done all right, but that the Government has done badly. With any other Government, the companies would have been happy to receive such privileged treatment, and would have been prepared to build a jetty themselves. However, with this Government, the companies can extract from the Government the price of a jetty, and can even get the Government to build and supply tugs. I hope that the Premier will not be insensitive if Esso-B.H.P. tell the Government that they want the tugs, *Henry Bolte* and *Murray Porter*, to tow their tankers into Westernport Bay; that they want the Government to go "toot toot" every time the companies "hoot hoot", because that would be an appropriate finish to this sorry story.

The companies have not only extracted the price of the jetty from the Government, but, to use a term that is used on one television programme, they have "copped the lot". This House is now told that the jetty is for the exclusive use of Esso-B.H.P.; that the land which was originally zoned for general purposes will now be for the exclusive purposes of those companies. This House and the Shire of Hastings are entitled to know what is the prospect of future general port facilities because, if Esso-B.H.P. have exclusive use of the pick of the land close to deep water, where will the Shire of Hastings obtain general port facilities? Of course, the shire has had to produce another plan which will enable, at some time in the future, general port facilities to be developed at an extra cost of millions of dollars to the people of this State.

This House is entitled to know whether the provision of exclusive port facilities for Esso-B.H.P. means that there can be no development of general port facilities now or in the future. If the answer to that question is that there can be no such development, the Shire of Hastings will take a very dim view of the position. The honorable member on the Government side of the House who purports to represent the area may take a very dim view. If general port facilities will be provided, the next question is: Where will they be sited? The pick of the sites is gone, so where can general port facilities now be established? The Shire of Hastings can only point to an area which will have to be reclaimed before it will be possible to consider the development of general port facilities.

This is serious because it will be a problem for the Government five or ten years hence. It is clear that, if

the amendment moved by the honorable member for Midlands is rejected, and this Bill is passed in its present form, the cost of building the general port facilities will be doubled or even trebled because it will involve a new scheme of redevelopment which can be undertaken only with funds taken from the taxpayers' pockets. The Premier can be quite certain that it will not come out of the profits of Esso-B.H.P.

The people of Victoria are entitled to know what is the future of this area. The Opposition is not prepared to sell out cheaply, as is the Government. It is not prepared to lie down every time Esso-B.H.P. crack the whip and will not give privileges which would not be extended to any other large industrial user in Victoria. BP did not get the deal that Broken Hill Proprietary Company Limited is receiving.

Sir HENRY BOLTE.—You opposed that.

Mr. HOLDING.—If the Premier wishes to enter this debate, he may do so. I have invited him to tell us something about the negotiations between himself and Esso-B.H.P., and other dealings on natural gas. He will not enter this debate, and when he does participate in debates he never discloses all the facts—he simply makes some general statement about Victoria becoming as rich as the oil sheiks, and that he will be the sheik.

Sir HENRY BOLTE.—You are like Harold Wilson!

Mr. HOLDING.—Whatever the Premier may say about the Prime Minister of Great Britain, he will still have to go a long way to abuse him in the same way as he recently abused the Prime Minister of Australia. It is interesting to note that, when the Premier gets himself into an awkward situation, he will not enter the debate, but leaves it to the Minister of Transport to make a reply. The honorable gentleman realizes that the Minister of Transport, who knows nothing about railways, and who is always stating that he cannot possibly squeeze dollars for Melbourne's underground, will say anything to defend the Premier.

Esso-B.H.P. have done very well indeed and they are entitled to be congratulated. No national or international company has ever been able to do so well from any other Government in the Western world as these companies have done by squeezing the Government. This group deserves everything it has got, and the Government deserves everything that it will get from the people when they know how their interests have been so shamelessly sold out. The amendment submitted by the honorable member for Midlands will be defeated because the last thing the Government wants is an independent inquiry into any aspect of its dealings with Esso-B.H.P. It does not want the matter of the future planing and development of Westernport referred to a committee of inquiry because the committee would find out the shameless deals which the Premier has made. The Opposition is proud to vote for the amendment moved by the honorable member for Midlands and is in no doubt as to the real reason why the Premier and his colleagues will vote against it.

Sir HENRY BOLTE (Premier and Treasurer).—I have listened patiently to the Leader of the Opposition who has spoken for some time but has said very little. I remind him that the House is debating a Bill which validates an agreement between myself, the Government, and Hematite Petroleum Proprietary Limited.

Mr. HOLDING.—And also an amendment.

Sir HENRY BOLTE.—That is so, an amendment moved by the honorable member for Midlands. This follows the pattern adopted by the Opposition over the years. It has consistently opposed every development that has had to be validated by Parliament. If it has not succeeded in opposing, it has endeavoured to delay.

The honorable member for Broadmeadows knows about these tactics. When the Ford Company of Australia was developing at Broadmeadows and bought 500 acres of land from the Housing Commission, the deal had to be validated by Parliament and the Opposition opposed it. I could hark back to the days when the late Sir Albert Dunstan, as Premier, made a deal with General Motors-Holden's Limited relating to Fisherman's Bend. As the honorable member for Gippsland South knows, the same pattern was adopted by the Labor Party. It has consistently opposed every form of development that has required to be validated by this Parliament. To find the reason, one must look behind the scenes. It is not in the interests of a socialist party to have progress and development; it can only succeed in adversity and in trying to propagate adversity.

The Leader of the Opposition is learning quickly. I remind him and the electors that, at the Senate elections, they should look beyond these shores to the United Kingdom to see what has happened under a Labor Government.

The SPEAKER (the Hon. Vernon Christie).—Order!

Sir HENRY BOLTE.—I think I should have the same latitude as was given to the Leader of the Opposition.

The SPEAKER.—The Premier will get the same latitude and no more.

Sir HENRY BOLTE.—This agreement to be validated on behalf of my Government is a by-product of investigation and exploration and the successful finding of natural gas and oil which is vital to Victoria. Unless Hematite Petroleum Proprietary Limited, which is a subsidiary of Broken Hill Proprietary Company Limited, has these ports facilities by 1969, it will be impossible to deliver one cubic foot of natural gas, which is a wet gas with a high recovery content of liquids. It is well known that the company—indeed it is in the interests of Victoria—will have to export up to 4,500,000 tons of liquids, and has guaranteed to do so. On the basis of economics, members of the Opposition would have us believe that perhaps the Shire of Hastings should be providing these facilities. Actually, those members are so confused in their thinking that one cannot follow them. In any event, according to the Opposition, someone should be doing this at some level, and the Government should not be entering into the agreement.

Mr. HOLDING.—Not at all; we say that this is a bad agreement.

Sir HENRY BOLTE.—The agreement guarantees Victoria an interest return of 11 to 12 per cent. on money that was borrowed at 5¼ per cent. Is that a bad deal? The first development of port facilities at Westernport by BP was also opposed by the Opposition, although that company was prepared to expend its own money. BP is the only company to use the facilities because they exist for its particular industry. Now Victoria is receiving 10 per cent. to 11 per cent. on the money invested. This agreement will guarantee a minimum return which could well be more than is now envisaged. Members of the Opposition are a bunch of pessimists who hope that conditions will become bad and in fact will get worse. If one takes an optimistic view, in another five years or six years instead of 4,500,000 tons of liquids being exported from this port, there will be 10,000,000 tons.

The Government has been chided for keeping things secret. I should like to know where is the secrecy. Broken Hill Proprietary Company Limited obtained exploration leases; it undertook magnemometer and seismic surveys. All the technical assistance was made available and the proposition was shopped all around the world. This was no secret; only one company in the world—Esso—was prepared to come in with Broken Hill Proprietary Company Limited, on a 50-50 basis.

In exchange for half the rights, Esso obligated itself to send down the *Glomar III.* rig. We all know what happened. It is all very well to be wise after the event, to prophesy backwards, as it were, to say that it was easy. I remind the House that it is not so easy for the Shell company, which received similar reports on the Otway basin. That company has spent some millions of dollars, but up to date has not found anything. Nothing has been found opposite Robe in South Australia.

Perhaps the Victorian discovery was fortuitous; perhaps it was good management. In any case it was successful. Now this Parliament and other Parliaments in Australia have a duty to perform—Governments of both Labor and Liberal complexion have taken action. The Premier of South Australia and the Premier of Tasmania both introduced complementary legislation, which has been passed by the Parliaments of those States. It is not a case of only one party taking a certain action. The South Australian Parliament has passed similar legislation to that proposed by this Government, and this has also been the case in Canberra. Unless this Bill is passed and the agreement is validated now, it will be impossible for these areas to come into production and meet the demand and the requirements of the agreements that have been signed, namely, to supply natural gas to Dandenong, to the city gate, in less than eighteen months. The Government has entered into obligations to the extent of millions of dollars. The Victorian Pipelines Commission has let contracts and pipes are now being laid.

Mr. HOLDING.—Tell us about the difference of $750,000 between the lowest and the highest tenders.

Sir HENRY BOLTE.—The Leader of the Opposition has been strangely quiet during the past five or ten minutes. Now he wants to know about the lowest tender.

Mr. HOLDING.—You raised it.

Sir HENRY BOLTE.—I did not raise the matter.

The SPEAKER (the Hon. Vernon Christie).—I rule that a discussion on the tenders of the Victorian Pipelines Commission is out of order.

Sir HENRY BOLTE.—With the greatest of respect, Mr. Speaker, I suggest that I should be entitled to mention the matter because the tenders may be affected by the rejection of this Bill.

The SPEAKER.—The honorable gentleman may do so only in passing. If the Premier and Treasurer opens the matter up too widely, we shall have a general debate.

Sir HENRY BOLTE.—I should not like to do that. I should be happy to explain the matter to the Leader of the Opposition, although it has been explained to him previously, but the honorable member is too dumb to understand and I have not the time or inclination to do so on this occasion. Let us get down to taws. The Leader of the Opposition asserted tonight that the Shire of Hastings has been denied the right to have a general purposes port in its area. If the honorable member were abreast of the times—we all know that the Labor Party and its Leader are never abreast of the times—he would realize that we are now in the container age. It was seriously suggested that there would be only one port in Australia for general cargo coming into this country, namely, the port of Melbourne. Now it has been agreed that there will be a container port in Melbourne and also one in Sydney, and that there will be port facilities at Fremantle where a limited amount of such cargo can be discharged, without going into full containerization.

Mr. PORTER.—Only because then the ships could carry more cargo.

Sir HENRY BOLTE.—That is so. Vessels will be able to discharge there and bunker, and it will make a difference to the tare of the ship.

Are Opposition members serious in trying to promote this particular argument about a general cargo port at Westernport? Of course, that is impossible, as everyone knows. If Esso–B.H.P. want port facilities at Westernport, they will have them, and I make no apology for making that statement. If Lysaghts or Cresco or any other industrial concern wants to go there and have such facilities, it will have them.

Mr. PHELAN.—At whose expense?

Sir HENRY BOLTE.—At its own expense. At whose expense would the honorable member for Kara Kara think? If the financial genius from Kara Kara could get 11 or 12 per cent. immediately on his money, at whose expense would it be? I only wish that the loan funds at my disposal were all invested in a similar fashion in the interests of the State. I have listened to a lot of twaddle from the Opposition on a serious subject-matter, which will have an important bearing on the future development of Victoria. I am flattered that the Leader of the Opposition claims that Westernport is in the metropolitan area. Both the Leader of the Opposition and the Deputy Leader of the Country Party claim that the proposal in this Bill is not decentralization. These honorable members have so much confidence in the development of Victoria in the next decade that they can visualize the metropolitan area extending to Westernport and beyond! I hope I live to see that because by that time the population of the State will be not 3,000,000 people but 5,000,000, 6,000,000 or 7,000,000 people. I believe every member of this House aspires to develop the State in the interests of this country. This country can sustain many more millions of people in an economic climate that no other country in the world can match. I believe this Bill goes a long way towards making that happen in this State in the best interests of Australia.

Mr. WILTON (Broadmeadows).—This is the second occasion on which I have seen the Premier and Treasurer come into the House and attempt to mislead Parliament on a matter concerning a Bill with which it is dealing. The honorable gentleman went through a whole rigmarole about the companies concerned in oil exploration and the amount of risk they took. The Premier attempted to convey to Parliament the argument that the Opposition is opposed to progress and development, and that these companies are entitled to all the concessions that the Government is prepared to give them purely because of the risks that they are taking. Of course, these are not the facts.

Mr. WILTSHIRE.—What about the amendment?

Mr. WILTON.—The amendment moved by the honorable member for Midlands merely requests that the matter be investigated by the Public Works Committee, which has been the practice for many years in relation to Government expenditure of large amounts. Sub-section (2) of section 21 of the Public Works Committee Act provides—

> Where any proposal for the carrying out of any public works (whether such works are continuations completions repairs reconstructions extensions or new works) the estimated cost of which exceeds Twenty thousand pounds has been referred by the Governor in Council to the committee such works shall not be commenced or proceeded with until the committee has reported to the Governor in Council on the proposal.

That section of the Public Works Committee Act embodies the principle which has always been followed by Governments in relation to large expenditure. The Premier and Treasurer referred to the 11 per cent. return that his Government will receive from the expenditure of loan funds exceeding $3,000,000. This is another example of the honorable gentleman's attempts to mislead the Parliament. The Premier is not going to receive 11 per cent. return on this expenditure. The Leader of the

Opposition asked: Why in this particular instance is the Government prepared to give this concession to certain companies, while it does not adopt the same attitude to other companies? The Premier has indicated to the House that the same concessions will not be granted to other companies. The Opposition considers that this matter should be investigated by the Public Works Committee in a calm atmosphere, in which all sections of the community, including the municipality concerned, will be able to make suggestions and give expert evidence to the committee. The committee will be able to give serious consideration to what is the best method of developing this particular port. The State of Victoria is not flush with suitable ports for development. Therefore, the Parliament, and the Government in particular, should be careful to ensure that the development is of such a type that the State as a whole will benefit.

I believe the Leader of the Opposition is correct in his assertion that the Government is in the pockets of the oil companies, that those companies need only determine what they want, take the necessary preliminary steps to acquire land, and then give the Government an instruction on what legislation is to be enacted by Parliament to enable those companies to carry out their proposals. We have seen an example of that practice. It is common knowledge in Australia that any company which wants to engage in exploration work can obtain from the Commonwealth Bureau of Mineral Resources all the data it needs to commence exploration. As I have said on previous occasions, the Australian taxpayer has already contributed huge sums of money to the companies' exploration costs. To-night the Premier has attempted to convey to Parliament that the Opposition is deliberately attempting to delay the development of Westernport and thus deny to the people of Victoria the benefits of the exploration work, which has established that there are large deposits of natural gas and oil in Australia.

That is not true. The Opposition is not opposed to progress. It is opposed to the Government's selling out of the rights of the people of Victoria to a minority who have no interest in this State, except a monetary one. The House should carry the amendment submitted by honorable member for Midlands.

Mr. SCANLAN (Oakleigh).—I was pleased that the honorable member for Broadmeadows touched upon the amendment. The House should pay particular attention to the wording of the amendment which is—

> That all the words after the word "That" be omitted with the view of inserting in place thereof the words "this Bill be not proceeded with until such time as further inquiries into the planning and future development of Westernport Bay are completed by the Public Works Committee".

Mr. STEPHEN.—Isn't that delay?

Mr. SCANLAN.—Most assuredly that would cause delay. I do not suggest that the thought was in the mind of the honorable member for Midlands when he proposed the amendment, but its wording could easily be construed as meaning that the Public Works Committee had already conducted an inquiry into the development of Westernport Bay. Whether or not that was so, such an inquiry by the Public Works Committee has never been conducted and any inquiry would have to be on the broadest possible lines because of the tremendous significance of this development to Victoria. As a member of the Public Works Committee, I join with members of the Opposition who have pointed to the fact that the committee, although one of the smallest committees of Parliament, is one of the busiest and most competent. If the committee were to conduct such an inquiry as is proposed, it would have to take its place in the committee's programme, which already includes inquiries into the Preston tramway, the Goulburn river

flooding and the Goulburn-Murray area drainage. Each of these matters is of great significance, particularly to country people. When those inquiries, which are all of a substantial nature, are complete, the committee is to conduct an inquiry into the total water resources of Victoria, which could take anything up to 25 years to complete. The broad inquiry will include inquiries into aspects of the use of the Wannon river——

The SPEAKER (the Hon. Vernon Christie).—Order! The honorable member may not canvass the complete work of the Public Works Committee.

Mr. SCANLAN.—I assure you, Mr. Speaker, that what I have mentioned is by no means the complete work of the committee; it is the most infinitesimal fraction of its work. I will not mention that there is to be an inquiry regarding the Macalister river, also the Avon and the Mitchell.

The SPEAKER.—Order! The honorable member has heard my ruling, and he must abide by it.

Mr. SCANLAN.—Thank you, Mr. Speaker. The important point is that the amendment seeks to give the Public Works Committee the responsibility of conducting a lengthy inquiry at a time when it is already fully committed. I remind honorable members that this is a drought year in which the State has been badly affected, and any inquiry into water supply would be at great sacrifice if the committee proceeded to inquire into the development of Westernport Bay.

The SPEAKER.—The honorable member is now canvassing the work of the committee.

Mr. SCANLAN.—I only add that the Opposition seeks to delay the introduction of the use of natural gas, certainly for much longer than the period of eighteen months which was alluded to by the Premier. Such a delay would certainly not be in the interests of the Victorian community.

Mr. WILTSHIRE (Syndal).—The honorable member for Midlands knows what committees do and he must know that the State Development Committee, of which I am a member, has conducted two inquiries into the development of the area in question. He knows that if an inquiry were to be conducted by a different committee, most of the work done by the State Development Committee would have to be duplicated. It is significant that the honorable member for Melbourne, who is a member of the State Development Committee, has not spoken in this debate. He knows of the findings of the committee and the reasons for its recommendations. He could not speak in this debate without revealing something contrary to what the Opposition is putting forward.

In answer to the Deputy Leader of the Country Party, who has interjected, I point out that the only deep water port along the coastline between Port Phillip Bay and the New South Wales border is Westernport Bay. Therefore, the companies concerned have nowhere else to go. I was about to say that the honorable member for Melbourne knows that, in order to supply Melbourne and other places with natural gas, the only suitable place for the companies to establish themselves would be Long Island. He knows that during the inquiries made by the State Development Committee it became apparent that the port of Melbourne had enough space for 25 years' development and that, if containerization of cargo becomes general, the available space will be enough for 50 years' development. All these things are known to the honorable member for Melbourne and also to the honorable member for Kara Kara. The honorable member for Melbourne did not enter the debate because he did not want to shame the mockers on the Opposition benches who brought forward this amendment by revealing what he knows; it is obvious that they know nothing about the position.

There will still be plenty of room on the foreshore on Westernport Bay for future development. If the Leader of the Opposition read the report of the State Development Committee, he would know that the committee recommended that the port should be developed only when there was sufficient bulk cargo available. The Leader of the Opposition made great play about the plan produced by the Shire of Hastings. That plan was first examined before BP advanced its proposition five or six years ago, and the same suggestion about water was made regarding the development of Long Island. At the time, and in the light of what was then known, it was a good plan. But, surely, the Government must move with the times. With bulk cargo and with pipe-lines and railways in the area, the best facilities available must be used.

The Deputy Leader of the Country Party has asked what Gippsland has got out of the scheme and how many men are employed at Sale at the moment. I do not know the number employed there, but I do know that 2,000 tons of steel are delivered to Sale each week, that 300 people are employed at Barry Beach, and that roads are being constructed in the area.

Mr. HOLDING.—Where will the railway be?

Mr. WILTSHIRE.—I do not know that. I cannot discuss any personal interest in any railway which might be constructed. The amendment submitted by the Opposition has been put forward only as a delaying tactic. In the first place, if it were agreed to, the 100 witnesses heard by the State Development Committee would have to be heard again. Secondly, the inquiry would cover the same ground and come to the same conclusion as the previous inquiry. The House should not have one bar of this amendment.

Mr. WILKES (Northcote).—The debate has taken an extraordinary trend; we have heard from one member of the Public Works Committee——

An HONORABLE MEMBER.—Two.

Mr. WILKES.—I thought that the honorable member for Syndal said that he was a member of the State Development Committee. We have heard from two members of the Public Works Committee. One defended the volume of work which has been imposed on it by the Government, and informed the House that it would not be practicable for the Public Works Committee to deal with an inquiry of the nature proposed by the amendment. The Opposition does not agree with him. If, to-morrow, the Government wanted the Public Works Committee to examine a particular question, it would be competent for it to instruct the committee to do so and to produce a report on that matter before it concluded its investigations on the matters now before it. That has happened before, and it could happen again. The Public Works Committee would not only be competent to do so, but would be capable of conducting such an inquiry. Some of the facts which would be revealed as a result of the proposed inquiry by the Public Works Committee would be of great interest to Parliament.

The honorable member for Syndal made certain suggestions on the proposed construction of deep water port facilities in Westernport Bay. The Opposition is aware of these matters. Even on the amount of information it has been able to extract from the Premier on his dealing with Esso-B.H.P., the Opposition at least knows of the deep water facilities in Westernport Bay. Even the most backward member on the Government benches knows of them. As long ago as the first world war, it was known that the whole of the British fleet could anchor safely in Westernport Bay.

The Opposition is concerned about the attitude of the Shire of Hastings. In its wisdom, the shire council considered the facilities within its area and their potential. It was prepared to spend money and prepare a plan, and that plan was accepted by the Government. But, according to the statement of the Minister of Public Works to-night, the first the Government knew of development in the area was when it was advised that many people were buying land there. The Minister said that the Government thought that if that were the case, it should investigate the matter. What did the Government do? It did not protect the shire or preserve something that belonged not only to the ratepayers in the Shire of Hastings but to the people of this State, namely, the land that was reserved for public purposes in this particular area. Of course, Opposition members have not been able to determine, either by way of questions on notice or in debates in this Chamber, what prices were paid for this land. We do not know whether the firms bought the land at its market value on the basis that it was reserved land for public purposes or at rural land prices. We can only assume what happened. The Premier has been secretive concerning his dealings with Esso-B.H.P., and anything the Opposition has been able to extract from him by way of information has been in a round-about way. The honorable gentleman has told Parliament only what he wants it to know, and what he does not want Parliament to know has been left unsaid.

The Premier made some reference to BP and its establishment in Westernport Bay. It is true that the Opposition had some reservations concerning the assistance given to BP in this area. The company was granted certain concessions at the expense of the ratepayers of the shire. Fancy a multi-million dollar company such as BP being able to squeeze out of the Government legislation which forced the Shire of Hastings to grant rate concessions to it! The Opposition is opposed to concessions of that type.

Mr. FLOYD.—The measure was rushed through Parliament in December.

Mr. WILKES.—I agree that the enabling legislation was passed by Parliament in the last two or three days of the sessional period when it did not receive the careful consideration of Parliament. Under no circumstances does the Opposition approve of concessions of this type being given to any company. The Premier said, "Look what you have said in respect of the Ford company at Broadmeadows" and the honorable gentleman was proud that he was able to sell the rights of the people of Broadmeadows in the concession that he gave to the Ford company.

Mr. RAFFERTY.—The company has been a great success.

Mr. WILKES.—I agree; it is the second largest company in the United States of America, but the Opposition does not agree that preferential treatment should be given to companies of this type. It is the Opposition's duty at all times to protect the rights of the people of the State, especially when those rights are eroded in the interests of large companies.

Mr. LOXTON.—What about the Dunstan Government in South Australia?

Mr. WILKES.—There is no comparison between Victoria and South Australia—in fact, there are many differences between the two States. For example, there is a better Government in South Australia than in Victoria. I invite honorable members to examine the agreement which is contained in the schedule to the Bill and to note the concessions that have been doled out to Esso-B.H.P. The Premier said that it was not a bad investment because Victoria would receive 11 per cent. on its money. What the honorable gentleman meant was that the Government would receive 11 per cent. royalties

when he could have obtained 13 per cent. if he had not been battered into submission by skilled negotiators. The Opposition resents the fact that the Government should accept 11 per cent. royalties or 11 per cent. in return for this money; we are more concerned about getting a better deal for Victoria.

Mr. BALFOUR.—It is 11 per cent. on the interest.

Mr. WILKES.—It is still royalties.

The SPEAKER (the Hon. Vernon Christie).—The question of royalties does not come up in this Bill.

Mr. WILKES.—I agree, Mr. Speaker, but I was using that argument as an illustration. An examination of the schedule to the Bill reveals that a number of concessions will be meted out to Esso-B.H.P. and its subsidiary, Hematite Petroleum Proprietary Limited. The agreement has been entered into by the Premier and the company concerned. I should like to know why it could not be entered into by Parliament instead of by the Premier and why the agreement could not be signed by the Governor in Council. It is not unusual for agreements of this nature to be signed by the Governor in Council.

Mr. RAFFERTY.—They are always signed by the Premier.

Mr. WILKES.—I do not wish to argue why they are signed by the Premier; I shall leave that to the imagination of honorable members. I am concerned with the concessions that will be granted to private companies under this Bill. For example, exclusive rights for port facilities in Westernport Bay will be granted to the companies concerned.

The Premier stated that if Cresco Fertilizers or Lysaghts become established in the area, they will have port facilities. The honorable gentleman knows that these companies are already there. Lysaght's have purchased large tracts of land in the area. At the same time, these companies have received preferential treatment by virtue of knowing what was taking place in respect of zoning in the area. It is not a question of "if they go there" but "when they go there." If these companies receive the same preferential treatment by way of wharfage facilities that were given to Esso-B.H.P., it will represent another give-away. It should be appreciated that these are not one cent companies but one million dollar concerns, and the people of Victoria should not be required to assist them financially. After all, only last week in this House the Chief Secretary informed honorable members that the Government was bankrupt. The honorable gentleman admitted that if the Government was deprived of a measly sum of $3,000,000, there would be grave repercussions on the education system of the State. Yet the Government is prepared to spend revenue or loan money on building wharf facilities which could be provided by the companies concerned or, if they could not do so, by the parent companies in the United States of America. It should not be a question of what we are prepared to do for them, but, in view of the benefits which they receive from the Government, what they are prepared to do for Victoria.

Mr. PHELAN.—The same as in Western Australia.

Mr. WILKES.—The honorable member for Kara Kara has reminded me of the mineral resources in Western Australia and what private companies there have been prepared to do for the State. The Government did not build wharves in the northern part of Western Australia to suit companies that are taking out mineral deposits; the companies concerned provided the wharves.

Because of the battering the Premier has had to take from these skilled negotiators, the honorable gentleman is prepared to do anything to get the company going. Everybody realizes the importance of natural gas and oil to Victoria. The question in which everyone should be interested is how these great natural resources

will be developed in the best interests of the State. They will not be developed by giving concessions to companies that do not need them. The companies need wharf facilities and deep water channels, but they should not get them at the expense of the people of the State.

I invite honorable members to study the schedule and take note of the concessions that will be given to Esso-B.H.P. and the Hematite organization. It is astounding when they are read in proper sequence how many concessions there are and how they are concealed. No one knows how much these concessions will cost. The Opposition is not concerned about the Premier's estimate of the amount that Victoria will receive in return for these concessions. The honorable gentleman said that we were already getting money from the BP organization at Westernport, but there is nothing in the Budget Papers to indicate that assistance is being derived in this way. We have only the Premier's word on this. It will be many years before the State can recoup what it will cost to provide the facilities for the companies as envisaged in this Bill.

The Opposition considers that the Public Works Committee should examine the needs and rights of the people of the Shire of Hastings. Nothing is being given to the shire in return for the land which is being handed over to the companies concerned. The Public Works Committee should be asked to investigate the matter to determine whether the people of Victoria are getting the best deal out of a bad bargain that has been entered into on their behalf.

The House divided on the question that the words proposed by Mr. Stoneham to be omitted stand part of the motion (the Hon. Vernon Christie in the chair)—

Ayes	49
Noes	16
Majority against the amendment ..	33

AYES.

Mr. Balfour	Mr. Rafferty
Mr. Billing	Mr. Reese
Mr. Birrell	Mr. Reid (*Box Hill*)
Sir John Bloomfield	Mr. Reid (*Dandenong*)
Sir Henry Bolte	Mr. Ross-Edwards
Mr. Buckley	Mr. Rossiter
Mr. Cochrane	Mr. Scanlan
Mr. Darcy	Mr. Smith (*Bellarine*)
Mr. Dixon	Mr. Smith (*Warrnambool*)
Mr. Doyle	Mr. Stephen
Mr. Dunstan	Mr. Stokes
Mr. Evans (*Ballaarat North*)	Mr. Suggett
Mr. Evans (*Gippsland East*)	Mr. Tanner (*Caulfield*)
Mrs. Goble	Mr. Taylor
Mr. Jona	Mr. Trethewey
Mr. Loxton	Mr. Trewin
Mr. MacDonald (*Glen Iris*)	Mr. Vale
Mr. McDonald (*Rodney*)	Mr. Wheeler
Sir William McDonald	Mr. Whiting
Mr. McKellar	Mr. Wilcox
Mr. McLaren	Mr. Wiltshire.
Mr. Meagher	*Tellers:*
Mr. Mitchell	Mr. Tanner (*Morwell*)
Mr. Moss	Mr. Templeton.
Mr. Phelan	
Mr. Porter	

NOES.

Mr. Clarey	Mr. Stoneham
Mr. Divers	Mr. Sutton
Mr. Fennessy	Mr. Turnbull
Mr. Floyd	Mr. Wilkes
Mr. Ginifer	Mr. Wilton.
Mr. Holding	
Dr. Jenkins	*Tellers:*
Mr. Lovegrove	Mr. Edmunds
Mr. Mutton	Mr. Trezise.

PAIR.

Mr. Borthwick	Mr. Ring.

The motion for the second reading was agreed to.

The Bill was read a second time and committed.

Clauses 1 to 3 were agreed to.

Clause 4 (Ratification of agreement).

Mr. STONEHAM (Midlands).—Sub-clause (1) provides—

> The agreement is hereby ratified validated and approved and shall be given effect to.

Those members who can recall the introduction into this House of the Bill relating to Alcoa of Australia (Limited) will remember that no reference was made to the fact that Victoria was to provide a concession

with respect to electricity. Although this has been kept a close secret to this day, it has been estimated by experts to be of the order of $6,000,000 a year. The House was not told anything about that.

The agreement which forms the subject of this Bill provides preferential treatment for the companies in respect of electricity supply, water supply, the provision of roads, and many other things. Part III. provides, *inter alia*——

The CHAIRMAN (Mr. L. S. Reid). —This is not an agreement with Alcoa of Australia (Limited).

Mr. STONEHAM.—I know that, Sir, but I am referring to the fact that when an agreement between the Government and Alcoa was made, honorable members were not fully informed and I am now bringing to your notice paragraph (*f*) of Part III., of this present agreement which provides that the Premier, on behalf of the State, covenants that the State will—

> facilitate through the State Electricity Commission of Victoria and ensure the provision to the companies at a point on the boundary of the plant site as may be mutually agreed an adequate supply of electricity for construction and operational purposes at rates agreed between the Commission and the companies.

What does this mean? Is this to be another sell-out and another concession granted? It is with Alcoa in mind that I want to get an assurance from the Minister, if he is prepared to give an assurance, that in this instance the State is not to be involved in the granting of costly electricity concessions.

No doubt this matter has been fully discussed with the State Electricity Commission of Victoria. The passage I have read simply says, "at rates agreed between the Commission and the companies." It does not specifically say that electricity is to be provided to the companies at the same rates as those applying to other companies with the exception of Alcoa. In the case of Alcoa, the interests of the people have been betrayed. Is this another instance in which Parliament is to be misled and is not to be informed of the Government's intention to grant costly concessions with respect to electricity?

Part III. of the agreement provides also that the Premier, on behalf of the State, covenants that the State will—

> facilitate through the State Rivers and Water Supply Commission and ensure the provision to the companies at a point on the boundary of the plant site as may be mutually agreed an adequate supply of water at such pressure as is determined by the Commission for construction and operational purposes at rates to be agreed between the Commission and the companies.

Here again the door is left wide open for the situation to be exploited by these high-pressure experts from overseas. Why does the Bill not provide that these companies are to receive electricity and water supplies under the same conditions as those applying to other companies? What has the Minister to say about this?

The CHAIRMAN (Mr. L. S. Reid). —The question is—

> That clause 4 stands part of the Bill.

Mr. STONEHAM (Midlands).—I take it, Sir, that the Minister will reply?

Mr. BALFOUR (Minister for Fuel and Power).—I did not intend to, but I will say that these things have not yet been worked out. They will be worked out in an economical fashion to provide for the best development of the State. I cannot agree that the agreement with Alcoa of Australia (Limited) was detrimental to Victoria; in fact, it has proved to be of great advantage to the State.

Mr. STONEHAM.—What is the concession worth annually to Alcoa?

Mr. BALFOUR.—Not as much as people might think.

Mr. STONEHAM.—How much will the concession be in this case?

Mr. BALFOUR.—There may not be any concession at all. The matter of supplying power to these companies

has not been discussed between the companies and the State Electricity Commission.

Mr. WILKES (Northcote). — I listened carefully to the reply given by the Minister for Fuel and Power and was surprised to hear him say that there might not be any concession. Surely, members are not to be told in a month's time that, because of the nature of their industry, these companies are entitled to a concession for power.

As was pointed out by the honorable member for Midlands, this same situation obtained, in the case of Alcoa, three months afterwards. All I want on this occasion is an assurance from the Minister that, if a power concession is to be granted to Esso-B.H.P. and the Hematite company, we will be told now why the firms in question are entitled to such a concession, so that we may take further action. Surely those organizations are in no different position from the BP company or any other decentralized industry. The Minister has asserted that there may be no need to grant a power concession. The Opposition party contends that no power concession should be granted unless Parliament is told why the Minister envisages that there might be the necessity for this Government to grant a concession. In the absence of that information, the Minister ought to be prepared to state the reasons for his doubt whether there will be the need at this point of time to grant a price concession.

The clause was agreed to, as were the remaining clause and the schedule.

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

VETERINARY SURGEONS (AMENDMENT) BILL.

This Bill was received from the Council and, on the motion of Mr. MANSON (Minister of State Development), was read a first time.

JOINT SELECT COMMITTEE (ROAD SAFETY) BILL.

Mr. MANSON (Minister of State Development) presented a message from His Excellency the Governor recommending that an appropriation be made from the Consolidated Revenue for the purposes of this Bill.

A resolution in accordance with the recommendation was passed in Committee and adopted by the House.

The House went into Committee for the consideration of this Bill.

The clauses were agreed to.

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

SWINE COMPENSATION BILL.

For **Mr. RYLAH** (Chief Secretary), Mr. Balfour (Minister for Fuel and Power), by leave, moved for leave to bring in a Bill to consolidate and amend the law relating to the provision of compensation for the owners of certain pigs, to repeal the provisions relating to the sale of swine contained in Part II. of the Swine Act 1958, to amend the Stamps Act 1958, and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

CATTLE COMPENSATION BILL.

For **Mr. RYLAH** (Chief Secretary), Mr. Balfour (Minister for Fuel and Power), by leave, moved for leave to bring in a Bill to consolidate and amend the law relating to the provision of compensation for the owners of certain cattle, to amend the Stamps Act 1958, and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

FERTILIZERS (AMENDMENT) BILL.

This Bill was received from the Council and, on the motion of Sir WILLIAM McDONALD (Minister of Lands), was read a first time.

RAILWAY LOAN APPLICATION BILL.

The debate (adjourned from October 31) on the motion of Mr. Wilcox (Minister of Transport) for the second reading of this Bill was resumed.

Mr. FLOYD (Williamstown).—The Order of the Day for the resumption of the debate on the Railway Loan Application Bill has been on the Notice Paper for some time, and it is one of a series of Bills that the House deals with after the first line of the Budget has been agreed to. It is only logical that the Opposition, having failed to defeat the Government's Budget, must be charitable and agree to the passage of this Bill. I assure the Minister of Transport that members of the Opposition do not intend to vote against this measure but we want to exercise our prerogative not only to make general statements on the Bill but also to be specific in our criticism of the schedule.

In the main, a loan application Bill is a short measure and perhaps newly-elected members on both sides of the House are wondering why such an important Bill contains so few clauses. It is essentially a Committee Bill, and it is customary for members to discuss matters concerning their electorates during the Committee stage. At that time honorable members will be able to take advantage of the opportunity to debate the schedule by which a total sum of $24,000,000 is allocated for expenditure by the Railway Department.

That money will be applied to the work set out in the schedule. There are two aspects of railway finances. Like many other organizations and Departments set up by Parliament, the Railway Department tries to conduct its financial affairs successfully, but the railways are not in the race. I do not suggest that the State Rivers and Water Supply Commission is in the race, either. The capital expenditure of those Departments is too great for their income. Over the years, the Railway Department has attempted to balance its budget and quite often has succeeded in making a running profit. However, the Department cannot cope with interest payments, sinking fund payments, and other such payments. Anyone who delves into railway finances takes on a big job. I do not know whether the new Minister of Transport has mastered the intricacies of railway finance, but I am certain that the Opposition shadow Minister of Transport has only just begun to do so.

Mr. ROSSITER.—Begun to do what?

Mr. FLOYD.—To master the intricacies and mysteries of railway finances. I do not expect the Minister of Labour and Industry to worry about railway finances because he has his hands full with other matters. Honorable members who are not closely concerned with railway finances cannot be expected to understand some of the many difficult aspects in a short time. Unless an honorable member was particularly interested in them, he would tend to treat them as most members of the public do. It is generally believed that, in the boom days of the 1880's and 1890's when the railways extended with such speed—during that period there were many boom companies, many boom banks, and many people wanting to make a " quick buck "—railway lines were built to places where there was nothing except the estates of members of Parliament.

Mr. ROSSITER.—That is a reflection on Parliament.

Mr. FLOYD.—That is right. I am making a direct reflection on the members of Parliament of the 1880's and 1890's who deliberately, and with full knowledge of what they were doing, approved of railways being extended into areas where they had previously bought land so that they could make a " quick buck ". I hope that gets through to the Minister of Labour and Industry. Perhaps he would like me to explain it in detail.

Mr. ROSSITER.—Yes.

The DEPUTY SPEAKER (Mr. L. S. Reid).—Order! The honorable member for Williamstown need not answer that interjection.

Mr. FLOYD.—I have mentioned those matters to show that, in the past, railway finances were the subject of great suspicion. It was alleged that the great amount of money spent on railways in the boom period crippled the Department with the subsequent interest burden. My brief investigations into the subject have revealed that that is not the position. Over the years, the Government has overcome the difficulties of the early days. The Railway Department has had to pay interest and sinking fund payments on amounts allocated by railway loan application Bills only since 1961. I want to disprove the popular belief that the railways cannot be run profitably because of burdens imposed on them since the 1890's. This might appear to be incongruous, coming from a member of the Opposition, because, on occasions, that popular concept has been used as an argument by some of my colleagues. I do not go along with it. I trust that what I am saying is understood by the Minister of Labour and Industry because I shall explain it in a little more detail as I proceed.

The Treasury carries the deficit of the railways as it carries the deficits of the State Rivers and Water Supply Commission. When speaking on the Budget, I said that the Railway Department does not have deficits and neither does, for instance, the Department of Health. If their income does not meet their expenditure, the difference cannot be termed a deficit because those Departments spend money on making the community work. The money allocated by the Railway Loan Application Bill comes into this category.

The Department needs $24,000,000 to carry out its capital works for the next twelve months. In his Budget speech, the Premier and Treasurer stated that it was estimated that this year the revenue of the Railway Department would be $107,899,400, which was $2,910,000 more than that of the previous year. The Treasurer said that he expected the railways to have a working surplus this year of about $410,000. That will be the excess of income over expenditure on running the system. That surplus was expected, notwithstanding a substantial increase in the amount of wages that the railways would have to pay this year.

The Treasurer's estimate was based on the expectation that the railways would transport 70,000,000 bushels of wheat. I sincerely hope that will prove to be the case, although I have grave doubts about it.

Mr. PHELAN.—It will not be a third of that amount.

Mr. FLOYD.—If the railways transported that amount of wheat, the Treasurer expected that they would have a working surplus of $410,000 for the current financial year.

Mr. PHELAN.—That is the wheat farmer's annual contribution, but this year the Department will not get that amount.

Mr. FLOYD.—I am pointing out what the Treasurer said. Apparently the expected income of the railways was dependent on their transporting that amount of wheat.

Mr. B. J. EVANS.—That is right.

Mr. FLOYD.—Apparently, notwithstanding the Budget estimates, the working surplus will be less than expected. The Department still has to carry interest and debt charges totalling $5,778,000 as a result of loan moneys provided to the railways since 1960. The Department tends to have a working surplus, but it has to pay interest of 4.78 per cent. on loan moneys, a sinking fund payment of .23 per cent., and exchange of .17 per cent. Although some people claim that these are only a book entry, the Treasury officials who prepare the Budget must deduct the amounts from the loan moneys that will be available to the railways.

Unless additional loan moneys can be obtained, the railway system will never be given the necessary boost to enable it to produce a better working surplus. As I have indicated, this year's estimated working surplus of $414,440 is dependent upon the transport of wheat, and it appears that this will not eventuate. The Government should not have to depend on seasonal conditions to decide whether or not the Department pays its way.

The Commonwealth Government should investigate the problem. That Government is prepared to spend money on the construction of standard gauge railways in other States, such as Western Australia, where the distance from Kalgoorlie to Perth and to Kwinana is the same as from Melbourne to Adelaide, and yet the States of Victoria and South Australia had to meet the original cost of constructing the line from Melbourne to Adelaide, and maintenance costs over succeeding years. The Commonwealth Government has decided that it will bear the greatest burden of the cost of constructing a railway from Sydney to Perth via Broken Hill. If the Commonwealth is prepared to make such a gift to the other States, it should make some provision for the two most populated States, Victoria and New South Wales. Although there is a 4 ft. 8½ in. gauge railway line from Sydney to Broken Hill, via Condobolin and Parkes, most of the 700 miles will have to be rebuilt because the existing bridges are not strong enough, the rails are too light, the sleepers are worn out and embankments are too light to carry the new trains. There is a railway from Broken Hill to Peterborough in South Australia. The Silverton 3 ft. 6 in. gauge tramway is to be converted to a 4 ft. 8½ in. gauge, and it is proposed that the line will be rerouted. If the Commonwealth Government can spend money on the construction of these lines, it should make finance available towards improving the Victorian railway system.

This Bill provides for the expenditure of loan money totalling $24,000,000 to carry out the works set out in the schedule to the Bill. It also cancels any unexhausted loan money. In the past, I wondered whether unexpended loan money remained in a reserve fund for future use. However, this Bill provides that if the money is not spent, or is not in the process of being spent, the allocation is cancelled. Clause 4 of the Bill sets out that it is unnecessary for works projects to be submitted to the Public Works Committee for investigation.

All large cities of the world need a railway system. I am not certain that they do not need a tramway system as well. It has been proved that the motor car is incapable of transporting great numbers of people. A former Minister of Transport said that a seven-carriage train could carry 1,000 persons, but that if that number of people had to travel by road, with the appropriate distance between cars, the vehicles would extend along nine miles of single lane roadway. In addition, 4½ acres would be required to park all those cars. If a railway system is needed, it should be popularized so that the citizens will use it.

Mr. WILCOX.—You are suggesting that the problem is to shift people, not motor cars.

Mr. FLOYD.—I am interested in people, not in motor cars. This State seems to be concerned with building over-passes, under-passes, grade separation and painting signs on roads. It costs $20 per mile to paint white lines on roads, and the State still finishes up with nothing. If a railway line or a tram track is laid, the State has at least the rails.

It has been discovered all over the world that the roads are insufficient for all the motor cars that want to use them. Sir Horace Petty, a former Minister of Public Works and now the Agent-General for Victoria in London, said on one occasion that one day

a car will come off the assembly line from some motor company, and it will be the last one. The roads will be so choked with traffic that free movement of road vehicles will be impossible. Whilst we must realize that the railway and tramway services may not be as convenient as certain other forms of transport, it is true that people will use these services when it suits them to do so. Consequently, action must be taken in the interests of the State to induce more people to patronize the public transport systems. Only by action of this type will the Government ensure that every street, over-pass, under-pass and freeway does not become chock-a-block with traffic.

Since 1955, the majority of honorable members have had an opportunity of travelling overseas. Those who have visited other countries would have seen ten-lane highways which have been choked with traffic. Even if fifteen-lane highways were built, there would be certain times of the day when free movement of traffic would not be possible. Working on the principle that the railways have a greater capacity for shifting crowds than other forms of transport, we must endeavour to popularize them more.

I noticed in the annual report of the Victorian Railways Commissioners for last year that livestock traffic rates had been reduced as from 1st July of this year. As a result, the railways gained $500,000 extra revenue from livestock traffic. Would it be incongruous to suggest that if action of this type attracts more livestock traffic, a reduction in fares would similarly increase passenger traffic? More people will be attracted back to the railways only by increased efficiency, good rolling stock, clean carriages and checking acts of vandalism and louts who take charge after a certain hour each night. The Department needs a blood transfusion so far as money from the Commonwealth is concerned, and a new outlook must be adopted by the Railways Commissioners, who should adopt not a defensive but an offensive policy. The Railways Commissioners and the Minister of Transport must seek new business. Obviously, people who cease to patronize the rail system have some reason for using other forms of transport. Some effort should be made to ascertain these reasons with a view to attracting more passengers to the railways service.

In the *Reader's Digest* of December, 1966, there appears an interesting article concerning the Canadian National railway system. Because this private railway was in a bad state, the authorities set out to ascertain what had gone wrong so far as passengers were concerned. The Canadian railways were functioning satisfactorily so far as freight was concerned, but there had been a serious decline in the number of passengers. Of course, we live in the jet age, when people wish to travel from one place to another as quickly as possible. However, if the railway service—the same would apply to tramways, although to a lesser extent—could be improved and made convenient for people who wished to travel, many passengers would prefer the comfort and relaxation of a rail journey to the hurly-burly of rushing to the airport and being transported at high speed to their destination. The article in the *Reader's Digest* stresses that as a first step towards retaining patronage for the railway system, the Canadian railways adhered to proper train schedules as closely as possible.

Earlier this year, I asked a question in this House concerning the number of trains that had been cancelled during the past six months and, in reply, I was informed that 900 trains had been cancelled on the suburban system during the relevant period. There is nothing more annoying to a person who goes to the railway station expecting to travel on a particular train than to find that it has been cancelled. I do not know why the 900 trains in question were

cancelled. Probably some were cancelled because of a shortage of personnel and, in other cases, trains would be cancelled for other reasons. However, an efficiently run transport service would not cancel as many as 900 trains in only six months.

Mr. RAFFERTY.—Would some of the trains that were cancelled have been specials?

Mr. FLOYD.—The ratio of special trains that were cancelled would have been small. I received a letter from a constituent who complained that one train had been cancelled which led me to inquire of the Minister of Transport why it had been cancelled. This, in turn, led me to ask concerning the total number of trains that had been cancelled during the given period.

Mr. B. J. EVANS.—Why were they cancelled?

Mr. FLOYD.—I do not know. From time to time, complaints are received concerning buses running along a wrong street or not keeping to schedule, but when printed timetables indicate that trains will run at specific times, passengers expect these trains to run as scheduled. I shall not read the article to which I refer in the *Reader's Digest*, but I emphasize that on long distance trains, the Canadian railways provide nurseries for the children, a first-aid room or a sick room, a club car and the usual amenities.

On 18th October, 1966, I asked the Minister of Transport whether the *Overland* train to Adelaide ever included a club car and, if so, when it was discontinued, and for what reasons. I have always regarded the *Overland*, which runs between Melbourne and Adelaide, as an excellent train. In reply to my question, the Minister stated—

> The *Overland* has never included a "club" car, nor are there any plans to provide such a car on the train.

Mr. WILCOX.—Something is being done about that now.

Mr. FLOYD.—That is so, but action should have been taken earlier. Over the years, we have read of vandalism that has occurred on various trains. Sometimes, groups of footballers become involved in trouble. If club cars were provided on long distance trains, passengers could sit down and have a talk until it was time for them to go to bed, much of this trouble would be avoided.

The Minister of Transport has informed me that before club cars could be provided on the *Overland*, agreement must be reached between Victoria and South Australia and that the platforms are not long enough. Honorable members know that the platforms have never been long enough to take fourteen-carriage trains; hence I do not suppose an extra carriage would matter a great deal. The Minister further stated that in the event of money being made available for improvements to the *Overland*, it would be wanted for other things. If the Canadian railways can provide nurseries, first-aid rooms and other amenities, surely the Victorian and South Australian Railways should be able to provide a club car on the *Overland*.

I should like now to deal with the proposed underground railway for Melbourne and the suburban train services generally. The Railway Department should be commended for the fine Harris trains—they are commonly known as the blue trains—which are in the majority now so far as the suburban service is concerned.

The latest walk-through trains compare more than favourably with those operating anywhere in the world. However, the old "dog box" carriages of the 1880's are still in operation. I do not know why these carriages cannot be progressively taken out of service as new trains are provided. The old "Tait" type carriages, which were modern 30 or 40 years ago, are still giving good service.

I commend the Department for keeping the trains uniform and not running a conglomeration of different carriages on the one train. But, I direct attention to the situation existing on the Williamstown line, and more particularly to the train running between Newport and Altona. No doubt, service has not been given in this area because there has been a Labor representation for many years and the Liberal Party has no hope of winning the seat. It took years and years to have an overpass built at Newport. The people need not go to the Museum to see something antique; they should travel to Newport and see the "wagon train" which runs between Newport and Altona—it is worth looking at. It consists of three or four carriages of different types; no cushions are provided, windows are broken and some of the carriage doors will not shut. I recall in my younger days going to the Zoo and seeing a horse-drawn tram. The "wagon train" at Newport is unique. It is a standing joke with travellers, and when I travel on the train I have to put up with the joke. I do not expect the Minister to effect an improvement because I have spoken on the subject; he will not do so because there seems to be some vendetta about it. Surely it would be good public relations to improve the train on this line and also provide a better type of carriage on the Port Melbourne, St. Kilda and Reservoir lines.

I have been informed that the Railway Department proposes to operate eight-carriage trains on certain lines as the platforms are extended. These eight-carriage trains will be reduced to two-carriages in the off-peak hours. I do not object to that proposal because, with unmanned stations in the off-peak period, it is better for the passengers to be confined to two carriages than be spread over eight carriages. With the older type carriages, on a two-car unit a driver's compartment is provided in the trailer cars. As it is proposed eventually to replace these old carriages with blue Harris trains, I suggest that drivers' compartments should also be provided in the new trailer cars.

It is time that a start was made on Melbourne's underground railway system, for which an amount of $350,000 has been set aside for investigation. If the project cannot be completed, at least the Minister of Transport can ensure that holes are bored at various parts of the city to keep the project alive. Apparently the Government does not have sufficient stomach to charge Melbourne ratepayers who would benefit from the underground with the full cost of the project. In San Francisco people voted at a referendum in favour of an increase in taxation to pay for their underground system. In Melbourne the Government is not prepared to charge the people who would benefit.

The underground system must be provided to complete the loop. A former Minister of Transport said that by the provision of an underground system, a greater capacity could be carried on the trains with the same number of employees and practically the same amount of overhead. I compare this statement with the attendance at a football match. The same number of attendants man the gates at a football ground when the attendance is 20,000 as are needed when 50,000 people are in attendance, but the football club obtains more profit from the greater number. At present, the Railway Department is fighting a battle with one hand tied behind its back. The loop must be provided with Flinders-street station. As honorable members will recall, this station was built in the wrong place in the first instance; it grew up like Topsy from a number of private companies. It is not so long ago that Spencer-street and Flinders-street stations had to be joined by a viaduct. Melbourne's chaotic inner railway transport system could be corrected by the provision of an underground, and

I urge the Government to press for the completion of this project. It is not an underground system ; it is only an adjunct to our present rail system. The London underground railway is a separate system. Its construction started a hundred years ago, when London's population was not as large as that of Melbourne today. Nevertheless, as we have read recently, the London system is being extended. Every city of any size, such as Montreal and Rome, and Glasgow, which is about the size of Melbourne, finds it necessary to have an underground railway because there is physically not enough room on the surface to provide the required rail transport services. I trust that the Minister will receive sufficient money under this measure to extend his researches into this matter, and that the honorable gentleman will employ his energy and enthusiasm to see whether the State can proceed with the building of the underground railway.

I should also like the Committee of Public Accounts to look into the question of railway revenue—not simply to create a fight as far as Government finances are concerned. I am not making an innuendo. Over the years, I have noticed that sections of the Railway Department send out seven or eight separate accounts to the same firm in one day. With the cost of postage up to 5 cents for a letter, I have figures to show that a substantial amount of money is wasted in this way over a period. Why cannot accounts for a person or firm be held for a couple of days and then sent out in the one envelope? Suggestions have been sought on how to improve the economy of the railways. It is the little things that count, and therefore I ask the Minister of Transport to take note of my suggestion. Honorable members may wish to discuss the schedule to the Bill at the appropriate stage, but at this point I wish to advert to a question I asked concerning the turnover of apprentices in the railways.

The SPEAKER (the Hon. Vernon Christie).—I think the honorable member has been speaking about revenue. I point out to him that the general operation of the railways is not a matter concerning the application of loan funds.

Mr. FLOYD.—Mr. Speaker, I am endeavouring to convey that the loan funds would go further if certain improvements could be effected in the railways.

The SPEAKER.—The honorable member may develop his point, but I give him that warning.

Mr. FLOYD.—The theme of my disjointed address is that the railways suffer financially because we do not make them popular. It is of no use looking after the front only—the stations, trains and their cleanliness. We must also make our workshops popular so that apprentices and other persons will be happy to stay and work there. It will be useless to allocate loan funds to some of the functions mentioned in the schedule, such as improving shunting arrangements at the Melbourne yard, if the amenities in the workshops at Bendigo, Ballarat and Newport are neglected. There must be an objective, and the turnover of apprentices during the last five years indicates that there is not sufficient interest to induce apprentices to remain in the service. Too much maintenance work and not enough creative work is performed. We must improve the railway system by having work, which can be profitably done there, carried out in railway workshops, instead of having it done by private contractors.

Diesel locomotives are able to pull longer trains than steam locomotives, and generally our goods trains are getting longer. I believe the trend in the future will be for our railway vans and trucks to be constructed of lighter materials, such as aluminium. I have press cuttings concerning the development of aluminium vans in the Queensland railways. At the railway

workshops in Bendigo, Ballarat and Newport, there are tradesmen who can repair aluminium vehicles. I am referring to bogie wheat vans. The point is that sufficient apprentices and tradesmen are not being trained to build aluminium vans, the welding of which must be done by gas and not electricity. The Railways Service must be made presentable to the public, and the general conduct and manufacturing work in the workshops acceptable to the persons who wish to work there.

Mr. Speaker, I thank you for your indulgence in permitting me to wander a little. My main purpose was to point out that the sum of $24,000,000 of loan moneys to be expended this financial year will not be sufficient to give the railways the necessary impetus to get ahead of their problems. Some sort of blood transfusion is needed. The Commonwealth Government should come to the party and give the Victorian Railways the same kick that it is giving to the standard gauge railways in other States. Whether one likes it or not, the public transport system must be maintained. People like to travel in the comfort of their private cars, but suburban and country rail systems also are necessary. Undeniably, they are necessary for goods traffic, but they are also needed for the transport of the people. In other words, there must be a commuter service.

For some reason the railways have got behind and there is some excuse for this. Very little work was done during the war, and it takes a good deal of effort and money to catch up on this lapse. The Minister of Transport should make a serious effort to obtain extra grants from the Commonwealth, not only for the underground railway, but also to give a blood transfusion to the system in general. The debate has traversed the ordinary expenditure of the railways on which the Department expects to show a working profit. Of course, this depends on the wheat lift; otherwise the profit will be down. All costs are being pared as much as possible. In the next few years there should be some extravagant spending on the railways so that people will be encouraged to travel on the system.

On the motion of Mr. MITCHELL (Benambra), the debate was adjourned.

It was ordered that the debate be adjourned until next day.

ADJOURNMENT.

VICTORIAN PIPELINES COMMISSION: TENDER FOR SALE TO MELBOURNE PIPE-LINE — EDUCATION DEPARTMENT: DAMAGE TO NEWPORT STATE SCHOOL — POLICE DEPARTMENT: SUPERVISION OF POLLING BOOTHS.

Mr. WILCOX (Minister of Transport).—I move—

That the House, at its rising, adjourn until to-morrow, at a quarter to Two o'clock.

The motion was agreed to.

Mr. WILCOX (Minister of Transport).—I move—

That the House do now adjourn.

Mr. HOLDING (Leader of the Opposition).—Earlier to-day I asked the Minister of Fuel and Power which company submitted the lowest tender to the Victorian Pipelines Commission for the laying of the Sale to Melbourne pipe-line, what was the tendered price, and why this price was not accepted. In his reply, the honorable gentleman indicated that the tender which was accepted was submitted by Snam Progetti Australia Pty. Ltd. and that the total contract amounted to $5,151,522. He stated that this was not the lowest tender received but that it would be detrimental to the interests of other tenderers to release the details of their tenders. He said that he was prepared to discuss the matter with me. Whilst I appreciate the offer, the fact is that a considerable sum of public money is being expended, and if I were to accept his offer, which I regard as being well intentioned, I would be in receipt of information

given to me privately by a Minister which ultimately I may want to use publicly. I believe that in the interests of good government and in the interests of the Opposition, I cannot accept such a restriction.

I suggest that the argument which was advanced that in some way or other the interest of tenderers would not be served by these figures being made public is not factual. There was a substantial number of tenderers for this work. In a reply to an earlier question, I was informed that there were thirteen tenderers and, so far as I can ascertain, they were received from companies of international reputation; of the thirteen companies that tendered for this work, only one could expect to receive the contract. In other democratic communities, and particularly in some States of the United States of America, it is the practice, after a tender has been accepted, for the companies involved to be informed and for discussions to take place publicly in respect of the tender accepted.

The lowest tender for the laying of the pipe-line from Sale to Melbourne was submitted by Nat Harrison Australia Ltd., which is a company with an international reputation. The tender submitted by that company was for $4,396,000, which was $755,522, lower than the tender that was accepted. I believe it is in the interests of the public at large that the Minister should inform the House why the lowest tender, which came from a company with an international reputation, was not accepted, and why a tender considerably in excess of this, from a company which also has an international reputation, was accepted.

I do not think any statement made by the Minister on this matter could possibly detract from the international reputation of the company which submitted the lowest tender. That company would certainly understand that its tender cannot always be accepted. Because of the difference of $755,522, between the lowest and the accepted tenders the Opposition would like to know whether other compelling reasons operated on the Victorian Pipelines Commission. The Minister should state publicly, on the earliest possible occasion, why the Victorian Pipelines Commission did not follow what would be accepted as the normal business practice of accepting the lowest tender.

Mr. FLOYD (Williamstown).—In September, Newport State School No. 113, was practically burnt out, and buildings and equipment to the extent of $80,000 or $90,000 were involved. At the time I asked in the House what was to be done to remedy the position, and the Minister stated that an early decision would be made on the question of restoring the building, or building a new classroom wing.

It has been my practice, after asking a Minister a question, to write a letter to him and allow him sufficient time to reply, because I know that the honorable gentleman is busy and that Newport is not the only school which with he has to deal. However, recently I have been in touch with the head master and I have learnt that five grades are still at Williamstown and that there does not seem to have been any activity so far as the rehabilitation or reconstruction of the present buildings is concerned.

At the request of the Williamstown council, I wrote to the Minister to find out what was to be done. The honorable gentleman wrote back within two days stating that the matter was in hand and that he would acquaint me with the position as soon as possible.

After I had written to the council, I received another letter from that body informing me that it was seeking to have all district members take this matter up—I take it that this would involve three or four members from another place. I want to know when I will receive a reply to the letter I wrote in September.

Mr. EDMUNDS (Moonee Ponds).—I direct attention to a serious problem which exists and about which there has been voluminous correspondence. I have received a reply on the matter from the Chief Secretary, but this has not resolved the problem, which is serious and urgent and one which I think could be corrected simply by a direction from the Chief Secretary.

In the electorate of Moonee Ponds and particularly at Moonee Ponds Town Hall, New Australian voters have been intimidated, and because of the Senate election on Saturday, 25th November, it is necessary that action should be taken to ensure that these voters are not subjected to such intimidation.

The SPEAKER (the Hon. Vernon Christie).—Order! Is this a Federal or a State matter?

Mr. EDMUNDS.—It is a matter for the Chief Secretary to rectify through the Police Department. It occurred during the last State elections, and I have been informed that, following investigations, it was decided that nothing could be done. However, I suggest that something can be done. There is a considerable amount of intimidation of electors of Italian extraction in this locality. They have been threatened with violence, with deportation and with having their homes taken from them. At my request, officers of the Police Force have investigated these serious and positive threats. Because of the volatile nature of the people and the confusion that occurred both inside and outside the polling booth, it was impossible to obtain positive evidence of the intimidation. Most of these people come from Calabria and are worried about the Mafia-type atmosphere that is created by the people who stand over them.

I ask the Chief Secretary to ensure that more police—preferably police officers who understand the Italian language—are stationed outside the polling booth at Moonee Ponds Town Hall on Saturday, 25th November. Quite a lot of ranting, shouting and heated discussions occur, and most of us do not understand what is being said. The electors are too frightened to give statutory declarations because of the attitude of the people attempting to intimidate them.

Mr. BALFOUR (Minister for Fuel and Power).—In reply to the matter raised by the Leader of the Opposition, I make no apology for the way in which I answered his question and my offer to discuss the matter with him.

Mr. HOLDING.—I regard that as a genuine offer.

Mr. BALFOUR.—It is not the habit of the Government to make available for publication the amounts which tenderers submit for various contracts. In fact, the tenderers object to these amounts being published. In the case under review, some of the tenders were twice and three times as high as the accepted tender. Therefore, one can imagine why these firms do not want their prices quoted publicly. The Government has every reason to believe that it has accepted a reasonable tender inasmuch as it was lower than the estimated cost of the project. In addition, the Gas and Fuel Corporation and the Victorian Pipelines Commission have investigated the capability of this firm to carry out the work and its financial stability. They have also discussed with the firm its technical knowledge and know-how on this type of work. The result was that the tender of Snam Progetti Australia Proprietary Limited, the third lowest tender, was recommended and accepted. The Government has nothing to hide.

So far as the actual figures are concerned, on 17th or 18th October I was asked to list the names of the companies which tendered and the prices they quoted. I listed the names of the companies, but if I had cited the prices the figures would have been confusing because they were

quoted on a schedule of rates and were subject to alteration. Apparently someone has informed the Leader of the Opposition of the amount quoted by another firm whose tender was not accepted, but I inform him that a tender has been accepted at the price I quoted, but it is still subject to variation depending on the depth the pipe has to be laid in certain parts of the country. The Government has acted on the advice of the Gas and Fuel Corporation and the Victorian Pipelines Commission, and is satisfied that it has accepted the best tender submitted by a firm capable of carrying out the work.

Mr. ROSSITER (Minister of Labour and Industry).—The honorable member for Williamstown referred to a fire at the Newport State School. From time to time crippling fires occur in the State school system. It could be, as happened at Box Hill, that an arsonist takes out his strictures on the community by burning down schools. At other places such as the Geelong High School, or Camperdown, or Colac, fires completely destroyed the school buildings. Funds are allocated for a school building programme and if a fire occurs the school which is burnt down gets the highest possible priority. This means that other schools have to be removed from the priority list. The school at Toolern Vale was completely ravaged by a bush fire and temporary accommodation had to be provided for the school children. The buildings branch of the Education Department got on to the job, called for all sorts of blueprints and designed a new school and had it built.

I assure the honorable member for Williamstown that this will apply in the case of the Newport State School in the same way as it applied at Colac, Camperdown, Geelong, Kerrimur and Hampton. Efforts of the Education Department are being directed to the Newport State School in order that accommodation may be provided for the children.

I am not competent to answer the question raised by the honorable member for Moonee Ponds, but I shall direct the attention of the Chief Secretary to his remarks.

The motion was agreed to.

The House adjourned at 11.44 *p.m.*

Legislative Council.

Wednesday, November 22, 1967.

The ACTING PRESIDENT **(the Hon. G. J. Nicol)** took the chair at 2.25 p.m., and read the prayer.

WESTERNPORT DEVELOPMENT BILL.

This Bill was received from the Assembly and, on the motion of the Hon. R. J. HAMER (Minister for Local Government), was read a first time.

JOINT SELECT COMMITTEE (ROAD SAFETY) BILL.

This Bill was received from the Assembly and, on the motion of the Hon. R. J. HAMER (Minister for Local Government), was read a first time.

FUEL AND POWER.

MARKETS FOR BROWN AND BLACK COAL.

The Hon. I. R. CATHIE (South-Eastern Province) asked the Minister of Agriculture—

(*a*) What markets are currently available for Victorian brown and black coal?

(*b*) Is any Victorian black coal fitted into the framework of State Electricity Commission undertakings; if so, what amount, and for what purposes?

(*c*) What is the extent of current contracts for black coal?

The Hon. G. L. CHANDLER (Minister of Agriculture).—The answers are—

(*a*) (i) The output of the Yallourn and Morwell open cuts is used by the State Electricity Commission in power stations and briquette factories. Brown coal from the Yallourn North open cut is sold to Australian Paper Manufacturers Limited, Traralgon, and Gas and Fuel Corporation, Morwell.

(ii) Black coal produced at the State Coal Mine, Wonthaggi, is sold mainly to the Victorian Railways and the State Electricity Commission. Small quantities are disposed of on the open market, mainly in the surrounding districts.

(*b*) Under agreement with the Victorian Railways Commissioners, the State Electricity Commission will use at Newport power station all surplus coal from the State Coal Mine, Wonthaggi, until the mine closes in 1970. The actual quantities vary from time to time depending on quantity available.

(*c*) No formal contracts are in existence for the sale of black coal from the State coal mines.

STATE COAL MINE: CLOSURE: CONTRACTS: EMPLOYMENT.

The Hon. I. R. CATHIE (South-Eastern Province) asked the Minister of Agriculture—

(*a*) When is it expected to close the State Coal Mine at Wonthaggi?

(*b*) When do existing contracts for the sale of this coal expire?

(*c*) What alternative employment will be offered to men currently employed at the mine when it ceases operation?

The Hon. G. L. CHANDLER (Minister of Agriculture).—The answers are—

(*a*) The matter is under consideration.

(*b*) There are no existing contracts for the sale of this coal.

(*c*) The Government will continue its policy of early retirement for miners, where appropriate, and will continue to assist all employees who are desirous of seeking other employment.

COUNTRY ROADS BOARD.

TRARALGON OFFICES: BRICKWORK.

The Hon. R. W. MAY (Gippsland Province) asked the Minister of Agriculture—

Does the architect's specification for the new Country Roads Board offices to be built at Traralgon stipulate the use of bricks manufactured outside Gippsland; if so—(i) is the Government aware that the same type, colour, and class of brick specified by the architect is manufactured in Traralgon; (ii) does the Government agree that cartage costs on outside bricks could add materially to the cost of building; (iii) are transport costs included in the grand total on which architects base their fee; and (iv) will the Government take steps to ensure that locally-produced bricks are used in this building?

The Hon. G. L. CHANDLER (Minister of Agriculture).—The answer is—

Yes. For facework only. This is approximately 33 per cent. of the total brickwork involved in the building.

(i) Traralgon clay bricks, used recently, have shown variation in size, shape and quality.

(ii) There could be added cost to the building but not to a material degree.

(iii) Yes.

(iv) Yes, provided acceptable bricks are produced locally or in adjacent localities.

STATE RIVERS AND WATER SUPPLY COMMISSION.

WONTHAGGI SEWERAGE SCHEME.

The Hon. I. R. CATHIE (South-Eastern Province) asked the Minister of Agriculture—

Will the Minister of Water Supply lay on the table of the Library the file on sewerage for Wonthaggi?

The Hon. G. L. CHANDLER (Minister of Agriculture).—The Wonthaggi sewerage file has been laid on the table of the Library.

EDUCATION DEPARTMENT.

BURGLARIES: VALUE OF STOLEN EQUIPMENT: INSURANCE COVER.

The Hon. S. R. McDONALD (Northern Province) asked the Minister of Education—

(*a*) How many cases of burglary have occurred in Education Department schools this year?

(*b*) What is the total value of equipment stolen?

(*c*) What is the value of equipment stolen which was supplied by school organizations?

(*d*) What assistance is available to school organizations to replace this equipment?

(*e*) Has the Department considered widening the insurance cover on schools to include burglary?

The Hon. L. H. S. THOMPSON (Minister of Education).—The answers are—

A summary of losses of equipment in schools through burglary has been instituted only from the commencement of this financial year.

(*a*) 38 reported cases (from 1st July, 1967).

(*b*) $10,253 (replacement cost).

(*c*) $5,242 (replacement cost).

(*d*) Equipment lost through burglary will be replaced by the Department, provided that funds are available for the purpose.

(*e*) Yes.

WONTHAGGI HIGH SCHOOL: TENDERS FOR CONSTRUCTION.

The Hon. I. R. CATHIE (South-Eastern Province) asked the Minister of Education—

When is it expected to call tenders for the construction of Wonthaggi High School?

The Hon. L. H. S. THOMPSON (Minister of Education).—The answer is—

It is anticipated that tenders will be called in December next, closing in January.

OPPORTUNITY AND REMEDIAL CLASSES.

The Hon. H. A. HEWSON (Gippsland Province) asked the Minister of Education—

(*a*) How many opportunity or remedial classes or both are conducted in primary schools outside of the Port Phillip electoral area?

(*b*) What procedures are adopted for the establishment of these classes?

(*c*) Does the Education Department encourage the establishment of such classes, and does it provide an additional building adjacent to a central primary school?

The Hon. L. H. S. THOMPSON (Minister of Education).—The answers are—

(*a*) Forty-four.

(*b*) Applications are usually made by local head masters or the district inspectors. The Psychology and Guidance Branch is then requested to make a survey of the needs of the area and if the numbers of pupils warrant it and accommodation is available the centre will be established.

(*c*) Yes. An additional building is not provided. Class-rooms in existing schools are used.

FORESTS COMMISSION.

RETRENCHMENT OF EMPLOYEES.

The Hon. ARCHIBALD TODD (Melbourne West Province) asked the Minister of Agriculture—

Has the Forests Commission arrived at a decision to retrench a number of employees; if so—(i) how many; (ii) in what areas are they operating at present; and (iii) on what date will the retrenchment be put into effect?

The Hon. G. L. CHANDLER (Minister of Agriculture).—The answer is—

The Forests Commission has made no decision to retrench a number of employees. It has, however, recently not been replacing employees who have retired or who have terminated their employment. There have been a few isolated terminations due to the seasonal nature of work in some parts of the State, but this is in line with normal operations.

Depending on the financial resources available to it, and the cost of fire-fighting operations, a review will be made of the situation at the end of the current fire season.

MELBOURNE HARBOR TRUST LAND BILL.

The Hon. G. L. CHANDLER (Minister of Agriculture).—I move—

That this Bill be now read a second time.

About eight years ago, certain Crown land on the south side of the Footscray-road between the Moonee Ponds creek and the Maribyrnong river was set aside for the use of the Fisheries and Wildlife Branch. Adjacent, and to the east, another area was licensed to the Melbourne City Council for the future supply of electricity. These areas are known as allotments 9 and 10 respectively of Crown section 1c, parish of Doutta Galla.

In the course of time, as circumstances regarding the general development of the area changed, it became apparent that the Fisheries and Wildlife Branch would no longer require the entire area of allotment 9 for its purposes, and that allotment 10 would not be required for the supply of electricity by the Melbourne City Council, whereas with the advent of the handling of overseas cargo by means of containers

a need arose for the land to be used by the Melbourne Harbor Trust Commissioners. The Fisheries and Wildlife Branch has agreed to relinquish the land in allotment 9, which is surplus to its needs, and the Melbourne City Council has surrendered its licence of allotment 10.

Part of the land concerned, which abuts the Footscray-road, has been set aside for road widening and for the provision of future rail access, if required, to the areas to be used for container handling, and the transfer of the land to the Trust in no way alters these existing provisions. The land required for road widening has been set aside pursuant to the provisions contained in the Coal Canal Bridge Act 1960. The purpose of the Bill is to vest in the Melbourne Harbor Trust Commissioners the whole of allotment 10 and part of allotment 9, thereby providing, with the inclusion of contiguous land to the east which is already vested in the Commissioners, an area of sufficient size as to be suitable for the establishment of an important primary export facility. The commodity which it is intended shall be handled at this facility is wool. The adjustment proposed by this simple Bill is necessary and, accordingly, I commend the measure to the House.

On the motion of the Hon. A. W. Knight, for the Hon. ARCHIBALD TODD (Melbourne West Province), the debate was adjourned.

It was ordered that the debate be adjourned until the next day of meeting.

YEA CIVIC CENTRE AND COURT HOUSE BILL.

The Hon. R. J. HAMER (Minister for Local Government).—I move—

That this Bill be now read a second time.

This Bill is introduced for the purpose of ratifying and giving effect to an agreement made between the Minister of Public Works and the president, councillors and ratepayers of the Shire of Yea, providing for the court-house at Yea to be demolished and for the construction on the site formerely occupied by the court-house of a civic centre building containing, amongst other things, a new court-house. The present court-house at Yea is a rather old building with inadequate facilities and stands on part of a block of Crown land, the greater portion of which is used for local government purposes.

Some time ago the Attorney-General of the day agreed in principle to a proposal by the Yea council that, in order to enable it to complete a civic centre, the court-house should be demolished and that a civic centre, including new court accommodation, should be built by the council on the block concerned. It was, of course, recognized that the old court-house would, in future years, require an increasing amount of maintenance and repair, and that the provision in the civic centre of a court-house section would improve court accommodation and greatly reduce maintenance costs. It was also agreed as a matter of equity that the Government, in return for the new court-house being provided by the council, would make a proportionate contribution. For this purpose a formal agreement was recently drawn up, and it has been executed by the Minister of Public Works and the municipality. The agreement provides for a Government contribution of $19,646 by instalments of not less than 10 per cent. each year in respect of the court-house section, and regulates the rights of the Government and the council in relation to the use and maintenance of the court-house section.

The agreement is expressed to be subject to ratification by Parliament and, as I have said, the purpose of this Bill is to seek such ratification and to provide for those ancillary matters that are necessary in order to give effect to the agreement. The Bill commences with a recital which refers to the agreement, and to the fact that it is subject to ratification by

the Parliament of Victoria, and that it is expedient to revoke the Order in Council of 1860 by which the land was set apart as a site for public buildings, and to reserve the land in future as a site for municipal buildings, a court-house and a children's playground.

I think that the first clause that I need mention is clause 5, which revokes the Order in Council to which I have referred and provides that the land concerned shall be deemed to be permanently reserved under the Land Act 1958 as a site for municipal buildings, a court-house and a children's playground. Clause 6 enables the municipality to demolish the existing court-house, construct the civic centre in accordance with the agreement, and maintain the land and all buildings from time to time standing thereon in good repair. That clause further enables the municipality to apply the municipal fund towards the demolition of the existing court-house and the construction of the new civic centre, and the maintenance of the land and buildings, and the carrying out of its obligations under the agreement. It is further declared that the demolition and construction shall be deemed to be permanent works or undertakings within the meaning of Part XV. of the Local Government Act 1958.

Clause 7 enables the Minister of Public Works at any time, if he thinks fit, to expend money legally available for the purpose of causing additions to be made to the new court-house. Finally, clause 8 provides that the municipality shall be a committee of management of the land concerned within the meaning of the Land Act 1958, with the obligation of insuring the property, keeping the new court-house secure, and making available adequate toilet facilities whenever the court-house is in use.

This seems to be the kind of agreement that is of mutual advantage to both the State and the municipality of Yea. I therefore have much pleasure in commending the Bill to the House.

On the motion of the Hon. I. R. CATHIE (South-Eastern Province), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, November 28.

ESTATE AGENTS (OBJECTIONS) BILL.

The Hon. L. H. S. THOMPSON (Minister of Education).—I move—

That this Bill be now read a second time.

This is a small but quite important measure to amend the Estate Agents Act 1958. The Government has been considering a number of amendments, but it is thought that this one is important and should be introduced straightway. It arises from the fact that under section 17 of the Act it is possible for persons to object to the granting of a licence to an estate agent or sub-agent on certain grounds, one of which is that the applicant is not of good character. Recently, a case went to hearing in a Court of Petty Sessions for the granting of a sub-agent's licence, and the police lodged objection under section 17 on the ground that the applicant was not of good character. The words "that the applicant is not of good character" are used in sub-paragraph (ii) of paragraph (*a*) of sub-section (3) of section 17. The particular reason for the objection in this instance was that the applicant was in grave financial difficulties, both personally and in business, and that he had already been served with warrants of various kinds involving sums totalling more than $3,000. The magistrate ruled, however, that this did not necessarily mean that the applicant was not of good character. Whether everyone would agree with this ruling is beside the point. This decision has cast doubt on the powers of the court to refuse to grant a licence to a sub-agent if it is established that he is not a fit and proper person to be

handling trust funds, at least at this stage. So it is proposed to amend the sub-paragraph to give the court power to refuse the granting of a sub-agent's licence on the ground of an objection that the applicant is not a fit and proper person to hold a licence.

The Hon. J. M. WALTON.—Does this refer only to sub-agents' licences?

The Hon. L. H. S. THOMPSON.—No, the particular case mentioned related to a sub-agent, but the Bill will apply to the granting of licences to both agents and sub-agents.

The Hon. J. M. WALTON.—The Minister mentioned only sub-agents.

The Hon. L. H. S. THOMPSON.—I am sorry. I was dealing with the particular applicant who was a sub-agent. We believe that the Bill will cover cases of this type and give the court more discretion. I commend the measure to the House.

On the motion of the Hon. J. M. WALTON (Melbourne North Province), the debate was adjourned.

It was ordered that the debate be adjourned until the next day of meeting.

LIFTS AND CRANES BILL.

The Hon. V. O. DICKIE (Minister of Health).—I move—

That this Bill be now read a second time.

The purpose of this Bill is to repeal and re-enact the Lifts and Cranes Act 1959, in order to cure certain defects which have become obvious in the course of administration of the Act during the past few years. Briefly, the most important points which the Bill seeks to achieve are the following:—

1. To ensure that the Act applies, not only to lifts and cranes in use, but also to lifts and cranes at any time in the course of their construction, erection or use; or, in the case of cranes, in the course of being re-located and being made ready for use elsewhere.
2. In relation to fixing maximum safe working loads for cranes, providing for the fixing of various maximum loads in circumstances where a crane may be used in different ways.
3. To clarify the powers of inspectors under the Act so as to make it clear that those powers extend to lifts and cranes in course of construction as well as those in actual use and also to make it clear that an inspector has the right of entry to any place but must produce his certificate of appointment on demand.
4. To remove doubts about the validity of the Lifts Regulations 1964 and the Cranes Regulations 1964, having regard to references contained therein to standard codes and specifications and to other matters concerning which doubts have been raised.

The Lifts and Cranes Act 1959 was enacted following a comprehensive investigation of the need for regulation and inspection of lifting gear. The 1959 Act replaced the Lifts Regulation Act 1928, which, of course, applied only to lifts and had been on the statute-book for many, many years. In the Lifts and Cranes Act 1959, the legislation for the first time was able to apply to a wide range of what are commonly known as cranes, hoists and conveyors, and the application of the legislation to this wide range of equipment, having a great variety of uses and used in a great many different places, has imposed a considerable responsibility on the Lifts and Cranes Inspectorate of the Department of Labour and Industry. However, I am glad to say,

and indeed I am proud to say, that Victoria during this time has had an extremely good record with respect to safety in the use of lifting gear. There have been, certainly, a few serious accidents—serious in the sense that they resulted in a death or serious injury to a person—but the Department is striving at all times to reduce the possibility of recurrence of this sort of event.

As I have indicated, the Bill does not propose any real change in the system of statutory regulation of lifts and cranes, but is merely to clarify certain issues, to remove certain doubts and to ensure the validity of certain regulations. The extent of the present weaknesses was brought to notice, first, in considering the institution of legal proceedings for alleged breaches of the Act, as well as in the course of proceedings actually taken; and, secondly, in the course of examination of certain statutory rules by the Subordinate Legislation Committee of this Parliament. The advice given by the Parliamentary Draftsman was that, as the Act is so short, having only 21 sections, the best approach would be to re-enact it in whole, incorporating the appropriate amendments. This is what is being done. Honorable members will notice that slight changes of drafting have been made here and there. To some extent, these are matters of personal preference on the part of the draftsmen concerned. I shall now explain in some little detail the principal amendments which are sought to be made.

Clause 2 of the Bill omits sub-section (2) of the existing section 2 of the Act, which was only of transitory effect when the Act came into operation. In clause 3, the definitions of "conveyer", "crane", "hoist" and "lift" have been varied so as to make it clear that the Act covers situations where a conveyer, crane or lift is in course of being constructed or erected, or is not actually in use as such at the time. The Supreme Court decision in the case of *Kirkpatrick* v. *Lewis Construction* in 1964 was that a crane being re-positioned was not a crane being used within the meaning of sub-section (3) of section 11.

Clause 4 re-enacts the present sub-section (1) of section 4, but omits the present sub-section (2). Thus, no exemptions will be available to Government Departments or statutory corporations. This accords with the Government's general approach to these matters, which is that, wherever appropriate, Government agencies should be subject to the same conditions as private entrepreneurs. Clauses 6, 7 and 8 rewrite the existing sections 6 and 7 in a more easily readable form.

In clauses 12 and 13 which deal with maximum safe working loads, provision is made to cover the situation where a crane has several maximum safe working loads, according to the arrangement of its components. For example, it is generally quite simple to alter the length of the boom of a mobile crane and so to effect its stability under identical loads. Clause 13 does not include the existing sub-section (1) of section 13, which was only of transitory effect when the Act came into operation.

Clause 19 removes some doubt about the power of an inspector to enter premises, having regard to the provisions of sections 17 and 18 of the Act. Section 18 confers powers of entry; but section 17 provides that an inspector, on applying for admission to any place, shall if required produce his certificate of appointment to the occupier or person in charge. This implies that an inspector must apply for admission before he enters, and leaves up in the air the question of what the position is if the occupier refuses the application. The proposed new section 19 makes clear what was originally intended—that the inspector should have the right of entry but should be required to identify himself on demand. Clause 20 includes additional provisions to make

it clear that the powers of an inspector under the Act extend to lifts and cranes being constructed or set up, built or set or placed in position, as well as lifts and cranes in actual use.

Clause 23 spells out the regulation-making powers. Paragraph (*a*) of sub-clause (1) is to ensure that these powers extend to the design and manufacture of lifts and cranes, as well as to their working, use, and so on. Paragraph (*a*) of sub-clause (2) makes it clear that the regulations may incorporate by reference standard codes and specifications, such as those formulated by the Standards Association of Australia, the British Standards Institution and the American Standards Association. Such references already exist in the regulations, but the Subordinate Legislation Committee has raised a doubt whether they are within power. It is considered that such a common-sense way of specification and avoidance of needless repetition should be available and valid.

Paragraphs (*b*) and (*c*) of sub-clause (2) are to make it clear that the chief inspector under the Act has power to grant exemptions from provisions of the regulations where he considers those provisions unnecessary for safe operation. Some such provisions for exemption are already contained in the regulations, but in this case also the Subordinate Legislation Committee has raised a doubt whether they are within power. Having made these necessary provisions, sub-clause (4) is then included to provide that, if in fact any regulation was not within power when it was made, it shall not now be invalid if it might be validly made under the new provisions. I commend the Bill to the House.

On the motion of the Hon. A. W. KNIGHT (Melbourne West Province), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, November 28.

MILDURA IRRIGATION AND WATER TRUSTS (AMENDMENT) BILL.

The Hon. G. L. CHANDLER (Minister of Agriculture).—I move—

That this Bill be now read a second time.

This Bill proposes amendments to the Mildura Irrigation and Water Trusts Act 1958. Its main provision, which is contained in clause 5, relates to the transfer of titles in respect of land acquired by the First Mildura Irrigation Trust some years ago for non-payment of rates. The Trust is encountering difficulties in these transfers which can be resolved only by legislation, and both the Trust and the Registrar of Titles have asked whether the matter could receive early consideration.

Clause 2 adds a new sub-section (2) to section 3 of the principal Act, enabling descriptions of district boundaries, lands and works to be made by plan only, in lieu of the present method of describing such matters by metes and bounds in an often involved technical description. I understand that the term "metes and bounds", is one that is common in the legal profession and was used as early as the year 1841. The expression means a boundary or a limit. A similar provision was included in the Geelong Waterworks and Sewerage Bill which was submitted to Parliament this session.

Clause 3 amends sub-section (2) of section 4, and is a consequential amendment following upon the insertion of the new sub-section provided for in clause 2. It repeals the present requirement that where boundaries of the First Mildura Irrigation Trust are defined by a plan, the plan is to be signed by the Minister of Lands and lodged in the central plan office. This provision, which was inserted in 1962, relates only to the boundaries of the irrigation district of the Trust. In future, this district boundary will be described in the same manner as other district boundaries and land

under the principal Act, and which now applies to all other local authorities under the Water Act.

Clause 4 amends those parts of section 117 dealing with interest charged on unpaid rates. Paragraph (*a*) increases from 6 per cent. to 8 per cent. the interest charged on unpaid rates. Current bank overdraft charges are somewhat higher than 6 per cent., so that ratepayers have an incentive to delay payment of their water rates and charges. The increased interest rate will remove this incentive. Paragraph (*b*) ensures that the interest charged shall not exceed the present 6 per cent. on rates deferred on account of necessitous circumstances. Both of these amendments conform to similar provisions included in amendments to the Water Act and the Geelong Waterworks and Sewerage Act which have been dealt with this session.

Clause 5 re-enacts section 122 of the principal Act. Its purpose is to enable the Registrar of Titles to effect transfers of lands sold by the First Mildura Irrigation Trust for non-payment of rates pursuant to court orders made prior to 1954. The problem has arisen because the repeal of section 122 and other sections of the principal Act by an amending Act last year has placed the Registrar of Titles in the position of not being able to register a transfer to or from the Trust under the provisions of court orders obtained under the repealed sections. Section 122 was repealed when the sections of the Act dealing with the collection and enforcement of rates by the sale of land were generally repealed by the 1966 Act, and replaced by an amendment incorporating sub-division 4 of Division 3 of Part VIII. of the Water Act 1958. Members may recall that this action was taken following judicial criticism of the principal Act as it then stood.

The 1966 amendment made the procedure to be followed by the two Mildura Trusts conform to the procedure that has to be followed by all other water supply authorities under the Water Act. However, for the reasons already stated, it is necessary to re-enact section 122. The clause has been drafted so that it will apply only to transfers resulting from court orders issued prior to the Mildura Irrigation and Water Trusts (Amendment) Act 1966.

Clause 6 amends paragraph (*a*) of section 125 so as to provide that where, in necessitous circumstances, the Trust desires to remit any interest payable in respect of rates, the proportion of interest so remitted shall be not less than one-quarter. This is in line with the limitation of interest charged on deferred rates to 6 per cent. compared with the new normal charge of 8 per cent. The minimum amount of remission is given as a fraction because, in such cases, the interest under consideration would probably cover a period of several years. I commend the Bill to the House.

On the motion of the Hon. SAMUEL MERRIFIELD (Doutta Galla Province), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, November 28.

RICHMOND HIGH SCHOOL LAND BILL.

The Hon. L. H. S. THOMPSON (Minister of Education).—I move—

That this Bill be now read a second time.

The year 1967 has been a gala one for the Richmond district. In September, the Richmond football team won the premiership of the Victorian Football League, and in November a special Bill is introduced to render possible the construction of the first high school in the area. Our only regret is that the Legislative Council's "No. 1 Tiger", the Hon. John O'Connell, has missed both events through illness. We wish him a speedy return to health and strength.

There is an area of recreation ground here which, I think, was for many years occupied by billabongs and tiger snakes and, following a suggestion of the Richmond City Council, it was considered by the Government that this low-lying land would be suitable for the erection of a high school in an area which is already heavily built upon by industrial undertakings. All the Bill will do is to provide for the permanent reservation for educational purposes of a 6-acre strip of this land, whilst at the same time ensuring that a 100 ft. stretch will remain for access purposes between the edge of the school and the bank of the Yarra river. The filling of the land was undertaken by the Richmond council at a cost of $60,000, and that work seemed to remove most of the billabongs and tiger snakes so that the area was rendered suitable for the erection of a high school. Apart from the observations I have made, the Bill follows the usual procedures adopted in measures of this character.

The Hon. SAMUEL MERRIFIELD.—Will a footbridge be provided over the boulevard when the school is erected?

The Hon. L. H. S. THOMPSON.—This may become necessary because of the nature of the site and the density of traffic. As a matter of fact, that proposition was being discussed only the other day. The Government is anxious to proceed as soon as possible with the erection of the school, and the present intention is that it should be one of the modern multi-storied high schools, which would become a valuable acquisition to the district.

The Hon. SAMUEL MERRIFIELD.—Is this land just for the building and will the recreation areas be in the park?

The Hon. L. H. S. THOMPSON.—The area of 6 acres will not wholly be taken up by the building and will include areas for siteworks. The strip 100 feet wide is between the edge of the development and the river bank and will allow free access to picnickers and other people wandering along the river bank. I commend the Bill to the House.

On the motion of the Hon. J. M. Walton, for the Hon. D. G. ELLIOT (Melbourne Province), the debate was adjourned.

It was ordered that the debate be adjourned until the next day of meeting.

YARRAVILLE (RECREATION GROUND) LANDS BILL.

The Hon. V. O. DICKIE (Minister of Health).—I move—

That this Bill be now read a second time.

The recreation area to which this Bill refers has a long history of use by the people of Footscray, as it was in 1875 that land in this locality was provided by the State for recreation purposes. Departmental records indicate that the ground was first used by a club known as South Footscray Cricket Club, but for many years past the recreation reserve has been the home ground of the Yarraville Association Football Club, and the Yarraville Cricket Club which plays in the Victorian Sub-district Cricket Association competition.

The principal object in submitting this Bill for the consideration of honorable members is to seek legislative authority empowering the committee of management to issue long-term leases of a small section of about 20 perches of the reserve, to enable that area to be developed for purposes of club rooms for purposes of amusement and recreation and for amenities connected therewith.

In 1964 representations were made by the Footscray City Council with a view to a site for club rooms on portion of the recreation ground being leased to the Yarraville Sportsmen's Club, which was proposed to be formed by members of the district cricket and football clubs. The cricket club later withdrew from the propect, and present intentions are

that the club rooms site will be developed by the Yarraville Football Club at an estimated cost of about $40,000.

Departmental investigations in connexion with the council's application disclose that three matters relating to the reservations require adjustment, and it is proposed that the legislation will make those adjustments. The first matter relates to the area of 5 acres and 33 perches permanently reserved as a site for public recreation by Order in Council of 7th May, 1889.

The portion of that reserve, containing 5 acres and 4 perches, which lies west of the State school reserve in Powell-street, is used for recreation purposes, but the remaining part containing 29 perches located south of the State school reserve has been used for school purposes for about 40 years, under arrangements made between a former committee of managment of the reserve and the Education Department.

The second adjustment relates to the temporary reservation by Order in Council of 14th June, 1921, by which an area of 3 roods and 24 perches at the corner of Williamstown-road and Anderson-street was reserved for recreation purposes. A review of the dimensions of that reservation has disclosed that the area actually contains 3 roods and 33 perches.

The third adjustment relates to an area of 3 roods 26 perches fronting Anderson-street, which, it is proposed, will be added to the recreation reserve. A small section of 18 perches of that land, comprising a site 66 feet by 75 feet east of the temporary recreation reserve, was purchased by a former committee of management and transferred to the Crown in 1922, but so far is still unreserved Crown land.

In connexion with arrangements made by a previous committee of management in regard to occupation for school purposes of the area of 29 perches of recreation reserve referred to previously, other sections of freehold land comprising 2 roods 4 perches were transferred to the Crown in 1926 with a view to development for recreation purposes, but, although enclosed with the recreation ground, have not been formally reserved. Similarly, an area of 39 perches of former road known as Cricket-street, and 5 perches of adjacent former right of way are also included in the recreation ground but not reserved under the Land Act.

It was therefore considered desirable to make provision in the Bill for revocation of both the permanent reservation of 1889 and the temporary reservation of 1921, so that the total area of 6 acres 3 roods 23 perches, indicated by black hatching and cross-hatching on the plan in the first schedule of the Bill, could be deemed to be permanently reserved as a site for recreation purposes. This will provide a new complete and readily available definition of the boundaries of the reservation as well as eliminating an unsatisfactory state of affairs which has existed for many years.

The final matter covered in the Bill is provision for the appointment of the corporation of the municipality of Footscray to be committee of management of the recreation reserve, in place of the previous appointment of the council of the City of Footscray made on 28th June, 1928. This will enable the proposed lease to be executed under the seal of the corporation and will also facilitate any arrangements which may be desired to be made by the council to assist the club so far as development of the area is concerned.

Clause 1 of the Bill cites the short title as the Yarraville (Recreation Ground) Lands Act 1967. Clause 2 defines "Corporation" as meaning the corporation of the municipality of Footscray for the purposes of the Bill.

Sub-clause (1) of clause 3 provides that the two Orders in Council of 7th May, 1889, and 14th June, 1921,

relating to the reserved areas to be referred to in the Bill shall be revoked, and sub-clause (2) of clause 3 provides that the area of 6 acres 3 roods 23 perches described in the First Schedule to the Bill shall be deemed to be permanently reserved under the Land Act 1958 as a site for recreation purposes.

Sub-clause (1) of clause 4 revokes the previous appointment of the council of the City of Footscray as committee of management of the recreation ground, and appoints the corporation of the municipality as committee of management of the reserve described in the First Schedule. By sub-clause (2), the regulations already made under the Land Act for the care and management of the recreation ground are applied to the new area of the reservation. The corporation as committee of management is authorized by sub-clause (3) of clause 4 to arrange long-term leases in respect of the area of 20 perches of the reserve, as defined in the Second Schedule, for the purposes of club rooms for amusement and recreation and for amenities connected therewith. Sub-clause (4) of clause 4 contains the usual provision for leases of this nature to be subject to such covenants conditions exceptions and reservations as the corporation thinks fit. It also fixes the maximum term of lease of 21 years and provides that, if the lease is for a longer period than three years, it shall be subject to approval by the Governor in Council. Sub-clause (5) sets out that the lease rental shall be applied towards the maintenance and improvement of the reserve, and the final sub-clause is the standard provision that no liability shall attach to the Crown.

I commend the Bill for the favourable consideration of the House.

On the motion of the Hon. Archibald Todd, for the Hon. A. W. KNIGHT (Melbourne West Province), the debate was adjourned.

It was ordered that the debate be adjourned until the next day of meeting.

COUNTRY FIRE AUTHORITY (NOTICES) BILL.

The Hon. L. H. S. THOMPSON (Minister of Education).—I move—

That this Bill be now read a second time.

This is a comparatively simple measure, the purpose of which is to relieve the burden placed on municipalities which have been acting as representatives of the Country Fire Authority for the purpose of clearing blocks of land the owners of which are not known. Under section 41 of the Country Fire Authority Act, these blocks may be cleared by the municipality or the officer representing it acting on behalf of the Country Fire Authority where a fire hazard exists or is considered to exist. A fairly elaborate and costly procedure has to be followed before this step can be taken. This has proved to be a burden to a number of municipalities, some of which have been reluctant to make use of the provisions of this section.

The amending Bill simplifies the form of procedures without in any way infringing the rights of individual owners. First, it provides for the publication in a local newspaper of an abbreviated notice to clear land where the owner or occupier is unknown to the proper officer. Secondly, it provides for the publication of a common notice giving common directions with respect to more than one piece of land in the same neighbourhood. At present it is necessary to give a separate and detailed notice to the press for publication. Frequently, the cost of this procedure is as much as $16 for one particular block of land. In some areas there are often several blocks of land of this type where the owner is missing, absent or unknown, and the present procedure places a heavy burden on the municipality. It is possible to place a charge on the land for the reimbursement of the cost of clearing, but this charge had to be registered and this involves an additional fee.

The third proviso is that this fee as well as the notice fees shall be a charge on the land.

The proposals contained in the Bill will relieve the burden at present being imposed on municipalities. The changes proposed to the Act are only minor, but they will relieve the area of the financial liability placed on a municipality acting on behalf of the Country Fire Authority in ensuring that fire hazards are removed during the summer fire season. I commend the Bill to the House.

On the motion of the Hon. Archibald Todd, for the Hon. J. M. TRIPOVICH (Doutta Galla Province), the debate was adjourned.

It was ordered that the debate be adjourned until the next day of meeting.

RINGWOOD AND WARRANDYTE LANDS BILL.

The Hon. V. O. DICKIE (Minister of Health).—I move—

That this Bill be now read a second time.

Stated briefly, the proposal in this measure is that the existing reservation of 9 acres 3 roods 5 perches of Crown land at East Ringwood, in the Parish of Ringwood, as a site for public park and recreation, shall be revoked so that the land may be re-reserved under the provisions of the Land Act as a site for a civic centre. This action is to be taken provided that the Ringwood City Council first surrenders to Her Majesty an area of 8 acres and 8 perches of council-owned freehold at North Ringwood, in the Parish of Warrandyte, to enable the surrendered land to be reserved under the Land Act as a site for public recreation.

The areas of about 9¾ acres of Crown land desired by the Ringwood City Council for development as a civic centre, incorporating municipal offices and a city hall, was temporarily reserved in 1929 as a site for public park and recreation, and, in accordance with Government policy, was permanently reserved for the same purpose by Order in Council of 26th November, 1963. Before being temporarily reserved, the land had been the location of an antimony mine and has remained undeveloped, as the site, because of the nature of its topography, does not lend itself readily to the laying-out of playing areas.

In addition, adjacent to the eastern boundary of the subject land, there is a well-developed recreation area of just on 14 acres known as the East Ringwood Recreation Reserve. Over the past nine years that reserve has been graded and levelled, two ovals have been formed, tennis courts have been contructed, and pavilions and conveniences have been erected. With the improvements on the reserve being valued at more than $20,000, recreation provision in this section of the municipality may reasonably be regarded as adequate.

In support of its application for amendment of the purpose of the existing reservation to enable the site to be developed as a civic centre, the council pointed out that over the past ten years it had purchased in various sections of the municipality parcels of land totalling more than 230 acres for development for public resort and recreation and open space.

In giving consideration to the council's application it was the departmental view that, as the provision of the antimony mine site for development as a civic centre would have the effect of reducing the Crown reservation provision in the municipality, it would be equitable for the council to transfer to the Crown a reasonably comparable site with a view to its reservation under the Land Act as a site for public recreation. On that aspect, the council advised that it was prepared to arrange that an area of council-owned land, approximately equivalent in value and area to the antimony mine reserve, would be transferred to the Crown for reservation under the

Land Act as a site for public recreation, with the council being appointed as the committee of management.

The land described in the schedule to the Bill has been nominated by the council for this purpose. It is unencumbered freehold registered in the name of the mayor, councillors and burgesses of the Borough of Ringwood, which on the 1st March, 1960, became the City of Ringwood. Although approximately 2 acres less in area, it was regarded by the council as having a monetary value equal to the existing Crown reserve, and this view is supported by the departmental district surveyor.

This freehold area is currently used for recreation purposes. It is fully cleared and contains a playing oval. Structural improvements consist of a wooden pavilion, conveniences and a brick scout hall. As the land offered by the council already has some development and use for recreation purposes, the actual recreational lands of the city will not be increased by the council's offer.

However, the property of the Crown will be increased, as the council freehold will be transferred to Her Majesty and reserved under the Land Act for recreation purposes, while the antimony mine reserve, although developed as a civic centre, will also continue to be Crown land reserved for that purpose.

The proposed civic centre reserve is adjacent to Maroondah Highway, on the crown of a hill with an easterly aspect. It commands fine views of the Dandenong Ranges, and in the opinion of the council's architects is the best location for the new civic centre.

The council proposes that the civic centre development shall be undertaken in two stages. The first stage provides for the erection of municipal offices and a council chamber at an estimated cost of $300,000. The second stage, comprising a city hall and ancillary buildings, is estimated to cost $500,000. The Bill contains only three clauses, and clause 2 sets out in detail what I have just outlined. I commend the Bill to the House.

On the motion of the Hon. SAMUEL MERRIFIELD (Doutta Galla Province), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, November 28.

PORTLAND HARBOR TRUST (AMENDMENT) BILL.

The Hon. G. L. CHANDLER (Minister of Agriculture).—I move—

That this Bill be now read a second time.

The Portland Harbor Trust was empowered by legislation enacted in 1963 and 1964 to erect, maintain, and operate a grain terminal. This terminal was officially opened in April, 1965. Statistics indicate that during the financial years 1964–65 and 1965–66, 155,327 and 58,649 tons of oats respectively were exported through the port. The drop in export tonnage of oats in 1965–66 was occasioned, first, by the poor return per acre resulting from drought conditions in the grain growing areas and, secondly, by the widespread demand for oats as feed for drought-stricken stock.

It was unfortunate from the Trust's point of view that such conditions should prevail in its first season as a bulk grain terminal operator. Prospects for the current year are even worse. However, we must anticipate that good seasons will return and the current situation has not deterred the Trust in its plans for maximum use of the grain terminal. In this regard inquiries have been made for export shipments of sorghum during May and June of 1968.

Under existing legislation, Portland is precluded from handling any grain other than oats and barley. This fact has prompted the presentation of this small Bill. It will be noted that the definition of grain has been widened to include not only sorghum but also,

if at any time the Grain Elevators Board so desires, wheat. It seems to me to be ludicrous that if, through accident or any other reason, the State's asset at Geelong could not be used, the Portland facilities would be barred until amending legislation could be enacted.

One further matter has also received attention. Sub-section (3) of section 21 of the Portland Harbor Trust Act authorizes the commissioners to operate railways within the area vested in or acquired by the Trust. The railway operated by the commissioners which links the port with the State railway system crosses several public roads and drainage reserves. These roads and drainage reserves are neither vested in nor acquired by the commissioners, and it has been thought desirable that the Portland Harbor Trust Act should specifically authorize the commissioners to operate railways "over public roads or drainage reserves". Accordingly, it is proposed by clause 4 to insert this phrase in the Act.

Those who know the history of Portland will agree that everything possible should be done to build it into one of the major ports of this State. In the past, the commissioners have been precluded from handling wheat, but the amendment proposed by clause 2 will enable the commissioners, I presume by agreement with the Grain Elevators Board, if certain circumstances prevail, to handle wheat in the port. I commend the Bill to the House.

On the motion of the Hon. ARCHIBALD TODD (Melbourne West Province), the debate was adjourned.

It was ordered that the debate be adjourned until the next day of meeting.

SUPREME COURT (JUDGES) BILL.

The debate (adjourned from November 14) on the motion of the Hon. R. J. Hamer (Minister for Local Government) for the second reading of this Bill was resumed.

The Hon. J. W. GALBALLY (Melbourne North Province).—This Bill will pour no salutary balm onto the crowded lists of the Law Courts. Due to the feeble and fluctuating conduct of the Government, "unless some action is taken"—I quote the words of the Attorney-General in June last—"the whole of the business of the Supreme Court seems likely to break down". The Government's efforts to remedy the backlog of cases, particularly in the civil lists, may be compared to a patient suffering from malnutrition. All that is needed is food. Members of the medical profession are summoned from far and wide; they hold long and interminable conferences, such as we have witnessed in another sphere in the past few months, and eventually they decide to come back and see the patient in two years' time when a hospital has been built to admit him, in this case, the Law Courts. Of course, in the meantime, the patient must avoid all food.

This Bill belatedly applies the remedy that should have been used many years ago, because to avoid the backlog the Government had only to demonstrate its ability to count. It was unnecessary to compare the situation with other systems and to tamper with the administration of justice; it was necessary only to count because it has been clear that an increasing population brings increasing demands on the courts.

The remedy is to appoint more Judges. By this measure, the Government proposes that, when the building in William-street has been constructed —estimated to be in 1969—it will appoint two additional Supreme Court Judges. In the meantime, it proposes to appoint some temporary Judges to the Supreme Court. No relief is yet in sight, any more than there is from the long awaited rain. No temporary Judges will be able to sit before next February. The new court will not be available until 1969 and, in the meantime, the litigant is expected to be patient—help is at

hand, but of course he must continue to pay his taxes and listen to the kind of talk heard on all ceremonial occasions about the equality of law and British justice!

The Government has certainly done its best to assure the Victorian litigant that his kingdom is definitely not of this world. For some years the Government should have been watching the court lists which are published every month. These indicate how the business of the courts has increased. Why should we put up with delays in the law courts any more than we should put up with them in our transport system or in the post office? Is there any reason why litigants should be denied justice? Have they no rights? The Government believes that any critic should be discarded as a nuisance; the pigeon-holing of protests concerning delays and the conditions under which justice is administered is part of the insolence of office that occurs with years of Government.

The courts where most of the congestion occurs are situated in an insurance building at 470 Bourke-street, Melbourne, and you, Mr. Acting President, would be pardoned for not recognizing them as law courts because there is nothing to indicate them as such. A number of business tenants are also located in this building which houses seven courts. There is only one public telephone available for all the people in that building. In the business of the civil courts it is necessary from hour to hour for legal practitioners to obtain instructions; in many instances cases are settled "in running" which necessitates telephone calls to clients and instructing solicitors. It is of the very essence of the business of these courts that telephones should be readily available because, if they are not, the time of the court, jurymen and litigants is wasted. The expense and procedures of the court could be cut short if telephones were made available. I was horrified to learn yesterday that a lawyer left the court to make a formal telephone call to confirm a settlement. The Judges were waiting on the Bench. He was sixth in the line to use the public telephone, and before he could transact his business, it was necessary for the jury to be discharged to enable another case to be commenced.

This matter has been brought to the notice of the Government. One of our distinguished Judges refused to sit in these courts. There was the ludicrous situation of a jury being brought into court to be empanelled and the court officials asking the parties to leave the court because there was no room for the parties and the jurymen. One group of people went out the single door whilst another group came in. One Judge said, "Gentlemen, we are finishing early to-day; you know, of course, that the amount of air we have in this court is strictly rationed."

People will put up with inconvenience in most places in this community, but the present situation is causing the administration of justice to break down. Much of the fault, although not all of it, lies with this Government. When one considers the scale on which the Commonwealth Government operates as compared with the State, one wonders at times whether we are all citizens of the one country. The functions performed by the State Judges are extremely important in the lives of the ordinary citizen. With the terrible carnage on the roads, nothing is more important to thousands of citizens and their families than that justice in relation to injury and death should be speedily obtained in the law courts. The State courts have been operating under disgraceful conditions for years, whilst at the same time the Commonwealth have been operating, not only in law but in every branch of public service, on a scale that Victoria cannot match or ever hope to match.

The Hon. A. J. HUNT.—What is more, the Commonwealth does it out of revenue.

The Hon. J. W. GALBALLY.—Sometimes I think that, at Canberra, they must dig the money out of the

ground; there seems to be no shortage of funds so perhaps money grows on trees! It is shameful to see large numbers of people endeavouring to force their way into a crowded lift to go to the seventh floor of the Bourke-street building to which I referred earlier and for them to be required to sit in court for long hours of the day—often into the night—in foetid conditions. This Government must share the major blame because it decided to send the Judges to this building. Where the Judges go, perforce the litigants must follow. Jurors who are summoned look in amazement at what goes on; they have often expressed their disappointment when they have heard the fine words uttered about the system of justice in our community. When one sees the reality of it, it makes one hold one's head in shame.

The Bill is curious; it gives the Government power to appoint two more Supreme Court Judges, but honorable members have been told that those powers will not be exercised for the time being because the new court building is not ready. In the meantime, the Government has to have power to appoint County Court Judges to the Supreme Court Bench. The Opposition does not oppose the Bill because it is obvious that more Judges should be appointed —it should have been done years ago.

Some time ago the Government was rather tempted to tamper with cases dealt with in the courts by substituting some other system for the one tried, proven and found not wanting over the years. It ran up against sturdy and sensible opposition from informed quarters and it fell back on what it should have done years ago; it decided to appoint more Judges. If more cases are to be dealt with, additional Judges must be appointed.

The Hon. A. W. KNIGHT.—It must go on all the time.

The Hon. J. W. GALBALLY.—That is so, to cope with the ever-increasing population.

The Hon. M. A. CLARKE (Northern Province).—This Bill proposes to increase the number of Judges in Victoria, and on the whole the Country Party supports the measure. It is only two years since the number of Judges was increased from fourteen to fifteen; now it is proposed to increase that number from fifteen to seventeen.

As Mr. Galbally has rightly said, the new court accommodation will not be ready before 1969 at the earliest, and it may be impossible for the two extra Judges to operate within the next two years. Therefore, the Government proposes that there shall be a period in which temporary measures shall obtain. The Country Party is not happy with this provision of temporary judicial officers. It has been suggested that commissioners should be appointed in Victoria as they are in the United Kingdom, but my party opposes that suggestion. Judges should be appointed in the usual manner, and they should hold tenure in the usual way.

If Judges are to be appointed temporarily, their appointment should be for a fixed period, and definitely for the purpose of meeting an emergency. I think all honorable members have received from the Victorian Bar Council a well-prepared booklet entitled *A Statement Concerning Congestion of Civil Lists in the Supreme Court of Victoria.* This booklet argues the position very well, and explains the situation that has been reached in our law courts, particularly in the Supreme Court.

Another solution to the problem that has been suggested is to discontinue the jury system, particularly in regard to motor car cases. It is argued that the legal system would be expedited if trials took place before a Judge only. Many people, who are not familiar with the situation, assert that juries hold things up. It is a remarkable fact that, in cases of this type, more than 95 per cent. of the plaintiffs choose to bring their cases before a jury, although they do not have to do

so. They are prepared to pay jury fees in advance, and wait a longer period for their case to be heard. They still prefer the jury system, which has been retained in this State, whereas other States and countries have abolished it.

The congestion caused by the retention of the jury system is very well dealt with at page 37 of the booklet I referred to. It is pointed out that the average number of motor vehicle cases in which trial takes place before a jury has been 131 a year over the last three years. If it is assumed that trials by Judge alone would take, on an average, two-thirds of the time taken by a Judge and jury, it is possible that about 196 cases a year could be dealt with by a Judge acting alone. This would mean that only an additional 65 cases a year could be heard. Perhaps this represents one and a half Judges sitting for a year with juries. So the advantage to be gained by abolishing juries in these cases would not be great, and, of course, it would have a profound effect on our legal concepts.

The view of my party is that the Government is taking the right steps in attempting to deal with the congestion arising from these civil jury delays. My colleagues and I regret that it is necessary to adopt the provisions contained in clause 3. We are a little concerned that the period provided seems to be indefinite. It would seem better to provide a fixed limited period. My reason is that the acting Judge, a fit and proper person qualified as required, or a Judge of the County Court appointed to be an acting Judge of the Supreme Court, will be serving, as it were, a probationary period. There is no doubt that the standard of the bar in this State is sufficiently high for its members to provide Judges who are entirely suitable to sit on the Bench of the Supreme Court.

As I mentioned, my party believes a Judge should be permanently appointed when he goes to the Supreme Court. My colleagues and I do not like the proposal for temporary appointment, which we consider in any case should be of a fixed period, particularly when it is necessary to bridge a gap. No doubt, at the Committee stage, the Minister will reply to some of the pertinent comments of Mr. Galbally, and perhaps one or two of the points I have raised. I shall reserve my further remarks until the Bill is dealt with in Committee.

The Hon. MURRAY BYRNE (Ballaarat Province).—Normally, at this late stage of the session, I would not speak on a Bill of this nature because, despite some of Mr. Galbally's remarks, with which I largely agree, all members of the House are in favour of the measure. However, a number of points tempt me to speak on the proposed legislation. First, I wish to advert to the remarks of the Minister in his explanatory second-reading speech. I also wish to deal with another aspect concerning the moneys of the Supreme Court.

I think all members agree with Mr. Galbally's assertion that there is definitely undue delay in all of the courts of this State. People have to wait up to two years to have their cases heard. This involves tremendous hardship and injustice on thousands of people, who should not have to tolerate these delays. I am somewhat concerned at the Minister's statement that for some time the Government has been well aware that there was an undue delay in the hearing of cases and that the Bar Council, the Law Institute of Victoria, the Government and everyone else realized that there was a need to appoint more Judges. Mr. Galbally, too, brought out these points. Then the Minister quoted from a report which, apparently, the Judges of the Supreme Court presented to Parliament last year. In this report the Judges suggested that they did not necessarily agree with the appointment of more Judges, because they felt that the time would come when there would not be a sufficient number of qualified and experienced persons to fill the

vacancies, and this could cause a serious lowering of the quality of the judiciary. I do not think that statement is correct and, although I may not be popular for doing so, I feel that I should make this clear.

I do not think any supernatural or superhuman qualities must be associated with a Judge. I realize that our Supreme Court is a very important and responsible body. When I had just finished law school, and attended various dinners, I can remember proposing toasts to the bar and the bench. I may have been carried away by the superior nature of our law and our Judges as compared with all other civilized nations, but as I get older I am becoming a little disillusioned. I do not really think Judges are superior people or that they possess any unusual qualities. I am satisfied that there is no problem for the State in finding suitable applicants for the position of Judge. Indeed there would be no difficulty in finding ten persons to be Judges of the Supreme Court.

It is true that a Judge must have some training and legal knowledge, and that he must be a gentleman. Some Judges have told me that, if they were picking a Judge, they would pick someone who was a gentleman and not because of some fantastic legal knowledge that he might possess. After all, a Judge can go back and read the law. Their point was that he should treat people in a gentlemanly manner. The Judges are important people and have a responsible position in the community, but so have many other people. I agree that the decisions which Judges make influence the lives of people in the community, but many other persons have responsible jobs—for instance, Cabinet Ministers and even members of Parliament. Almost every day honorable members make decisions which determine the lives and future of residents of Victoria. There are also men who hold responsible positions on bodies such as the Tariff Board, the Workers Compensation Board, the Superannuation Board, and the heads of Government Departments. All of these people make decisions which affect many thousands of people. The positions they hold are as responsible as those of Judges.

I think this idea that Judges are separate and different from other people is probably fallaciously based on the background of the Judges. Hundred of years ago, the King dispensed justice and eventually he appointed King's Justices to go out amongst the community. These Judges were treated like kings and they acted like kings. They dispensed the King's Justice for hundreds of years, until the sovereignty of Parliament was established and Parliament became supreme. To-day the Judges merely interpret the Acts of Parliament, and of course they are paid by Parliament like other public servants. I know that if one spoke privately to the Judges, they would probably agree that they are servants of the people, just as other important persons are servants of the people.

The idea that a Judge is a little king has some lamentable consequences for the community. Judges are only human. The deference that people are inclined to pay to Judges often has an unfortunate effect on some Judges. It is unpleasant to say these things, but I have been in courts and know that sometimes Judges are rude and impatient. A number of people have had experience of arrogant Judges, who often disregard the convenience of people. I think the stage has been reached where people do not want to go into our courts and appear before our Judges; they do not like our courts and Judges. Everyone in the commercial world will do whatever he can to avoid going to law. This is not only the fault of the Judges. It may also be caused by the mumbo jumbo associated with the courts. Often agreements are made to exclude the requirement of going to law and instead to go to arbitration. This is most unfortunate.

In another way it is erroneous to treat Judges as if they were substitutes for a king. Judges tend to withdraw themselves from the people. Unfortunately, some of the Judges feel that they are a race apart and that if they were to mix with the community the people would consider that, in some way, this lessened their judicial functions. It seems to me unfortunate that, historically, Judges have been associated in the past with kings. We should be very careful not to encourage Judges to think they are anything other than ordinary persons doing a responsible job. They are not more responsible than many other people. Certainly they are not more efficient than others in the community who do important jobs.

There is nothing mysterious about appointing Judges. I agree with Mr. Galbally that there is no reason why we should not appoint more Judges. There are plenty of qualified persons to tackle this work. I do not think it would matter if more Judges than were necessary were appointed. After all, the State is spending vast sums of money—about $1,000,000,000 out of revenue and loan funds every year—and the appointment of a couple of Judges would be of no real financial significance to the State, although people might be given more speedy and ready justice.

There are other aspects concerning the courts themselves on which perhaps I shall have an opportunity to speak on another occasion. At this stage, I wish to advert to the handling of moneys which are invested by the Supreme Court. As honorable members are aware, substantial sums of money are handled by the court. Last week I asked a number of questions in the House relating to the amount of money held on trust by the Supreme and County Courts, the Workers Compensation Board, and other tribunals. I also asked how much of this money was invested in Victorian Government securities, other authorized Victorian trustee investments, also Victorian co-operative housing societies, the Home Finance Trust, and Commonwealth Government securities. The Minister for Local Government has shown interest in this matter over the years. We in Victoria rightly say that we do not get a fair deal in our financial arrangements with the Commonwealth. It is often forgotten that this State controls vast sums of money itself. For instance, it is responsible for large sums of money held by the courts. According to answers provided by the Minister of Agriculture to questions that I asked, an amount in excess of $40,000,000 is held by the courts and the Workers Compensation Board at present, and I suppose the sum held by the Government in respect of superannuation funds, and so on, would be much greater than that.

I now refer to the information supplied to me concerning the amounts of money which the Supreme Court and the County Court invest in Victorian securities and in Commonwealth securities. The Supreme Court has invested the sum of $1,419,551 in Victorian securities and trustee investments, and it has invested $7,808,640 in Commonwealth securities. Amounts invested by the County Court, the Workers Compensation Board and the Public Trustee are in similar ratios.

Most of that money is paid into Commonwealth savings accounts, and I can see no reason why it is not invested in Victorian securities, thus helping the Government to provide essential services for the Victorian people. In my opinion, all of these moneys should be put into a common fund from which they can be diverted for use in important aspects of State administration; for instance, if $7,000,000—an amount which could be readily drawn from such a fund—were invested in housing now, it would make a tremendous difference to the housing situation. Moreover, as the Minister for Local Government reminds me, money paid into a Commonwealth savings account does not attract as high a rate of interest as investment

in semi-Government loans, all of which are guaranteed by the Government of Victoria. With these few comments, I support the Bill.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Number of Supreme Court Judges).

The Hon. R. J. HAMER (Minister for Local Government).—There can be no doubt that the present state of the lists of cases awaiting trial in Victoria is unsatisfactory. The Attorney-General stated that several months ago, and over the years it has been mentioned several times. Steps have been taken from time to time to alleviate this strain.

The Committee will recall the introduction in the past few years of several Bills which have increased the number of Judges of the County Court or of the Supreme Court, altered the jurisdiction of the respective courts, or given wider jurisdiction to local courts and to the County Court, in an attempt to overcome this problem, which of course is not confined to Victoria but is world wide. It has resulted in large measure from the wider use of motor cars and the train of disasters which follow from collisions and other accidents which cause deaths and injuries. I do not say that that is the only reason, but it has contributed largely to the number of cases that are awaiting trial.

It is, of course, easier to diagnose the problem than to arrive at a solution, as I think Mr. Galbally will admit. During the past few months there has been a sharp conflict of opinion between the various elements in the field of law as to what ought to be done. One can understand that the Supreme Court Judges are jealous of the status of their court, which over the years has enjoyed a very high reputation, and the Judges do not want it diluted in any way. I take it that that was the real reason behind their comment, and that they really have no desire to preserve a "closed shop", so to speak, or to limit the size of the Supreme Court for any other reason. Because the Judges were rightly jealous of the high reputation of the Supreme Court, they were opposed to any increase in the number of Judges, although to many other people this appeared to be the proper solution.

Certainly the Bar Council went to a great deal of trouble to produce a fine, well-reasoned brochure to show that there should be more Judges and also some improvement in procedures which would shorten the period taken up in preparation for trial and therefore tend to alleviate the problem. In large measure the Government has gone along with the Bar Council, and it proposes that there shall be a modest increase in the number of Judges. The Government has full confidence that highly suitable and well-endowed people are available at the bar to fill the vacancies in due course.

The final matter with which I wish to deal—Mr. Galbally has raised this question several times over the years—is the inadequate nature of the court rooms located in an insurance office at 470 Bourke-street. This building was not meant for court purposes, and the sooner a move is made to the new, well-designed building at present being erected the better things will be. It is hoped that this building will be occupied in 1969, so it is the year 1968 which poses the major problem.

The Hon. J. W. GALBALLY.—Do you think you can use your great influence to have a few telephones installed?

The Hon. R. J. HAMER.—I have noted Mr. Galbally's request. I understand that coin operated red telephones, installed in the building as a commercial venture, have been removed, probably because they were not profitable.

The Hon. J. W. GALBALLY.—Subscriber trunk dialling might have had something to do with it.

The Hon. R. J. HAMER.—That may be so. I shall refer the matter to the Attorney-General. I refer now to the remarks made by Mr. Clarke. In regard to sub-section (1) of proposed new section 11, as contained in clause 3, I point out that there is already power to appoint suitable persons or County Court Judges to temporary vacancies created by the illness or inability of a Supreme Court Judge to perform the duties of his office. The new sub-section (1) provides, *inter alia*—

When and so often as the Chief Justice certifies that it is desirable for an acting Judge to be appointed temporarily to assist in disposing of the business of the Court during any period the Governor in Council may, if he thinks fit, appoint a Judge of the County Court to be an acting Judge of the Court for such period as is specified by the Chief Justice in his certificate.

Mr. Clarke echoes the sentiments of the Bar Council in saying that such an appointment should be limited and of a temporary character. There is no limitation in the Bill as drafted. When clause 3 is being considered, I intend to propose an amendment which will limit the period of appointments and the number of County Court Judges who may be appointed under the new provision. I believe that will remove the only objection that the Bar Council has with respect to the measure.

I do not propose to comment on what Mr. Byrne said except to say that the Judges are jealous enough of the reputation of their court to want it protected. Whether they make any invidious comparisons with other courts, I am unable to say but at all events I do not believe they have a "closed-shop" mentality.

The Hon. SAMUEL MERRIFIELD.—Why do you not have yourself appointed and thus maintain the quality?

The Hon. R. J. HAMER.—If Mr. Byrne is right, several members of this House would easily qualify. However, probably we all agree that the status of the Supreme Court has to be upheld and protected; that is a primary duty of this Parliament.

The Hon. J. W. GALBALLY (Melbourne North Province).—I am grateful to the Minister for his explanation. It might be appropriate for me to say at this stage that I mentioned clause 3 to the Minister for Local Government yesterday, and this morning the Attorney-General telephoned me. I am grateful for the interest displayed by both the Minister and the Attorney-General in this matter, because it seems to be one of high principle on which agreement ought to be possible.

From time to time the Minister has expressed in this Chamber something with which every lawyer would agree, namely, that temporary appointments to the Supreme Court Bench should not become permanent. Every lawyer realizes the dangers involved. I share the desire of the Minister that the high quality of the Supreme Court should be maintained. I regard the work of a Supreme Court Judge as highly exacting, very arduous, and requiring great patience. It was suggested that the Minister for Local Government might fill such a post, and I am sure that he could, but perhaps he has reflected on the matter and it is not one of his ambitions.

The clause was agreed to.

Clause 3, providing, *inter alia*—

For section 11 of the Principal Act there shall be substituted the following section :—

"11. (1) When and so often as any Judge of the Court is absent on leave or in consequence of sickness or for any other reason is temporarily unable to perform the duties of his office, the Governor in Council may, if he thinks fit, appoint a fit and proper person qualified as hereinbefore required or a Judge of the County Court to be an acting Judge of the Court for the period during which such Judge of the Court is temporarily absent or unable to perform the duties of his office and for no longer.

(2) When and so often as the Chief Justice certifies that it is desirable for an acting Judge to be appointed temporarily to assist in disposing of the business of the Court during any period the Governor in Council may, if he thinks fit, appoint a Judge of the County Court to be an acting Judge of the Court for such period as is specified by the Chief Justice in his certificate."

The Hon. R. J. HAMER (Minister for Local Government).—Clause 3 makes the new provision for the temporary appointment of County Court Judges as Supreme Court Judges by the Governor in Council on the certificate of the Chief Justice that it is desirable that they should be appointed temporarily to assist in disposing of the business of the court. The clause comes under the rules relating to money Bills, and the amendments I am about to propose will be in the form of suggestions to the other place. I have explained the reason for them, but I shall recapitulate.

The purposes of the two suggested amendments are, first, to limit the period for which a County Court Judge may be appointed to the Supreme Court Bench under the certificate issued by the Chief Justice and, secondly, to limit to two the number of County Court Judges who may be so appointed at any one time. I move—

That it be a suggestion to the Assembly that they make the following amendment in sub-section (2) of proposed new section 11 of the principal Act:—After the word "period" where second occurring the words "not exceeding six months" be inserted.

The Hon. J. W. GALBALLY (Melbourne North Province).—The provision contained in sub-section (1) of proposed new section 11 has been in the Act for a long time, and the Committee will observe the safeguard in it. There is power to appoint an acting Judge to the Supreme Court during the time a Judge of that court is temporarily absent or unable to perform the duties of his office, and for no longer. Sub-section (2) of proposed new section 11, and the amendment to it proposed by the Minister, cut across that old established principle to some degree.

I am sure that the Bar Council, whose opinions I respect and agree with, will not be altogether happy with the amendment, but the Government was good enough to give way on this matter, and I believe the amendment proposed by the Minister provides sufficient protection to the principle which all honorable members expound. The power to appoint acting Judges will be limited in that not more than two may be appointed at any one time and no acting Judge may be appointed for a period exceeding six months. Although I am sure these amendments will not meet with the complete approval of men of the law whose opinions I respect, I am bound to acknowledge that the Government has compromised on this matter and, I think, compromised fairly.

The Hon. M. A. CLARKE (Northern Province).—The Country Party supports this amendment, which is in line with the remarks I made during my second-reading speech.

The motion was agreed to.

The Hon. R. J. HAMER (Minister for Local Government).—I move—

That it be a suggestion to the Assembly that they make the following amendment in sub-section (2) of proposed new section 11 of the principal Act:—After the word "certificate" the words "but not more than two Judges of the County Court shall be so appointed to be acting Judges of the Court at any one time" be inserted.

This amendment is the result of a combined operation. A number of people have had a hand in this, including representatives of the Bar Council, the Attorney-General, the Leader of the Opposition and the spokesman for the Country Party in this House, as well as the Parliamentary Draftsman. We are now about to complete what might be called the second leg of the proposition, that is, to apply a limitation on the number of County Court Judges who, under the proposed new section 11, may act at any one time as members of the Supreme Court Bench. I believe this suggested amendment exactly fulfils

the request made by the Bar Council to which the Attorney-General agreed.

The motion was agreed to, and the clause was postponed.

Clause 4 was agreed to.

Clause 5 (Investment of money held by Master).

The Hon. R. J. HAMER (Minister for Local Government).—I propose to bring to the attention of the Attorney-General the matter raised by Mr. Byrne concerning the investment of funds held by the Supreme Court. Like him, I can see no reason why they should not be made available to semi-Government authorities in this State. More particularly, I believe they should be invested in that way because they would then produce a higher income for the infants and other people who are dependent on the money. Mr. Byrne has made the valuable suggestion that it may be possible to set up, in the Supreme Court and the County Court, the kind of common fund set up by the Workers' Compensation Board and the Public Trustee. That would be a simple way of lumping all the investments together. The annual income could be shared out on an equitable basis. There seems to be no administrative reason why that should not be done. I shall be glad to bring the suggestion to the attention of the Attorney-General.

The clause was agreed to.

Progress was reported, and the suggested amendments were reported to the House and adopted.

It was ordered that the Bill be returned to the Assembly with a message intimating the decision of the House.

SUMMARY OFFENCES BILL.

The debate (adjourned from November 15) on the motion of the Hon. R. J. Hamer (Minister for Local Government) for the second reading of this Bill was resumed.

The Hon. ARCHIBALD TODD (Melbourne West Province).—This Bill proposes to effect amendments to the Summary Offences Act of 1966 to allow a certain type of individual who has been making himself a nuisance in the City of St. Kilda to be dealt with. The council of the city and, I understand, some of the Parliamentary representatives of the area have complained from time to time, not only about the members of the oldest profession in the world plying their trade in certain parts of St. Kilda, but also about males indulging in the practice known as gutter crawling—that is, driving motor cars alongside the gutter and approaching females and asking them to prostitute themselves.

In many cases, the men have mistakenly made advances to decent women and young girls. It became necessary to police the area more effectively to combat what was becoming an increasing menace. I do not know why St. Kilda is picked as the ideal locality for this sort of thing; possibly, the basic reason is that there is a certain amount of night life in the area. It has now been decided to make it a punishable offence to do these things and to give the police an opportunity, not only to apprehend prostitutes, but also to apprehend men approaching women and suggesting that they should take part in a certain act.

My party, which has examined this measure, did not oppose it in another place and does not intend to oppose it here. I understand there may be some objection concerning one point in the Bill but, having compared the term used in this measure with many other portions of the Crimes Act and other enactments, my party does not feel in any way disturbed at the language used in it. Accordingly, we support the Bill.

On the motion of the Hon. M. A. CLARKE (Northern Province), the debate was adjourned.

It was ordered that the debate be adjourned until the next day of meeting.

MILK AND DAIRY SUPERVISION (AMENDMENT) BILL.

The debate (adjourned from November 14) on the motion of the Hon. G. L. Chandler (Minister of Agriculture) for the second reading of this Bill was resumed.

The Hon. ARCHIBALD TODD (Melbourne West Province).—This Bill will effect certain amendments to the Milk and Dairy Supervision Act 1958. Where the public health is concerned, we should never be loath to tighten up legislation to make it function more efficiently. It would appear on the surface that the amendments proposed in this measure are designed to make the Act work more efficiently. At the present time, the question of diseases on farms is particularly potent because of the outbreak of the dreaded foot and mouth disease in the Old Country and the fact that a tremendous number of animals have had to be destroyed. Outbreaks of disease of this type always bring into focus the necessity to screen migrants coming from the Old Country, particularly those who come from areas which are affected by foot and mouth disease.

From a perusal of the Milk and Dairy Supervision Act, one is attracted by the regulation-making powers of the Governor in Council. I am sure that you, Mr. Acting President, would be interested in this aspect of the legislation. There appear to be 34 different items under which regulation-making powers are vested in the Governor in Council. An examination of the relevant provisions discloses that each one in some manner or another relates to the proper conduct of dairy farms, or any other farms for that matter, with a view to ensuring that any outbreak of disease shall be localized and not allowed to spread throughout the district. An examination of sections 53A to 53AH reveals no reasons for finding fault with the Governor in Council having power to make regulations for the efficient working of the Act.

The first amendment in the Bill is contained in clause 2, which will extend the interpretation of "animal" in section 54 of the principal Act to include "poultry" as well. Apparently, certain diseases can emanate from poultry, which may be kept on farms as well as animals. One of the important provisions in the Bill is the removal of the present requirement in the Act for notification of the occurrence of a notifiable disease to be given to a member of the Police Force. Clause 6 provides that such a notification shall be given to an inspector of stock, the local stock inspector, or the dairy supervisor, whoever he may be—I take it that would be in the particular district. It is also proposed to extend the ambit of the operation of the Act to boundaries outside those already existing so that certain dairy farms can be brought under the control of the Milk and Dairy Supervision Act and can also be brought into focus with later amendments which will be made in this Bill.

A number of diseases are listed in the Milk and Dairy Supervision Act—there are not many; it would be seven or eight—and it is now proposed to repeal the relevant section and replace it with another one which will broaden considerably the number of notifiable diseases and the necessity to advise that they have broken out on a particular farm.

An examination of the Bill reveals nothing with which honorable members could find fault. So far as public health is concerned, there are a thousand and one ways in which it can be placed in jeopardy, and any move to protect the health of the public, especially in regard to food for human consumption, will always have the support of the Labor Party. Accordingly, we support the Bill.

Th Hon. R. W. MAY (Gippsland Province).—This measure will amend the Milk and Dairy Supervision Act. It will, in effect, bring the legislation into line with modern trends to-day. The first proposed amendment—it is

in clause 2—will widen the interpretation of "animal" in section 54 of the principal Act to include feathered animals known as poultry. Clause 6 will delete from section 71 of the Act the expression "or member of the Police Force" and substitute therefor the expression "an inspector of stock". Probably, there are more inspectors of stock in some country areas than members of the Police Force, and it appears to be more appropriate that outbreaks of disease should be reported to these officers. In addition, the average farmer could feel somewhat confused when he realizes that he is expected to report an outbreak of disease to a member of the Police Force.

Clauses 3 and 4 deal with sections 55 and 65 of the principal Act, which are more or less related. The reason for the proposed changes is that many municipal districts in Victoria have been proclaimed to be subject to sections 55 or 65 of the Act but, in some cases, there have been changes in the status, name or boundaries of the municipal districts since the proclamations were made. The Country Party makes no complaint with the proposed amendment.

There has been some confusion in the past because a limited number of diseases were notifiable under the Milk and Dairy Supervision Act and the same diseases were also notifiable under the Stock Diseases Act, which also listed many more. This amending measure will streamline the procedure and bring about uniformity so far as the two enactments are concerned.

Finally, I should like to refer briefly to the Minister's generous warning in his second-reading speech that section 61 of the Act might be reviewed in the not too distant future. This section relates to the service charges imposed by the Department of Agriculture in relation to the service which the Department renders to those engaged in the dairying industry. The Minister rightly pointed out that certain fees, which were fixed in 1905, have remained in force over a long period of time. I am pleased that the Minister has foreshadowed a possible increase in fees, and I hope that this information will be given good publicity in order that I, and other country members, will not be plagued with correspondence from people who complain that increased fees have been sprung on them without notice. The Country Party supports the Bill.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Amendment of No. 6317, section 54).

The Hon. G. L. CHANDLER (Minister of Agriculture).—It is true that the question of increased fees has received consideration because the existing fees are completely out of date. However, in this regard, it will be necessary to consider the position of the industry at the present time, the uncertainty of overseas markets, and the prevailing drought conditions. I am sure that the industry itself realizes that the fees are completely out of line with modern costs and charges. Therefore, at some stage they will have to be reviewed on a sensible basis.

The Hon. W. V. HOUGHTON (Templestowe Province).—Mr. Todd referred to the disastrous epidemic of foot and mouth disease at present prevalent in the British Isles. Is the Minister completely satisfied with the precautions that are being taken in Australia to prevent the entry and the spreading of this disease in this country? Are they adequate? Recently, I met a lady who only a few short weeks before, had been mushrooming on a farm in Shropshire. Being a person who came from the land, she had taken the precaution to wrap her shoes in a cellophane bag. She declared this fact to the officers of the Commonwealth Department of Customs and Excise and to the health and quarantine authorities. All they said was, "O.K.; thanks very much."

I do not know how long the virus of foot and mouth disease can survive on shoes, but I remind the House that people from England now reach our shores in much less than a week after leaving there. Unless precautions are carefully policed, the danger of the disease spreading to Australia will be grave. I know that quarantine is a Commonwealth matter, but if the disease reaches this country, it will be very much a matter for State authorities also.

The Hon. A. W. KNIGHT.—The Commonwealth Government, which the honorable member supports, will not even build an incinerator for the destruction of ships' garbage.

The Hon. W. V. HOUGHTON.—I am not completely satisfied that the precautions being taken are adequate. I would like to know whether the Minister is satisfied.

The Hon. G. L. CHANDLER (Minister of Agriculture).—I can say only that it is to the credit of the quarantine authorities that there has not been an outbreak of foot and mouth disease in Australia. This disease exists almost throughout the world, especially in Indonesia, which is close to our shores. Whether it has spread to New Guinea is anybody's guess. The provision of incinerators for the destruction of ships' garbage is a Commonwealth responsibility.

Time and again the Commonwealth authorities have been told that if any exotic disease breaks out in this country, the blame will be on their doorstep and that they cannot expect the States to be honoring what is a Commonwealth obligation. State authorities are prepared to co-operate to the utmost, but constitutionally quarantine is a Commonwealth responsibility. We have been told that the Commonwealth is prepared to construct incinerators at approved ports where, in its opinion, such incinerators are considerd to be necessary. The provision of such incinerators is a Commonwealth responsibility, but periodically the Commonwealth has tried to pass part of that responsibility over to the States.

As foot and mouth disease is rampant in England at present, I trust that the Commonwealth authorities will be jolted into doing something worth while to prevent its spread to this country and that it will take precautions with which everyone will be happy. I shall again bring to the attention of Commonwealth authorities the matter mentioned by Mr. Houghton, and remind them that it indicates another method by which people entering Australia are able to get articles into this country.

In fairness, I point out that when the Commonwealth wanted the services of a senior officer to go to the United Kingdom to see what was happening there, Victoria was the only State that made one available. Within 48 hours of the request being made Mr. Flynn, the Chief of the Animal Health Division of the Department of Agriculture, was on his way to England. He is there now and has been in touch with us since, and we have been keeping the Commonwealth authorities informed. Anything up to twenty veterinarians may go from Australia to England to help relieve the pressure on veterinary services in that country.

Foot and mouth disease is a dreadful scourge, and it could be disastrous to this country. I compliment the Commonwealth authorities on their vigilance. I know of one case in which a person entering Australia from Argentina was being questioned at Sydney (Kingsford-Smith) Airport about the boots he was wearing. As the Melbourne aircraft was waiting to depart, the traveller left his footwear with the Commonwealth quarantine authorities and travelled to Melbourne in his stockinged feet. I believe that, generally, the Commonwealth officers

do a good job when inspecting the possessions of incoming travellers. I repeat that this matter of quarantine is constitutionally a Commonwealth responsibility. However, as with many other matters in which the Commonwealth becomes involved, it tries to pass the buck to the States.

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.

POISONS (AMENDMENT) BILL.

The debate (adjourned from November 15) on the motion of the Hon. V. O. Dickie (Minister of Health) for the second reading of this Bill was resumed.

The Hon. D. G. ELLIOT (Melbourne Province).—The drugs dealt with in this Bill are a worry and a matter of discussion throughout the world. Because of the fascinating flights into fancy that they offer, inevitably they will sometimes be the subject of illegal trafficking. No doubt greed and potential profit will be the actuating forces. I understand that these drugs are not addictive but merely induce some degree of euphoria and provide a means of escape from the inhibitions and tensions of modern times. This has been the way in other centuries. You will recall, Mr. Acting President, that not more than 100 years ago gin was the panacea.

The Hon. J. W. GALBALLY.—One could get a bucket of gin and a mug of rum for sixpence, and a straw for nothing.

The Hon. D. G. ELLIOT.—That is so. At one stage in the early days in Australia the price of rum was high and there was a great deal of trafficking in it. We even had what has been termed a rum rebellion. Man is always trying to find ways of inducing forgetfulness and of bucking himself up from time to time so that he can combat the worries of the day. In my opinion, much more is involved than the repressive aspect of this measure. We must think beyond that and look to the basic moral values and what they entail in terms of community responsibility. We must have absolute control, but we must also see that sheer prohibition sometimes enhances the attractiveness to our thrill-seeking youth. This aspect is much too prevalent to-day. Illegal trafficking in drugs must be ruthlessly curbed. I despise nobody more than the drug pedlar and anybody who stands behind him.

The Poisons Act 1962 laid the foundations of uniform legislation throughout the Commonwealth, and the Australian Labor Party regards the amendments contained in this measure as reasonable. Clause 7 will insert a new section 62A in the principal Act. This will authorize the police, and particularly members of the Drug Bureau, to stop and search any person, vehicle or boat where there is reasonable suspicion that drugs are being carried. There are not enough members of the Drug Bureau, which, I understand, is composed of a senior detective and three other detectives who are first constables.

Members of the Labor Party hope that this measure will not lead to any abuse. It could quite easily represent an abrogation of human rights. As was said in another place, the Minister of Health, who is in charge of the Bill, might imbibe on Christmas Eve and on his way home be apprehended and treated as a suspected carrier of drugs. We realize that the members of the Drug Bureau are responsible police officers and that the policing of this measure will be confined mainly to them, although we hope that the actual right to search will be conferred a little more wisely. I like the word "hallucinogenic" as applied to the new list of drugs that is being added to the Poisons Act. Let us have no hallucination about the danger of such drugs. Possibly there is more addiction to drugs in the

community than we are aware of. Many people have tried to dispel doubts in that direction, but the fact remains that there is cause for minor, if not major, alarm at the amount of drug addiction that exists in Australia. Perhaps in the case of young people it is more a matter of thrill seeking than of actual addiction, as these are not regarded as addictive drugs; they afford a pathway to euphoria and hallucinations.

Nowadays there is a pill for almost anything. I hope the scientists will not eradicate all of our simple, down-to-earth enjoyments. It has been stated that a pill will be devised that will provide the equivalent of a wonderful steak, together with roughage; a meal will be obtained by merely swallowing a pill and washing it down with a glass of water. So far as I am concerned, I do not think such a pill would supplant a good inch-thick steak, with hearts of lettuce, oil and vinegar, coupled with a touch of garlic. Let us hope that pills do not reach that stage.

The use of the drug LSD has received a good deal of publicity throughout the world, and at this point I intend to quote from the *New York Times*, which journal perhaps describes the position adequately. The LSD craze had its origin in America, and a certain Dr. Timothy Leary was sacked from Harvard university for using that drug on his students. In an article on psychedelic or hallucinogenic drugs, the *New York Times* in its September, 1966, issue stated—

> Despite alarming talk that they might cause long-range genetic damage, they are harmless to the body when given in strictly supervised doses and produce no abnormal craving as opiates do. But their effects on the mind can scarcely be overstated. One dose of LSD so small that it could be contained in the head of a pin is enough to plunge the average person into a labyrinth of colours, images, experiences and feelings beyond the ordinary person's power to conceive. Such a world might be like heaven—or like hell; nobody can really tell in advance. It is not a drug for fools, youngsters and emotionally disturbed people to trifle with. It might easily cause madness or death.

The Hon. D. G. Elliot.

For those reasons, Opposition members wish this Bill a speedy passage, and hope that, accompanying it, the Government might take into consideration some form of educational programme to assist in this direction. It would seem that the more publicity that is given to these things the more will thrill-seeking youths "have a go" for the thrills and the kicks. Goodness knows what this triggers off in regard to their ultimate lives. So, it is a case of basic teaching in this regard as well as legislation for control and punishment. In any case, we support the measure.

The Hon. H. A. HEWSON (Gippsland Province).—I consider this to be a very important Bill, and the proposed amendments to the existing legislation will certainly be of great benefit to the people of this State. The measure will amend section 62 of the Poisons Act by correcting certain anomalies which gave a fairly close preserve to the pharmacist, and I believe these amendments will open the door to a more even spread of the drugs, under supervision. Clause 2 will have the effect of inserting a new section whereby a licence shall be given to only one premises in each locality instead of, as previously, a licence not being granted within four miles of a pharmacy. However, one would need to have pharmaceutical qualifications in order to pronounce the names of the drugs that are listed in this Bill, and I do not propose even to start to name them. I notice that Mr. Elliot, also, evaded a pronouncement of the drugs listed in the Bill. However, no good purpose would be served by trying to pronounce them.

I believe that, in the amendments before the House, the Minister has been well advised by the manufacturers and the Pharmacy Board on the need for the list and the classification of the various drugs and poisons in their proper categories. It is perfectly true that, although of a dangerous character, many drugs are used for dental and

veterinary practices, and strict supervision is no more necessary, I suppose, for dentists and veterinary surgeons than for doctors. I see no cause for concern in that regard.

In the past, one of the problems associated with section 62 of the Poisons Act in regard to the policing of the legislation has been the difficulty of issuing search warrants to enable entry into premises for the purpose of catching offenders. The new section 62A to be inserted in the principal Act proposes to give specially authorized police, such as members of the Drug Bureau, power to stop and search any vehicle, boat or person where there is reasonable grounds to suspect possession of a deleterious substance or preparation in contravention of the Poisons Act. Even the Department of Health will play its part as well in respect to licences where the Chief Health Officer will be asked to give his consideration to the suitability of the applicant's premises. All these are safeguards. The re-organization of functions under this measure will, I feel, be made with the consent of the manufacturers, and the policing of the distribution of drugs under licence will be rendered much easier. However, not being a pharmacist and being unable to pronounce all the names of the drugs that are listed does not take away from me the ability to recognize the importance of this measure. The Country Party is of the opinion that the Bill before the House is a very important one which will confer benefit on those people whose responsibility it is to ensure that the residents of this State will not have the opportunity to obtain drugs which they are not supposed to have.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Licence to relate to one premises only).

The Hon. V. O. DICKIE (Minister of Health).—The Government greatly appreciates the co-operation that has been given by the Opposition and the Country party in this House concerning the provisions by which it is proposed to amend the Poisons Act. It has been obvious to all that the problems associated with hallucinogenic drugs are expanding in the community, but, strangely enough, when the Poisons Act of 1962 was enacted, hallucinogenic drugs came under the special poisons provision for which there were penalties up to £100, which sum is to-day equivalent to $200, whereas, at the time when this was accepted by Parliament, drugs of addiction should have borne the substantial penalties for the preparation, manufacture, selling, dealing and trafficking, namely, ten years' gaol, or a penalty of $4,000, or both, and, for being in possession of such drugs, a penalty of twelve months' gaol, or a fine of $500, or both. But, in the intervening period, it has become apparent that hallucinogenic drugs could be as serious a problem as—if not a worse one than—drugs of addiction.

Although a lot of publicity has been forthcoming as to what other States propose to do, I believe the State of Victoria has led the way in the matter of penalties with respect to drugs of addiction. Although there is a problem in Victoria, I am pleased to say I regard it as being less than that which obtains in other States. and the action taken in this State has been instrumental in reducing the problem to a very low level.

In bringing the penalties in respect of hallucinogenic drugs up to a high level, we hope to keep such drugs under the same measure of control as we have been able to keep drugs of addiction. It has been stated that in this State the control of drugs should be extended and, as a matter of interest to the House, I think I should indicate that, although the Victoria Police Drug Bureau comprises four officers—one was added during the past six months—the Department

of Health has five officers continually working in the field of drugs. It has three pharmaceutical chemist inspectors, one health inspector and one scientific officer. Moreover, the Pharmacy Board has one full-time officer continually inspecting chemists' shops in this State, examining their drug cupboards and their drug records. In addition, the Commonwealth Department of Customs and Excise, although confined to points of entry, keeps a very close watch on the extent to which drugs can be brought into the State or the Commonwealth. Rather than speak of only four people in the Victoria Police Drug Bureau policing these provisions, we should realize that, all told, there are ten officers working in that regard. They are performing an excellent job and I hope that, by the provisions which we are now enacting in this Bill, we shall be able to keep hallucinogenic drugs under the same measure of control as we have been able to keep drugs of addiction. Moreover, I believe Victoria will continue to be in the forefront so far as legislation concerning these drugs is concerned, as compared with other States.

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.

STOCK FOODS (AMENDMENT) BILL.

The debate (adjourned from November 15) on the motion of the Hon. G. L. Chandler (Minister of Agriculture) for the second reading of this Bill was resumed.

The Hon. ARCHIBALD TODD (Melbourne West Province).—This measure proposes to effect certain amendments to the Stock Foods Act. When he explained the Bill the Minister of Agriculture indicated that it was a technical measure dealing in the main with the *modus operandi* and the functions of certain sections of the Act to be amended. In his second-reading speech the honorable gentleman said—

> In recent years, more and more feed additives—vitamins, durgs, minerals, &c.—have been used in the manufacture of stock foods. The use of these additives—many of which are not controlled by the present provisions of the Act—has given rise to increasing concern. In some cases, manufacturers have wished to include additives having no specific or desirable purpose and, in others, the levels have been too low to be of benefit to livestock.

That is a fair statement, and it is true that in recent years many substantial developments have occurred in this field because of the introduction of drugs and vitamins into stock foods. I have in mind particularly the thoroughbreds who excite a great deal of interest in the community because of their pace or the lack of it, or their success or nonsuccess. On occasions, owners and trainers of race horses have got into trouble because they have given certain stock foods to their horses and, after a veterinary examination and a swab, a residue of a drug has been revealed. Sometimes owners and trainers have incurred the wrath of the stewards because they did not advise them that the horse had been given certain foods prior to a race. If it is proposed to control the use of these additives the move is a good one and should be commended.

In his second-reading speech the Minister also stated that the changes proposed emanated from a standing committee on agriculture which appointed a technical sub-committee on livestock foods. This sub-committee consisted of representatives of the Commonwealth and State Governments, and its recommendations have been implemented in this Bill. That is an excellent procedure and I believe uniformity in this field is most desirable. Therefore, members of my party commend the Bill and hope that its provisions will be successful and that the Stock Foods Act will be strengthened by the inclusion of the amendments.

The inference can be drawn from the Minister's second-reading speech that there are some unscrupulous manufacturers who are prepared to sell livestock food that is not beneficial to an animal. In the final analysis this is a bare-faced fraud, and the activities of these gentlemen will be controlled because they will have to make certain declarations concerning their products. Many of the clauses of the Bill are technical and have relation only to the operation of the Act. My party has examined the Bill, and finds no fault with it and, accordingly supports it.

The Hon. S. R. McDONALD (Northern Province).—The Country Party supports this Bill the purpose of which is to bring about control over the use of additives in stock foods. The amendments have become necessary because of certain changes in the industry in recent years. There has been a trend towards a much wider use of medicinal and chemical additives such as antibiotics in stock foods. As Mr. Todd said, the amendments have been suggested by a technical sub-committee set up by the Department of Primary Industry.

The Bill contains a number of definitions and interpretations of terms such as drugs, importer, additives, ingredients, vitamins and so on, which were not included in the original Act, and this represents a step in the right direction. The provisions of clause 3 and subsequent clauses provide for the registration of and the general control over the use of additives in stock food. Because the purpose of the Bill is to control the use of additives in stock food to protect the purchaser of these foods and to remove the small public health risk which occurs when harmful residues are left in meat, the Country Party supports it.

The motion was agreed to.

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

HOUSING (AMENDMENT) BILL.

The debate, (adjourned from November 16) on the motion of the Hon. L. H. S. Thompson (Minister of Education) for the second reading of this Bill was resumed.

The Hon. J. M. TRIPOVICH (Doutta Galla Province).—This Bill contains a series of unrelated amendments to the Housing Act. The main amendment gives the Housing Commissioner the power to build on land owned by the Commonwealth Government. The need for this amendment emanated from a series of complaints by migrants occupying hostels owned by the Commonwealth Government and operated by a company called Hostels Limited, which provided accommodation equivalent to that which existed at Camp Pell years ago. Because English migrants in particular took great umbrage at these conditions and made it known in Great Britain that these conditions existed, the migration scheme was embarrassed. The result was that the Commonwealth Government saw fit to do something to lift the standard of accommodation provided for migrants. It asked the State Government to undertake the construction of flats on land owned by the Commonwealth. The State Government agreed to this and the amendments contained in this Bill make this action possible.

The Bill also provides for the Housing Commission to erect houses or other buildings on land owned by the Commonwealth to be utilized by that Government for the housing of Aborigines. The same principle is involved and the amendment covers that point.

The Opposition offers no criticism of this amendment particularly because the Commonwealth will be providing the funds. I was pleased to receive this information from the Minister because I thought that the Commonwealth might attempt to squeeze a little more money out of the Commonwealth-State Housing Agreement, and in addition to devoting 5 per cent. of the allocation

to houses for armed services personnel, the States might also have to build the hostels for migrants out of their allocation of money.

Clauses 7 and 8 deal with the signing and sealing of documents. The difficulty has arisen that when the Director of Housing is absent, no other officer is empowered to seal documents. A similar difficulty arises in the absence of the secretary. Therefore, provision is being made in clause 7, for the Director of Housing or the Deputy Director of Housing to sign or seal documents which will be counter-signed by the secretary or other officer authorized by the Minister. These amendments will enable the administration of the Commission to function more effectively.

I sincerely hope that the standard of housing which will be provided at Commonwealth migrant hostels will be vastly superior to the existing accommodation for migrants when they arrive in this country. Migrants are expected to remain in the hostels for no longer than six months, but many find that they are unable to save sufficient money for a deposit on a home within the six-month period. At Broadmeadows, reclaimed army huts are used for migrant accommodation, and considerable problems have arisen. I hope I live to see the day when all Commonwealth hostels will be of a decent standard so that when people are asked to come to this city, they will be treated as we would like to be treated if we shifted to a new place of residence. The Opposition offers no objection to the Bill.

The Hon. I. A. SWINBURNE (North - Eastern Province).—The Country Party supports this measure. Clause 2 results from an arrangement between the Commonwealth Government and the State of Victoria for the construction of migrant housing. The clause also deals with the erection of homes for Aborigines. In both cases, the construction can take place on land not owned by the Commission.

Over the years, controversy has arisen in regard to the Commission's powers to erect buildings. From time to time, sections have been deleted from the Act and later re-inserted. The Commission has the ability to erect homes and carry out associated work, and it would be folly for the Government not to utilize the existing facilities for the purpose of carrying out these functions.

There have been debates in this Chamber as to whether the Housing Commission should be permitted to erect shops. I believed then, and I believe now, that those functions are part and parcel of the development of a housing area. I notice that paragraph (*a*) of proposed sub-section (1A) of section 22 provides that the Commission may develop land for housing and other purposes. When developing a housing estate, it is necessary to work on a broad plan in order to create a community. Under the provisions of this Bill, it will be possible for the Commission to develop areas on behalf of the Commonwealth and other State instrumentalities.

The words proposed, by clause 3, to be omitted from sub-section (3) of section 31 have become redundant. They were inserted in the original Act for the purpose of determining the maximum value which would be taken into account when considering the amount of rent that would be charged for a dwelling. With the introduction of a system of rent averaging, these words have become redundant.

Clause 4 is important to municipalities throughout the State, because over the years there has been power to demolish buildings but it has been impossible to place the onus of clearing the site on to some person. Throughout the suburbs of Melbourne, and in country towns, houses have been condemned and demolished, but a heap of debris, which nobody seemed to be responsible for clearing, has remained on the site.

Clause 5 provides that the vendor of a house on which there is an order for either repairs or demolition must disclose to the prospective purchaser the conditions of the order. Clause 6 deals with fees for certificates issued under section 61 of the Act. This is the old story of increasing a fee, but if we accept the figures supplied by the Minister, even the 100 per cent. increase will still leave the fee short of the administrative costs involved.

Clauses 7 and 8 deal with the signing and sealing of documents by officers of the Commission. The Director of Housing may be interstate or out of Melbourne, and a document may need to be signed urgently. In those circumstances, it is necessary to provide that his deputy may sign and seal documents. The power still remains with the Minister, so no danger will ensue. The Country Party offers no objection to that provision.

The Bill tidies up problems in the functioning of the Commission, and also provides power for the Commission to carry out works for the Commonwealth and other State instrumentalities, which I believe is a right and proper function of an instrumentality with the facilities that the Commission has at its disposal. I think all honorable members will agree that the Housing Commission is capable of handling further work. Its expenditure was reduced by 30 per cent. when that proportion of the allocations under the Commonwealth-State Housing Agreement was given to co-operative housing societies. The organization is capable of handling more work than is possible by the use of its own funds, and if other funds can be diverted to the Commission for use on projects for the Commonwealth and other State Departments, there must be a benefit to both the State and the Commission.

The Hon. ARCHIBALD TODD (Melbourne West Province).—I propose to make a few comments in addition to those made by Mr. Tripovich and Mr. Swinburne, who from time to time display a wide knowledge of the housing problems of this State. At election time, when all members have to move around on what is commonly known as " letter boxing ", members in the inner industrial areas are brought face to face with decaying homes. We may ask ourselves whether the rate of construction by the Housing Commission will keep pace with the demands in years to come, because the less fortunate people in the rental section of the community will be unable to afford the rents charged for private dwellings.

One matter of particular concern is the construction of houses for Commonwealth Defence Forces. In a recent press release by the Housing Commission, reference was made to the type of brick veneer dwelling provided for the armed services. I find myself at variance with other members on this particular matter, because I do not believe that it should be the responsibility of the Victorian Housing Commission to provide housing for defence personnel. The Commonwealth has its own Department which is capable of purchasing land and erecting dwellings.

In country towns such as Seymour, Wodonga, and Laverton, it is practically impossible for a civilian to secure a dwelling, because they have all been taken over by the Commonwealth as homes for defence personnel. The Commonwealth Government adopts a parasitical attitude towards the States under the Commonwealth-State Housing Agreement. Whenever I listen to debates in Commonwealth Parliament on this agreement, I note the colossal ignorance shown by Federal Parliamentarians of the housing problems in the older States such as New South Wales and Victoria, particularly in the inner metropolitan areas

of Sydney and Melbourne where the houses are rotting away. Moreover, there is no concerted plan to ultimately catch up with this situation.

Whether the present policy of the Housing Commission to erect high-rise flats is the proper one, or whether there should be a reversion to the methods that were adopted when the estates were developed at Port Melbourne and Preston in 1939 and 1940, is a matter for conjecture. In those years some people were not very anxious to accept tenancy of a Housing Commission home, because it was considered to be something sub-standard. To-day, the homes cannot be regarded as sub-standard, and probably more people would be glad to buy even those homes that were erected in 1939 and 1940.

There should be more major planning on housing in this State, and representations should be made to the Commonwealth Government to ensure that additional money is provided for the provision of housing.

It is galling for the States to receive back their own money and then be charged interest on it. For the construction of "armed service" units, the only return to this State is the rent that is paid by the occupants. This is not satisfactory. At Laverton, there are 27 "armed service" houses, but if the Department of Defence erected houses for defence personnel there would be 27 more houses available for civilians who wanted to live in the Laverton area and take up employment in that district.

The Hon. I. A. SWINBURNE.—Money is provided for these special units.

The Hon. ARCHIBALD TODD.—But the money has always to be paid back to the Commonwealth. In the financing of housing under the agreement, the Commonwealth Government plays a lousy part. The Commonwealth should find the additional money required. The Housing Commission should obtain the full value from its loan funds.

This Bill affords honorable members the opportunity to have a grouch; and I have one against the Commonwealth Government for the part it is playing in regard to housing. That Administration does not worry how some people are housed in the community, but it is prepared to take the sons of families away, put them in uniform and send them overseas to fight. I believe in the Commonwealth of Australia, but the Commonwealth Government is playing a lousy part in housing redevelopment.

The Hon. A. J. HUNT.—Call it "niggardly" and I shall agree with you.

The Hon. ARCHIBALD TODD.—Perhaps that is a better expression.

The motion was agreed to.

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

WATER (FURTHER AMENDMENT) BILL.

The debate (adjourned from November 1) on the motion of the Hon. V. O. Dickie (Minister of Health) for the second reading of this Bill was resumed.

Sir PERCY BYRNES (North-Western Province).—This Bill contains a number of amendments which could best be dealt with in the Committee stage. The Water Act is most important because it controls the work of the State Rivers and Water Supply Commission. Victoria is in the grip of a drought, but there is some misconception about the part played by irrigation districts, and it is assumed by some people that the irrigators are making a great deal of money at the expense of people in the dry areas. That is not so. The Goulburn-Murray irrigation area, which includes Shepparton and Swan Hill, is a gravitation district, and is supplied with water according to a formula which was

laid down by Act of Parliament four years ago, and amended last year.

The average irrigator has a water right of 1 acre-foot per acre, and he has been able to exist because he has been enabled to purchase a quota at the same rate as his water right. Because of the present condition of the storages, this year the irrigators have been notified that they will be fortunate if they can retain their water rights. Therefore, most of the irrigators in the gravitation districts, no matter how economical they might be, will be unable to obtain water to irrigate the whole of their holdings after the end of January, and in some cases, after the beginning of January.

This has placed many farmers in a most difficult position, and I have asked the State Rivers and Water Supply Commission to examine the position thoroughly to endeavour to allow a sale of 20 per cent., perhaps 30 per cent., above the water right. Previously, these irrigators were able to purchase an additional 80 per cent. above their water rights to give them not more than 2 acre-feet of water per acre. Citrus and vine growers utilize 3 acre-feet per acre and are permitted to take out water rights to cover all their requirements. Irrigation for pasture is restricted and many of these farms support famous dairy herds. At a recent disposal sale in this irrigation district one cow was purchased for $2,700. Many farms will have to reduce stock after the end of January.

One should not be unduly pessimistic. I am not a pessimist and I never have been ; nor am I a foolish optimist. A quantity of 1,000,000 acre-ft. of water is available from the Hume reservoir and further substantial quantities from the Eildon reservoir. There is no sense in holding these reservoirs at comparatively high levels against the possibility that rain may not fall next year. If we lived in that atmosphere, we would never get anywhere. This is the second year of drought, and drought conditions rarely last for more than two years. In all probability heavy rains will fall during the monsoon season in the north of Australia and the resultant weather conditions will alleviate the position in the drought areas in January and February, as has happened on several previous occasions.

Irrigators do not ask to be able to purchase additional water to the full amount of 80 per cent. of their water rights, but they should be allowed sufficient to retain pastures until some relief is obtained by rain. The irrigators are prepared to co-operate with the State Rivers and Water Supply Commission, but to restrict them to their water rights only will cause serious losses.

There have been misunderstandings ; it has been said that the people in the irrigation districts are sitting like hawks waiting to make money at the expense of people in the dry areas. That is not the case. Hay is being sold in the irrigation districts at a moderate price of from $18 to $30 a ton. During the 1914 drought, hay was sold from $40 a ton at a time when money was worth only one-sixth of its present value. The irrigators have only small farms which are in constant use. There are no vacant lands from which to make money by speculation. The properties are used to the limit, and therefore the farmers cannot buy stock cheaply from people in the drought areas as a speculation. They need water to keep their stock going, and to be able to keep in production as dairy farmers.

The other point is that, because of the method by which irrigation has been conducted in the past, the rivers, particularly the Murray and its tributaries, are highly saline. Produce, particularly citrus fruits, cannot be grown if the total solids in water exceed 300 parts per million. At present, fortunately, the saline content is just below that proportion but this does not apply generally throughout the State. Below Mildura the saline content has been up to 300 parts per million, and water has been released down the River Murray to dilute the saline water so that it can safely be used

for citrus fruits. My party does not object to that. Citrus trees are expensive to plant and bring into production, and no one would like to see the orchards destroyed by saline water.

The irrigators are seeking works to counteract the effect of the salt. Members of my party had a discussion with the State Rivers and Water Supply Commission to-day. I understand that the sum of $4,600,000 would enable the Commission to carry out works which would largely correct the circumstances under which salt gets into the River Murray. There are three danger spots which could be cured by the expenditure of this amount. Work could be commenced immediately at Lake Hawthorn near Merbein, and around Redcliffs. By April, work could be carried out in the Barr creek-Tutchewop areas, and these projects would check most of the salt in the river, conferring great benefits on orchardists along the Murray, both in Victoria and in South Australia.

Members of my party hope to discuss these matters with Mr. David Fairbairn, the Federal Minister for National Development. We are travelling to Canberra at our own expense, as the Prime Minister has not offered us the use of a VIP aircraft. I do not know whether the Victorian Government could provide air transport. We intend to ask Mr. Fairbairn, who is an approachable person, to provide the Victorian Government and its water Commission with $4,600,000. The Federal Minister has said that he has some money. Of course, the honorable gentleman may not be able to make available the whole of the amount required, although we understand that the Commonwealth Government has set aside the sum of $50,000,000 for irrigation and similar works. This urgent work would have several advantages. It would not only cure the salinity at the danger points, but would also keep irrigators in production and provide employment in a number of country towns where employment is seriously affected by drought. The pipes required for the works could be made at Echuca and Mildura, and considerable other work could become available locally if money was spent in this way.

I urge the Government to press this matter as strongly as possible. I am taking part in the approach to Mr. Fairbairn as the representative of a large number of irrigators and their organization. I am always careful to advise the Federal Minister that I speak as an irrigator and not as a member of Parliament. Of course, in this House, I am speaking in both capacities. In addition to being authorized by irrigators in my own area, I received telegrams to-day from two other organizations on the Murray, and I am sure that I shall receive many more communications supporting the request to the Minister for National Development for financial assistance and the possible provision of more water from Eucumbene. Possibly, this State has already received more water from the Snowy Mountains scheme than it is entitled to, but if we do not ask there is no possibility of our getting any additional water.

We seek the support of the Government because it is important that irrigators should be kept in production, and not forced to sell valuable dairy herds. It would be a sad commentary on our drought relief activities if, while we were working very hard to get agistment for stock in Gippsland and other areas to save breeding stock from the Western Districts, irrigators with valuable dairy farms were being forced to sell their breeding stocks because they had not sufficient water for their pastures. The position is serious, and I regret that some members of the Government do not appreciate the position. Some prominent members of the Government seem to think that irrigators are millionaires who are asking for assistance. The average irrigator operates only a small unit on which he is fully

employed. Certainly he makes money, but out of that he has to pay fairly substantial water rates and other charges.

The Hon. V. O. DICKIE.—Who could possibly think otherwise on what you have indicated?

Sir PERCY BYRNES.—I am referring to private conversations and would prefer not to nominate the person concerned.

The Hon. V. O. DICKIE.—Previously you referred to persons; now you refer to only one person.

Sir PERCY BYRNES.—It is a very prominent person in the Government. I do not think it is proper to nail a man down in public for something that he said at the supper table. This member of the Government said, "You are all making a lot of money out of the drought, and therefore you will not get any water." There is water that is too saline to use, and this defect must be cured. The irrigators have received the utmost co-operation from the State Rivers and Water Supply Commission in endeavouring to cure the salinity in the River Murray. In the past two or three years we have received co-operation from the Commissioners and their district engineers, and this has been greatly appreciated. There are two separate aspects to this problem. One of them is the effort to cure the flow of salt from salted lands into the Murray. That could be stopped by the water being put into ponding areas where it could evaporate instead of running into the Murray. It is absurd to put drainage water into the Murray and pump it back for irrigation.

As a first instalment, the expenditure of $4,600,000 is needed, and I urge the Government to assist in getting this money from the Commonwealth Government as quickly as possible. Another urgent necessity is the provision of more water. Thirty per cent., or at least 10 or 20 per cent., additional water is required. It is impossible to carry on with the bare water right of 1 acre-foot per acre in pasture country. This gives the average irrigator only three irrigations at most. A farm cannot be run on three or four irrigations; at least six or seven irrigations are needed. Every irrigator is prepared to cut out part of his farm, provided that he can obtain enough water for his stock. The irrigators are prepared to co-operate with the Government and the Commission in this matter.

Generally speaking the amendments which the Bill contains are satisfactory, with the exception of clause 6, on which my party fought for a number of years. An arrangement has been made with the Government to amend this clause, and the Minister of Health has kindly given me a preview of the amendment, which is acceptable to my party because it means that land holders shall still retain some control. We do not want the Commission to gain control over every drop of water in the State, whether or not it is on land. We accept that the Commission should have control over creeks and streams which are flowing. Each time the Commission has endeavoured to get the amendment proposed in clause 6 accepted, we have managed to induce the Government to reject it. I appreciate that the Government intends to protect the people in the north-east, Gippsland and other areas, by an amendment to clause 6 adding the words "which flows through any land" after the word "watercourse", in proposed new paragraph (*a*) of section 204 of the principal Act. With that amendment, the Country Party supports the Bill, and will give the measure its blessing.

The sitting was suspended at 6.28 *p.m. until* 7.50 *p.m.*

The Hon. I. A. SWINBURNE (North-Eastern Province).—I have no intention of covering the ground so ably traversed by my Leader, Sir Percy Byrnes, but I should like to refer to four main principles embodied in this Bill.

Clause 2 proposes to include in the Water Act, for the first time, the words "or from any collection of water . . ." In the province of which I am a representative, where most irrigation is carried out by means of pumps and sprays and where there is a limitation on permits and licences, landholders have put down adjacent to streams what are commonly known as drag-line holes, some of which have been deemed to be interfering with the flow of the streams.

In his second-reading speech, the Minister stated that this practice was prevalent on the King river and that it interfered with the endeavours of the State Rivers and Water Supply Commission to regulate the number of permits allowed in relation to that stream and to retain a flow in the stream for stock and domestic uses. This stream is not controlled by any storage system, and over the past three or four seasons a very difficult position has been created.

It has been suggested by the State Rivers and Water Supply Commission that it should control these drag-line holes in cases where it is proved that the water, or part of it, comes from the stream itself. The Country Party has no objection to this. The Government has agreed that, to enable the situation to be controlled, permits will be issued for drag-line holes so that people will be able to continue the activities they have planned for this year; subsequently, the permits will be reviewed.

Clause 3 proposes the insertion after section 9 of the principal Act of a new section, 9A, for the purpose of controlling rivers, creeks, streams or water-courses situated on Crown land. Much difficulty has been experienced in parts of the State concerning this matter. If my information is correct, the matter was brought to a head in the Ballarat area, where the actions of some irrigators have caused a considerable amount of difficulty which is experienced right throughout what might be called the watershed areas of our State. These are areas which are bounded by river frontages and therefore are on Crown land. The actions of some of the irrigators have interfered with, obstructed and diverted rivers, creeks, streams and water-courses. The proposed new section 9A empowers the State Rivers and Water Supply Commission to overcome the problems it is experiencing. A penalty is provided for those who fail to remove the obstruction or remedy the interference.

Clause 6 amends section 204 of the principal Act, which deals with the issuing of permits and licences. The State Rivers and Water Supply Commission has always encountered problems in the control of streams on private property. On two or three occasions over the years the Commission has attempted to have the scope of its control widened but each time its efforts have been unsuccessful.

Since the foundation Water Act of 1905, it has always been conceded that all surface waters are the property of the Crown and under the control of the State Rivers and Water Supply Commission. The words in the Act, "any river creek stream or water-course or lake lagoon swamp or marsh" have always been interpreted as involving flowing water. In preparing this Bill, the Commission has eliminated the words "flowing through". An amendment to the Act in 1964 included these words—"from any river creek stream or water-course lake lagoon swamp or marsh flowing through situated upon or bounded by Crown lands".

The Commission is experiencing some difficulty with respect to some streams within the State—particularly in the Ovens valley, some parts of the Kiewa valley, and in the Gippsland area—which have changed their original courses and now pass through private land. The Commission found that it had no power to issue licences in place of permits. To remedy this problem, provision

was made in the previous Act for a survey to be carried out by the Surveyor General but this was not a success. It is now proposed that power shall be given to the Commission to issue licences with respect to any land, whether private or Crown land.

The Country Party offers no objection to this proposal so long as the phrase "water flowing through" is retained, and this is provided for in an amendment which has been foreshadowed. After the word "water-course" the Government is proposing to insert the words "which flows through any land". The proposed omission of this phrase has caused considerable concern, because, although it may be easy to interpret what is a river, a creek, or a stream, it is difficult, without the addition of those words, to interpret what is a water-course.

I and other members of the Drainage Committee are aware that several draft interpretations were examined. The only interpretation of this nature that appears in legislation is that which is contained in the Dandenong Valley Authority Act. If that interpretation were incorporated in the Water Act, the State Rivers and Water Supply Commission would be given control of almost every depression in the State. This would cause difficulty in watershed areas where many landowners have constructed dams in depressions on their properties. They could be brought within the ambit of this clause if the additional words that I have mentioned were not added as an amendment.

There would also be great difficulty in relation to the work of the Soil Conservation Authority, which has expressed some doubt about this matter. For those reasons, the Country Party has asked for the inclusion of these words in the Bill. They will give some degree of surety about what is a water-course. There will always be the usual difficulty of how long the water must flow in a certain place before it can be regarded as a water-course, whether it must flow all the year around or for the greater part of the year. In a year such as this, there would not be much water flowing in any of these streams. The old interpretation must then apply. If there are a bed and banks and if the water normally flows in a certain place, even though it does not flow at all times, there would not be much difficulty.

The Country Party offers no objection to the provisions of the Bill relating to easements and titles. It gives the Bill its blessing, as my Leader, Sir Percy Byrnes, has already indicated.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Amendment of the Water Act 1958).

The Hon. V. O. DICKIE (Minister of Health).—It has been indicated to the House that all parties are in agreement with the provisions of this amending Bill and with the proposed amendment which has been circulated. If you, Mr. Acting Chairman, are prepared to give me the same licence as was given to Sir Percy Byrnes when he spoke of the problems of irrigators, I should like to make some comments. Sir Percy spoke of the deputation of irrigators —not a political deputation—to the Commonwealth Minister for National Development to-morrow week. I was extremely pleased to hear that the deputation would see Mr. David Fairbairn on the problem of salinity in the Kerang and Mildura areas.

I should not like members to think the Government is not aware of the problem of salinity and of the possibility that the Federal Government can assist the State in relation to this problem. Honorable members know that the Commonwealth Government will make an amount of $50,000,000 available at the rate of $10,000,000 a year over the next five years for projects associated with waterworks. Victoria has had an allocation of $1,800,000. The Government is aware that these funds

could be expended in the diversion of saline drainage from Barr creek, in the Kerang area, inland to evaporation basins. The State Rivers and Water Supply Commission was asked to give high priority to the planning and costing of such a proposal.

Only yesterday, the Commonwealth Department of National Development sent a senior officer, Mr. McCutchan, to discuss the work necessary to solve the salinity problem in those areas with the State Rivers and Water Supply Commission. Sir Percy Byrnes has indicated support of the proposal to the degree that a deputation is to discuss it with the Federal Minister, Mr. Fairbairn. I wish to indicate that Mr. Borthwick, the Minister of Water Supply, will be discussing the proposal with Mr. Fairbairn early next week. It is to be hoped that the Commonwealth Government will accept the fact that this is a project which could be undertaken with funds from the grant of $50,000,000 to be made over a five-year period. If funds are granted for this project, they should be made available very quickly, as the State Rivers and Water Supply Commission has been preparing the necessary plans. If the project can be undertaken soon, it will represent a real break-through in efforts to solve this problem.

The clause was agreed to, as were clauses 3 to 5.

Clause 6, providing, *inter alia*—

Section 204 of the Principal Act shall be amended as follows:—

(*a*) In the first paragraph—

(i) for sub-paragraph (*a*) there shall be substituted the following expression:—

"(*a*) any river creek stream or water-course or lake lagoon swamp or marsh."

The Hon. V. O. DICKIE (Minister of Health).—It would be superfluous for me to explain in more detail the need for the amendment which has been circulated. Mr. Swinburne has already made clear why the words can, with advantage, be re-inserted in the Act. Originally, the wording was not exactly the same, but the terms of the amendment could be extracted from the wording of the provision. I move—

That, in proposed new paragraph (*a*), after the word "water-course" the words "which flows through any land" be inserted.

The Hon. I. R. CATHIE (South-Eastern Province).—The Labor Party offers no objection to the amendment. The principle enshrined in it is correct. In the event of this State ever untying the legal tangle in its drainage laws, it is essential to have such a principle whereby there is a right for water to flow through.

The Hon. S. E. GLEESON (South-Western Province).—As a matter of correct English, would it not be better to insert the words proposed to be inserted after the word "stream" and before the word "or"?

The Hon. V. O. DICKIE (Minister of Health).—The wording of the Bill is "any river creek stream or water-course or" and then "lake lagoon swamp or marsh". In placing the words "lake lagoon swamp or marsh" separately from the others, the words "river creek stream or water-course" relate to the waters which, in fact, will flow through any land, so I suggest that the words are to be inserted in the correct position.

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

The Bill was reported to the House with an amendment, and passed through its remaining stages.

PETROLEUM (SUBMERGED LANDS) BILL.

The debate (adjourned from November 15) on the motion of the Hon. R. J. Hamer (Minister for Local Government) for the second reading of this Bill was resumed.

The Hon. SAMUEL MERRIFIELD (Doutta Galla Province).—This is a Bill of great importance to the community. The long title to the measure is printed on the face of the Bill, but

it would more properly be entitled, "A Bill to dispose of the peoples' sovereign assets to big business and monopolies at give-away prices and for other fleecing purposes." That is all the Bill does. There is certainly nothing in the measure to warrant the people being pleased about it, more particularly after what happened last week when Parliament passed a measure which would take a few cents from the weekly wages of the wage-earners by compelling them to pay stamp duty on receipts. In this case, the Government will be disposing of literally thousands of millions of dollars worth of assets of public property.

This Bill is the result of agreement on uniform arrangements between the Commonwealth and the States. It represents the second instalment by Victoria of legislation purporting to deal with the subject of off-shore petroleum exploration, boring and production. When a previous Bill relating to oil exploration was under consideration in March of this year, Mr. Galbally, in particular, expressed grave doubts on the legality of the legislation. This Bill clearly indicates that the fears expressed by Mr. Galbally were fully warranted. When the Labor Party challenged the Bill in March, it had the assurance that it was valid to the extent that it was valid. However, the Government did not state to what extent the legislation was invalid for many of the purposes that it purported to serve.

I was interested enough in this subject to ask questions in the House concerning the actions taken by the Government and the fees paid by the company which, it is now obvious, had no validity. The unanimous agreement which has been made between the Commonwealth and the States means that, in future, before there can be any variation in the agreement, it must be approved by means of a unanimous acceptance by all the States and the Commonwealth. Knowing what has happened in regard to the big give-away at the present stage, it is not likely that there will be any variation in the legislation to protect the interests of the people. Obviously, with some Parliaments constituted as they are in Australia—I refer more particularly to the Parliaments of South Australia, Western Australia and Tasmania, which have vested interests entrenched in the Upper House—any suggested variation which might have been conceived would suffer the unkind fate of the powers Bill in 1944, which was intended to incorporate the post-war powers. Once this Bill is passed, there will be no great variation in the legislation during the lifetime of the natural deposits to which the legislation relates.

After two long years of tortuous discussion and negotiation, which commenced in 1965, this Bill now emerges as the pattern of legislation which is being passed by all State Parliaments and the Federal Parliament to validate what are supposed to be the agreements incorporated in the Bill. In view of this measure, which has been introduced in the late hours of the spring sessional period of 1967, it would be interesting to ask what was the justification for Victoria passing the Bill which was dealt with in March of this year. No other States attempted to enact legislation of that type. The only State which enacted legislation in regard to oil was Western Australia, which passed a Bill in respect of the Barrow Island oil deposits. Of course, Barrow Island is land above water level, and therefore, the measure to which I refer has no relationship to a Bill of this type, which deals with submerged lands. No other Government in Australia foolishly raced in, as did the Victorian Government, over this matter.

Members who have examined the Bill will realize that the agreement obviously gave priority of possession to certain private companies which were already operating off the Gippsland coast. This Bill perpetuates the agreements which were entered into as a result of the March legislation. Certainly, this measure represents a give-away of the assets of the people

to a relatively small number of companies which are interested in it only for purposes of profit.

I wish to deal with the question of jurisdiction in respect of submerged lands. When the previous measure was under consideration, Mr. Galbally indicated that most of the decisions of former years could at least be interpreted as indicating that Victoria had no jurisdiction beyond the territorial limit of 3 miles. I propose to submit certain arguments in that regard.

In an article, "Australia and the Law of the Sea", published at page 186 of the *Adelaide Law Review*, Volume 1, for April, 1960, Sir Kenneth Bailey said—

> Customary international law is freedom of the seas. Beyond the territorial sea lie the high seas in which no state is sovereign.

In other words, his view was that the State would have no jurisdiction beyond what might be interpreted as its normal territorial sea. At the United Nations convention in 1958, which commenced in February and continued until April, 86 States considered five questions. I shall not weary the House unduly with this information. The first question was on the general authority in territorial waters; the second was the general régime of the high seas; the third was the fishing and conservation of living resources of the high seas; the fourth was the Continental shelf—discussion on that subject was resumed later in 1960—and the fifth was in respect of the width of the territorial sea.

Sir Kenneth Bailey analyzed these issues at some length. He said that in respect of the question of the width of the territorial sea, the claims submitted by the 86 States at the United Nations convention varied, for various political reasons, from 3 miles to 12 miles. Several compromises were suggested from time to time by the participating States in an attempt to obtain some degree of uniformity. I shall not read these, but merely say that they dealt with the degree of jurisdiction over what has been the width of the territorial sea.

It is interesting that the domestic laws of the United Kingdom, the United States of America, France, the Netherlands and Australia claim jurisdiction over the sea up to a distance of only 3 miles. Even at the conference to which I refer, Australia claimed jurisdiction over the area extending to only 3 miles and, of course, it has always adhered to the 3-mile limit, partly for political reasons. That is what the States would have claimed as part of their sovereign rights from the time of the early creation of the colonies.

It is interesting also that the British Commonwealth countries were united in the endeavour to hold the position there, and to preserve the historic freedom of the seas. In effect, they wanted to retain the 3-mile limit and to retain freedom of the seas beyond that distance. Quick and Garran in their *Constitution of the Australian Commonwealth*, at page 362, state that the local shipping laws are valid at 2¾ miles, but not at 3¼ miles. Obviously, they are referring to the 3-mile limit as the territorial limit over which legal shipping lanes would have had jurisdiction. In *Appeal Cases* 1891, page 458, in *McLeod* v. *the Attorney-General*—which was a divorce matter—it was ruled that the legislature had no power over any persons except its own subjects while they were within the limits of the kingdom.

In the case of *Chun Teeong Toy* v. *Musgrove*, reported at page 349 of 14 *Victorian Law Reports* 1888, concerning which there was a subsequent appeal to the Privy Council in 1891, which is reported in *Appeal Cases* at page 278, the same sentiments are expressed in the judgment.

At the Premiers' conference in 1965, at which this uniform legislation was initiated, Mr. Nicklin, the Premier of Queensland, voiced a claim on behalf of all the States. As he proceeded with his speech, he referred to Queensland's case as being only in regard to territorial waters. It is obvious

that Mr. Nicklin was there to voice what was felt to be the strongest possible case for the States. He admitted that Queensland was making a claim only over territorial waters. At the same Premiers' conference, as reported at page 26, Sir Robert Menzies said—

> Our advice is that outside the territorial waters, over what is referred to nowadays as the continental shelf, the power of the Commonwealth is complete and that inside territorial waters, if we are old-fashioned enough to talk about a 3-mile limit, there is a dispute as to power.

Even Sir Robert Menzies was making a claim on behalf of the Commonwealth for jurisdiction within the territorial limits. He referred to the fact that there was roughly twenty times the area in the Continental shelf as compared with territorial waters, and therefore in offering what amounted to a fifty-fifty proposition at that stage of sharing royalties, he was offering the States a good bargain. If that is adopted in the case of Victoria, our territorial waters cover roughly an area of 2,046 square miles. The area in the Victorian zone according to the Bill before the House varies between 30,000 and 40,000 square miles.

Out of that, the Broken Hill Proprietary Company Limited has picked the best 14,000 square miles, and others will get only the leftovers. The company also holds licences for areas in Tasmania and South Australia, and has licences for a total of about 50,000 square miles under exploration permits. At the Premiers' conference that I have mentioned, our Premier and Honorary Doctor of Laws did not express any legal opinions about the matter in contradiction of the Prime Minister. When the Prime Minister offered the fifty-fifty arrangement, our Premier was the first to accept it.

Anybody who knows how unkindly the Premier has spoken of the Commonwealth in recent years, and who is aware that his claim that the Commonwealth grabs all the revenue and starves the States, would not have expected to find him accepting such a proposition if he had been entitled to a better one. So I think it can be agreed that he has tacitly admitted that the States had a poor claim to rights over the submerged lands outside the territorial limit. The fifty-fifty arrangement became the 4 : 6 ratio that is provided for in this measure. Article 2 of the Second Schedule, which is the Convention on the Continental shelf, in paragraph 2, states—

> The rights referred to in paragraph 1 of this article are exclusive in the sense that if the coastal State does not explore the continental shelf or exploit its natural resources, no one may undertake these activities, or make a claim to the continental shelf, without the express consent of the coastal State.

In legislation, the word "exclusive" ordinarily means that a right such as that referred to here cannot be passed on to any other party. The coastal State referred to in the Convention on the Continental shelf would be in this instance the Commonwealth, which was the only Australian party represented at the meeting that prepared the convention and which was represented there by virtue of its external affairs powers. Therefore, it is obvious that if the Commonwealth does not exercise its right, it has no jurisdiction to allow anybody else to exercise the power.

The Honorable David Fairbairn, Commonwealth Minister for National Development, in his second-reading speech on the Commonwealth legislation, said that "the companies have taken us on trust, relying on Australia's reputation for stability and good faith". Why would he say that in respect of the only State which at that stage had entered into arrangements with private companies to the extent that Victoria had done, if the Victorian legislation had been valid? If it had been valid, no question of trust would have been involved. It is obvious that the Commonwealth Minister was only saying that until this complementary legislation was passed by the Commonwealth and the States, in effect, no legitimate licence, lease or permit could have been granted to these companies.

It seems clear that in these matters State and Federal jurisdictions are still very mixed. I have not had time to wade through every clause of this Bill and to compare it with the Commonwealth legislation, but it is obvious, from what study I have been able to give it, that this is the situation. I merely indicate that it seems to me that the designated authority, when he issues permits, will have to do so on behalf of both the Commonwealth and the State, in order to put jurisdiction in an area beyond doubt. I have no doubt that if a permit or licence relating to waters beyond the territorial limit were issued in the name of the Commonwealth, there would be no question of its validity. On the other hand, if it were issued in the name of the State, there would be every question of its validity. Since the same person—the Minister of Mines—is to be the designated authority, this indicates to me that he will have to enter into contracts on behalf of both the Commonwealth and the State and perhaps deal with a variety of difficulties relating to geographical definition.

This situation lends support to my earlier argument that the Commonwealth Parliament could not hand over its power to the State Parliaments—that it had to have an authority created under the terms of its own legislation to deal with permits, licences and leases. The fact that the designated authority is to be constituted supports the argument that the Commonwealth has no power to transfer its rights to the States.

I do not doubt that the second-reading speech made in this chamber by the Minister for Local Government was largely compiled on the advice of departmental officers. It is significant that one has to refer to the First Schedule to the Bill to find that two measures passed earlier this year are to be repealed. I would have expected the Minister to read some funeral oration over those enactments, for their repeal certainly warranted such action. However, he saw fit to pass that over as if they were insignificant—as though the legislation should not have been enacted and he was glad to see it go.

The Hon. I. R. CATHIE.—Within twelve months of the Bills having been passed.

The Hon. SAMUEL MERRIFIELD.—It is only eight months since they were passed. It is clear that, so far as this Bill purports to deal with submerged lands beyond the territorial limits, it goes beyond the jurisdiction of the State. So far as I could see from the map that was in the documents circulated earlier, the well of the Broken Hill Proprietary Company Limited that is nearest the shore is well beyond the 3-mile limit, and the well nearest to the shore drilled by the other companies operating in the same area is probably about 8 miles off-shore. This suggests that the operations dealt with in this Bill are beyond the territorial limit.

The Solicitor-General has to certify to the validity of all Bills before they are presented to the Governor for signature, and I do not know how any person could purport so to certify knowing that the operations that a measure was designed to control were outside the jurisdiction of the State. I wonder how the Attorney-General would fare if the matter were referred to a court as happened when the Minister of Lands suffered the indignity of a threat by a court in relation to the north-western Mallee lands. He was virtually charged with infringing the court's jurisdiction. I speculate on whether in this matter the Attorney-General might suffer a similar fate.

I turn now to the uniform mining code. Queensland, New South Wales, Western Australia and Tasmania did not legislate until this code was ready, except that Western Australia passed a measure relating to Barrow Island oil development. Victoria alone just rushed in. Clause 142 of this Bill will validate licences in relation to the Barracouta and Marlin Fields

Agreement, and clause 143 will validate pipe-line licences granted under the Pipelines (Submerged Lands) Act. There is no evidence in either Commonwealth or State legislation that there will be any retrospectivity about the legislation, particularly with respect to the powers of the designated authority. So it is obvious that licences given under the terms of the two measures now to be repealed can be validated only on the proclaiming of this Bill, though the earlier agreement came into effect, I think, about 27th March of this year.

The Minister assured us how good that Bill was. It is obvious that it is just as bad as it can be. The legislation that was passed in March is now to be repealed and only the permits and licences given under its terms will continue. Companies operating under the agreement ratified by the Petroleum (Barracouta and Marlin Fields Agreement) Act, if they recommence operations, can do so only with the passage of this Bill. There is no power for the Commonwealth to give the designated authority retrospective powers and therefore, until this measure is passed, anyone can drill outside the territorial limit without permission from the Victorian authorities. Since there is no power, merely by virtue of the use of the word " exclusive ", for the Commonwealth to transfer its jurisdiction; control of the continental shelf must remain with the Commonwealth. Even if there is an attempt to transfer its power, this cannot be done retrospectively. Nobody wants to accuse any person associated with the Victorian Government of any personal misdemeanours, and I believe that no suspicion attaches to anyone in its ranks. However, I believe that it is dangerous to give the powers envisaged to one person —the designated authority—in view of the large sums involved in the operations with which this measure deals.

Due to the difficulties of the situation, I do not know what the other answer is, but I certainly think the designated authority, who is the representative appointed under the Commonwealth legislation, is not in actual fact a person under the control of the Commonwealth, and that is a dangerous situation.

The Hon. A. J. HUNT.—He will nevertheless be exercising powers conferred upon him by the Commonwealth as well as by the State of Victoria.

The Hon. SAMUEL MERRIFIELD. —That is what I am saying. He is a person who will not be under the control of the Commonwealth. The Commonwealth may rescind its authority, but for that to be done unilateral legislation would become necessary. In respect of the negotiations between Esso-B.H.P. and the Gas and Fuel Corporation, it is obvious that the whole thing has been a smokescreen. First, there would certainly have had to be some degree of reality in the negotiations between the two parties as to what price one would pay to the other for the natural gas being produced. The result of these somewhat tortuous discussions is well known. There was still some argument between the parties.

Later, the Premier met the chairman of Esso and reached some degree of understanding with him. As a result, the Gas and Fuel Corporation delegates at the conference were instructed to enter into a price agreement immediately because the Premier wanted it for political purposes. It is obvious, however, that at that particular time B.H.P. had no valid oil or natural gas to dispose of. Because it did not have ownership, it could not legally enter into an arrangement with the Corporation, and that is why there has been this smoke screen and the raising of technical difficulties that had to be resolved. Moreover, it is the reason why no agreement could be presented to Parliament. So, there has been a great deal of rank deceit about the whole matter.

I think the oil wells mentioned in the measure have been aptly named after fish, because there is a pretty fishy smell about the whole of this project, and the wells merit such names as Barracouta, Marlin, Kingfish, Halibut and Dolphin. Whatever names will be conjured up in the future I do not know, but they had better be confined to the fish category.

It is obvious that, having brought the Gas and Fuel Corporation into the arrangement with the Esso-B.H.P. partners, the State never had any intention of attempting to develop these fields either from the productive point of view or from the standpoint of giving the people in general a bargain as the result of finding natural gas in what are now territories relatively within our powers of development. On the contrary, the Government entered into arrangements with a private company so as to prevent any developmental works being undertaken by a public corporation. If the Government had developed the fields, the people of this State would have benefited inasmuch as they would have had to pay only a fraction of the price which they will now have to pay for natural gas.

It is obvious also that B.H.P. does not need the vast exploration block that the Government proposes to give them—I think they number 400—to enable them to develop the nine blocks they would have been entitled to under the previous legislation. They will get the whole of them on the payment of a surcharge, so it becomes obvious that the Government did not wish to have any competition with Esso-B.H.P. That reveals what kindly partners this group have within the Government. The situation is vastly different from that of the widows who had the $1 surcharge on pensions taken from them by this Government, and it is different also from the treatment which the people of Victoria received from the Government last week as the result of the passing of legislation relating to a stamps tax.

Under the previous legislation, five blocks would have been given away and the other four would have been disposed of by competitive auction. It is evident that that proposal has been cast overboard, and the company will now be in complete control of whatever areas it determines, irrespective of the number of blocks it is entitled to take up under the legislation. By paying 1 per cent. extra that organization will get the other 89 per cent. for its own benefit. The whole project is being sold, at a fraction of its real value, to private enterprise so that it may derive a profit.

This Government has always refused to enact legislation which would control monopolies or restrictive trade practices. That shows the degree of sympathy which it has for such concerns. This measure affords an added indication of how far the Government is prepared to go in its desire to hand over the assets of the people to private corporations. The Commonwealth counterpart of the Victorian Government has acted similarly. Indeed, I have before me a pamphlet which was recently compiled by Mr. Peters, M.H.R.

The Hon. G. W. THOM.—To which political party does he belong?

The Hon. SAMUEL MERRIFIELD.—If members of the Government party think they can discredit the author of the pamphlet, let me say that the pamphlet deals with replies which were given to Mr. Peters in the Federal Parliament by Commonwealth Ministers who, it has been claimed, can never furnish an incorrect answer. The pamphlet is priced at 30 cents a copy, and if any honorable member tenders that amount I shall see that he receives a copy. I am sure that every honorable member will find it a most illuminating document.

Another point I make is that the Premier has frequently toured abroad and advertised himself as a travelling salesman for the purpose of selling Victoria. We all know how he sold Victoria, but all his past efforts have

been completely surpassed by this particular effort at a time when he stayed at home. If that is any indication of what he can do when he stays at home I cannot understand why he should want to go abroad on other occasions. Indeed, his efforts at salesmanship surpass the orgies indulged in by his Federal colleagues, and they have been bad enough.

From time to time, mention has been made of the fact that great risk has been run by the people who are developing the natural oil deposits, and it has been claimed that they are accordingly entitled to the returns they are about to receive. The plain fact is that, although Dr. Hetherington was engaged to make a report, the Government could just as readily have engaged any other person who was a geologist and was possessed of great knowledge of natural gas or oil production. Certainly the State's chief geologist and his colleagues have immense technical skills. I do not claim that they were gained by practice in the field, but, as is well known, many of these practices find their way into technical books which become the law for students all over the world. The point I make is that this State's geologists and Mines Department officers could have done a lot of the early exploratory work if they had been afforded the facilities to which private enterprise had access.

Perhaps there was a degree of luck in the fact that B.H.P. was not involved in any particularly large expense in boring operations. Indeed, the first bore produced gas, and no considerable risk was involved after that in the provision of capital for further development. There is no substance in the claim that hundreds of millions of dollars of capital were outlaid in the hope of striking a natural gas or oil deposit. Whatever money was invested for the production of gas and oil in areas contiguous to the State of Victoria will be repaid from the first bore that was drilled. That is the plain fact of the matter. When treatments at a subsequent stage are considered, it will be found that mostly, in the case of oil, they will be additional to the crude oil prices which I shall mention later. But as regards the element of risk I contend that there has been no tremendous risk at all, and therefore there is no real justification for the return that the company concerned is about to receive.

So far as we know, the prices remain unpublished. I understand that the agreement reached between the Gas and Fuel Corporation and Esso–B.H.P. is based on a price in the region of 3 cents a therm. My contention is that, if the undertaking had been carried out by a public authority, the resultant product could have been sold for about one-sixth of the proposed price. Presumably the higher price will be charged to consumers in other States who wish to use the natural gas for domestic purposes. What big corporations such as B.H.P. will pay for natural gas used in their blast furnaces remains to be seen.

With respect to the supply of gas to other States, the Premier has conducted the bulk of the negotiations and a tremendous amount of bitterness has certainly been engendered over the matter. The Commonwealth Government, which has jurisdiction over the whole of Australia, believes that this gas should have been produced and made available for the benefit of all Australian people, not necessarily just for the people of Victoria. However, the Victorian Government instructed the Gas and Fuel Corporation concerning the fixing of a high price for gas supplied to other States. If a lower price had been fixed for Victoria, this Government could not, under the terms of the Commonwealth powers, have charged any higher price to the other States than was charged to Victorian consumers. This means that the other States will have to pay an additional amount in order to give Victoria 7 per cent. of the value of the gas as a royalty. Accordingly,

the people of the Commonwealth as a whole will have to pay infinitely more for natural gas than should have been necessary.

The Victorian Pipelines Commission will pay for transporting the gas from the production areas to the consumers and that will be without profit to Victoria. The profit will have already been collected by Esso-B.H.P. in its selling price. It is of interest to read what the Chief Secretary is reported to have said in the *Age* of 27th May, 1966. It was—

> No one would take seriously the idea that at any stage the State Government had contemplated selling the piping and distribution of natural gas from Bass Strait to overseas interests.

The Government sold a large profit when it sold the rights to produce. There was little profit left after that and there will be no great profit in piping the gas. So one can appreciate why the companies agreed to allow a public corporation to take this liability off their hands.

It has been said that the market for gas will be in the vicinity of 200 million therms a year and that it is expected to grow to 500 million therms. At the price of 3.2 cents a therm, and based on those figures—a therm being 100,000 B.T.U's and roughly about 100 cubic feet to the therm—the annual return for the production of gas will be about $6,400,000 to $16,000,000. The capital value over 21 years on that calculation will be $134 million to $334 million. It is worth bearing these facts in mind because they will have point later on. Dr. Hetherington in his report said that in Canada the average was one well in 20 square miles and in undeveloped areas in Victoria the average is one well to 500 square miles. What happens in the future will depend on the topography of the strata underneath which gas and oil are produced. The secretary of the Ministry of Fuel and Power said that the estimated reserves of gas are 4.5 trillion cubic feet. Again, reducing this to therms and using the figure of 3.2 cents per therm, that amounts to a capital value of $1,445 million. Dr. Hetherington said that we might expect 15 trillion, which is three and a half times greater than the reserves known at the moment. In addition, Esso-B.H.P. has hardly started yet, and more gas will be found. By multiplying $1,445 million by three and a third, one can realize that there is considerable value in the concession which this Bill gives to private enterprise.

The Hon. S. E. GLEESON.—What are you calling a trillion?

The Hon. SAMUEL MERRIFIELD. —It is one million million. That is the American term.

The Hon. S. E. GLEESON.—I refuse to recognize it.

The Hon. SAMUEL MERRIFIELD. —The Federal Treasurer, Mr. McMahon, said that No. 4 well of Esso-B.H.P. has a capacity of 500 million barrels. Even allowing for the fact that the price of $3.50 a barrel at the moment is likely to be reduced, with the loss of the subsidy, to $3 a barrel, at that rate No. 1 well is worth $1,500 million. Dr. Hetherington was modest in his estimates of the first well and said that we might get 2,500,000 barrels out of it. That is a much lower figure than that quoted by the Federal Treasurer for No. 4 well.

In 1964-65 the *Oil Summary* published by the petroleum companies issued certain statistics. We know how difficult it is to relate the statistics published in the *Oil Summary*; they are like the balance-sheets of the Broken Hill Proprietary Company Limited. They have been carefully framed so that nothing can be got out of them. The statistics are cloaked by comparison with something else and cannot be related to the figures referred to in a previous summary. There is no way of calculating actual quantities. However, on this occasion the *Oil Summary* quoted the figure of imports of crude oil into Australia as 4,120 million gallons a year. Esso-B.H.P. have served notice on the local refineries that within a certain number

of years they will be supplying one-third of Australia's domestic requirements. That means that in effect they will be supplying 1,400 million gallons of crude oil per annum which will have a value of about $110 million.

The *Financial Review* of 14th November said that by 31st May, 1969, there will be a small production, and in the year 1969-70 the production will be 25,000,000 barrels, and in 1970-71 it will be 50,000,000 barrels. Assuming that to be the local production, it means that even at $3.50 a barrel, the company will make $87,000,000 in the first year and thereafter about $150,000,000 each year. Taking those figures over one period of an oil production permit, in 21 years the value of the oil production will amount to $3,087 million. So, the total value of gas and oil would be $93,000,000 in the first year and $166,000,000 in subsequent years. The addition of the two figures over a 20-year term, shows it is possible that the company will get $3,400 million over the life of the first permit. That is not a bad return. Any of us would be glad to be in on the ground floor. The Premier would have been glad to receive that amount instead of the paltry $20,000,000 that he will get by imposing the stamps tax. If he had got the oil, he would have had about $166 million a year. Instead of having to impose a stamps tax, he would have been able to introduce a Bill to declare a national dividend, as the Douglas Credit Government did in Alberta, Canada, on one occasion.

The Government has said that the increased royalties of from 5 per cent. to 7 per cent. will give an increase of between $30,000,000 and $50,000,000. Taking $40,000,000 as the mean, that means that the approximate value of the total fields is $2,000 million. Of course, that is for the Barracouta and Marlin fields only. There is no evidence of what might happen elsewhere. The Kingfish, Halibut and Dolphin wells are not included in that calculation.

I come now to the Broken Hill Proprietary Company Limited and its capital. The Ian Potter investment service issued figures in regard to this company in April, 1965, and perhaps Mr. Hamilton, who is an accomplished accountant, may wish to question this source of information. According to the investment service the ordinary capital of the Broken Hill Proprietary Company Limited in 1964 was in two-dollar shares, and had a total par value of $226,112,000. In other words, there were 113,056,000 shares. In 1967 the number of shares is said to be 129,000,000 with a par value of $258,000,000. I do not know the amount of debentures or unsecured notes issued by the company, so I shall relate my argument to the capital figures, because they represent the basis of my calculations.

On the Stock Exchange on 15th March, 1965, the market value of the shares was $5.20 ; on 16th July, 1965, it was $5.02 ; on 24th February, 1966, it was $4.85 ; by July, 1966, it was $6.32 ; and in April, 1967, it was $7.02. The reason for the failure of the shares to bounce greatly was that the Broken Hill Proprietary Company Limited was still toying with the possibility of disposing of its share of the lease to the other interests. For that reason, investors were uncertain. So, the average market value of the shares in 1965-66 was about $5 each. Those shares have now risen from $5 to $17, a rise of $12. This has been caused by the recent speculation on the world's stock markets. On 11th November of this year the *Herald* said that a $1 rise in B.H.P. shares represented a capital gain of $129,000,000.

In my calculations, I have used $5.20 instead of $5 as a deduction ; therefore they are based on $11.80. The increase in value, multiplied by 129,000,000 shares means that B.H.P. shares, as a result of speculation based on what the company believes will be its return, have an additional value of $1,522.2 million. That represents only 43¼ per cent. of the expected value of the returns from oil. If $1,522.2 million represents 43¼

per cent., obviously, after allowing for production costs, 100 per cent. equals $3,520 million. Those figures tend to confirm the estimates of the value of production of gas and oil from the wells as they are known at this stage. It is interesting to note what will happen in regard to this expected profit of $3,520 million.

The Hon. V. O. DICKIE.—You are spoiling your argument by having such colossal figures on small pieces of paper.

The Hon. SAMUEL MERRIFIELD. —If the Minister desires to invoke Standing Orders about reading speeches, I am willing to meet him, because I have no fear of the consequences.

Our friend, Mr. Lewis Weekes, who apparently examined the geographical strata and other details and then decided on the drilling site in Bass Strait, picked a good one first up. He has now gone to live and bask in the sun of California and "starve" his way along on $88 million. For the past 35 years, there have been signs of oil slicks at Lakes Entrance and Kalimna, and at other parts of the coastline in the area, but it was not possible to explore for the source because off-shore drilling techniques were not known. It has been commonly believed that oil has always been there. Therefore, Mr. Weekes did not invent it; he found it.

The Federal Government, having constitutional rights over the field outside the 3-mile limit will receive $140,800,000 and the State Government will receive a paltry $246,400,000 spread over twenty years, whilst Esso and B.H.P. will each struggle along on $1,522 million. If Esso, a subsidiary of an American oil company, keeps its money in Australia, then it will pay approximately 30 per cent. in company tax.

The Hon. H. M. HAMILTON.—It is 42 per cent.

The Hon. SAMUEL MERRIFIELD. —I stand corrected. For Mr. Hamilton's benefit, I have based my calculations on 30 per cent., so I will leave it at that for the moment. If Esso takes the money overseas, the amount is halved and one half is collected by the United States Government. Therefore, if the company takes the money out, the Government of the United States of America will receive $200,000,000 out of the pool. That is not a bad dividend for the United States Government. If the money is invested here, that will be more of Australia of which we will be tenants, and over which we will have no rights of ownership.

Although it is not strictly germane to the Bill, the history of B.H.P. is interesting. Originally it started off with seven people who formed a syndicate upon the discovery at Broken Hill and then started the Broken Hill Mining Company with a total capital of $980—a contribution of $140 from each member of the syndicate. The company, as we now know it, commenced on the 10th August, 1885, with 16,000 shares at $40 each, a total capital of $640,000. The original holders secured 14,000 shares at $38 each, so they had only to find $2, and the remaining 2,000 shares were sold at $38 each; therefore, new capital amounted to $30,000.

The company transferred blocks and formed subsidiary companies. In the case of B.H.P. Block 14, which was more or less a subsidiary, B.H.P. took 96,000 shares out of 100,000 shares. Therefore, there was $40,000 of new capital. These were the sorts of transactions indulged in, and, as a result, B.H.P., as we know it, commenced with a capital of $36,980.

The history of the company indicates that it sold blocks and took up more shares. The returns from each mine were so successful that, in effect, they built up tremendous reserves of profits. In some years, the dividends averaged over 100 per cent. for the year, although, often they were cloaked by placing large sums into reserve from which bonus shares were issued. That was the company's history, when it was dealing in silver and zinc. In 1905, the secretary of B.H.P. said that the excess

income over working expenses was $19,000,000, so that in the twenty years, there was a profit of roughly $1,000,000 per year on a capital of $36,980. That was a good return, when the bonus capital is also taken into account.

That success story has been continued ever since the company entered into the steel industry. It decided to enter that industry in 1911 and disposed of its Broken Hill interests in 1919. I have not the figures for all the years, but the Potter investment sheet which I quoted earlier stated that in 1957, bonus shares equalled $8,850,000, and in 1960-61, they equalled $64,398,000. Throughout the years, Broken Hill Proprietary Company Limited, has continued the policy of watering down capital because of the enormous profits it has been able to make. One can imagine what the company will do now that the price of its shares has increased from $5 to $17, with the enormous expected profits that it will receive from this Government's gift for a yearly $1,000 licence fee and a small royalty. The Government has handed all this money over to the shareholders of B.H.P. If one takes the profit which the company estimates for a 20-year period as $1,322,200,000 and divides it by the $258,000,000 capital value at the moment, a 512 per cent. return is shown. Even Mr. Hamilton would be pleased to pocket that money.

The article in the *Financial Review* stated that B.H.P. expected its return of capital in four years, and Esso, being a little more liberal, expected to redeem its capital in ten years. The future actions of these companies in respect of profits are obvious. These profits will come out of the pockets of Victorian householders who will pay inflated prices for gas, and the motorists and other industrial users who will pay higher prices for petroleum. In the B.H.P. pamphlet 20 *Questions about Natural Gas,* it is said that if B.H.P. takes up the 50 per cent. interest in all discoveries—which it has now done—75 per cent. of the profits will remain in Australia. If Esso sends its money out, then it can take 43 per cent. Although many B.H.P shares which were held in London have been returned to Australia, quite a proportion of the shares are still held outside Australia. It is quite possible that the whole of the other 25 per cent. is not likely to remain in Australia unless it is reinvested here. This will mean that more of Australia will be owned by overseas interests.

The history of oil companies has never been a very salubrious one. Anything they have been capable of has always been of the worst character. They have established kingdoms of their own and sustained sheiks, who will grant them the concessions they want, and the people in the locality are living under the poorest possible conditions whilst the oil companies exploit the wealth of the country for their own purposes. Australia will be in the same boat; it will join one of the subsidiary kingdoms of the Standard Oil Company of New Jersey. By virtue of the high prices the companies are going to charge—there has already been an indication that the price of local crude oil will be higher than the imported product for the first few years—I protest that the Government is allowing the rich to become richer at the expense of the poor.

I have already dealt with capital risk. The drilling rigs are supposed to be worth $8,000,000, and the upkeep figure quoted by the companies is $6,000,000 to $9,000,000, although this estimate should be accepted with strong reservations. It has been said that the cost of developing the Barracouta and Marlin fields will be in the vicinity of $150,000,000. Those figures are contained in the company's brochure. The return on capital will be of tremendous benefit to the shareholders.

One should examine the history of the settlement of Victoria and the disposal of State assets. One can envisage the long and tortuous processes of the law relating to land

settlement, how the people should be settled, whether it should be before or after survey, whether the squatter should have pre-emptive rights, and so on. Land settlement gave Victoria $200,000,000 for 34,000,000 acres over more than one hundred years of history. This Bill amounts to a sell-out of assets to the value of $3,500 million with nothing more than a thought for the people of the State. Further, these companies would not be liable for land tax or municipal rates.

The development of the oil fields is estimated to cost $100,000,000 to $250,000,000. Victoria has not developed these resources because of a so-called inability to find this sum. It cost $685,000,000 to finance the Snowy Mountains scheme and who would argue that it has not been worth while to Australia? After all, these capital works were financed from revenue by taxation and no debt was left for future generations. Surely it is possible to develop Victoria's oil and gas deposits in the same way. I could instance many other companies such as Woodside and Burma Oil of the United Kingdom, but I shall not weary the House by going through the list.

The Hon. H. M. HAMILTON.—Why not mention them? They have spent large sums of money without success.

The Hon. SAMUEL MERRIFIELD. —Mr. Hamilton can make his own contribution to the debate. On the question of public ownership, if Victoria tried to take over the oil fields, payment of compensation would be necessary under placitum 51 of the Federal Land Acquisition Act, which provides that fair and adequate compensation must be made. Therefore, thousands of millions of dollars would have to be paid to get back what was given away. The Government has abolished tokens for give-aways by the different trades, yet it has given away Victoria's greatest assets for the proverbial song. No attempt has been made to obtain a fair return in royalties, there is no share in the oil, and the public has not been protected in relation to the price factor. Other countries have asked for more.

The Hon. H. M. HAMILTON.—What other countries?

The Hon. SAMUEL MERRIFIELD. —Mr. Hamilton should read the report of Dr. Hetherington. Victoria is to get only 11 per cent. from the assets presented to a company which is to receive 89 per cent. The public will not forget the negotiations between the Gas and Fuel Corporation and Esso-B.H.P. that showed how little the Government has considered the people. Walpole was unfortunate to be impeached for his activities with the East India Company. Compared with this Government, he was a bungling amateur. He had a lot to learn ; if he had lived in this generation, he would have been taught how to dispose of the assets of the people for the benefit of the few at the expense of the many. Over the years the people will look back with scorn and acknowledge that members on the Government side were guilty men who sacrificed the assets of the people.

The Hon. R. W. MAY (Gippsland Province).—The Country Party views this measure with some misgivings. The House is indebted to Mr. Merrifield for the comprehensive way in which he has traversed the negotiations relating to natural gas over a considerable period of time. The purpose of the Bill is—

> To make provision with respect to the exploration for, and the exploitation of, the petroleum resources, and certain other resources of certain submerged lands adjacent to the coasts of the State, to amend the Petroleum Act 1958 and the Underseas Mineral Resources Act 1963, to repeal the Petroleum (Barracouta and Marlin Fields Agreement) Act 1967 and the Pipelines (Submerged Lands) Act 1967 and for other purposes.

As Mr. Merrifield said, the measures now being repealed were presented to Parliament in March of this year and he wondered why they were then introduced. Could it be that these Bills were introduced just prior to

the State election, or that the State required more money? It was reported in the daily newspapers of January of this year that a leading oil economist who was attending the ANZUS Conference, Dr. Alex. Hunter, suggested that expediency and inexperience had caused the Victorian Government to agree to a higher price for natural gas than had been recommended. The Government was in financial difficulties and was unable easily to get additional revenue. The early royalty payments were attractive. The high repayment on State commitments may have had some relevance to those remarks, because the Government introduced a turnover tax on the Gas and Fuel Corporation and the State Electricity Commission. It was uppermost in its thoughts that the State elections were close, and the Government needed money to meet its commitments.

Agreement was reached at a conference in Geneva as to an international code between the different countries relating to off-shore gas and oil fields on the continental shelf, and this code set out certain exploration conditions. This Bill provides that initial leases shall be taken up for an initial period of 21 years. Then, on payment of a fee, a lease may be renewed for a further 21 years. Thereafter it is renewable at the discretion of the Government of the day. This is the international code, which was accepted by Governments throughout the world.

The Bill before the House is represented as being an agreement reached between the Commonwealth and the States governing the exploration for and the exploitation of the petroleum resources in off-shore areas. The search for petroleum deposits proceeded in these areas, and eventually natural gas was first discovered by Esso-B.H.P. off the coast of Gippsland in February, 1965.

As Mr. Merrifield correctly pointed out, back in the 1930's, when water bores were put down in areas adjacent to Lakes Entrance, gas would come through the pipe which could be lit and would burn for 24 hours a day. In boarding houses at Lakes Entrance, tanks supplied with bore water had to be kept over-flowing to get rid of the film of oil which formed on the top; otherwise the water could not be used for washing. This was a well known fact over a long period. The Mines Department was aware that local surveys had indicated good prospects for the discovery of oil and gas.

The Hon. MURRAY BYRNE.—There was a producing well there.

The Hon. R. W. MAY.—That is so, and for many years the tramways used the oil which came from that area. In those days, the technique of boring beneath the sea had not been developed. I was present when an attempt was made to pressurize sand at the bottom of a bore with the object of forcing oil out from the direction of the sea. At that time, our experts were not able to find a solution to the problem.

The Hon. J. W. GALBALLY.—How long do you think it would have taken our people to find the answer?

The Hon. R. W. MAY.—Not a great length of time. Furthermore, I do not think the lapse of time would have been of great detriment to the State, because in the interim the production of gas in the Latrobe Valley could have been continued without detriment to the area and without disorganizing the consumers of gas in the metropolitan area.

The Hon. J. W. GALBALLY.—Do you think it was a good thing or otherwise that the discoveries were made? I think it was a wonderful thing for the country that gas and oil were discovered.

The Hon. R. W. MAY.—I shall deal with that aspect in due course. Over a period of approximately three years, Cabinet Ministers and the Parliamentary Draftsman, together with eminent legal advisers, have been endeavouring to present a united approach to the many aspects of the

problem of determining who should control each of the related problems associated with the off-shore discoveries of natural gas and oil. This Bill can be regarded as a common code for Australia to be adopted by the Commonwealth and State Parliaments. The Bill contains 158 clauses which, together with the schedules, cover 113 pages. In addition, there is the agreement signed by the Prime Minister and the respective State Premiers. The effect of this agreement between the Commonwealth and the States could be more imaginary than real and with very limited force, if my reading of clause 26 is correct. It is rather interesting to note that clause 26 of the agreement states—

> The Governments acknowledge that this Agreement is not intended to create legal relationships justiciable in a Court of Law but declare that the Agreement shall be construed and given effect to by the parties in all respect according to the true meaning and spirit thereof.

I am sure this Parliament will regard this agreement as one of administration rather than of powers.

The Hon. A. J. HUNT.—What do you mean by "administration rather than of powers?"

The Hon. R. W. MAY.—I shall return to that point presently. It would appear that an addendum has been added to the agreement, which purports to state that the States have agreed to encourage sales of gas outside the State of origin once there are adequate reserves to supply that State's own needs. This addendum appears on page twelve of the agreement. It would appear that it was added by Liberal Governments to placate our arrogant Premier, who is strutting about giving his interpretation that under this provision there was a common intention not to discriminate against interstate trade. "Therefore, if New South Wales obtains gas at a rate cheaper than it can be obtained in Victoria", the Premier asserted, "this would be discrimination." I have a press report here which contains this statement. The Premier claims that it is a two-edged sword. Members of the Country Party consider that, in the courts of law, section 92 of the Federal Constitution is still supreme.

This Bill provides that exploration rights will last for six years, subsequent renewals for five years being permitted, with the proviso that half the area held must be relinquished with each renewal. Similarly, when an area becomes productive it is provided that four-ninths of the area surrounding the field shall be relinquished to the State. Mr. Merrifield touched on this interesting aspect. The point I want to make is that in this vast field which Esso-B.H.P. held, the partners put down test bores all of which, with the exception of one, yielded gas. The bores were sunk strategically over the area in order to ensure that the combine would retain the best five-ninths of the area because the partners wanted to make sure that the four-ninths of the area which was handed back to the State was the portion capable of least production. Of course, they cannot be blamed for that. However, to their surprise Esso-B.H.P. found that the whole vast area was gas-producing, except at its outer extremity.

Then the partners approached the Premier and said, presumably, "We do not want to hand this area back. We want to hold the lot." In his great generous mood, the Premier replied, "This can easily be arranged. All you have to do is agree to give me one per cent. more." So Esso-B.H.P. said that it would be happy to give the State an extra one per cent. By this arrangement, Esso-B.H.P. got the whole field at no extra cost. Over a period of many years, the consumers of gas will pay this royalty. The companies will not pay it; they will merely collect it. While the consumers have the privilege of paying this royalty, Esso-B.H.P. will retain the whole proven oil-bearing and gas-producing area off-shore at no cost whatever.

Honorable members will recall the early manoeuvres concerning who would pipe the gas within this State. They will recall the battle which ensued on this matter. I have press reports here which indicate that, in the initial stages, Esso-B.H.P. said that it would pipe the gas. The Gas and Fuel Corporation of Victoria wanted the right to do this, and public opinion was in favour of the Corporation, which would ultimately distribute the gas to users, conveying it by pipe-line, so as to obviate the involvement of a third party. In view of public opinion, the Government introduced a half-way measure by creating a third party, the Victorian Pipelines Commission, to be the common carrier of gas in this State. In the early stages, when the first measure relating to the setting up of the Commission was introduced in this House, it referred to the transport of hydrocarbons. There was an outcry from the oil companies and, as reported in the press, being in a happy frame of mind, the Premier agreed to meet the oil companies on the following day, the 10th November. Then the honorable gentleman stated that there would be an amendment to provide that the Commission would carry only hydro-carbons in a gaseous state.

The Gas and Fuel Corporation was compelled to accept the gas at the city gate at a price which was determined. The contract is a most interesting one, because it provides that the Corporation shall purchase its requirements from Esso-B.H.P. at a price which was agreed upon. As Mr. Merrifield correctly stated, it was a very full price, if I may use that expression. The Corporation is required to purchase 57½ per cent. of the available gas thereafter. If some other purchaser offers a price for the other 42½ per cent., and it is below that which Esso is receiving, he does not get the contract so long as Esso is prepared to match the price.

The Hon. R. J. HAMER.—If Esso's price also comes down.

The Hon. R. W. MAY.—Yes. This is a safeguard which is more imaginary than real. Esso and B.H.P., consistent with Esso's policy in other parts of the world, want the right to exploit the resources to the fullest extent, to sell direct to industry and to participate in all new developments such as the reticulation of gas in newly settled areas.

Market surveys have indicated that the real market in Victoria lies in industrial expansion, so industrial complexes realize that to obtain the maximum advantages they should concentrate outside of areas served by the Gas and Fuel Corporation and other recognized undertaking zones. Hence we see the advancement made around Westernport Bay.

It is interesting to read the report of the acquisition of land at Westernport Bay. It shows the lengths to which the companies went. One does not blame any business for endeavouring to buy at the best price possible, but according to press reports and information emanating from the shires down in the district, the shires were not contacted in any way regarding the ownership of land. The companies did not go to local estate agents nor, as I understand it, did they go to Government Departments, but Mr. Frank Menzies was engaged to go and search titles at the Titles Office. Even at the stage when the options had proceeded to the point of purchase, the municipalities did not know who had purchased the land.

Possibly two of the largest outlets for gas sales in Victoria could be a nitrogenous fertilizer and ammonia products factory, and a steelworks using the gas-fuelled ore reduction method of steel production being developed by Esso in the United States of America. For both these projects land has already been acquired by Lysaghts and Cresco. In addition to these industries, availability of natural gas should have a great potential in the field of food, textile, paper, chemical, bricks, cement and glass manufacture.

It is freely claimed that in order to break the small measure of control in marketing held by the Gas and Fuel Corporation, land is being secretly acquired on the outskirts of a number of towns in which the Corporation is marketing gas. If the information that I have is correct, great secrecy is being observed about who will ultimately acquire these properties and I sound a note of warning in this Chamber. I fear that in the not distant future an overseas company — not the Government — could be determining where industry goes in this State.

Some people seem to be completely mesmerized because of the size of the possible costs. The Country Party stresses the fact that it is all comparative and that all things are relative. I now wish to read these extracts from the publication, *Petroleum Search in Australia*—

The Mines Departments of the States and Territories also assist with geological and geophysical survey work.

The first Petroleum Search Subsidy Act, which provided for the payment of subsidies for stratigraphic drilling, became law in December, 1957. To September 30, 1966 a total of $57.8 million had been paid or committed under the subsidy scheme.

In 1963 legislation provided that both past and future subsides paid under the Petroleum Search Subsidy Act were not taxable.

That is of considerable assistance to the enterprises searching in off-shore areas. It should not be thought for a moment that it is only their own wealth which is being expended. It is obvious that the people of this State have, through the medium of taxation, the honour and privilege of contributing in substantial measure. In the section of *Petroleum Search in Australia* which is devoted to taxation, the following appears :—

As soon as a company begins to derive net income from the sale of petroleum it is permitted to deduct the capital costs of both prospecting and production from its income.

In 1963 amendments aimed at providing increased incentive to exploration companies extended the range of deductible items to include expenditure on purchase of rights to prospect, preliminary expenses incurred in the formation of exploration companies, and expenditure incurred in providing residential accommodation and other fringe benefits to employees.

The general effect of these concessions is to exempt a company from payment of income tax on profits derived from the sale of petroleum and its products until such time as the capital expended on prospecting and production has been recouped.

Petroleum prospecting and producing companies are exempt from the payment of sales tax on much of the equipment required for carrying out their operations.

The Hon. H. M. HAMILTON.—That is very similar to the provisions for primary producers.

The Hon. R. W. MAY.—Yes ; the oil companies certainly enjoy taxation concessions. Natural gas is not an ordinary utility such as water. It has to be found, and the Country Party freely admits that this is an expensive business but, as I have stated, exploration companies receive inducements in the way of subsidies and taxation concessions. Esso Exploration is no longer an Australian subsidiary. The Country Party believes that the announcement made at the week-end regarding the extent to which companies operating in Australia are controlled from foreign countries is alarming.

I want to refer again to the matter of the piping of gas. The press last week-end reported that Esso was forming a subsidiary to pipe gas interstate. The Premier has stated that if New South Wales gets gas at a lower price than Melbourne, it will be discrimination against Victoria. The Country Party contends that even if New South Wales gets it at the same price it will be discrimination against Victoria, because this State will be subsidizing the price of gas in New South Wales. Mr. Merrifield stated that the Premier had negotiated a price in excess of 3 cents per therm. The figure was arrived at for two reasons—first because it kept the price up in the neighbouring State of New South Wales ; and, secondly, because it enabled a higher royalty to be collected by Victoria. The relevant provision is clause 14 of the agreement between the Commonwealth and

the States. Members will probably recall a warning issued by a visitor to this State—Miss La Marsh, Canadian Secretary of State—to the effect that Victoria should not lose its identity to the United States of America. A statement which made headlines throughout the length and breadth of the Commonwealth was "All the way with L.B.J."; and in recent times the Premier of this State apparently has been going "All the way with Esso"—or nearly all the way.

The Hon. I. R. CATHIE.—Yet the Country Party supports it.

The Hon. R. W. MAY.—I am not too sure just how much support will be forthcoming. I am reminded that the "Senator", who apparently thinks he is elected to represent the whole State, has been in the habit of writing to my constituents in the far corners of Gippsland Province. If advice is wanted as to how far I am going with him, I shall be prepared to read some of his correspondence to this Chamber.

The Hon. I. R. CATHIE.—To whom are you referring?

The Hon. M. A. CLARKE.—"Senator Cathie."

The Hon. R. W. MAY.—The Country Party is conscious of the fact that the production of gas in the Latrobe Valley has come almost to a standstill. Employees there are uncertain how much longer they will retain their employment in that area. Exploitation of natural gas in Victoria must be proceeded with, and however much is produced, members of the Country Party wish to place on record our belief that the price negotiated is the result of hasty decisions taken by the Government. It is interesting to read of the great advances that have been made in other countries where natural gas is displacing other forms of power, including electricity.

The Hon. R. J. HAMER.—Where is that?

The Hon. R. W. MAY.—In America. They have developed an efficient fuel cell. An article in the *Australian Financial Review* of the 20th of this month said, *inter alia*—

> The basic idea of this device is that the only source of energy going into a home will be the gas line. Part of the fuel branches off to take care of cooking, water heating and space heating. The rest goes into a little black box where the gas undergoes a chemical reaction and comes out in the form of electricity.

The article also states that most industries in the United States of America are using natural gas and generating electricity for their own use rather than relying on a major electrical undertaking such as we have in Victoria.

The Hon. R. J. HAMER.—But the demand for electricity is also going up.

The Hon. R. W. MAY.—I hope the demand for electricity in Victoria continues to rise. Otherwise, the State Electricity Commission will have some difficulty in paying the turnover tax which has been imposed on it. I sound a note of warning. It is to be hoped that natural gas will be discovered in even greater quantities in and around Victoria, and that as a result of further discoveries there will be some change in the methods of negotiation, so that this most valuable commodity will be made available to the households of the ordinary men and women of Victoria. The Country Party gives the measure its support.

The Hon. I. R. CATHIE (South-Eastern Province).—Unlike the Country Party, I make my position clear at the outset. I oppose the measure. At the conclusion of his address Mr. May indicated that the Country Party would support this measure which sells out the natural assets of the Commonwealth of Australia. This Bill gives away 89 per cent. of the total wealth of natural gas and oil which have been discovered off the coast of Victoria, for what is just chicken feed, for the next 20 or 30 years. The Opposition,

which, according to the results of the last election, represents something like 40 per cent. of the people of this State, as against the great numbers on the Government side of the House who represent only 36 per cent. of the people, must complain that members of the Government and its back-bench supporters are not prepared to tell the House why they believe this Bill should be enacted.

The Hon. A. J. HUNT.—Don't be silly.

The Hon. I. R. CATHIE.—I point out to Mr. Hunt that I rose to speak only after I gave every chance for a member on the Government side of the House to enter the debate. Mr. Hunt has been long enough a member of this House to know that the call would have gone to the Government side had just one honorable member on that side of the House been prepared to enter the debate. The House has seen much of this practice during this session, and I suspect it will see a lot more of it before it rises for Christmas. Despite the great number of honorable members supporting it, the Government is not prepared to give its reasons for bringing forward legislation such as this, which virtually sets the pattern for the whole Commonwealth of Australia. In effect, it says "Australia for sale. We do not care to whom we sell it, so long as our friends and mates can make fortunes on the Stock Exchanges throughout the Commonwealth".

The Hon. H. M. HAMILTON.—The Labor Government of South Australia supports the measure.

The Hon. I. R. CATHIE.—I will come to that point shortly. Mr. Hamilton will find that the South Australian Government does not support this measure, and did everything in its power to prevent it from being adopted. But the Commonwealth Government held a gun at the head of the South Australian Government. I intend to return to that point, so I suggest that Mr. Hamilton should not leave the Chamber.

This Bill represents the great betrayal of the welfare of the Australian people by disposing of their natural wealth to overseas monopolies. We of the Australian Labor Party accept a fundamental principle that the natural wealth of this country belongs, by right, to the people of Australia. One of the things which this Bill does is to prevent any extension of public ownership in this vital field. In doing so, it betrays an agreement which was not only signed by the Commonwealth and State Governments of Australia but was accepted internationally, in many other countries. The agreement I refer to is that relating to the graticular system. Honorable members are well aware that the system implies that the discoverer of gas or oil should have the right to take up production licences for five-ninths of the field and that the other four-ninths of the field—in this case worth $2,500 million—should belong to the country or State concerned. That international agreement means absolutely nothing to the honorable members on the Government side of the House who are only concerned to represent the business interests of the Australian community and do not give a damn for the other 89 per cent. of the Australian people.

The Hon. R. J. HAMER.—Where do you find this agreement?

The Hon. I. R. CATHIE.—I shall come to that in a moment. That agreement was not acceptable to the oil industry in Australia which said that it did not want any part of it. In reply to the interjection by the Minister for Local Government, I shall quote from an article published in the *Petroleum Press Service* of August, 1966. I remind honorable members that this article was published only fifteen months ago.

> The demands of the Australian oil exploration industry that the Commonwealth Government should drop its proposal for a "graticular" carve-up of successful offshore exploration leases have been rejected.

When the oil companies originally went to the Commonwealth Government and said that they did not want the Australian people to have the right to own four-ninths of the field of natural gas and oil that they had discovered, the Commonwealth Government rejected their case. That was fifteen months ago.

Federal and State Mines Ministers and Attorneys-General—

including representatives of South Australia—

have announced that automatic right to production licences for the whole of areas where off-shore oil is discovered, as requested by the industry, is "contrary to the whole tenor of the Australian scheme."

Thus said the Commonwealth and State Governments fifteen months ago. They said that to give away the graticular system under which the State of Victoria or the Commonwealth of Australia would retain four-ninths of an immensely wealthy field of natural gas and oil was contrary to the Australian way of life and to basic Australian principles.

The Hon. R. J. HAMER.—What is this international system?

The Hon. I. R. CATHIE.—This graticular system is one which has been accepted in many international agreements, but I am speaking about the particular agreement which operated in Australia fifteen months ago. The Ministers went on to say that this agreement was intended to prevent exploration companies locking up potential oil fields off the coast of Victoria. That was the intention of the agreement. Does any honorable member on the Government side of the House say that that original agreement was not in the best interests of the Australian people? Does any honorable member seriously suggest that the agreement which has now been made to sell out the Government's right to four-ninths of the great wealth of natural gas and oil is in the best interests of the Victorian or Australian people? What happened between the time when the previous agreement was made and when this Bill was presented to Parliament during the current session? To find the answer to that question, one has only to refer to the great headlines which appeared in the *Herald* some time ago, "United States Oil Chief Flies in to See Bolte". An oil chief flew here from New York, had a quick luncheon with the Premier of this State, and an agreement which the Commonwealth and the States had signed was ripped up, repudiated, torn into many pieces, because it was not in the interests of Esso-B.H.P., because it was not in the interests of foreign monopolies and combines.

This is the case that honorable members supporting a Government are not prepared to argue tonight. That is the secret. An agreement which safeguarded the rights of the Victorian people was in existence; an oil chief flew to Melbourne from the United States of America and had lunch with the Premier, and then only one other meeting had to take place. That was a meeting between Sir Henry Bolte and the Prime Minister of Australia, Mr. Harold Holt. No sooner had the meeting taken place, according to the *Financial Revue*, than the agreement was torn up. Naturally, this led to some immediate protest. I have already indicated that I would speak of the attitude of other State Governments, including the Queensland Government and the South Australian Government, to what they consider, and to what we on the Opposition side of the House consider, to be the betrayal of Australia's interests.

There are vital interests which the Labor Party believes should be protected by Governments elected to carry high responsibility. One part of that responsibility is to retain the right to develop the resources of the nation for the full benefit of the Australian people as a whole.

It is not surprising that in all the discussions about the current petroleum agreement in both the State and

the Commonwealth Parliaments, reference was most often made to methods used to exploit natural gas and oil in the United States of America. I make it clear that there are other methods of dealing with the production of natural gas and oil, and other patterns which could have been followed. It was not necessary for Australia to follow the pattern set by the United States of America.

I shall now deal with the United Kingdom, and I propose to quote from the journals of the oil companies. I do not quote from sources that are not acceptable to Mr. Hamilton and other Government members. I refer to the issues of *Petroleum Press Service* for August, 1965, and December, 1964, in which the pattern of production of natural gas and oil throughout Europe is described. The earlier issue states—

> All countries of non-communist Europe now have mixed economies—

So have we in this country, and that is why we should have imitated and followed the pattern that has been adopted in Europe—

> comprising private as well as public enterprise. Nor is it surprising, in this context, that many West European Governments have become active participants in the oil industry.

The second quotation goes on to describe some of those Governments—

> Most of the natural gas production so far developed in European countries is being handled by state-controlled bodies, so that the probelm of co-operation between private oil companies (as producers) and established gas distributors has yet to arise on any significant scale. In Italy, the state-owned ENI has a virtual monopoly for the production and distribution of natural gas in the most important part of the country.
>
> In France, natural gas is produced by two state-controlled companies (SNPA and RAP) ; wholesale distribution is also handled by two state-controlled bodies (CEFEM and SNGSO) ; and the supply of town gas is the monopoly of Gas de France. In Austria, over 90 per cent. of natural gas production is carried out by the state oil company OMV, which in turn sells the gas for transportation and distribution to a number of publicly owned provincial authorities.

The Hon. W. M. CAMPBELL.—What is the position with natural gas in Great Britain?

The Hon. I. R. CATHIE.—Mr. Campbell will have ample opportunity to participate in this debate at a later stage. In fact, I shall be pleased to listen to any Government member who is prepared to debate the proposal contained in this Bill. I was trying to make the simple point that we do not have to follow the patterns that operate in the United States of America where to-day—this will illustrate the extent of the market of natural gas—natural gas supplies one-third of all energy requirements. It is used basically within the home for space heating where heaters are capable of heating from three to four rooms. This pattern will become normal in Victoria within the next three or four years.

In the United States of America, the pipe-liner, distributor and so on is usually the one company. All the activities are carried out by private enterprise on an exclusive franchise. It appears that this pattern, rather than the pattern which I have described operating generally throughout Europe, has impressed the Government. In the United States of America, because private enterprise has been allowed to dominate the field so extensively, there has been a failure to reduce the price of gas. In this regard, I refer to a report in the Melbourne *Herald* of 10th February, 1966, in which it is stated—

> The American Gas Association despite its pride in the natural gas cannot point to any dramatic price reductions for the average householder.

That is what happens when the whole of this field is given to private enterprise and the Government fails to write into the agreement some form of public ownership to guarantee the rights of the people.

The Hon. ARCHIBALD TODD.—Sir Henry Bolte promised that there would be a reduction of 50 per cent. in the gas bills.

The Hon. I. R. CATHIE.—That is so, but now the promised reduction has been reduced to less than 20 per cent.

The Hon. H. M. HAMILTON.—In the United States of America natural gas is cheaper than in the United Kingdom.

The Hon. I. R. CATHIE.—I have been developing the theme that there was an agreement within the Commonwealth of Australia—an agreement between the States and the Commonwealth—that a particular system should be adhered to. Mr. Hamilton has denied this; therefore, I must quote my sources of information. The first is from the Melbourne *Herald* of 4th January, 1966, which states that the then Premier of South Australia, Mr. Walsh, sent a strongly-worded telegram to the Prime Minister, Mr. Holt, claiming that the agreement represented a breach of arrangements already made between the Commonwealth and States. The breach related to a private agreement made here at a luncheon between Sir Henry Bolte and some oil shiek from New York.

The Hon. W. M. CAMPBELL.—Were you there?

The Hon. I. R. CATHIE.—No, but I can read between the lines. No doubt, Mr. Hamilton will say that the complaint to which I refer emanated from a Labor Government. If he does not want to believe the statement of the spokesman for a Labor Government in our sister State of South Australia, I shall refer to an article in the *Herald* of 6th January, 1967, only two days later, from which it is clear that Queensland joined in the fight concerning Victoria's offshore oil and gas agreement with the Commonwealth. It is clear that agreements of this type mean nothing to the Liberal Government. Subsequently, the South Australian Premier addressed the State Parliament concerning the agreement.

The Hon. A. J. HUNT.—What is the date of the article from which you intend to quote?

The Hon. I. R. CATHIE.—I am quoting from the *Australian Financial Review* of 18th August, 1967—only three months ago. It states—

> Mr. Dunstan told the House of Assembly the agreement on Marlin and Barracouta reached between the companies and the Victorian and the Commonwealth Governments was "much worse" than that previously agreed between all the States and the Commonwealth.
>
> The Victorian agreement had occasioned considerable hard feeling on the part of the other States.

Can anyone believe that the interests of South Australia, Victoria or Queensland have not been sold out by this new agreement? Three gentlemen—the oil chief in New York, Sir Henry Bolte and Mr. Holt—apparently got together at a private dinner party and simply tore up the existing agreement and said, "We will do a deal together". No doubt at the ensuing elections at the various State levels and at the forthcoming Senate election, oil money will be flowing into the slush funds of the Liberal Party.

The Hon. W. M. CAMPBELL.—Have you been peeping again?

The Hon. I. R. CATHIE.—I am glad that Mr. Campbell agrees with my statement. Many other experts have examined the new agreement and not one authority supports it. The *Australian Financial Review* was so disgusted—I stress that this is a most responsible and conservative paper; it is not one that asks the business community to vote for the Australian Labor Party—at the sell-out of the Australian interests that it published an editorial concerning the position. In the editorial, a number of figures and statistics, which will prove interesting to the House, were quoted.

The Hon. W. M. CAMPBELL.—What did the *Guardian* say about it?

The Hon. I. R. CATHIE.—Apparently, Mr. Campbell is accustomed to reading the *Guardian*, but I do not do so. The *Australian Financial Review* pointed out that in

return for giving away our rights and immensely wealthy field of gas and oil, we will take in return only an extra 1 per cent. royalty. If we are lucky in Victoria, instead of taking $1,000 million which belongs to the people, we might, with the small amount we receive, be able to build one extra high school in Victoria each year. The article further states—

> Would opposition oil companies let the chance of obtaining such apparently choice lots—when the value of one has been set at $500 million—go for less than $5 million?
>
> Might not the original relinquishment system, although inconvenient for Esso and others—

It was inconvenient for the oil companies, but I do not know of anyone else who would be inconvenienced by it—

> not have yielded much more for public funds without seriously prejudicing exploration in Australia?

Of course, if the Government had acted as this article suggests, there would be no need for the stamps tax and other forms of taxation on the turnover of gas and electricity because Victoria would have received a guaranteed income sufficient for all its needs so far as new schools, hospitals and water supplies are concerned. The article concludes—

> These obvious questions have not been satisfactorily answered by the statements of either Mr. Holt or Sir Henry Bolte, and at present they seem hardly to have been considered in the rush to speed natural gas into Victoria.

The Labor Party agrees with those sentiments. The story that I have narrated to Parliament to-night is one of sordid and secret manœuvres taking place behind locked doors; it is a story of a national scandal, and of the betrayal of the natural wealth and assets of the Australian people.

Why could not the Gas and Fuel Corporation have taken up the four-ninths of this extensive field for production purposes? If, for ideological reasons, the Government is opposed to any form of public ownership, why could it not have told the Gas and Fuel Corporation to go into partnership with private industry, an oil company, or other industry, and take up the rights for production and compete against the present monopoly of Esso-B.H.P., thus forcing them to reduce prices. If this had been done, Sir Henry Bolte's dream of a 50 per cent. reduction in consumers' gas bills would have been fulfilled. The 50 per cent. reduction will not be realized under this Bill because the pricing structure in the agreement is far too high.

The Opposition believes that competition of the type to which I refer is very necessary. Without that competition, the oil industry, which is already selling on the fuel market oil for industrial and domestic use, will be enabled to "tie up" the only possible competitor—the gas industry. One company now controls both the oil and the gas, thus preventing competition. So once again we find that this Government is pledged to the maintenance of monopoly and apparently is opposed to any idea of free competition. It has been estimated that natural gas production from the Barracouta and Marlin fields will be worth at least $2,500 million. If the 11 per cent. royalty is deducted from this figure, the gross income of the Esso-B.H.P. interests will still be $2,200 million over the next twenty years. It is only necessary to deduct from that figure the cost of operating the field to get some idea of the enormous profits that are being handed over, mainly to overseas interests.

The Hon. M. A. CLARKE.—What about all the capital investment that will result?

The Hon. I. R. CATHIE.—I have heard all about that. It is strange that the Commonwealth Government subsidizes oil exploration up to 30 per cent. of its cost. Off the coast of Victoria, the Australian Navy was used to drop depth charges to assist the oil companies. By means of this measure we are surrendering a system that was accepted and

formally agreed on by the Commonwealth and the States. A gross income of more than $1,000 million is involved, and all that we are to get in return is this extra 1 per cent. in royalty. This more than anything else, I believe, measures the scale of the sell-out. This Bill demonstrates to members of the Australian Labor Party the failure of the Liberal Party, and of the Governments that it controls at both State and Federal levels, to develop a co-ordinated national fuel policy. Nobody seems to be able to undertake the essential planning and to prepare a framework for our fuel policies and say that natural gas, brown coal and water should fit into it in a certain way and that in the future atomic power also should fit into it. At present no such thing as a national fuel policy exists. Because of its absence, all we have are these ad hoc secret agreements that are being presented to the various Parliaments in this country.

Secondly, this Bill again demonstrates the failure of the Liberal Party and the Governments that it directs to assert Federal sovereignty over the oil and gas deposits on the continental shelf. I do not intend to enlarge on this, as Mr. Merrifield has already discussed it. Any lawyer knows that Victoria had no legal rights over the continental shelf, that the two Acts being repealed were in fact illegal and that the Commonwealth Government should have exerted its sovereignty, rights and responsibilities over the continental shelf in the national interest.

Thirdly, this measure demonstrates the Victorian Government's failure to obtain cheap gas. I have already indicated the extent to which one company has been able to get control of both oil and gas by obtaining a monopoly that has enabled it to achieve a starting price that is so high as to prevent any clear-cut competition between gas and oil in Victoria for either domestic or industrial use. It is clear that in the bargaining that preceded the preparation of this measure and in the long drawn out original bargaining between the oil companies and the Gas and Fuel Corporation of Victoria, the companies had only one thing in mind: They wanted to keep prices high for both industrial and domestic use.

I do not need to remind the House of the sort of headlines that were appearing regularly only twelve months ago. "Natural gas hitch: price high" and "Deadlock again threatens gas-price talks" were typical. The Premier could not wait and he instructed the Gas and Fuel Corporation to accept the artificially high price that was offered. As soon as the agreement was decided on, he no longer ran about Victoria promising people a 50 per cent. reduction in their gas bills. On 12th November of last year, a report of the views of Mr. Chadwick, chairman of the Gas and Fuel Corporation, was published on the front page of the *Age* under the heading "Doubts on gas price cuts". Those doubts have remained ever since. It appears that the Liberal Party, at both State and Commonwealth levels, has gone along with this and accepted it. Therefore, the Australian people have become the victims of economic imperialism by exploitation of the many in the interests of the few.

I refer the House to the report presented by Dr. Hetherington, the Government's own adviser on the production, sale and distribution of natural gas. This is what he said about prices—

> In the best interest of the producer, the consumer and the State of Victoria as a whole, natural gas should be priced in the field at levels which will adequately compensate the producer and encourage continued exploration but which will permit sales in the full range of potential markets, giving lower priced gas to the public and making gas available for industry at prices which will also encourage industrial development.

Concerning what prices should be, Dr. Hetherington stated—

> If the public of Victoria is to enjoy the full benefits of natural gas, prices must be reduced substantially more than 25 per cent. below present levels. An ultimate aim would be to reduce residential rates by at least 50 per cent.

The Hon. I. A. SWINBURNE.—Wishful thinking.

The Hon. I. R. CATHIE.—That is so. This Government has ignored its own adviser.

The Hon. I. A. SWINBURNE.—It is like the cheaper gas for Gippsland.

The Hon. I. R. CATHIE.—Whether it is for Gippsland or Melbourne, the result is the same. It is dearer gas for Mr. Swinburne and me and for everybody else. The principles so clearly enunciated by the Hetherington report have not been adhered to by this Government. The price of 3.6 cents a therm that has been agreed on is 20 per cent. more than the maximum recommended by Dr. Hetherington. It is also double that which operates in North America. I am glad to say that I have the Gas and Fuel Corporation as my authority for that, should any Government supporter seek to challenge it.

The Corporation's publication, *Natural Gas Digest,* in the issue of February, 1967, summarized an excellent address given by Dr. Alex Hunter of the Australian National University at a meeting of the Australian and New Zealand Association for the Advancement of Science. Mr. May referred to that address earlier. The comments in the Gas and Fuel Corporation publication appeared under the heading "Twice U.S. Rate". What the Government has not told the people of Victoria is that there is a Federal Power Commission in the United States of America and that it is vested with the responsibility for saying what is in the national interest and the public interest. With the full backing of Congress and the President, it tells the oil industry what price is to be paid in the national interest, and the industry has to accept that. In addition the Commission prescribes the royalties that are to be paid by the oil companies to the various governments in the United States. Unfortunately, under Liberal Party control, we in this country have no such body to protect the Australian people's basic and key interests. The agreement providing for a price at twice the United States rate had to be signed by the Gas and Fuel Corporation only because the Premier, instead of supporting the Corporation, sold it out to the Standard Oil Company of New Jersey. The article in the *Natural Gas Digest* stated—

> The price of natural gas in Victoria, negotiated between Esso-B.H.P. and the Gas & Fuel Corporation, was double that which operated in North America, Dr. Alex Hunter, of the Australian National University, said yesterday. Addressing the Anzus Congress in Melbourne, Dr. Hunter said that the negotiated city gate price of 3.3c a therm was two-thirds of a cent higher than the maximum price recommended by the Victorian Government's natural gas consultant, Dr. C. H. Hetherington.

The full text of Dr. Hunter's address, which I have with me if any honorable member wishes to see it, shows clearly what one intelligent, objective and independent authority thinks of the arrangement that we are being asked to ratify by passing this Bill.

If the Government has accepted a price which is in excess of the maximum recommended by Dr. Hetherington, which is double that in the United States and which, according to the *Australian Financial Review,* is 30 per cent. higher than is necessary, how have the interests of the Australian people been safeguarded by this agreement? Where is the great bonanza that the Premier is so keen to talk about whenever he goes on the hustings? It is not a bonanza for the Victorian people or the people of Australia as a whole. It is a bonanza only for his wealthy friends, like Sir Ian Potter and Sir William Anderson, who have extensive interests in the oil industry and who are members of the Finance Committee of the Liberal Party in Victoria.

What effect will this pricing structure have on markets in New South Wales? It has been estimated that up to 70 per cent. of the potential Australian industrial market for

natural gas lies in the Newcastle-Sydney-Wollongong area. As soon as this agreement was arranged by Mr. Holt and Sir Henry Bolte with the oil companies—an agreement that discarded the system that had been agreed on and along with it our rights over four-ninths of the field—the Australian Gas Light Company in Sydney protested at the price that would have to be paid in New South Wales because of the price of 3.6 cents a therm at the well head that had been fixed. That Company realized that far greater delivery costs would have to be met by the New South Wales market for gas from the Sale area than would have to be met in Victoria and that therefore the starting price of 3.6 cents a therm in Victoria would allow natural gas no opportunity to compete against fuel oil in the potentially vast market in New South Wales. The *Australian Financial Review*, on 19th May of this year, after the last State elections, commented—

> Preliminary manoeuvring for supply of natural gas to the Sydney market broke into a bitter public dispute between the two main participants, Esso and Australian Gas Light Company, yesterday.

This dispute was about the pricing structure and the company's request that it should have a starting price substantially below that which Esso is to get in Victoria. The company believes that the price that we in Victoria have accepted is 40 per cent. too high. It puts the excess margin even higher than the *Australian Financial Review* does.

The Hon. H. M. HAMILTON.—They have a vested interest in thinking that.

The Hon. I. R. CATHIE.—I quoted Dr. Alex. Hunter, who is an objective authority. If Mr. Hamilton can produce any other authority I shall welcome his participation in the debate, but, as on former occasions, members of the Government party choose to remain silent. For reasons which I have stated, I suspect that it will not be long before this Bill will be challenged in the High Court, and, as a result, bitter legal battles will be fought concerning it.

The Hon. A. J. HUNT.—Who could possibly have an interest in challenging the legislation?

The Hon. I. R. CATHIE.—I have already described the position in which the Australian Gas Light Company of Sydney finds itself. Because of higher transportation costs with which that company is faced, it believes that it cannot sell gas successfully on the Sydney market. Again I quote from the *Australian Financial Review*—

> A High Court challenge to the rights and powers of the Victorian Government to exercise control over interstate sales of natural gas by Esso-B.H.P. from its off-shore fields in Bass Strait in now considered likely in New South Wales.

In this whole sorry and sordid story, in the last analysis it will again be for the courts to protect the vital interests of the Australian people. I hope there will be a challenge to this legislation in the High Court with respect to the pricing structure, because of the betrayal of our national interests. Indeed, according to the *Australian Financial Review*, Victorian gas is now priced out of New South Wales entirely by such agreements. I admit that New South Wales has a vested interest, but an attempt is being made to protect legitimate interests. It is said that it is a politically imposed disability—a disability imposed by Sir Henry Bolte and by Mr. Holt.

I have presented to the House what I consider to be responsible and independent views of business and community leaders throughout the Commonwealth. I could repeat the same story by analysing the royalties that have been agreed upon. No doubt Mr. Hamilton will tell me that, in his view, the royalties are satisfactory; that the 11 per cent. royalty guarantees a benefit to the Australian people. Of course it does, but a royalty of 12½ per cent. could have been obtained because, throughout the United States of America, that is the royalty rate which applies. Alternatively, the royalty could have been 16-2/3 per cent., which is the rate that has been agreed upon in the

Dominion of Canada. Or, if we had wanted to imitate what occurs in some Arab countries, the royalty payment could have been up to 50 per cent. Yet this Government accepted a base royalty of only 10 per cent. It is no wonder that the Government has to impose all sorts of savage taxation measures on the Victorian community ; it has failed to grasp a simple means of obtaining finance for the provision of schools, hospitals, roads, water supply and so forth.

If members of the Government party feel that I am not a competent authority to decide whether a poor deal has been accepted by the Government, I wonder whether they are prepared to accept the authority of the Federal Treasurer, no less a person than Mr. McMahon, who is well known for the many trips across the Commonwealth of Australia that have been made available to his family in VIP aircraft. Nevertheless, he had enough guts to say that this country has been sold out to foreign interests. At least he was prepared to express his views, whereas no member of the Government party in this House will debate the measure. In referring to oil companies, Mr. McMahon was reported to have said—

> Nor did they pay any due consideration to the royalty payment to Australia; these happen to be, Sir, on any comparison, favorable to the oil operators here.

According to Mr. McMahon, the royalties favour the oil companies. How then are the vital interests of the Australian people to be protected? Why was a base royalty of 10 per cent. accepted when a base royalty of 16-2/3 per cent. could have been charged? How does the Government expect to pay for essential developmental works in this State if it is not prepared to take wealth from those who have it?

Subsequent to the royalty agreement which was entered into just prior to the last State election, the Gas and Fuel Corporation brought out a booklet entitled *What you should know about natural gas.* In that booklet it was stated—

> The State and Federal Governments have agreed to share equally in the royalty of off-shore natural gas.

I do not know how that conclusion was reached because, under this Bill, the State of Victoria is to receive a royalty of 7 per cent. and the Commonwealth Government is to receive a royalty of 4 per cent.

I reiterate that the Labor Party will oppose this measure because its members are opposed to the betrayal and selling out of the great wealth of the natural assets that rightly belong to the Australian people. In respect of a matter so vital as the future control of our oil and gas industry, we believe that decisions which can affect the pattern and structure of Australia as a whole should be made within Australia and not in a board-room located in New York. Moreover, we believe that in the State of Victoria there are special reasons for pleading for greater public ownership in this industry. This is because two-thirds of Victoria's present energy is supplied from sources external to Victoria. Therefore it is critical to Victoria's economic development that natural gas should operate as a counter-balancing factor, with heavy dependence of the State on sources of power which are external to Victoria.

I am concerned about another point. Under the agreement which has been entered into with Esso-B.H.P., there is great danger that the State of Victoria will become honeycombed with oil and gas pipes in the not too distant future. Only last week, Esso-Standard Oil Australia Limited and the Broken Hill Proprietary Company Limited announced that they were setting up their own gas distribution company, the plans for which involve the selling of natural gas to major industrial fuel consumers in areas located outside the reticulation systems of the existing distribution companies. It seems to me that evidence such as this lends

further support for the view of the Labor Party that there is need for a national pipe-lines commission to act as an interstate common carrier of natural gas, crude oil or hydro-carbons in any form.

I have already indicated that there is need for a Federal power commission—a body similar to that which has been established in America—to be set up in this country to act as a watchdog in the interests of the Australian people. It is clear that what is good for Esso-B.H.P. is not necessarily good for the Australian people as a whole. I believe a body such as I have mentioned is necessary so that we shall, in fact, have some say in the regulation of prices.

Lastly, I believe there should be support for a proposal which was recently put forward in the Senate for the establishment of a committee to investigate the operation of this agreement. If, in the final analysis, it is discovered that these agreements are not operating—I have furnished evidence to indicate that they cannot and will not operate—in the best interests of the Australian people, it would be just as well to ensure the formation of a public corporation whose duty it would be to correct the situation through the processes of nationalization.

For the reasons I have stated, Labor Party members oppose this measure. We believe it cannot successfully be argued that it is in the best interests of the Australian people to sell out the valuable assets of our natural wealth and so betray the future generations of this country.

The Hon. H. M. HAMILTON (Higinbotham Province).—I have listened to the dismal dirge of Mr. Merrifield and to the socialist tripe spouted by Mr. Cathie, who views the whole situation with respect to this measure through the rose-coloured glasses of a socialist theorist, and any relationship to practicality is purely coincidental. Mr. Cathie declared that members of the Government party are victims of economic imperialism, but I submit that he is a victim of socialist hysteria.

The Hon. I. R. CATHIE.—I know which of the two I would prefer.

The Hon. H. M. HAMILTON.—I heard so much utter rubbish spoken by Mr. Cathie that it is difficult to know where to start. However, let me begin by saying that the Bill arises from an agreement entered into by the Commonwealth and State Governments to provide for co-operation in exploring and developing our offshore oil resources. The opposition to the Bill which has been expressed by the Labor Party is based entirely on a socialist objection to the private enterprise system, whereas members of the Government party believe a private enterprise system is much better able to develop these resources efficiently. In case any Opposition members doubt the veracity of my remarks, I invite them to consider some of our public utilities that are operated as monopolies, and compare them with the efficiency of private enterprise.

The Hon. A. W. KNIGHT.—What is wrong with the State Electricity Commission?

The Hon. H. M. HAMILTON.—I shall cite one example with respect to the State Electricity Commission. About six months ago, I pointed out to the Commission some faults in my electricity supply, and it took that body at least three months to attend to the matter. After I had made three telephone calls, the Commission attended to my complaint, but some time later the previous state of affairs recurred and I was back where I started.

Mr. Cathie attempted to impress members of the Government party with his socialist doctrines, and when I attempt to refute his arguments the screams of Opposition members interjecting become louder and louder. The socialist policy which the Labor Party espouses is opposed to overseas investment in Australia, and there can

be no doubt that, if the Labor Party had had its way, the development of Australia over the past few years would have been inhibited. Mineral deposits which have been discovered as a result of encouragement given by a Liberal Government both in the State and in the Federal sphere have opened up tremendous possibilities for industrial development in this country. Indeed, while a Liberal Government remains in power, the future needs of the country are assured.

If we followed the line adopted by Mr. Cathie, our oil industry would be socialized or nationalized and our economy would collapse like the economy of the United Kingdom, under the efforts of a Socialist Government. Mr. Knight says that this is the fault of the Tory Government. The Labor Government took over in Great Britain more than three years ago and promised an immediate improvement, but things have gone from bad to worse and from worse to disastrous. Now Australia faces economic problems as the result of that Government's financial mismanagement.

In regard to overseas investment, which apparently is the great bugbear of members of the Labor Party, I point out that the United States of America, the greatest industrial country in this age, was a net importer of overseas capital until the period between the two world wars. During the 19th century, massive amounts of overseas capital poured into the United States of America for development. To-day it holds a pre-eminent position in the world. Relatively, it is not nearly as bad as the Socialist position in the United Kingdom.

I was interested to hear the suggestions from Mr. Cathie and Mr. Merrifield that oil exploration should be conducted by the Government. I consider that it should be left to private enterprise encouraged by Government assistance, as has been the case in this country. The alternative is that it should be conducted by a Government agency. Let me examine this alternative. Private enterprise obviously needs some encouragement and the obvious encouragement is gain or reward. On this matter I quote Mr. Todd who, in a recent debate, said that it is the reward that counts. I agree with him in this regard. Indeed, this is the philosophy of the Liberal Party, and I am indebted to Mr. Todd for embracing it.

Let us examine the cost of oil exploration. Perhaps from the point of view of developing the socialist argument, it was fortuitous that Esso-B.H.P. found oil and natural gas in the first hole that was put down in Bass Strait. Relatively, that means that the cost of exploration was small. What is the position in Western Australia? The only company conducting mass exploration in that State is Wapet, which is almost entirely Australian owned. To date it has spent $90,000,000 on exploration. It found a few barrels of oil in 1953, but the field proved non-commercial and non-productive. The company continued to pour millions of dollars into oil exploration and spent $58,800,000 before oil in commercial quantities was discovered. Would any Government in its right senses spend risk capital in the hope of finding oil? If members of the Opposition reply, "Yes, because they eventually succeeded in their venture", then I suggest that they should examine the position in Papua-New Guinea where a total sum of $80,000,000 has been spent in oil exploration without finding oil of any consequence.

The Hon. SAMUEL MERRIFIELD.—Was that Esso-B.H.P?

The Hon. H. M. HAMILTON.—No, that was Oil Search.

The Hon. SAMUEL MERRIFIELD.—That is a different company.

The Hon. H. M. HAMILTON.—What does it matter? Would any responsible Government—I would not suggest what the Labor Party

might do—be prepared to spend $80,000,000 risk capital in the hope of finding oil?

The Hon. J. M. TRIPOVICH.—It was not hope so far as the Gippsland shelf was concerned; they knew oil was there.

The Hon. H. M. HAMILTON.—It is typical of the socialist outlook that, once success is achieved, people who embrace that philosophy turn around with their rapacious attitude and say, "This belongs to us."

The Hon. ARCHIBALD TODD.—Tell us about Reid Murray and the other company failures.

The ACTING PRESIDENT (the Hon. G. J. Nicol).—Order! This Bill deals with oil exploration and not with Reid Murray and similar companies.

The Hon. H. M. HAMILTON.—In Papua-New Guinea the BP, Standard Vacuum and Oil Search groups have spent $64,000,000 since 1945 in oil exploration.

The Hon. ARCHIBALD TODD.—Out of profits; they did not have to pay tax on the money.

The Hon. H. M. HAMILTON.—I am only guessing, but I do not think members of the Labor Party would contribute their private savings to oil search in Australia. Their typical socialist outlook is that when success is achieved they say, "We want it; it is ours." Typical of this outlook is the way in which the right to manufacture motor cars in Australia was hawked around the world by the Chifley Government. Once the company which started this industry was successful and commenced to make profits, it became the object of the socialists.

The ACTING PRESIDENT.—Order! Mr. Hamilton should confine his remarks to the subject of the Bill.

The Hon. H. M. HAMILTON.—Money can be spent on oil exploration only by private enterprise. It is easy to say, when one has hindsight, that the Government and not Esso-B.H.P. should have undertaken the search in Bass Strait. However, let us put the matter in its proper context. Because of the enormous risks involved, private enterprise is the only agency that can keep on putting money into oil exploration. Every opportunity has been given to Australians to supply this risk capital, and they have failed to do so, with the exception of one or two small companies and Broken Hill Proprietary Company Limited which is supplying half the funds for the Esso-B.H.P. group. Woodside has been struggling for years to raise sufficient capital to finance its operations, but eventually it had to enter into a special arrangement with an overseas company—Burmah Oil—to finance its exploration work.

The Hon. R. W. MAY.—And it was challenged in the courts by an American oil company.

The Hon. H. M. HAMILTON.—That is so. Who could imagine any Government in its right senses risking this amount in the hope of finding oil. Still, when success is achieved the situation is different and the nationalization experts demand the fruits. They sit back and laugh at the sight of capitalists pouring out this risk capital. As soon as something is achieved they want it; it belongs to the people. The companies have risked capital and devoted all their energy, know-how and technical expert knowledge to finding oil and now the nationalization experts want to take it. Other companies have been allowed into Papua-New Guinea and off the Queensland coast, and if they are successful, these operators will take those dividends.

Mr. Cathie spoke a lot about royalties and the price of natural gas. In this connexion, it will be recalled that, by interjection, several times I suggested that he should compare the price of natural gas, particularly in the United Kingdom, with the price negotiated here, remembering that a Socialist Government is in power in the United Kingdom.

The Hon. I. R. CATHIE.—The royalty to be received by this State is lower than that obtained in Great Britain.

The Hon. H. M. HAMILTON.—I shall come to that point. Mr. Fairbairn, Federal Minister for National Development, in reply to a question asked in the House of Representatives on 2nd March 1967, said—

> The Victorian Government had the advantage of a very full and complete report from one of the world's experts on natural gas. That report set out the range of prices to be paid. After negotiations extending over a considerable period of time an agreement was reached. This agreement will enable Melbourne to get the gas at a city price which is slightly lower than the average city gate price in the United States or Canada and considerably lower than the price fixed in the original negotiation in England for North Sea gas. The price is lower than the price of gas in Holland, and after all, the Dutch have what is probably the biggest deposits of natural gas in the world very close to their shoreline. So from everything I can see this is a very favourable agreement.

The Hon. I. R. CATHIE.—Of course he says that; it is favourable to the Liberal Party.

The Hon. H. M. HAMILTON.—After I have pointed out that the city gate price negotiated by this Government is more favourable than that operating in the virtual home of natural gas, the United Kingdom, and in Ireland, America, and Canada, Mr. Cathie makes that interjection!

The Hon I. R. CATHIE.—Dr. Hetherington supports my contention.

The Hon. H. M. HAMILTON.—Let us look at the whole question of oil exploration in Victoria. In the first place, Australia is not an attractive country to oil exploration companies.

The Hon. I. R. CATHIE.—Why not?

The Hon. H. M. HAMILTON.—I shall state the reasons. First, it is one of the most expensive countries in the world in which to explore, and off-shore exploration is considerably more expensive than land-based explorations. Secondly, Australia is remote from world markets, and any large discoveries in this country may be of doubtful commercial significance in the world market. The third reason why Australia is not attractive to exploration companies is that our local and domestic market is a relatively small one. Perhaps the only mitigating feature in making Australia attractive to oil exploration companies in comparison with places like the North Sea, Nigeria, France, the Sahara Desert, and so on——

The Hon. ARCHIBALD TODD.—They are being chased out of those places.

The Hon. H. M. HAMILTON.—The only thing that makes Australia attractive is, as Mr. Todd said, the stable political climate in this country, thanks to the good Government of the Liberal Party, assisted by the Country Party, in Canberra, and the Liberal Government in Victoria.

Viewed as a whole, we cannot claim that any negotiations with exploration companies were conducted from strength. I remind members of the Opposition that those countries which have opened their mouths too wide and insisted on a larger share of the product have been given the go-by by the exploration companies.

The Hon. D. G. ELLIOT.—Rats!

The Hon. H. M. HAMILTON.—Perhaps the best example is Holland.

The Hon. J. M. TRIPOVICH.—Italy is doing all right.

The Hon. H. M. HAMILTON.—I am speaking about Holland. That country demanded high royalties and imposed such conditions on the companies exploring for oil and natural gas in the North Sea that no further exploration is being conducted in the area; the companies have moved across to areas controlled by the United Kingdom and Norway.

Mr. Cathie spoke of the level of royalties and the graticular system which he claimed resulted

from an international agreement. This is not the case and has never been the case. I have the details of agreements reached with various countries in the world. The first one on the list is Brunei.

The Hon. A. W. KNIGHT.—From what are you quoting?

The Hon. H. M. HAMILTON.—It is a summary of petroleum legislation in most countries of the world, which has been produced by the Petroleum Information Bureau.

The Hon. A. W. KNIGHT.—What is the date of the document?

The Hon. H. M. HAMILTON.—It is not dated, although it is a recent publication.

The Hon. A. W. KNIGHT.—I challenge the authenticity of an undated document; it could be as old as Methuselah.

The Hon. H. M. HAMILTON.—The first item on the list relates to Brunei in which country the royalty for oil exploration or production is 10 per cent. for areas up to 10 miles off-shore and 8 per cent. for areas more than 10 miles off-shore. It is necessary to reduce the area on discovery of oil. In France, a permit is given for five years, plus two five-year renewals, and a concession is granted for 50 years. The royalty is based on a sliding scale from 0 per cent. for less than 50,000 tons per year to 14 per cent. for over 1,000,000 tons per year. Whether it is necessary to reduce the area upon discovery depends on the size of the permit and the deposits discovered. Concessions are limited to the deposits discovered.

The Hon. D. G. ELLIOT.—Where are the oil fields in France?

The Hon. H. M. HAMILTON.—Some are off-shore and others are in the French possessions. Probably, the major ones are in the Sahara Desert.

Next on the list is Libya where the royalty rate is 12.5 per cent., and it is not necessary to reduce the area upon discovery. In Nigeria, which is becoming one of the most important oil-producing areas of the world, royalties are paid at the rate of 12.5 per cent. within the 3-mile limit, 10 per cent. from the 3-mile limit to the 10-fathom line, and 8 per cent. seaward of the 10-fathom line. It is necessary to reduce the area upon discovery of oil by 50 per cent. up to 500 square miles, but there is no restriction on which part of the licence area can be selected. Further illustrations are quoted on the list but I shall quote only one more which may be interesting. I shall turn to the Socialist friends of Labor Party members and quote the relevant position relating to the United Kingdom, where the royalty rate is 12.5 per cent., and it is not necessary to reduce the area on discovery of oil. It is important to realize that the majority of these areas are much closer to the world markets, that they enjoy a much more favourable situation, and that their costs of production are cheaper than in Australia.

The arguments of Opposition members have been rather paradoxical. They have complained about the royalties and the price at which gas and oil will be sold. Obviously, if we demand a higher royalty, the price will be higher.

We believe this Bill will offer inducements and encouragement to attract exploration capital, techniques and know-how to this State. It will also obtain for the State a satisfactory arrangement under which Victoria will gain satisfactory royalties. Finally it will ensure for Victoria a supply of basic fuel—both gas and liquid—which will stimulate our industrial growth and development and confer untold indirect benefits on the people of this State. Therefore, the Bill merits support. The Bill provides for orderly and controlled exploration and lays down the terms and conditions under which an exploratory permit can be converted to a production licence. It is an essential piece of legislation, and I support it.

The Hon. A. W. KNIGHT (Melbourne West Province).—Having listened to Mr. Hamilton's remarks, honorable members would be excused for thinking they were in a kindergarten listening to Grimm's fairy-tales. His amazing lack of knowledge and abysmal ignorance astound me. He commenced by quoting certain statistics relating to the Socialist Government in the United Kingdom, and emphasized how it was not able to sell gas cheaper than in Victoria. I propose to disprove his statements by quoting from the London *Times* of 10th August, 1967, in which under the heading, "Iron fist on sea gas price—Ministry gets its way", there appeared this statement—

> Whereas the companies fought to keep the price above 3d. a therm, the Government has decided that they shall be paid no more than roughly 2½d. a therm for the large quantities available from the Leman Bank field.

It will be seen from this information that Mr. Hamilton's assertion is incorrect. I give the lie direct to the honorable member and I invite him to prove that I am wrong. I shall go further. From the time that natural gas was discovered in this great country, a good deal of midnight oil has been burnt by people who have sought to ascertain what has happened to it. In conversations with an expert in this field from Esso—I had conversations with the gentleman for four hours—I was fully convinced that the people of Australia do not know what they are talking about in respect of natural gas.

The report of the Sixth Annual Convention of the Australian Gas Association held in Melbourne from 9th to 12th October, 1967, is interesting. The report contains papers delivered by Mr. Gordon Leckie, Commercial Manager of the Gas and Fuel Corporation, from which it is clear that this great asset which belongs to the Australian people has been sold out to overseas interests. It would appear that some of the employees on the refinery side of the oil companies have been injected with oil to make them espouse the philosophies of the big monopolistic organizations. It also appears that Mr. Hamilton who adopts the same policy, has been injected with the same fluid. In his paper, Mr. Leckie states—

> It is all too easy in the cut and thrust of negotiations between buyer and seller of natural gas to lose sight of the strong mutuality of interest which exists between the parties.
>
> It is all too easy to deadlock on differences instead of collaborating in the development of the common interest. The welfare of both parties is interdependent which leads to the thought that the perfect gas purchase contract is not the one which secures the largest slice of the cake for one party at the expense of the other but is the one which recognizes this mutuality of interest and enables each party to preserve an attractive and visible interest in the outcome.

Mr. Leckie correctly summed up the situation—the largest slice of the cake should not be given to any one party.

In this case Esso-B.H.P. secured its large slice through the abysmal ignorance of the Premier who went to Canberra and boasted that he got 1 per cent. more out of the deal, and because the Liberal Government in this State was tied up with its Federal counterparts, the other States had to fall into line. It was reported in the press what a wonderful thing it was that Victoria got a extra 1 per cent. in the sell-out.

As the story was unravelled it was found that Victoria would not benefit and that in the long run the people would be worse off. The Premier said that he has not had enough money, but if he had taken notice of what other countries had done in negotiations with the oil companies, there would have been no need to increase taxation. I am proud to be associated with Mr. Merrifield and Mr. Cathie who debated this matter in such a capable manner to-night and unfolded the true story. I relate my remarks to the continental shelf. The Commonwealth of Australia has the legal right to the continental shelf.

The Hon. A. J. HUNT.—Why do you say that?

The Hon. A. W. KNIGHT.—I refer to a book, *Law of the Sea, and Australian Off-Shore Areas,* published by Dr. R. D. Lumb, a Doctor of Philosophy and barrister and solicitor of the High Court of Australia. He is also a senior lecturer in law at the University of Queensland. He refers to the continental shelf.

The Hon. A. J. HUNT.—Quote him.

The Hon. A. W. KNIGHT.—Mr. Hunt should make his own speech. He should try to look after the Liberal Party.

The Hon. A. J. HUNT.—You promised to quote from his book. Do so.

The Hon. A. W. KNIGHT.—Mr. Hunt should look after Mr. Ansett, and I shall look after myself. I am capable of making my own speech. Mr. Hunt thinks he is still in the court; he will not harass me. He is now showing the ignorance of the Liberal Party.

The ACTING PRESIDENT (the Hon. G. J. Nicol).—Order! Does Mr. Knight feel that he is in need of protection?

The Hon. A. W. KNIGHT.—I doubt it ; I can look after myself.

The Hon. A. J. HUNT.—You said you would quote from this book. Carry on and do so.

The Hon. A. W. KNIGHT.—The author makes the position quite clear, and at page 33 he refers to the continental shelf in these terms—

If the Governor-General is of the opinion that it is reasonable that the sea-bed and subsoil of a submarine area, being an area that—

(*a*) is not more than 100 fathoms below the surface of the sea, and

(*b*) is adjacent to any part of the coast of Australia, or of the Territories, but is separated from that part of the continental shelf which is contiguous to that part of those coasts by an area that is more than 100 fathoms below the surface of the sea, should be deemed to be part of the continental shelf, the Governor-General may by proclamation, declare that the sea-bed and subsoil is part of the continental shelf for the purposes of this Act.

The Hon. A. J. HUNT.—We are entitled to know what Act that is.

The Hon. A. W. KNIGHT.—If I thought Mr. Hunt would understand the Act, I would tell him.

The Hon. A. J. HUNT.—Tell me.

The Hon. A. W. KNIGHT.—The Commonwealth enacted the Pearl Fisheries Act to make provision for pearl fisheries.

The Hon. A. J. HUNT.—I thought so.

The Hon. A. W. KNIGHT.—Mr. Hunt would not know that that Act refers to the continental shelf. The ignorance of Government members amazes me. There are two lawyers on the Government side of the Chamber, but they do not understand the law. I shall have to behave like the Premier and try to educate the members of the Liberal Party in the same way as he has tried to educate the people of Victoria. The Government members are told that they must vote for the Bill. I was also amazed at an earlier statement from the Minister at the table in relation to another measure when he said that he would have no part of the Commonwealth. Page 79 of the publication further states—

The administration of this legislation will be in the hands of the States and Territories, save only that the States have agreed that the Commonwealth will be consulted on all aspects which may affect the Commonwealth's own special responsibilities under the Constitution in matters such as defence, external affairs, health, immigration, customs, navigation, and so on, and that in these matters the States will give effect to Commonwealth decisions.

The Hon. A. J. HUNT.—That is right.

The Hon. A. W. KNIGHT.—Mr. Hunt should stand up and state his own arguments. I was amazed tonight to hear several members of the Liberal Party, particularly Mr. Gleeson and Mr. Hamilton, object to what Mr. Merrifield said about American terminology.

The Hon. G. W. THOM.—I cannot remember Mr. Gleeson speaking.

The Hon. A. W. KNIGHT.—He challenged Mr. Merrifield. On the one hand they wave the flag of American imperialism in relation to this Bill, but they are not prepared to accept the American measure on heat and gas. Their remarks are on record.

The Hon. H. M. HAMILTON.—Who said I am not prepared to accept it?

The Hon. A. W. KNIGHT.—Mr. Hamilton did by his interjection ; his remarks will appear in *Hansard.*

The Hon. A. J. HUNT.—Read them.

The Hon. A. W. KNIGHT.—Mr. Hunt was not in the Chamber at the time; he was outside looking after Mr. Ansett.

The Hon. A. J. HUNT.—Yes, I was.

The Hon. A. W. KNIGHT.—Amazing statements were made about the huge sums of money that the oil companies have spent. It is hard to imagine that the oil companies would drill for oil in various places without having made seismographic tests, and so on. Of course, there was preliminary research concerning the area. Three or four surveys and cross checking were undertaken. These things cost money, but the basic costs were infinitesimal compared with the value of the resources that have been discovered. Recently I asked certain questions relating to natural gas. One of them was whether a pipe-line would be constructed to Geelong and Ballarat. The Minister replied to my question in the negative. It is amazing what misleading answers are given to questions asked in the House. The first annual report of the Victorian Pipelines Commission contains the following statement at page 6 :—

> The gas distributing organizations which are signatories to this preliminary purchase agreement are the Gas and Fuel Corporation of Victoria, Colonial Gas Association Limited, The Geelong Gas Company and The Gas Supply Company Limited.

One does not have to be a bright intellectual to understand that preliminary purchase agreements have been signed for the purpose of conveying natural gas to Geelong. Yet I was informed that it was not intended to construct a pipe-line to Geelong or Ballarat. Obviously one of these statements is false—either the answer to my question or the statement in the annual report of the Victorian Pipelines Commission. The answers to questions should be carefully vetted before they are given in the House. In his second-reading speech, the Minister for Local Government stated—

> In devising the Australian scheme, the Governments of the States and of the Commonwealth have closely studied procedures and practices in other countries, particularly in the United Kingdom, Canada and the United States of America, but have produced a scheme best suited to Australia's particular requirements.

It was stated during the debate that the proposed legislation followed the system adopted in the United Kingdom, but apparently this was erroneous. I prefer to accept the statement made by the Minister, who is nodding his head in agreement. Now I wish to quote from the annual report of the Federal Power Commission of the United States of America for the fiscal year ended the 30th June, 1966. This is the basis of the Commission's jurisdiction, as set out on page 15 of its report—

> FUNCTIONS PERTAINING TO NATURAL GAS.
>
> The Commission—
>
> Issues certificates authorizing natural gas companies to construct, extend, acquire, or operate facilities for the transportation of natural gas in interstate commerce or for the sale of natural gas in interstate commerce for resale.
>
> Investigates the need for and, when appropriate, directs natural gas companies holding certificates to establish physical connections with and to sell natural gas to local distributors.
>
> Authorizes the abandonment of facilities or the discontinuance of service subject to certificates of public convenience and necessity issued by the Commission.
>
> Investigates and regulates the rates, charges and terms of service for natural gas transported or sold for resale in interstate commerce.
>
> Develops, prescribes, and administers uniform systems of accounts according to which the accounts of natural gas companies shall be maintained and according

to which accounting, financial and operating information reported to the Commission and the general public shall conform.

Audits the accounts of natural gas companies for compliance with prescribed systems of accounts, rate regulation and other purposes.

Gathers, analyzes, maintains and publishes information on natural gas companies subject to Commission jurisdiction.

Issues permits for facilities on United States borders for the exportation and importation of natural gas.

Issues orders authorizing the exportation and importation of natural gas.

Provides for hearings under the Outer Continental Shelf Lands Act.

The experience of EMI in Italy and the Federal Power Commission of the United States of America are worthy of examination. The Congress and Senate of United States of America were wise to give this charter to the Federal Power Commission. Mr. Cathie uttered a warning that what had happened previously elsewhere could happen in connexion with this matter in Australia. I hope it does not occur, and that these large oil companies will not go to the lengths that they did in America, as a consequence of which the Federal Power Commission was established.

This matter should be dealt with on a Federal basis, with State representation on a Federal Commission charged with the responsibility of preserving the natural resources of this country. This is a Commonwealth, and if our brothers in another State are deficient in some mineral resource such as natural gas or oil, which this State has in abundance, it behoves us to ensure that they receive the benefit of the natural resources of this State, which is part of this great Commonwealth. After all, although this is a sovereign State, the people of Australia agreed to the formation of the Commonwealth. It behoves all of us to ensure that Australia is protected both internally and externally in relation to these matters. The formation of a Federal Power Commission would be a step in the right direction. Again I quote from the 1966 annual report of the Federal Power Commission of the United States of America, page 139—

CITY GATE WHOLESALE GAS PRICES.

In fiscal 1966 the Commission continued its study of the wholesale natural gas rates for the 14 largest metropolitan areas of the United States. This study includes a comparison of the changes in rates for each city between January 1, 1962, and January 1, and July 1, of succeeding years. Wholesale natural gas prices reflect a number of economic factors including the effectiveness of Federal regulations over both producers and interstate pipeline companies.

The Commission's rate responsibility does not go beyond the city gate, or the point where local distribution commences. There the responsibility becomes one of State or local regulatory authority.

A comparison between the wholesale rates for natural gas to distributors serving these 14 largest United States cities from January 1, 1962, to January 1, 1966, reflected decreases totalling $62,575,000 annually.

The survey disclosed that during the period of six months from January 1st to July 1, 1966, there was a further reduction in wholesale rates of $678,000. These figures are set out in detail, and if any honorable member doubts them, I am prepared to give the details, but I do not want to weary the House. Contrary to what has been said here to-night, these savings have been passed on. I throw the lie back in the faces of those who have said that there was not a lower price structure than exists in Australia. I remind honorable members that they should do their homework.

The Labor Party strongly opposes the Bill because of the principles it contains. If this measure is enacted, the people of Victoria will be sorry for the rest of their lives. If we in this House do not prevent it becoming law, our children will say, "What a lot of idiots they were at the top of Bourke-street for allowing legislation like that to be passed."

The House divided on the motion (the Hon. G. J. Nicol in the chair)—

Ayes	23
Noes	8
Majority for the motion	15

AYES.

Mr. Bradbury	Mr. Hewson
Mr. Byrne	Mr. Houghton
Sir Percy Byrnes	Mr. Hunt
Mr. Campbell	Mr. McDonald
Mr. Chandler	Mr. Mansell
Mr. Dickie	Mr. May
Mr. Gleeson	Mr. Swinburne
Mr. Granter	Mr. Thom
Mr. Grimwade	Mr. Thompson.
Mr. Gross	*Tellers:*
Mr. Hamer	Mr. Clarke
Mr. Hamilton	Mr. Fry.

NOES.

Mr. Cathie	Mr. Todd.
Mr. Elliot	
Mr. Galbally	*Tellers:*
Mr. Knight	Mr. Tripovich
Mr. Merrifield	Mr. Walton.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Progress was reported.

WATER SUPPLY LOAN APPLICATION BILL.

This Bill was received from the Assembly and, on the motion of the Hon. V. O. DICKIE (Minister of Health), was read a first time.

SUPREME COURT (JUDGES) BILL.

This Bill was returned from the Assembly with a message intimating that they had made the amendments suggested by the Council on consideration of the Bill in Committee.

It was ordered that the message be referred to the Committee of the Whole on the Bill.

The House adjourned at 12.22 a.m. (Thursday).

Legislative Assembly.

Wednesday, November 22, 1967.

The SPEAKER **(the Hon. Vernon Christie)** took the chair at 2.20 p.m., and read the prayer.

GOVERNMENT DEPARTMENTS AND INSTRUMENTALITIES.

ISSUE OF ANNUAL REPORTS.

Mr. FLOYD (Williamstown) asked the Premier—

What progress has been made towards supplying information regarding the issue of departmental reports, as promised in answer to Question No. 5 asked in this House on 11th October last?

Sir HENRY BOLTE (Premier and Treasurer).—The information desired by the honorable member has been obtained and is in the process of being collated in a suitable form.

TROTTING RACECOURSE DEVELOPMENT FUND.

RECEIPTS AND EXPENDITURE.

Mr. WILKES (Northcote) asked the Chief Secretary—

1. What total amount has been paid into the Trotting Racecourse Development Fund?
2. How much remains in the fund?
3. What clubs have benefited and to what extent?
4. How much of the total was paid in by city trotting clubs and country clubs, respectively?
5. How much from each such source is expected to be paid into the fund in this racing year?

Mr. RYLAH (Chief Secretary).—The Trotting Racecourse Development Fund is not under the care of the Government, but is set up under statute and controlled by the Trotting Control Board. I have asked that Board to supply information concerning the past five years, which it has agreed to do. I understand that this will satisfy the honorable member. I hope the information he desires will be available later this day.

SECURITY PROVIDENT FINANCE LIMITED.

OPERATION: DIRECTORS.

Mr. FENNESSY (Brunswick East) asked the Attorney-General—

Whether his attention has been drawn to an advertisement appearing in the *Age* newspaper of Tuesday, 21st November instant, relating to Security Provident Finance Limited, of 564 St. Kilda-road, Melbourne; if so—(*a*) under what Act or charter this finance company operates; (*b*) whether it operates under any Government guarantee; and (*c*) what are the names and addresses of the directors of this organization?

Mr. G. O. REID (Attorney-General).—The answer is—

No, other than the honorable member's reference to the advertisement. However, the information required is as follows:—

(*a*) The Companies Act 1961.

(*b*) Not so far as I am aware. Certainly there is no guarantee by the Victorian Government.

(*c*) The directors are—

Gerard Francis Sheehan, Lot 126, Lusher-road, Croydon, accountant.

Manuel John Rodis, 23 Georgiana-street, Sandringham, accountant.

Frederick E. Douglas, 29 Bruce-street, Mount Waverley, sales director.

Walter George Driver, Flat 3G, Edgewater Towers, 12 Marine-parade, St. Kilda, construction superintendent.

Daniel Paul Rodis, 60 Victoria-street, Sandingham, architect.

POINT ORMOND.

LAND RECLAMATION: BOAT HARBOR PROJECT: EFFECT ON BEACHES.

Mr. EDMUNDS (Moonee Ponds) asked the Minister of Public Works—

In view of the spoiling of beaches in the vicinity of breakwaters constructed at St. Kilda, Brighton and Sandringham, what research, tank-testing or other investigation was conducted to examine the long-term effects on adjacent beaches of the construction of the small boat harbor built from reclaimed land by the St. Kilda City Council as a development project at Point Ormond?

Mr. PORTER (Minister of Public Works).—The answer is—

The mistaken view that breakwaters have spoiled metropolitan beaches appeared to become commonly accepted by the public about 1962.

Whilst the breakwaters have probably contributed to re-arrangement of some beaches, erosion of foreshore reserves and beaches has been occurring for many years and was the subject of a report by the Beach Erosion Board in 1936. Following this report, much of the foreshore protective works now existing were undertaken although beach building groynes constructed in a number of cases have now disappeared.

The off-shore area north of Point Ormond was shallow, rocky and unattractive and the sea-defence works in this area had reached a stage where reconstruction was necessary. In order to protect Marine-parade and to provide a useful area for public recreation, this site was listed for reclamation by the Public Works Department but was undertaken by the Melbourne and Metropolitan Board of Works following its assumption of responsibility for metropolitan foreshores in 1956. The scheme was modified to include a boat harbor at the request of the St. Kilda City Council.

No serious effect on adjacent beaches as a result of the reclamation was anticipated, and before inclusion of the boat harbor scheme, soundings of the off-shore area over some 30 years were examined and new surveys undertaken.

Some sea-weed collection to the north of the boat harbor was expected, and it will be the responsibility of the St. Kilda Foreshore Committee to ensure that the adjacent beach will be maintained in a satisfactory condition for public use.

MELBOURNE HARBOR TRUST.

EXPORT CHARGES.

Mr. FLOYD (Williamstown) asked the Minister of Public Works—

1. What amount it is expected will be received from the proposed Melbourne Harbor Trust export charges?

2. What proportion of this amount will come from—(*a*) primary producers and organizations; (*b*) secondary industrial exporters; and (*c*) other sources?

Mr. PORTER (Minister of Public Works).—The answers are—

1. Estimated to be between $800,000 and $900,000.

2. Owing to the fact that a number of primary products are sold through Commonwealth pools such as the Australian Dairy Board, the Australian Wheat Board, the Commonwealth Dried Fruits Board and the Australian Barley Board, &c., it is not possible to estimate the proportion of export wharfage which would in fact be attributable to Victorian primary producers and organizations as a result of the export wharfage charge which is to be introduced into the Port of Melbourne.

It is not possible to estimate the proportion of Victorian produced products exported through the port of Melbourne because many products come from other States through the Commonwealth pool.

It is hoped that the following break-down may serve the purposes of the honorable member:—

	Per cent.
(*a*) Estimated export wharfage from non-processed primary products	19
(*b*) Estimated export wharfage from processed primary products	31
(*c*) Estimated export wharfage from secondary industry products	42
(*d*) Estimated export wharfage from other sources ..	8
	100

TULLAMARINE FREEWAY.

OVER-PASS WORKS: VIBRATIONS FROM BLASTINGS.

Mr. EDMUNDS (Moonee Ponds) asked the Minister of Mines—

Whether the Mines Department will take "K Factor" readings to ensure that vibrations from blasting are not being transmitted to homes near overpass works on the Tullamarine freeway project in the electoral district of Moonee Ponds?

Mr. BALFOUR (Minister of Mines).—The answer is—

Yes, the Department will perform vibrometer tests in the subject area to ascertain the "K Factor" and to determine if the ground vibrations from the blasting are of sufficient intensity to cause structural damage to adjacent homes.

EDUCATION DEPARTMENT.

CONSOLIDATED SCHOOL COURSES.

Mr. R. S. L. McDONALD (Rodney) asked the Minister of Labour and Industry, for the Minister of Education—

1. Whether courses for pupils at consolidated schools are parallel to high school courses in Forms I and II?

2. Whether pupils are admitted to Form III at high schools after completing Forms I and II at consolidated schools?

Mr. ROSSITER (Minister of Labour and Industry).—The answers supplied by the Miniser of Education are—

1. The courses are similar in many respects but may vary to a degree in subject content. A second language is not in the curriculum for consolidated schools, but where circumstances warrant it special provision may be made to provide secondary courses by correspondence tuition.

2. The pupils are normally admitted to Form III at high schools. This however would depend upon the capabilities of each individual pupil.

IMPORTED TEXT-BOOKS.

Mr. EDMUNDS (Moonee Ponds) asked the Minister of Labour and Industry, for the Minister of Education—

Whether it is the policy of the Education Department to encourage the use of imported text-books in secondary schools; if not, whether the Minister will direct the Department that, wherever possible, preference be given to text-books printed in Australia?

Mr. ROSSITER (Minister of Labour and Industry).—The question contains two parts and the answer to part 1 of the question is "No", and to part 2, "Yes".

WILLIAMSTOWN GIRLS' HIGH SCHOOL.

Mr. FLOYD (Williamstown) asked the Minister of Labour and Industry, for the Minister of Education—

1. Whether there are any plans for a new wing for the Williamstown Girls' High School; if not, whether any portable rooms will be available in the new year to provide for the expected increase of 150 new pupils?

2. When it is intended to clean up the north-west part of the school yard, as promised months ago?

Mr. ROSSITER (Minister of Labour and Industry).—The answers supplied by the Minister of Education are—

1. No. The question of providing portable rooms at Williamstown Girls' High School will be considered when definite enrolments have been established in February next.

2. Work on cleaning up the north-west part of the school yard will commence before the end of next week.

RAILWAY DEPARTMENT.

BARRY BEACH BRANCH LINE.

Mr. FLOYD (Williamstown) asked the Minister of Transport—

1. What is the estimated cost of the proposed branch railway line to Barry Beach?

2. Whether it will be necessary to acquire private land for the construction of the line; if so, what is the estimated cost of acquisitions?

3. Whether these amounts are allowed for in the Railway Loan Application Bill; if not, how the construction and acquisitions will be financed?

Mr. WILCOX (Minister of Transport).—The answers are—

1. $120,000.

2. Yes. The estimated cost of land acquisition is $15,000.

3. Yes; under sub-item 303.

INCINERATORS AT SEAPORTS.

DESTRUCTION OF SHIPS' GARBAGE: OFFER OF COMMONWEALTH FINANCE.

Mr. FLOYD (Williamstown) asked the Minister of State Development, for the Minister of Health—

1. Whether there is danger of ships' garbage spreading diseases, particularly foot

and mouth disease or any other exotic disease, amongst animals in the vicinity of the port of Melbourne?

2. Whether the Commonwealth Government has agreed to pay for the installation of incinerators for destroying garbage at the main Australian ports; if so, why the Victorian Government has not taken advantage of this offer?

Mr. PORTER (Minister of Public Works).—The collection and destruction of ships' garbage is a matter for the port authorities. Therefore, this question should properly have been directed to me. The answers are—

1. There is a potential danger of ships' garbage spreading diseases such as foot and mouth disease or other exotic disease if it is exposed to susceptible domestic animals or native birds or animals which may act as mechanical carriers. In order that such danger should be minimized, it is necessary that all ships' garbage should be burnt and buried in the wharf area without exposure to birds in particular. There are no susceptible animals in the vicinity of the wharves. Ships' garbage is at present burnt and buried in the Melbourne Harbor Trust tip in the wharf area at Port Melbourne. On occasions such as days of acute fire danger, burning is delayed. On these occasions there could be a risk of sea-birds having access to the potentially infective material. To remove this danger, an incinerator of adequate size to handle all ships' garbage expeditiously would be required.

2. Yes. The Government of Victoria has written to the Commonwealth indicating that it agrees in principle with the Commonwealth's proposals for the provision of incinerators at seaports, but that it emphatically refuses to accept the responsibility for the administration of quarantine measures, which are clearly a Commonwealth responsibility under the Commonwealth Constitution. The Government is at present awaiting a reply to a letter sent to the Prime Minister on this matter on the 15th September, 1967.

STATE RIVERS AND WATER SUPPLY COMMISSION.

WIMMERA RIVER: LOW-LEVEL WEIRS.

Mr. BUCKLEY (Lowan) asked the Minister of Water Supply—

Whether it is the intention of the Government to erect low-level weirs in the Wimmera river to assist irrigators in that area; if so, whether, as a drought relief measure, the construction of these weirs will include the maximum of local labour?

Mr. BORTHWICK (Minister of Water Supply).—The answer is—

In a report to the Government dated 22nd March, 1962, the Public Works Committee recommended the provision of a number of low-level weirs in the Wimmera river to provide an irrigation supply to adjacent lands, the water being obtained from Rocklands and Toolondo reservoirs via the Toolondo channel and a creek connecting that channel to the Wimmera river, with supplies being given *en route*.

It was envisaged that 2,500 acres of irrigation could probably be sustained in this way with 10,000 acre-feet annually drawn from the reservoirs mentioned. Because of the very critical situation which has arisen in the Wimmera–Mallee storages, which contain at this time only about 80,000 acre-feet out of a total capacity of 618,000 acre-feet, further consideration of this project is necessary because first priority must be given to the provision of domestic and stock supplies to the Wimmera–Mallee system.

COMMITTEE OF PUBLIC ACCOUNTS.

UNPAID ACCOUNTS.

Mr. TAYLOR (Balwyn), chairman, presented the report from the Committee of Public Accounts on unpaid accounts, 1966-67.

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

SHEPPARTON ABATTOIRS BILL.

Mr. PORTER (Minister of Public Works) moved for leave to bring in a Bill with respect to a proposed compromise between certain contractors and lenders and the Shire of Shepparton in relation to certain contracts entered into and borrowings made by the said shire for the purpose of the construction and enlargement of certain abattoirs by the shire, and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

EXTRACTIVE INDUSTRIES (AMENDMENT) BILL.

Mr. BALFOUR (Minister of Mines).—I move—

That this Bill be now read a second time.

Its purpose is to amend the Extractive Industries Act, to ensure that all extractive substances, such as

basalt, granite, sand, gravel, and so on, in private land, become the property of the landowner, regardless of the date on which the land was alienated. Extractive susbtances are defined collectively in the Act as "stone".

At present, the landowner owns "stone" in most of the private land in Victoria but the Crown owns certain kinds of stone in the remainder. The Crown owns basalt and granite in land alienated since 11th October, 1949, and sand, gravel, stone, clays and rocks in land alienated since 28th November, 1951. It was the intention of the Extractive Industries Act to transfer the ownership of these kinds of stone to the landowner so that, with one exception to which I shall refer later, all "stone" in all private land would become the property of the landowner.

It was thought that, by removing extractive substances from the definition of "mineral" in the Mines Act, section 49 effected, indirectly the necessary transfer of ownership. It was reasoned that these substances, no longer being "minerals", were not included in the substances which were reserved to the Crown at the time of alienation by the provision in the Crown grant reserving "minerals" to the Crown. In a recent opinion, the Crown Solicitor has stated that section 49 does not have this result. The effect of a Crown grant containing a reservation of "minerals" depends upon the meaning assigned to the word "mineral" at the time the grant was made, unless express provision to the contrary is made by Parliament.

As certain extractive substances were included in the definition of "mineral" on 11th October, 1949, and certain others on 28th November, 1951, these substances were reserved to the Crown by the reservation of "minerals" in the Crown grant in land alienated after those dates. The removal of those substances from the definition of "mineral" by section 49 of the Extractive Industries Act does not operate to vest them in the owner of the land where the original Crown grant reserved them to the Crown. Clause 2, therefore, provides that "stone" in all private land shall belong to the landowner notwithstanding any reservation in a Crown grant or Crown lease.

Section 37 of the Extractive Industries Act provides that leases or licences for "stone" granted under the Mines Act and existing at the commencement of the Extractive Industries Act shall continue in force and effect. Section 49 of the same Act provides that the "stone" in private land held under such leases shall remain the property of the Crown. These two special provisions were included in the Act because it was considered that the holders of mining titles for "stone" were entitled to a continuance of the rights granted and, therefore, it was necessary for the Crown to retain the ownership of stone in any private land affected by these titles.

It should be noted that section 49 refers only to leases whereas, in fact, it is possible for licences, as well as leases, to be in existence on the coming into force of the Extractive Industries Act. The Bill also extends the operation of the section to licences.

I shall now explain the provisions of the Bill. Clause 1 gives the short title. Clause 2 amends section 2 of the Extractive Industries Act and adds a new sub-section to provide that "stone" shall be the property of the landowner notwithstanding any reservation in the Crown grant or Crown lease. It has been necessary to include "Crown lease" because "private land" is defined in the Act as private freehold land or private leasehold land.

Sub-section (2) of section 49 of the principal Act is amended by clause 3 to reserve to the Crown "stone" in any private land held

under a mining lease or licence subsisting immediately before the commencement of the Act. I commend the Bill to the House.

On the motion of Mr. WILTON (Broadmeadows), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, November 28.

FITZROY (EDINBURGH GARDENS) LANDS BILL.

The Order of the Day for the second reading of this Bill was read.

The SPEAKER (the Hon. Vernon Christie).—I have examined this Bill, and am of opinion that it is a private Bill.

Mr. BALFOUR (Minister for Fuel and Power).—I move—

That all private Bill Standing Orders be dispensed with, and that this Bill be treated as a public Bill.

The motion was agreed to.

Mr. BALFOUR (Minister for Fuel and Power).—I move—

That this Bill be now read a second time.

The action now taken for the submission of this Bill for the consideration of honorable members originated in a request from the Fitzroy City Council that, as committee of management of Edinburgh Gardens reserve, it should be authorized to issue leases enabling the Fitzroy football and cricket clubs to enjoy security of tenure of the football and cricket ground which forms part of the Edinburgh Gardens reserve.

This reserve is covered by two permanent reservations and two Crown grants, which issued in the joint names of the Board of Land and Works and the mayor, councillors and citizens of the City of Fitzroy. By the Public Lands and Works Act 1964, No. 7228, the two grants are now deemed to be vested in the names of the Minister of Lands and the mayor, councillors and citizens of the City of Fitzroy. Departmental records show that Crown land, approximately in the position of the present cricket and football ground, has been used for sporting and recreational purposes for more than 100 years.

In 1862, approval was given to the occupation of an area of 9 acres by a club known as the Collingwood Commercial Cricket Club, and the next year occupation of another area of about 6 acres, immediately to the south of the 9-acre site, was given to the Prince of Wales Cricket Club. These two clubs amalgamated in 1872 under the name of the Fitzroy Cricket Club, and in 1877 that club was given occupation, for cricket and other recreative purposes, of an area of about 15 acres, which included the present football and cricket ground site, as well as land now occupied by the Fitzroy bowling and tennis clubs.

An area of 33 acres 3 roods 23 perches, which comprised the southern section of the gardens and included the cricket ground, was permanently reserved in October, 1881, as a site for a public park and gardens, and a Crown grant—volume 1368, folium 273446—dated the 12th April, 1882, issued in the names of the joint grantees mentioned previously. By a similar Crown grant—volume 1480, folium 295996—8 acres and 17 perches, being the northern section of Edinburgh Gardens, were added to that reserve in June, 1883. The area of this section, however, was permanently reserved as containing 7 acres 3 roods 37 perches, and it is proposed in the Bill that the relevant Order in Council of the 19th June, 1883, shall be deemed to have applied to the area for which the Crown grant issued. The two Crown grants, which covered a total area of 42 acres, contained provision that the lands were to be at all times maintained and used as a site for a public park and garden, but included a reservation for use of parts of the lands for railway purposes.

An area of 7 acres 3 roods 14.4 perches of the reserve, required in connexion with the construction of

the Fitzroy branch railway, which was authorized by the Railway Construction Act of 1884, No. 821, was transferred to the Victorian Railways Commissioners in June, 1888, and is now held by the Commissioners in certificate of title, volume 2044, folium 408703, registered in the Office of Titles. There is, therefore, a net area of 34 acres and 26 perches remaining in the Edinburgh Gardens reserve, for which the council of the City of Fitzroy was appointed committee of management by Order in Council of 2nd October, 1917.

A survey has disclosed that 10 acres 3 roods 23 perches of the south-west section of the gardens have been occupied for many years by various local sporting bodies as follows:—7 acres 3 roods 38 perches by the Fitzroy football and cricket clubs; 1 acre 2 roods 10 perches by the Fitzroy Bowling Club; 3 roods 37 perches by the Fitzroy Tennis Club; and 1 rood 18 perches by the Edinburgh Park Ladies' Bowling Club. Departmental records also disclose that a small section of Freeman-street, at the south-east corner of the football and cricket ground, has been enclosed within the boundary fences of that ground, and is occupied by ticket offices and entrance gates.

The Bill proposes that this area, comprising 29 perches as described in the Second Schedule, will be closed as a road and included in the permanent reservation and the Crown grant which relate to the south part of Edinburgh Gardens. With this inclusion, the area occupied by the football and cricket clubs is 8 acres and 27 perches, as indicated on the plan in the First Schedule, and the total area of the four sites described in the schedule is 11 acres and 12 perches.

It is also proposed in the Bill that the existing appointment of the council of the City of Fitzroy as committee of management of the Edinburgh Gardens shall be amended so that the corporation of the City of Fitzroy will be the committee of management of the area remaining in the Crown grants, as adjusted by the inclusion of the closed part of Freeman-street; that the committee of management shall be authorized to lease, for the purposes of the sport or recreation, respectively, set out in the diagrams in the First Schedule of the Bill, the four sections of the reserve described in that schedule; and that the provisions of section 802A of the Local Government Act relating to lands vested in a municipality shall be deemed to apply to the Edinburgh Gardens reserve, which is vested jointly in the mayor, councillors and citizens of the City of Fitzroy and the Minister of Lands.

Clause 1 of the Bill cites the short title of the proposed Act as the Fitzroy (Edinburgh Gardens) Lands Act 1967. Clause 2 contains formal definitions of the words "corporation" and "council" in relation to their use for the purposes of this measure. Clause 3 provides that the Order in Council of 1883, relating to the lands comprising the northern section of Edinburgh Gardens, shall be deemed to have applied to the area of 8 acres and 17 perches for which Crown grant volume 1480, folium 295996 issued, instead of to the area of 7 acres 3 roods 37 perches referred to in the Order in Council.

Clause 4 makes provision in sub-section (1) for the closing of that part of Freeman-street described in the Second Schedule, and included within the boundary fences of the Fitzroy football and cricket ground. The area of 29 perches will thereby become unalienated Crown land, and, under the authority provided in sub-section (2), will be deemed to have been permanently reserved as a public park and garden by the Order in Council of 24th October, 1881, and included in Crown grant Volume 1368 Folium 273446.

By clause 5 of the Bill, the council of the City of Fitzroy will be replaced by the corporation of the city as committee of management of Edinburgh Gardens. Sub-clause (1) of

clause 6 authorizes the corporation, as committee of management, to arrange long-term leases of the four areas defined on the plan in the First Schedule, with use of each of the sites being respectively restricted to the purpose of the existing sport or recreation indicated on the plan. In early submissions in regard to the possibility of the committee of management being authorized to lease the areas occupied, there were indications that various sporting bodies would form a social club, which would be the lessee of the three larger areas, but that scheme did not eventuate.

It is understood from the council that leases are now to be arranged in respect of the four areas, so that separate leases will issue to the Fitzroy Football Club and to the Fitzroy Cricket Club in respect of the area of 8 acres and 27 perches; that the Fitzroy Bowling Club will be the lessee of the area of 1 acre 2 roods 10 perches; that the Fitzroy Tennis Club shall lease the area of 3 roods 37 perches; and that the Edinburgh Park Ladies' Bowling Club will be lessee of the site containing 1 rood 18 perches.

Sub-clause (2) of clause 6 sets out that the leases will be subject to such provisions as the corporation thinks fit and may be issued for terms not exceeding 21 years. If the lease term exceeds three years the approval of the Governor in Council will be required. Sub-clause (3) provides that the lease rentals are to be applied towards the maintenance and improvement of the parts of the Edinburgh Gardens which are not leased, or for such other purposes as the Minister in any particular circumstances may approve.

Clause 7 authorizes the Registrar of Titles to make necessary adjustments to any Crown grant affected by the provisions of the proposed enactment. Clause 8 applies the provisions of section 802A of the Local Government Act to the lands which will remain in the Crown grants relating to Edinburgh Gardens on the passing of the proposed Act. By those grants, the reserved lands are vested jointly in the municipality and the Minister of Lands. Although the possibility of making loan provision to assist the proposed lessee clubs has been discussed by the council, no firm decision has been reached. After discussion with the town clerk, it was considered desirable to include this provision in the Bill so that, if it were decided later by the council to give loan assistance to any of the lessee clubs, there would be no need to seek amending legislation in that regard. Clause 9 is the usual provision that no liability shall attach to the Crown.

I commend the Bill for the favorable consideration of honorable members.

On the motion of Mr. FENNESSY (Brunswick East), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, November 28.

CATTLE COMPENSATION BILL.

Sir WILLIAM McDONALD (Minister of Lands).—I move—

That this Bill be now read a second time.

The Government has decided to introduce a number of amendments to the legislation dealing with cattle and swine compensation. At the same time, it was considered that the opportunity should be taken to eliminate inconsistencies between the two existing Acts which, to facilitate administration, should correspond as closely as possible in form and expression. As this necessitated some re-arrangement and alteration of the various provisions in the two Acts, it was considered desirable to repeal them and introduce new legislation which would effect the necessary changes, and incorporate the amendments proposed by the Government.

This Bill deals with the legislation relating to cattle compensation, and a similar measure is being introduced

in relation to swine compensation. Apart from the changes necessary to bring the provisions of the two Acts into line, the principal amendments proposed in this Bill are as follows :— The first proposal relates to the payment of compensation where cattle which are ordered to be destroyed, die before they can be destroyed, or where cattle are ordered to be destroyed because of injury suffered by them in the course of disease control activity under the Stock Diseases Act 1958. Not infrequently cases arise where cattle, which have been inspected and whose value has been determined for the purposes of compensation, die before arrangements can be made for their destruction under supervision at an abattoir. In such cases, as the cattle were not destroyed by, or by order of, an inspector of stock, compensation cannot be paid under the Act as it now stands, although it is the usual practice to compensate the owner by way of an *ex gratia* payment.

Again, from time to time cases occur where cattle are injured as a result of disease control measures undertaken by the Department of Agriculture, and the injury is of such a nature that it is necessary to order their destruction. There is no provision in the Act whereby compensation may be paid in these circumstances, although compensation is obviously justified. It has been decided therefore to provide authority for the payment of compensation in these cases.

Secondly, it is proposed that there shall be an alteration to the method of dealing with moneys obtained from the sale of the carcass, hide and offal of cattle destroyed. Under the Act as it now stands, such moneys—that is, the residual values—are paid to the owner of the cattle by the purchaser, usually the abattoir, and represent the proceeds of the sale less killing fees, yardage dues, transport costs, and so on. The Act provides further that the amount of any residual value is to be deducted from the amount payable as compensation. In practice, the owner receives two separate payments, one from the abattoir covering the residual value, and one from the Treasury for the amount of compensation. Understandably, this system of separate payments leads to some confusion and to numerous inquiries as to the values determined for the purpose of compensation.

This Bill proposes that the residual values will be paid to the Chief Inspector of Stock and transmitted to the Cattle Compensation Fund. Owners of cattle will then receive one payment from the Treasury by way of compensation which will be the agreed upon value of the animal up to the specified maximum market value. In any case where the residual value obtained exceeds the market value, compensation equal to the residual value will be paid.

Thirdly, an increase in the amount specified as the maximum market value on each head of cattle for the purposes of compensation is proposed. Representations have been received from the industry for this amount, currently fixed at $100, to be increased. The present figure was determined almost seven years ago, and, in order to make the maximum market value more commensurate with present-day values, the Government proposes to increase the amount to $120. As I have said, where the residual value obtained exceeds this figure, compensation equal to the residual value will be paid.

Fourthly, provision is made for moneys in the Cattle Compensation Fund to be applied towards the cost of erecting and equipping veterinary diagnostic laboratories to be established by the Department of Agriculture. An examination of this Fund has disclosed that, through reduction in expenditure and increase in receipts, the balance has reached a level well above that considered to be a safe minimum to cover outbreaks of disease and long-term disease control programmes.

Since June, 1956, when the balance was a little over $363,000, the Fund has built up to $1,174,782, as at the 31st October, 1967, and over the financial years from 1964-65 to 1966-67 has increased at an average annual rate of 21.66 per cent. This build-up has occurred despite two pleuro-pneumonia outbreaks in 1956-57 and 1965-66 which required the slaughter of 2,462 cattle and expenditure from the Fund of the order of $104,000, and despite a State-wide bovine tuberculosis eradication programme resulting in the slaughter of some 23,000 tuberculosis reactors in the past ten years.

Factors which have had a bearing on the growth and stability of the Fund are the increase in cattle numbers, the decrease in compensable disease incidence and the higher residual values obtained from cattle ordered to be destroyed.

From 1956 to 1966, cattle numbers in this State rose from 2,616,587 to 3,397,000, resulting in increased sales and a steady build-up in the income of the Fund by way of stamp duty. It is expected that this trend will continue, although there will undoubtedly be a temporary setback due to the prevailing drought conditions.

On the other hand, there has been a decrease in expenditure from the Fund. Over the financial years 1961-62 to 1963-64, expenditure was relatively uniform at approximately $310,000, but from that figure it has decreased to $157,000 in the financial year 1966-67. This reduction is related to the lower incidence of tuberculosis, and on present results from the tuberculosis eradication programme it is expected that there will be a rapid fall in the number of tuberculosis reactors to be slaughtered annually and a continued decline in the number of carcasses condemned at abattoirs on account of this disease.

Another factor which continues to have a bearing on this decrease in expenditure is the amount obtained by way of residual values from cattle destroyed which represents a significant saving to the Fund and/or the relevant vote. In the period from 1956-57 to 1966-67, the total amount obtained in this way was $1,921,452, and the average residual value per head of cattle destroyed rose from $15 to $42.

The Government has had before it proposals that moneys in the Fund over what is considered to be the safe minimum figure should be applied towards portion of the cost of erecting and equipping veterinary diagnostic laboratories to be established by the Department of Agriculture in this State. Planning for the setting up of these laboratories is well under way —land has been acquired at Hamilton and Bendigo where the first two will be established, and the third will be erected at a suitable location in Gippsland. Others will follow.

The greatest single factor limiting the ability of the Department of Agriculture to play its proper role in disease control and eradication programmes is the desperate shortage of veterinary diagnostic laboratory facilities. The Government recognizes that the provision of an adequate and efficient diagnostic service will be of very great benefit to cattle owners generally, and will make a significant contribution to the control and eradication of disease.

The Government considers that it is not unreasonable that moneys in this Fund, which are contributed by cattle owners, should be applied towards portion of the cost of providing a service which will be of such benefit to them. In this approach, the Government has the broad support of the industry. It is proposed therefore to provide authority for a proportion of the moneys in the Cattle Compensation Fund to be utilized for this purpose. In determining the proportion which should be fixed, the Government gave careful consideration to the amount which could be accepted as a safe reserve to meet any eventuality. Having regard to the experience

of the past twenty years, it is considered that a figure of $500,000 would represent a safe reserve in the Fund.

Accordingly, this Bill limits the moneys which can be applied from the Fund for the purpose of veterinary diagnostic laboratories to one-third of the amount standing to the credit of the Fund on the day on which this proposed Act receives the Royal assent. Present indications are that, on this basis, the amount which could be so applied will be about $408,000, leaving a balance in excess of $800,000 in the Fund, which is well above the figure of $500,000 regarded as a safe reserve. Under the existing legislation, the Government guarantees the availability of funds to meet compensation payments, and this guarantee is continued in this Bill under sub-clause (4) of clause 10.

The last of the principal amendments proposed in this Bill deals with the matter of stamp duty. For many years, the collection of contributions to the Cattle Compensation Fund of this State has been effected by the affixing, by the vendor or his agent, of special cattle duty stamps on the "statement of sale" which must be given to the purchaser whenever cattle are sold. These stamps are ordinary adhesive duty stamps specially overprinted by the Government Printer with the word "CATTLE" and sold by the Comptroller of Stamps and at post offices. The Stamps Act prohibits these so-called "appropriated" stamps from being used for the payment of any other form of stamp duty. The amounts credited to the Fund from time to time consist, in the main, of the proceeds of sale of such cattle duty stamps.

This method of collection is considered to be laborious and time consuming and therefore uneconomic, especially in the case of the larger stock and station agents who process a vast number of individual sales each day throughout the State. In addition, the Government Printer, the Stamps Office and the Distributor of Stamps at the General Post Office as well as hundreds of individual post-masters, must maintain and account for large stocks of these stamps.

In both South Australia and Western Australia, legislative provision exists whereby "approved" stock and station agents pay this duty on a periodical return basis, the use of adhesive stamps being restricted to direct owner-to-owner sales and sales made through the medium of the smaller agents. The adoption of such a procedure in Victoria would involve the use of two co-existing systems, namely, returns and stamps. However, under the Victorian Stamps Act, such a concept has already been accepted in four other duty fields and is working quite smoothly.

Accordingly, it has been decided to introduce a system whereby "approved" agents will be permitted to pay this duty by means of monthly returns to the Stamps Office. The present practice is for agents to affix the stamps on the vendor's behalf and recover this outgoing by deducting the value of the stamps from the proceeds of sale of the animals. It is assumed that this practice will still be followed in the case of duty paid on the agents' returns.

For the information of honorable members, I refer to those clauses of the Bill in which the provisions contained in the existing legislation are altered substantially.

Clause 1 provides that Part V. will come into operation on the day on which the Act receives the Royal assent. This means that the increase to $120 in the maximum market value per head of cattle, and the authority to apply one-third of the amount standing to the credit of the fund for the purpose of veterinary diagnostic laboratories, will operate from that day.

The other provisions of the Bill, which are in effect the substituted legislation, will come into operation on a day to be fixed by proclamation

of the Governor in Council. The reason for this approach is that some time will be required by the Stamps Office to set up the administrative machinery necessary for the proposed new method of paying duty. It is anticipated that the provisions of the Bill other than those in Part V. will be proclaimed, and that the necessary regulations will be promulgated on a date which will be mutually convenient to the Stamps Office and the majority of approved agents.

In clause 3, interpretations of "approved agent" and "residual value" have been included to cover references to these expressions in the Bill. An interpretation of "cattle duty stamps", which is not necessary in view of the reference in clause 13, has been deleted. Under sub-clause (1) of clause 4, the cases in which compensation is payable have been extended to cover circumstances where cattle ordered to be destroyed die before this can be effected, or where cattle are destroyed because of injury suffered in the course of the administration of the Stock Diseases Act. The necessary provision is made in paragraphs (*b*) and (*c*). The provisions of sub-clause (2) of clause 4 meet the new arrangement whereby residual values will be paid into the Fund. The percentages of compensation payable from the fund and the vote in respect of actinomycosis and tuberculosis are unchanged.

Provision is made in sub-clause (1) of clause 5 for the maximum market value of any one head of cattle to be increased to $120. Sub-clause (3) of clause 6 requires the payment into the Cattle Compensation Fund of the residual value of cattle destroyed. Sub-clause (4) provides that, where the residual value exceeds the market value, compensation equal to the residual value will be paid. Sub-clause (5) authorizes payment from the Fund of costs incurred in the transport of cattle ordered to be destroyed but which die either in transit or at an abattoir before they can be destroyed. In such cases, there are no proceeds from which these costs can be met.

The existing Act contains a provision whereby compensation may be refused to an owner who has been convicted of any offence against that Act, the Stock Diseases Act, the Milk and Dairy Supervision Act or Part XV. of the Health Act or the regulations thereunder. As penalties are provided under each of these Acts and the regulations for any offences, it was considered that this particular provision was in the nature of a continuing additional penalty, and therefore it has not been included in clause 7 of this Bill.

Clause 10 provides for payment into the Fund of residual values of cattle destroyed, and payment out of the Fund of costs incurred in the transport and destroying of cattle where the carcass is condemned or the cattle die before destruction can be carried out. The provision concerning the use of the Fund for veterinary diagnostic laboratories, which I dealt with earlier in my remarks, is also contained in this clause.

The payment of duty specified in clause 12 differs from the existing single adhesive stamp system contained in the existing Act in two respects. First, it will apply only to sales not made through the medium of an "approved" agent—for example, owner-to-owner sales and those effected through smaller agents. Secondly, the statement of sale which the vendor is required to make out and stamp is to be in or to the effect of a prescribed form. It is considered that this will give a degree of control, at present lacking, over the amount of information to be set out in such statements.

Clauses 14 and 15 are new, and are based on similar provisions in the Stamps Act covering the authorization of persons to pay various forms of stamp duty by means of periodical returns, the methods of furnishing

such returns and the payment of the duty. Clause 14 authorizes the Comptroller of Stamps to declare stock and station agents to be "approved agents" for the purposes of Part II. of this Bill. This will be done on the recommendation of the Chief Inspector of Stock. Provision is made also for any declaration or revocation thereof to be effective from the date specified in the *Government Gazette* notice. This clause also requires the Comptroller to assign a serial number to every agent duly declared. This will facilitate identification and assist administration.

Sub-clause (1) of clause 15 requires all approved agents to furnish the requisite return, and pay the appropriate duty not later than the 21st day of the month following that in which the relevant sale took place. The prescribed form will be a simple one, showing the agent's name and Victorian head office address, his serial number, and the total cattle duty payable for the month in question.

As the rate of duty is based on the purchase price for each lot, with a maximum amount of duty per head, it will be necessary for the agent to calculate the duty separately in respect of each individual sale. It will therefore be essential for him in arriving at the monthly total to have books of account and use working papers, particularly where the agent is a company having various branch offices throughout the State. Sub-clause (2) of clause 15 requires such books and papers to be kept available for inspection. This provision is essential for the protection of the Fund, and is in line with the requirements of similar systems under the Stamps Act.

Sub-clause (3) of clause 15 is a machinery provision prescribing the method of denoting the duty in the Stamps Office. Sub-clause (4) requires the approved agent to issue an invoice, in respect of each sale, to the relevant purchaser showing the necessary particulars. This invoice is to be endorsed as specified, and will be the purchaser's safeguard in the event of a claim for compensation arising. Sub-clauses (5) and (6) are penalty provisions—the former relates to offences by approved agents, and the latter to offences by other persons who hold themselves out as, or purport to be, approved agents but who are not so in fact.

Clause 17 is in very similar terms to section 159 of the Stamps Act, relating to the recovery and mitigation of penalties, which has been operating satisfactorily for many years. It authorizes the recovering of penalties, with costs, in a summary way before a Court of Petty Sessions, and also authorizes the Minister to stay or compound proceedings, mitigate penalties and reward informers. Under this clause, the Comptroller of Stamps is empowered, instead of commencing court proceedings for the full penalties, to demand payment of full or reduced penalties. The alleged offender may either pay the amount demanded—in which case no court proceedings will be taken—or, at his option, by not paying such amount within fourteen days of the demand, elect to have his case dealt with by the court.

Section 167 of the Stamps Act empowers the making of regulations for various purposes including the better securing of the revenue of the Crown as it may be affected by that Act. Under the existing Cattle Compensation Act, provision is made for section 167 of the Stamps Act to be applied to the making of regulations relating to the Cattle Compensation Fund. Sub-clause (1) of clause 18 which is in substantially the same terms as the existing provision will, in addition, cover the prescribing of the manner of applying for declaration as an approved agent. Under sub-clause (2), the present $40 maximum penalty for breach of any such regulation is increased to $100, the same amount as the present maximum for breach of any regulations under the Stamps Act.

Another provision in the existing Act which is being deleted is one specifying that, in any proceedings against an owner or agent for contravention of or failure to comply with the Act or regulations, the burden of proof that the provisions of the Act or the regulations have been complied with shall be on the defendant. It is considered that this provision is no longer acceptable, and therefore it has not been included in the Bill.

In clauses 19 and 21, the maximum penalties provided have been increased from $40 to $100 to bring them into line with the maximum penalty under clause 18. Clause 22 effects the necessary consequential amendments to the Stamps Act.

Clause 23 enables the provisions relating to the increase in the maximum market value per head of cattle, and the use of the specified proportion of the Cattle Compensation Fund for the purpose of veterinary diagnostic laboratories to be brought into operation on the day on which the Act receives the Royal assent.

This Bill will extend the financial assistance granted to owners of diseased stock, provide a more efficient system of payment of cattle duty, improve existing administrative procedures, and facilitate the establishment of veterinary diagnostic laboratories in this State. I commend it to the House.

Mr. EDMUNDS (Moonee Ponds).—I move—

That the debate be now adjourned.

Sir WILLIAM McDONALD (Minister of Lands).—I suggest that the debate be adjourned until Tuesday, November 28.

Mr. WILTON (Broadmeadows).—This Bill comprises some 23 clauses. The adjournment proposed by the Minister is for less than one week. If the Opposition is to do justice to the measure, it will require sufficient time to examine it.

Sir WILLIAM McDONALD.—I would agree to the debate being adjourned for a week.

Mr. WILTON.—If the Opposition is not ready to proceed with the Bill in one week's time, would the Minister agree to an extension of the period of the adjournment?

Sir WILLIAM McDONALD (Minister of Lands).—By leave, in view of the time of the year, I doubt whether there would be much provision for additional time.

Mr. MOSS (Leader of the Country Party).—I do not think it is sound for the Government to refuse to agree to a longer adjournment of the debate simply because of the time of the year. If there are sound reasons why an adjournment of the debate in excess of one week should be granted, this matter should be argued fully. The honorable member for Broadmeadows has made a simple request of the Minister of Lands that further time should be available to allow the Opposition to study the implications of this measure.

This is an important Bill and it is difficult at this stage to understand the full implications of it. There are certain important principles associated with the measure. Surely, it is reasonable for the honorable member for Broadmeadows, who is handling the Bill on behalf of the Opposition, to seek an assurance from the Minister that, if he is not ready to proceed with the debate next Wednesday, a further adjournment will be granted.

Mr. HOLDING (Leader of the Opposition).—I support the request of my colleague, the honorable member for Broadmeadows. I remind the Minister of Lands that it is the Government's prerogative to prepare its legislative programme so that the various Bills which are dealt with by Parliament will be properly considered. It has been the subject of continual complaints that towards the end of each sessional period important Bills are brought forward and

Opposition members, and presumably Country Party members, must do their homework on them, so to speak, in a hurry.

The Bill, which consists of 23 clauses deals with the question of cattle compensation. I should have thought that it would be essential for honorable members who wished to participate in the debate to contact the primary industry groups concerned, and this always poses a problem for members who represent rural areas. I do not think it is asking too much to suggest that if my colleague is not ready to proceed with the debate next Wednesday, the further adjournment of the debate will be agreed to. The Opposition will certainly be happy to expedite all that is to be done from its end but, if additional time is needed, it would not be unreasonable for the Minister to agree to a further adjournment of one day.

Sir WILLIAM McDONALD (Minister of Lands) (*By leave*).—In view of the undertaking given by the Leader of the Opposition that there will be no undue delay, I will undertake to discuss the question at the appropriate time.

Mr. WILKES (Northcote).—I should like the Minister to clarify his statement. It is remarkable that during the past two weeks, ten or more Bills have been introduced into this Chamber, and it is unreasonable for the Government to expect the Opposition to deal properly with ten individual items in a period of two or three weeks, or whatever is left of the current sessional period. On other occasions, the House has been treated to the spectacle of important measures being introduced with inadequate time being allowed for their proper examination.

A Bill of this type, which proposes drastic changes to the Cattle Compensation Fund—it also envisages changes in the collection of stamp duty—demands proper consideration by honorable members. The Opposition is entitled to an adjournment of one full week and, if it is not then ready to proceed with the debate, a further adjournment should be granted. I hope the Minister of Lands will give the Opposition the assurance that it is seeking.

The motion for the adjournment of the debate was agreed to, and the debate was adjourned until Wednesday, November 29.

VETERINARY SURGEONS (AMENDMENT) BILL.

Sir WILLIAM McDONALD (Minister of Lands).—I move—

That this Bill be now read a second time.

Under the Veterinary Surgeons Act 1958, provision is made for the registration of veterinary surgeons and for the regulation of their professional conduct, the authority constituted under this Act to carry out these functions being the Veterinary Board of Victoria. The Board is appointed by the Governor in Council, and no person is eligible to be a member of it unless he is a registered veterinary surgeon who has been elected to act as a member of the Board by the registered veterinary surgeons in this State. The Board meets quarterly and at other times as required by the president. All members act in a voluntary capacity, and receive no fee or allowance for their services as members of the Board.

During recent years, the numbers of registrations effected by the Veterinary Board have increased considerably, and since the 1st of January, 1962, 205 veterinary surgeons have been registered to practise in this State. This includes 93 graduates of the Veterinary School of the Sydney University, 65 graduates from the Veterinary School of the University of Queensland, 42 veterinary surgeons from the United Kingdom, two from Canada, two from the United States of America and one from Latvia. The most spectacular increase has occurred over the past three years, and in that period, with the amendments to the

Veterinary Surgeons Act, which were effected in 1965, five foreign graduates have been registered, and a number of applications from other foreign graduates are under consideration by the Board. In December of this year, the first group of students will graduate from the new Melbourne Veterinary School, and there is every reason to believe that the profession will continue to flourish and to expand rapidly in this State.

A significant development over recent years has been the number of new practices which have been established, both in the metropolitan and country areas and, in particular, the number of multiple practices which are now to be found, especially in country areas. The rapid expansion in the profession, with the continuing inflow of graduates from other States and from overseas, is creating certain problems for the Board in terms of irregularity of professional conduct, and it has become evident that the Veterinary Board in Victoria is not at present adequately empowered to deal with various disciplinary matters which may arise.

The powers conferred on the Board under the existing Act are certainly less than those available to the Royal College of Veterinary Surgeons in the United Kingdom, to other veterinary boards in Australia and to the controlling bodies of the legal, medical and dental professions, and to the Pharmacy Board in this State. Accordingly, the Bill proposes to repeal the sections now dealing with the powers of the Veterinary Board to investigate complaints, to hear evidence, and to discipline members. It is proposed in the new clauses to provide the Veterinary Board of Victoria with the powers already available to other veterinary boards and to the bodies regulating the conduct of members of other professions in this State.

Clause 2 of the Bill will confer on the Veterinary Board all the powers for summoning and examining witnesses and for the production of books and documents as are conferred by the Evidence Act in this State. Clause 3 will enable the Board to conduct its investigations and to be directed by the best evidence procurable in any such investigations.

Clause 4 will empower the Board to investigate complaints or charges made concerning any veterinary surgeon, to hold an inquiry into these matters and to impose specified penalties where, on inquiry, the complaints or charges are found to be proved. This clause also provides for an appeal to be made to a Judge of the Supreme Court by any person who feels aggrieved by any determination of the Board following such an inquiry.

Clause 5 will enable the Board to erase or remove from the Veterinary Register any entry which appears to it to have been irregularly or fraudulently made. The existing Act contains no provision whereby an entry so made can be erased or removed. The amendments included in this Bill have been sought by the Veterinary Board to enable it adequately to discharge its responsibilities under the Act with regard to the professional conduct of veterinary surgeons. The Government considers that the Board should be provided with the powers necessary for this purpose. I commend the Bill to the House.

On the motion of Dr. JENKINS (Reservoir), the debate was adjourned.

It was ordered that the debate be adjourned until Wednesday, November 29.

FERTILIZERS (AMENDMENT) BILL.

Sir WILLIAM McDONALD (Minister of Lands).—I move—

That this Bill be now read a second time.

The main purpose of this measure is to amend the Fertilizers Act to change the method of expressing

fertilizer ingredients, following acceptance and recommendation of the new method by the Australian Agricultural Council. At the same time opportunity is being taken to include other amendments which will simplify the administration of the Act, and bring its provisions into line with those of the Pesticides Act and the Stock Foods Act. Repeal of some provisions which are considered to be no longer necessary is also proposed.

The three major ingredients in fertilizers are the elements nitrogen, phosphorus and potassium. For many years, it has been the recognized practice in the fertilizer industry, when stating the composition of a fertilizer, to express the nitrogen content in terms of the element nitrogen, but to give the phosphorus content in terms of phosphorus pentoxide, or P_2O_5, which is commonly known as phosphoric acid, and the potassium content in terms of potassium monoxide, or K_2O, which is commonly known as potash. In recent years there has been a trend overseas towards expressing the percentages of the three ingredients in terms of the elements nitrogen, or N, phosphorus, or P, and potassium, or K, respectively.

This method has been used in South Australia for several years, where it has been accepted by the trade and primary industries without difficulty, and is now being adopted in New South Wales. In the interests of uniformity, and following the recommendation of the Australian Agricultural Council, it is proposed that this elemental method shall be adopted in Victoria. It should be noted that the elemental method is at present in use in Victoria for the trace elements—copper, molybdenum, zinc, and so on—so that the proposed amendment will not affect the method of expression of these ingredients.

The change will help to clear up some of the confusion which at present exists in the nomenclature of fertilizers. Older types of mixtures were known by the proportions of simple fertilizers used in their preparation. For example, a 5 : 2 : 1 mixture meant one consisting of five parts by weight of superphosphate, two parts by weight of sulphate of ammonia, and one part by weight of a potash salt. With the advent of newer types of fertilizer mixtures, particularly high-analysis mixtures, it is becoming common to name a fertilizer in terms of its analysis figures. An example of this is NPK 15 : 15 : 21. However, in Victoria such a fertilizer does not contain 15 per cent. of nitrogen, 15 per cent. of phosphorus, and 21 per cent. of potassium ; it contains 15 per cent. of nitrogen, 15 per cent. of phosphoric acid, and 21 per cent. of potash. This state of affairs can lead to confusion. It will be corrected by this Bill. The change will mean that some of the figures shown on the labels attached to fertilizer bags will be lower than previously, although the actual amounts of the ingredients concerned will be unaltered. There will be no change in nitrogen figures, but changes will be shown in the figures relating to phosphorus and potassium. For example, a superphosphate now listed as having a phosphoric acid content of 21.5 per cent. will be shown as having a phosphorus content of only 9.4 per cent., and the muriate of potash figure will drop from 58 per cent. of potash to 48.2 per cent. of potassium. It is expected, however, that farmers and other users of fertilizers will readily adapt themselves to the changed method of expression.

The Bill also removes the necessity for the publication of supplementary lists of fertilizers, for the calculation of unit values, for the keeping of a separate register of fertilizers, and for the reporting of results of inspection samples. It contains provisions regarding liquid fertilizers, deals with permitted deficiencies and excesses in fertilizer ingredients, and provides for the prescribing of minimum quantities of ingredients which must be

Sir William McDonald.

present before they may be claimed or stated to be present. The supplying of a label along with an application for registration will be required. A number of changes are also made consequential on the adoption of the elemental method of expression of the major ingredients.

The following detailed comments on the clauses are furnished for the information of honorable members. The interpretation in paragraph (*a*) of clause 2 has been altered only in respect of the use of "phosphorus" in place of "phosphoric acid". Eight per cent. of phosphorus is equivalent, to the nearest whole number, to the 19 per cent. of phosphoric acid required under this interpretation in the principal Act as it now stands. The amendment to be made by paragraph (*b*) is consequential on the change from phosphoric acid and potash to phosphorus and potassium respectively. The interpretation of nitrogen is unchanged. Paragraphs (*c*) and (*d*) repeal the terms "phosphoric acid" and "potash" respectively. These terms will no longer be required. As pesticides are now added to certain fertilizers, an interpretation is required. In paragraph (*e*), "pesticide" is interpreted in terms of the Pesticides Act 1958.

I turn now to clause 3. The Fertilizers Act does not apply to the sale of any fertilizer which is packed in parcels each containing not more than 14 lb. weight. There are now on the market liquid fertilizers which consist of solutions of fertilizer ingredients in water. They are mostly intended for garden use. As the water has no fertilizing value, its weight should not be a factor in the determination of whether or not the fertilizer should be registered under the Act. This amendment will allow liquid fertilizers to be sold without registration where the actual weight of fertilizer in the parcel is not more than 14 lb.

The amendments to be made by clause 4 are consequential on the adoption of the elemental method of expression. Clause 5 will give effect to the intention that the form of the certificate of analysis shall be prescribed in the regulations, as is the case under the Pesticides Act.

Clause 6 deals with the permitted deficiencies and excesses in percentages of fertilizer ingredients, including trace elements. Paragraph (*a*) of proposed new section 16 of the principal Act follows the lines of the corresponding paragraph already in the principal Act. However, provision has been made for the elemental method of expression. In addition, a uniform figure of 5 per cent. has been given for each of the three ingredients nitrogen, phosphorus and potassium, in place of the 5 per cent. previously given for each of nitrogen and potash, and 7 per cent. for phosphoric acid. It is considered reasonable that all ingredients should be treated uniformly. Paragraph (*b*) sets an overriding permissible deficiency for each of the three major ingredients. This paragraph is similar to that in the principal Act, except for the change to the elemental method of expression.

Paragraph (*c*) of the proposed new section sets permissible deficiencies for prescribed ingredients. It must be noted, however, that one prescribed ingredient, biuret, which occurs in urea, is an undesirable impurity formed during manufacture of the fertilizer. It is therefore desirable to have the biuret content as low as possible, and no offence should be thus created. Provision is therefore made for the exemption of certain prescribed ingredients—biuret will be one, and others may be included in the future—from the operation of this clause. With regard to paragraph (*d*), excess of a prescribed ingredient in some cases may be as undesirable as a deficiency, due to possible toxic effects. A figure has therefore been set for the allowable excess. No changes have been made in the penalties for offences in connexion with deficiencies.

Clause 7 will end the requirement that a register of fertilizers shall be kept. The principal Act requires the keeping of a register book in which details of all registrations are entered. This involves a great deal of clerical work, and is considered unnecessary. Such a register book is not required in connexion with other Acts, such as the Pesticides Act and the Stock Foods Act, involving registration of agricultural products. It is considered that the filed applications for registration, together with the list of registered fertilizers which are published in the *Government Gazette,* constitute a sufficient register. Clause 8 will repeal section 20 of the principal Act, which provides for entries in the register to be amended or altered. The repeal of this section is consequential upon the elimination of the register book to which I have referred.

Fertilizers must be labelled according to the requirements laid down in section 7 of the Act, and it is important that labels should be correct. To this end, the Department of Agriculture requests labels or draft labels from manufacturers or importers seeking registration of fertilizers. Clause 9 makes the supplying of labels mandatory. Clause 10 is simply a tidying-up of the Act. Paragraph (*a*) of sub-section (1) of section 24 of the principal Act was repealed by a previous amending Act, No. 7045, and the notation " (*b*) " is no longer required.

Clause 11 is a provision that has been recommended by the Pesticides Review Committee. All pesticides registered under the Pesticides Act have been carefully evaluated for toxicity and other hazards before being accepted for registration. The purpose of this clause is to ensure that no pesticide which has not been so evaluated is used in a fertilizer mixture.

Clause 12 removes the necessity for the calculation of unit values and the publication of a supplementary list of registered fertilizers. The unit value of any particular fertilizer ingredient is the average commercial value of each 1 per cent. of that ingredient per ton of fertilizer. It is calculated from the retail prices of simple fertilizers containing that ingredient. The Act at present states that such unit values shall constitute the basis for calculating the values of fertilizers during the ensuing registration period. However, while the unit values were once of some value, they have now largely outgrown their usefulness and in many cases are unrealistic. The introduction of trace elements and the use of specially formulated fertilizers render the unit values irrelevant in many cases. Again, dried blood and blood and bone, which are used in calculating some of these values, are connected also with the stock foods industry, and their prices are not always related to the fertilizer industry. Furthermore, changes in retail prices of fertilizers announced by the industry during the year immediately render the unit values incorrect. For the above reasons, it is proposed to repeal the provisions relating to them.

With regard to the publication of lists of registered fertilizers in the *Government Gazette,* two lists are required annually—the main list, compiled after applications are received during October, and published as soon as practicable after 1st December, and a supplementary list, containing particulars relating to all fertilizers registered during the period from the end of October to the end of the following September. This supplementary list cannot be compiled until the end of the September, and by the time it has been published, the main list for the following year is ready for publication. The supplementary list is therefore of very little value, and it is proposed that its publication shall no longer be required.

The repeal of paragraph (*d*) of section 29 of the principal Act which is provided for in clause 13 is consequential upon the repeal of the provision relating to the publication of

a supplementary list of fertilizers analysed by the chief chemist. The substitution of new paragraphs (*d*) and (*e*) for the existing paragraphs (*e*) and (*f*) respectively are consequential amendments.

Clause 14 provides for the insertion of a new section 30 of the principal Act, to replace the existing section. In this substituted section, sub-section (1) removes the obligation on the part of the chief chemist to publish a supplementary list of samples forwarded to him for analysis under the provisions of the Act, and of inspection samples taken under those provisions. Such publication is not required under the Pesticides Act or the Stock Foods Act, and serves no useful purpose. Results may still be published if considered necessary. Sub-section (2) allows the chief chemist, if he should deem it to be desirable, to publish the results of analysis of a fertilizer brought into Victoria for use but not for sale and therefore not liable to registration. Sub-section (3) is similar to the corresponding provision in the principal Act but omits reference to a "supplementary" list.

Under the proposed new section 30, there will be no obligation on the part of the chief chemist to forward within 30 days to vendors or other interested persons copies of results of analysis of inspection and other samples as at present required under sub-section (2) of section 30 of the principal Act. When pressure of work has been particularly acute, or fertilizer mixtures have been complicated, this requirement has caused difficulties. The proposed amendment brings the principal Act into line in this respect with the Pesticides Act and the Stock Foods Act. If a fertilizer inspection sample is found to be deficient in any respect, the matter will be taken up with the person or company responsible, as is done with pesticides and stock foods.

Clause 15 provides for the repeal of the word "inspector" from section 43 of the principal Act. The reason for this repeal is that there is no reference to inspectors elsewhere in the principal Act. The officers concerned with inspections under the Act are the chief chemist of the Department of Agriculture, and deputies appointed by him.

The amendment of the principal Act to be effected by clause 16 is intended to prevent claims being made for the presence of fertilizer ingredients when the amounts present are negligible, often occurring only as the result of traces present in the raw materials.

Sub-clause (1) of clause 17 amends the Second Schedule to allow for the elemental method of expressing the fertilizer ingredients. Sub-clause (2) repeals the Third Schedule, which sets out the form of the certificate of analysis. It is proposed that this shall be prescribed in the regulations. The proposed change in the method of expression of fertilizer ingredients will bring the Fertilizers Act into line with modern practice, and the other amendments will strengthen the Act and simplify its administration. The Bill is commended to the House.

On the motion of Mr. WILTON (Broadmeadows), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, November 28.

RAILWAY LOAN APPLICATION BILL.

The debate (adjourned from the previous day) on the motion of Mr. Wilcox (Minister of Transport) for the second reading of this Bill was resumed.

Mr. WHITING (Mildura).—This Bill is annual in character and, under such measures, considerable sums of money are allotted from loan funds for railway purposes throughout the State. I believe every honorable member agrees that railways cannot be dispensed with. From time to time, considerable criticism is levelled at

the administration of railway services throughout Victoria and, indeed, the fares and freights that are charged.

The Country Party is strongly of the opinion that this public service can and should be improved. For a number of years past, there has been a decline in the quality of passenger service provided by the Railway Department. This is unfortunate, because within the next two or three years there could be a trend back to railway travel, provided that suitable encouragement is given, particularly to country people, to use the railway facilities. They would need to be convinced that it is better to travel by train than to run the risks associated with driving their own motor vehicles to the metropolitan area or to wherever else they might intend to go, or, alternatively, to pay the rather high fares that the airways are forced to charge at the present time.

Naturally, I am somewhat concerned at the passenger facilities provided on the Melbourne-Mildura line. It is interesting to note that the September, 1967, issue of the Railway Department's *Newsletter* which is published every month and circulated, I believe, to all honorable members, contains an article concerning turbo-type railway trains which the Canadian National Railways intended to put into service during October of this year. The most striking point about the article is that it describes how the existing train, called the *Rapido,* operating on that service, was able to cover the distance from Montreal to Toronto—some 335 miles—in a period of 4 hours 59 minutes, whereas the new type of train that was to be brought into service in October was capable of covering the same distance in a period of 3 hours 59 minutes. This, I believe, is a trend that the Minister—and, indeed, the Railways Commissioners — should seriously consider, because some honorable members may be surprised to learn that the rail journey from Melbourne to Mildura—a distance of 351 miles—now occupies some ten hours. It must be realized, of course, that stops have to be made on the journey, whereas no doubt an express service operates between Toronto and Montreal. Nevertheless, there seems to be a tremendous time difference.

Mr. Moss.—Are you certain that the Toronto-Montreal service is non-stop?

Mr. WHITING.—No. I am taking it for granted that that is the position. If there are stops on the way, the comparison with the Melbourne-Mildura service is even less favourable. No doubt the Minister of Transport, during his recent overseas visit, looked into all types of improvements that could be implemented by the Victorian Railways, and I should be pleased to hear him state, later in the debate, whether he investigated the set-up of the Canadian National Railways, particularly with respect to faster economic services.

The other point that arises concerning the new engines that are to be used on the turbo-type train services in Canada is that they will be faster, lighter, quieter, smoother and are expected to cost 30 per cent. less per mile to operate than conventional engines. Surely, if any State in the Commonwealth needs this type of service it is Victoria, because it could hardly be claimed that our trains are quiet. They are certainly not fast, nor is the service which is provided cheap. In all seriousness, I suggest that the Minister of Transport and the Railways Commissioners should carefully investigate this new development that is taking place in Canada. I think it is fair to claim that a Dominion such as Canada, which has a population somewhat similar to that of the Commonwealth of Australia, would afford a fair basis of comparison with respect to the type of rail service that can be provided.

I agree that the trans-continental rail service provided by the Commonweath Railways is particularly good, and there is no doubt that the *Southern Aurora* which operates between Melbourne and Sydney, and the *Overland* express which operates between Melbourne and Adelaide are very good trains, but surely if Canada is so far ahead of Victoria at the present time we should be at least examining the provisions that can be made, possibly within the next ten to fifteen years, to improve services in this State. I hope that a start will be made immediately, otherwise we shall be even further behind than we now are.

Following upon that suggestion, I intend to quote from the October-November, 1967, issue of *IPA Facts*, a publication of the Institute of Public Affairs, in which mention is made of the great problems that now exist and will exist in the year 2000 when what is called a population explosion will take place, and both Melbourne and Sydney will have populations in excess of 5,000,000 people. The article states—

> Rising incomes will buy better food, fashionable clothes, colour television, motor cars and entertainment. But the benefits tend to be offset by:
>
> the ordeal of getting to and from work;
> the roads jammed tight with cars from here to eternity;
> smog and air pollution and nerve-wracking noise;
> miles and miles of urban uniformity and ugliness.

It is apparent that public transport must be improved so that people will be encouraged to make use of the service that can be provided by the Railway Department.

The next point I wish to discuss relates to the sleeping cars which operate on the Mildura-Melbourne run. These cars are of doubtful age. Although they were no doubt considered to be first-class cars in their day, they have been in service for a long time and they leave much to be desired. In 1937 they were adapted for air conditioning, and they were not new cars even then. Some idea of their age can be gained from that observation. The ideal procedure would be to attach to the Mildura-Melbourne trains one or two cars of the twinette type such as are used on the *Southern Aurora* service. In answer to the honorable member who is interjecting, I would say that, if a faster service could be provided, possibly city type cars would be sufficient, but for a ten-hour overnight journey, passengers usually require sleeping cars.

The situation with respect to staff is interesting, because I believe that during busy periods the current procedure is to use two sleeping cars on the Mildura-Melbourne run, one conductor being appointed to look after both cars. I presume this is a saving in staff for which the Department is to be complimented, provided that the conductor can handle adequately the number of passengers under his care. However, there is some doubt about this, and there could be further developments in the near future.

Problems relating to rail freights have always been with us and, because of the considerable hardships being suffered in most primary producing areas of the State this year, one hopes no further increases will be imposed. In fact, one would expect a reduction. This problem was highlighted in an article by Mr. P. B. Leach, a vice-president of the Victorian Wheat and Wool Growers' Association, printed in the *Rainbow News* of the 13th July of this year. He stated that hints given by the Premier of a possible increase in rail freights are disturbing to country people and that wheat growers are the most vulnerable because of the weight of their product and because its carriage was tied to the railway system. The wheat grower is obliged not only to transport his end product to the export ports but also to deliver it to the railway sidings at his own expense. The cost of loading and unloading

is paid for by the grower, and this takes about one-fifth of the return he gets for his crop.

Sir HENRY BOLTE.—That is assessed in the cost of production.

Mr. WHITING.—Yes.

Mr. Moss.—It is a weighted average for all States.

Mr. WHITING.—The main point is that the return from one bushel in every five produced by the wheat grower is swallowed up in freights. Earnest consideration should be given to this point this year because freight returns to the Department from the carriage of wheat will be much lower than in normal years. It is hoped that the Department will not endeavour to recoup some of its losses by increasing freights. Before an increase in freight rates is considered, the primary producer organizations should be given an opportunity to put their case.

Sir HENRY BOLTE.—I said in my Budget speech that there would be no increase.

Mr. WHITING.—I thank the Premier for his interjection. Members of the Country Party are also interested in the allocation of moneys for investigations into the provision of an underground railway system for the metropolitan area. This year a sum of $48,000 is allocated for preliminary planning and investigation.

Mr. Moss.—If only that amount is spent each year it will be a long time before the underground railway is completed, and that will suit me.

Mr. WHITING.—That is so. However, Parliament is told very little about the results of the investigations; one wonders whether they will go on *ad infinitum* and whether it will eventually be decided that the project will cost too much and the money spent on investigations will be wasted. It is hoped that an authoratitive report will be given to members of this House and to the taxpayers indicating where this money is being spent, what results are being obtained, and the possibilities of something constructive being done in the near future. The provision of an underground railway in the metropolitan area ties in with the remarks I quoted from the journal of the Institute of Public Affairs relating to the overcrowding of our rail and tram systems.

Mr. TURNBULL (Brunswick West).—I want to refer to the reduction of train services in the metropolitan area. Yesterday the honorable member for Williamstown said that 400 train services had been cancelled. I refer in particular to the service on the Coburg line, which could be described as disgraceful. Some time ago the time-table provided for a train to leave Flinders-street station at 4.13 p.m. and to pick up at North Melbourne employees of the Railways Commissioners returning from Newport workshops to their homes in the Coburg area. This train was cancelled, and these people were forced to travel by a train that left Flinders-street at 3.38 p.m. and arrived at North Melbourne at 4 p.m. or on the next train which leaves Flinders-street at 4.11 p.m. and arrives at North Melbourne at 4.25 p.m. Subsequently the 3.38 p.m. train was cancelled and when the 4.11 p.m. train arrives at North Melbourne it is almost impossible for these people to board it.

On one occasion I joined the train at Flinders-street, following a cancellation, and it was with great difficulty that a large number of people who had congregated on the down platform at Flemington Bridge were able to board the train. I ask the Minister to consider restoring the 4.13 p.m. train from Flinders-street, or if this is impossible, at least to return to service the train that formerly left Flinders-street at 3.38 p.m. If the railways are to encourage patronage, they must provide a reasonable service. It is essential also that the carriages should be clean. On many occasions I have travelled on trains on the Coburg line, and it appeared to me

that the carriages were not as clean as they were in the past. I ask the Minister to examine the time-tables on the Coburg line, especially the evening time-table for down traffic.

Mr. JONA (Hawthorn).—I support this Bill and, in doing so, I congratulate the Minister of Transport for providing the detailed explanation which accompanied the measure.

Mr. WILKES.—That is provided every year.

Mr. JONA.—I realize that, but the notes supplied are particularly helpful in enabling honorable members to understand what is proposed. This measure authorizes the expenditure of $24,000,000 of loan funds for works and purposes relating to the railways during its currency. Of this amount it is interesting to note that 56.4 per cent. is appropriated for rolling-stock, equipment and machinery, and 42.5 per cent. for way and works involving 26 miscellaneous items and projects. Approximately 1.1 per cent. is appropriated for new lines of railways, including further preliminary planning and investigation for the underground railway in Melbourne. I shall make a few remarks relating to this aspect later.

Whilst the underground railway is referred to as a specific item in the schedule of the Bill, it is fair to say that it should not be regarded as a separate item in the sense that it is divorced from the metropolitan system. In fact, it would form an integral part of it.

The current programme of railway works represents a significant addition and improvement to the railway service, which in my opinion is one of the finest surburban networks in the world. Within the metropolitan area there are sixteen routes totalling 223 miles. In the eastern suburbs, in which my electorate is situated, vast improvements have been made in the past few years to cater for the increasing demand. On the Lilydale, Belgrave and Glen Waverley lines, extensions to 44 railway stations have recently been completed, and this will permit the handling of eight-carriage suburban trains. Some of the eight-carriage trains went into operation in October of this year, and the service will be progressively increased in the coming months. It is expected that there will be sufficient Harris type carriages available—incidentally they are being built at Newport—to enable at least ten of these eight-carriage trains to be introduced on eastern suburban lines by the end of this year. The Harris type carriage seats 64 people and has a total capacity of 175 persons.

I do not want to be too parochial in my remarks, but I believe I am in order in mentioning at this stage that the people of my electorate and the neighbouring areas who use the facilities provided on the Box Hill and Lilydale lines are delighted with the work that has been carried out over the past few years. They are also pleased with the plans that are envisaged and the works that will result from the allocation of loan funds under this Bill. The measure provides for expenditure of $250,000 as part of a $1,500,000 project for the provision of a third track between East Camberwell and Mont Albert. A further sum of $150,000 is also provided as part of a $6,000,000 project for the provision of additional tracks between Flinders-street and East Camberwell. These facts indicate the vast development which has taken place on these lines, and how the passenger service facilities have been increased on a line that caters for an increasing number of people travelling to Melbourne. No one can doubt the essential nature of these works.

It is also true that the work has been carried out on the basis that the situation of increasing passenger demand can be alleviated only if the facilities are used to their maximum capacity. At this stage, I doubt—I think the Minister and statistics will

support this view—whether the services can be used to their maximum capacity in the immediate future unless some effective loop is provided at the city terminal of the line. This brings me to the proposed Melbourne underground railway to which I referred briefly in my opening remarks and which I believe was dealt with by the honorable member for Williamstown earlier in this debate.

When speaking of the proposed underground railway, it is fair to consider it not as a separate entity within the Victorian railway system, but as an integral part of the metropolitan service and as something upon which the efficiency and degree of effectiveness of the metropolitan service will largely depend. This Bill provides for expenditure of $48,000 on further planning and investigation for the underground railway. Over the past four years, planning, design and investigation has involved a total expenditure of $355,306, and the results indicate that technical aspects will not prove a hindrance or obstacle to constructing the underground as originally planned.

Mr. FLOYD.—We have not received a report on that yet.

Mr. JONA.—An answer given to a question in another place indicated the amount that has been expended on technical investigations, which have conclusively shown that there are no engineering obstacles to carrying out the tunnelling required for the construction of the railway. The only question that remains is: When is Melbourne to have an underground railway?

There is little doubt in the minds of probably all members of this House, with the possible exception of members of the corner party who always seem to adopt a parochial attitude on a proposal which would appear to benefit a section in the metropolitan area, that an underground loop was desirable 30 years ago, that it was essential fifteen years ago, and that it is extremely urgent to-day.

The Government recognized the need for an underground when it introduced the City of Melbourne Underground Railway Construction Bill in 1960 to authorize the construction of the underground based on a formula providing that three-fifths of the cost would be borne by the Government and two-fifths would be borne by property owners in the area affected. However, why the scheme has never been implemented is now history, and I do not think it is appropriate to deal with that question at this stage. The reasons were related not to the urgency or necessity of the project, but exclusively to financial aspects.

If the project is of sufficient urgency, Parliament must confirm ways and means by which construction can be commenced. There are three reasons why the scheme should be proceeded with as soon as possible. First, there is an urgent need to relieve traffic congestion and to provide a more balanced city development. Secondly, by increasing the carrying capacity of suburban railways, greater revenue will be produced for the Railway Department. Thirdly, any further delay in commencing construction will inevitably result in increased costs and obsolescence of alternative expedient schemes to relieve congestion. Finally, I suggest that finance for the project can be found. I shall now deal in more detail with each of those reasons.

A purely statistical study indicates that the present railway system cannot hope to cope with passenger demand within the next few years. The honorable member for Williamstown adverted to a few of these statistics, but even at the risk of repeating some figures that he cited, I remind the House that the present population of Melbourne is approximately 2,200,000 and that in 1985, eighteen years hence, it will have increased by 70

per cent to 3,700,000. The number of people who are employed in the central business district of Melbourne by 1985 will have increased from 154,000 to 216,000, an increase of 40 per cent. In the non-central district, there will be an employment increase of 721,000, and they also will create considerable additional demands for city services because many of these people, although not working in the city, will travel through Melbourne without disembarking in the city.

The development of the City of Melbourne underground loop will not only provide benefits for the city central area, but also enable the metropolitan railway system to operate at the maximum capacity which can be permitted by the large-scale developmental work carried out on various metropolitan lines. About 412,000 passengers use trains in the metropolitan area daily, but this figure is expected to increase to approximately 700,000 within the next eighteen years. At least two-thirds of these passengers enter and leave the city at some time during their rail journey. In other words, many people who live within the electorate of, say, Broadmeadows and work in St. Kilda travel through the city during peak periods without disembarking. Far more people would travel to St. Kilda from Broadmeadows than from St. Kilda to Broadmeadows.

Mr. Floyd.—The Ford Motor Company works are at Broadmeadows.

Mr. JONA.—That is so. The popular demand will depend on the facilities provided. The less public transport there is, the more car travel that will take place, resulting in more road works, more car parking facilities, and more congestion. This is the underlying feature behind my statement that proper consideration must be given to balanced development of our transport services. A railway system is not only an integral part, it is probably the most important part of any transport system. If the future increased population to which I have referred were to use cars alone, on the present car-loading density, 290,000 additional cars would be using the roads during peak periods. These cars would require not only extra freeways, but also some 1,800 acres of car parking space within the central district of Melbourne or the near vicinity. The central business district comprises a total area of 550 acres. To accommodate the additional cars in 1985 within the central business district, theoretically, a number of multi-storied car-parking stations would be required at various points around the city area. No problem would arise while the cars were in the parking stations, but one can imagine the situation when perhaps 70 per cent. of the parked cars entered Flinders-lane, Little Bourke-street or Little Lonsdale-street between 4.30 and 6.30 p.m. each week-day. Another aspect I mentioned was the construction of freeways.

The SPEAKER (the Hon. Vernon Christie).—Does the honorable member think his remarks are really relevant to the Bill?

Mr. JONA.—I think so, Mr. Speaker, because, whilst supporting the expenditure of $24,000,000 proposed under this Bill, I am suggesting that it might well have been appropriate, in the interests of the State and to provide a more balanced development of transport facilities, to provide for a larger expenditure on projects such as the City of Melbourne underground railway. It is necessary to refer to the cost of freeway construction, and the effects of further freeway development as compared with possible additional railway development if more loan funds were made available under this Bill.

To-day, freeway construction costs approximately $4,000,000 per four-lane mile. It is estimated that the underground loop will cost about $80,000,000. Therefore, the underground loop could be constructed at a cost equivalent to the cost of 20 miles of freeway. When the number

of people that 20 miles of freeway can carry is compared with the number of passengers that one express eight-carriage Harris train can carry to the city, the expenditure of $80,000,000 on an underground railway can be justified.

Mr. Moss.—Why do they not use the Harris trains now?

Mr. JONA.—If the Leader of the Country Party had been listening to my remarks, he would now be much wiser. There has been a substantial increase in the number of Harris trains on the metropolitan lines. In an earlier debate, I referred to the Leader of the Country Party and his surrounding "Daffy-dills" as a lot of Hippies, and in this debate he has confirmed my reference.

It is necessary to compare the number of people travelling on a freeway system with those people carried between the same two points on the railway system. An eight-carriage peak-hour train from Hawthorn to the city—a distance of 4 miles—would carry the same number of people as would be carried by 3 miles of three lanes of motor cars travelling at 35 miles an hour, the distance between each car being that recommended by the Police Force for cars travelling at that speed. In other words, one peak hour eight-carriage train would carry the same number of people as would be carried by 9 miles of single-lane traffic travelling at 35 miles an hour. The Leader of the Country Party is not now interjecting because he knows that these figures are correct.

Mr. Moss.—You should go back to school.

Mr. JONA.—The Leader of the Country Party does not do himself justice. My figures have been substantiated by fact and are not the result of the wild imaginings indulged in by the honorable member. These figures are as accurate as the statement that two plus two equals four. If the Leader of the Country Party does not believe that is so, he should say so and his remarks shall be given due consideration. The statistics I have given indicate that, so far as the general metropolitan area is concerned, the underground railway system is necessary to permit a more effective distribution of people throughout the city.

The Leader of the Country Party is always talking about decentralization. There should be some decentralization within the City of Melbourne. People who use the railway system in the main travel to Flinders-street. By providing four stations within the central business district of Melbourne, the underground railway would enable not only a more balanced city development but also a greater ease of movement by people joining and leaving trains as they come to and leave the city. This is tremendously important, not only to the railway and tramway systems but more particularly to the private transport system.

So far as revenue is concerned, an important feature of railway operation is the ratio of earnings to working expenses, which increases with greater traffic. As the city underground loop would permit a doubling of train frequencies and speed of journeys, there is potentially a wide field of additional revenue available. The underground loop is the only method by which substantially increased revenue can be earned. If this increase can be gained by greater passenger traffic, which can be achieved only by providing facilities at the city terminal, together with an increased turnaround of trains on existing lines to provide a maximum capacity, obviously the underground loop is essential.

I have referred to the increased cost occasioned by the delays in commencing this project. In 1960, the Minister of Transport said that the then estimated cost of the City of Melbourne underground railway was $60,000,000; in 1964, it rose to $70,000,000; and in 1967, the figure is close to $80,000,000. More importantly, the temporary alternatives

necessitated by the absence of the loop have involved many millions of dollars. To improve the stabling position in the Jolimont yards for a uni-directional flow of trains at peak periods, to enable an increase in rail traffic in the metropolitan lines in the immediate future, particularly so far as the eastern suburban areas are concerned, it would be necessary to incur an expenditure of $28,000,000. This would become obsolete when the City of Melbourne underground railway was eventually constructed at a higher cost than would be involved at present. The longer the delay, the greater will be the cost. The railways are suffering a substantial loss of revenue from the failure to increase traffic. As the ratio of working expenses to costs increases——

The SPEAKER (the Hon. Vernon Christie).—Order! The honorable member for Hawthorn should not discuss the operations of the railways under the subject of loans.

Mr. JONA.—The operations of the railways are directly related to the items on which loan funds are expended.

The SPEAKER.—That is admitted; but the operation of the railways is a separate subject.

Mr. JONA.—From whatever aspect one examines the City of Melbourne underground railway loop, the conclusion is reached that it is not only urgent but most desirable in the interest of railway operations. The question of finance is a separate subject and, you, Sir, will not permit me at this stage to discuss how it could be financed. As loan funds are obviously part of the cost of construction of railways, this would be an important sector from which the money could be obtained. The cost of constructing the underground railway should be spread over as many parties as possible. There is scarcely a section in the community—the pedestrian, the railway user, or the motor car user—which will not benefit. If action is not taken, the motorist will suffer more than any other person because conditions will become so chaotic that it will be impossible for him to drive his car at a speed greater than 10 miles an hour and to leave the city within a period of two or three hours. I regret that the appropriation has not been substantially increased to permit the underground loop to proceed beyond the further planning and investigation stage to the stage of construction.

On the motion of Mr. WILTON (Broadmeadows), the debate was adjourned.

It was ordered that the debate be adjourned until later this day.

WATER SUPPLY LOAN APPLICATION BILL.

The debate (adjourned from October 31) on the motion of Mr. Borthwick (Minister of Water Supply) for the second reading of this Bill was resumed.

Mr. STONEHAM (Midlands).—This is a most important Bill. An extraordinary interest in all aspects of water supply problems has grown throughout the community because of the present drought conditions affecting Victoria. The records prove that members of the Opposition, both when their party has been in power and when it has been out of office, have always recognized that, in this driest continent on earth, all matters pertaining to the securing of an adequate water supply are of the highest priority. Over the years, the Opposition has been disappointed at the comparatively small amounts which the Government has provided in measures such as this for expenditure by the State Rivers and Water Supply Commission.

I wish to refer to certain matters which are of supreme importance at present. One of them was discussed in the House recently, when the Opposition expressed grave concern at the circumstances surrounding the cessation of work on the Chowilla project, which was planned

to be Australia's largest reservoir. On that occasion, the Minister of Water Supply advanced the view that the State Rivers and Water Supply Commission had discovered, only comparatively recently, the gravity of the problem of salinity in the Goulburn-Murray Irrigation District. After referring briefly to the salinity problem, the Minister, in his second-reading speech, referred to the Sunraysia and Kerang areas, and said—

> Disposal of saline drainage waters in both areas would cost millions of dollars, and the planning and execution of the necessary works would take a number of years. In the meantime, the problem of salinity is being controlled so far as practicable by appropriate regulation of flows in the River Murray for dilution purposes.

That is only another way of saying that vast quantities of water are being literally wasted by being used solely to dilute saline drainage waters to make them usable for irrigation purposes. When the State is in the midst of drought conditions, the importance of water conservation and usage is emphasized, and the situation forcefully brings home to us all not merely the importance of achieving the maximum conservation of waters wherever the construction of storage is justified, but also the need to further ensure efficiency in the distribution of irrigation waters.

This is because from the point of view of volume easily the greatest use of water in Victoria is by irrigation. There must be efficiency in distribution works, and the users of water must be educated and trained to secure effective value from every gallon of water that is used. When a serious problem like salinity arises, it behoves the Government to lose no time in bringing about an effective solution.

Now I should like to advert briefly to the comments that have been made in areas with which you, Mr. Speaker, are very familiar. I refer to the areas around Kerang and along the Murray Valley, which the Chief Secretary visited recently. I quote the following passage from the *Sunraysia Daily* of the 1st November last—

> Victoria would tackle the Murray River salinity problem in the right way, and would also set a lead in water conservation, the Chief Secretary (Mr. Rylah) said yesterday.
>
> Mr. Rylah was speaking at the Natural Resources Convention at Swan Hill.
>
> He said Victoria was resetting its sights in cooler country for water conservation, so that the water would not evaporate so quickly.

If water is stored in cooler areas, unless these are in close proximity to where the water is used, and it is still conveyed for long distances, there will be a high degree of evaporation. It was stated by the Chief Secretary that this State would tackle the salinity problem in the right way. I trust that will be so. The *Sunraysia Daily* of the 6th November contains the following report:—

> SALT KILLING CITRUS TREES.
>
> Water worsens in the Murray.
>
> The chairman of the Sunraysia District Citrus Co-operative Society (Mr. Dudley Marrows) said yesterday it was clear that the salinity crisis in the Murray was worsening.
>
> He said a crash programme to combat the salinity menace was necessary, as there was mounting evidence of salt damage in Sunraysia.
>
> Many growers were reporting unusually heavy leaf fall from their citrus trees, and some cases verged on complete defoliation.

The views stated by Mr. Marrows have been expressed by many people in that part of the State. A few days later, on the 11th November, the following report appeared in the *Sunraysia Daily*:—

> WE FACE RUIN!
>
> Grower alarm at salt.
>
> Sunraysia irrigators will ask the Federal Government to treat the salt danger in the Murray River as a national emergency.
>
> They will tell the Prime Minister, Mr. Holt, that their future and that of the Sunraysia area is threatened.
>
> Coomealla branch members of the Sunraysia District Citrus Co-operative Society Limited at an emergency meeting on Thursday decided to voice their alarm in telegrams to Mr. Holt and State Government Ministers.

The article goes on to quote the text of the telegram which was sent to the Prime Minister and the

Victorian Minister of Water Supply. No doubt the Minister is fully aware of the gravity of the situation, but let us consider what has been done. In his second-reading speech, the honorable gentleman said—

> In the meantime, the problem of salinity is being controlled so far as practicable by appropriate regulation of flows in the Murray for dilution purposes.

Vast quantities of water are being released to serve no other purpose than to bring about a degree of dilution before flowing into the sea. Honorable members have been informed that eminent Australian consultants have been engaged to tackle the problem in conjunction with experts from the United Kingdom. The Minister should inform the House what is being done in this respect. The cry everywhere is for a crash programme.

Honorable members will recall that about twelve month ago, on the eve of the last Federal election, the Commonwealth Government made a great noise about its decision to provide $50,000,000 for the States for what are regarded as nationally important water conservation measures. With the approach of the Senate election, the Commonwealth Government has made a decision in respect of the Emerald project in Queensland. It is not for me to say whether that decision was made for political purposes. Surely, with the onset of drought, the need in Victoria is so great that the Minister of Water Supply should inform the House what satisfaction he has obtained in respect of the lavish promise made by the Commonwealth Government. This matter of salinity is a national emergency. Surely it will qualify Victoria for assistance out of the fund of $50,000,000. on whatever criteria the Federal Government has laid down in respect of the relevant projects. These are the matters on which the people of Victoria wish to hear the Minister make a statement.

Naturally a good deal could be said about this Bill and its various schedules. As I have said previously, after long experience, I am satisfied that if the State Rivers and Water Supply Commission is provided with sufficient funds it can give a good account of its stewardship in the construction of reservoirs and the provision of the necessary facilities relating to water supply. I was impressed by an article relating to research that has been carried out by officers of the Commission and the Soil Conservation Authority. I refer to an article which appeared in *Water in Australia* in May-June issue of 1967. It relates to studies carried out by Mr. K. D. Nelson, engineer in charge of the farm water supply branch of the Soil Conservation Authority, and Mr. E. P. Robinson, senior research officer of the State Rivers and Water Supply Commission.

Mr. Speaker, you are conversant with the great importance that industry attaches to the provision of research. Earlier, I adverted to the provision of efficient facilities for distributing irrigation water, which has already been investigated to some extent. I must confess that, over the years, in relation to the Coliban system I have frequently urged that more funds should be provided for the cement lining of channels. I have taken it for granted, without any scientific proof, that a great deal of water would be saved from seepage by the provision of such lining. I still believe this is fundamentally true, but the study over a period of three years by the two officers I named, as reported in the article in *Water in Australia*, shows—

> The theory that seepage was responsible for the greatest losses was heavily discounted by the study.
>
> In fact the investigators came to the conclusion that serious losses in at least one channel were more likely to be due to illegally taken water than other factors.

I hope the Minister will give an assurance that this type of research will continue, because it is of great value in bringing about more efficient use of water. I do not know what members of the corner party

would say about the illegal use of water referred to, but that is only a sidelight.

Now I wish to refer to the findings of these two officers.

The three channels that are referred to are the Swan Hill western channel; No. 31 channel, North Shepparton; and No. 11 channel, Rochester. The article stated—

However, in making comparisons between the losses occurring in one channel system and another, a number of factors need to be considered, particularly those concerning the capacity and over-all length in relation to the quantity of water conveyed by them.

In the past, loss of water by percolation through the soil has generally been accepted as the greatest of the losses from unlined earthen channels.

The study showed that this is not true for all channel systems.

The comparatively low figure for seepage from the Rochester channel, viz., 4.3 per cent. of the total inflow, is a finding of importance.

In contrast with this, the percentage loss from the North Shepparton channel is 3 times greater, and 6 times greater from the Swan Hill channel.

When the surface areas of the channels are taken into account and seepage is expressed as a rate of drop in channel level, the respective losses are found to contrast in a similar way. The approximate daily drops are Rochester ½ inch, North Shepparton 1 inch and Swan Hill 4 inches.

These differences between the figures for seepage loss are interesting when viewed along with the innate permeability of the soil and the age of the channels.

They indicate that seepage from earthen channels may diminish through the years, and can become a minor loss.

This suggests a pattern for research aimed at developing channel treatments for seepage mitigation.

It would seem, for instance, that one line of work that should be followed would be a study of the changes that occur in channels with time, and the feasibility of accelerating the silting process in order to reduce permeability and the resultant loss through seepage.

It would seem that the matter of ascertaining losses due to seepage from channels of particular types is a simple one, and one would have expected it to be fully investigated many years ago. However, Victorians have never fully appreciated the value of water, and people who use it, particularly for irrigation, must be educated and brought to a realization of its importance. Up to the present the task of instructing irrigators in the best use of water has been largely neglected by the State Rivers and Water Supply Commission. Vast development is required in this matter, and it must be done on the basis of proven facts, which can be obtained only from research. I hope the Minister shares my view that, as a result of what I have read, there is sufficient to justify an intensified programme which should be carried out by officers of the Soil Conservation Authority.

Mr. B. J. EVANS.—Is it not a matter of economics?

Mr. STONEHAM.—Money has to be found to enable this research to be carried out but, so far as the economic aspect is concerned, I am sure that tremendous savings will be made and, more importantly, that there will be much more efficient and effective use of our water resources. In times of drought people who live in the city and who are temporarily affected by shortages of water are prepared to listen, but when the rivers are full and the storages are overflowing, not a great deal of interest is shown in these problems.

In the past we have taken our water supply for granted, and we must be brought to a realization that better use can be made of our water resources. The Minister has furnished a fairly full explanation of the various matters. In my view, we should try to concentrate on issues of overriding importance, and undoubtedly salinity is a most pressing issue at the moment, apart from the actual shortage of water in most areas. I sincerely hope that an intensive programme of research will be carried out in various directions to bring about increased and improved production. Inherent in that, of course, is the more efficient application of water at all times.

Mr. **WHITING** (Mildura).—Every year Parliament passes a Bill which authorizes the application of certain

loan moneys for water works purposes. In his second-reading speech, the Minister mentioned that in the years 1964, 1965, 1966 and 1967 amounts of approximately $30,000,000 were applied for but that in each of those years expenditure totalled only about $18,000,000. There may be another explanation, but the only one given by the Minister was that the amounts applied for and those expended were in respect of different periods, but surely they must catch up somewhere. If in fact amounts of approximately $12,000,000 have been unexpended from each of these applications, much more could be done in this unsatisfactory situation.

The high salinity content of the River Murray, particularly in the Sunraysia area, is a matter of grave concern to those endeavouring to produce citrus, vegetables and dried vine fruits in that area and, as the Minister is aware, a great deal of pressure has been placed on the State Rivers and Water Supply Commission to do something quickly to overcome this problem.

The stage has been reached when for the past month the *Sunraysia Daily* has been including salinity readings in its weather details column. The salinity reading for 15th November for Swan Hill was 148 parts per 1,000,000 and between Swan Hill and Curlwaa the readings rose to 275 at Redcliffs, 369 at Mildura weir, 454 at Merbein upstream from Lake Hawthorn outflow, 520 at Merbein pumps, 510 at Coomealla and 520 at Curlwaa.

At a recent meeting of the heads of various Departments, including the State Rivers and Water Supply Commission, the Department of Agriculture, the Soil Conservation Authority and many others, the maximum content of dissolved solids permissible in irrigation water was considered to be 300 parts per 1,000,000. It was considered that a higher content than that would be detrimental to citrus and vine crops, particularly when water is supplied by an overhead spray system.

Citrus and some other trees take in quantities of saline water through their leaves and this water causes deterioration. In severe cases it may result in the loss of a season's crop. The quantity of water in the Merbein area has been poor for several weeks now, and it may take some time to improve. The State Rivers and Water Supply Commission has, as a result of pressures exerted on it, applied to the River Murray Commission for relief, and I believe that relief is on the way, but the situation is very serious indeed.

Shortly after the appointment of the present Minister of Water Supply to his portfolio a decison was made to investigate further the Chowilla dam project, and this investigation is now being conducted by the River Murray Commission in conjunction with two very competent consultants on water storage, drainage and allied problems. It was unfortunate that, at about that time, the Premier of South Australia and other Ministers of that Government sought to blame Victoria for the delay that had taken place. This can be understood I suppose, because next year is an election year in South Australia and local politics are now an important consideration in that State. What worried me considerably, however, was that the Premier of Victoria sought to engage in an argument that was taking place. A report in the *Sunraysia Daily* of 17th August, 1967, stated—

> The Premier, Sir Henry Bolte, said yesterday that he thought it would be "better" if all locks and weirs on the Murray were done away with. Sir Henry was speaking by telephone to a *Sunraysia Daily* reporter who called him at his Melbourne office for a comment on the salinity factor which Sir Henry had said was a reason for the suspension of work on the Chowilla dam. Sir Henry declined to expand on his statement about the locks and weirs on the Murray.

Anyone familiar with the locking system on the River Murray would realize that the removal of all the

locks and weirs would result in only a trickle of water coming down the river, and it would not be sufficient to be of any use to anybody. I cannot understand the thinking of the Premier when he made this statement. Fortunately, the matter has not been raised again, and it is hoped that it has been forgotten.

As I have said, the situation with respect to the Chowilla dam is being investigated. I believe that, having regard to the problem of salinity which is causing so much trouble, we should await the outcome of the investigation by the River Murray Commission as to the feasibility or otherwise of that storage project. The problems confronting the Lake Hawthorn and other areas are very difficult to overcome at short notice, and it is hoped that the present plans of the Commission to build a storage area at Lake Ranfurly, near Lake Hawthorn, will be carried out as a temporary measure, in an endeavour to divert water farther upstream and not release it back into the River Murray.

I understand the situation was to be examined this week ; the examination may have started. The long-range programme is that this water will be diverted into evaporation storages some miles from the River Murray so that there will be no possibility, even under such conditions as heavy rainfall during a thunderstorm, of the water flowing back into the river. If that happened, the problem would be worse than it is. The proposal of the State Rivers and Water Supply Commission is now being considered by the Commonwealth Government and, in particular, the Minister for National Development. It is hoped that the Commonwealth will furnish additional funds to provide for this long-term improvement to the quality of the water which, at present, is so poor.

No particular person or body can be blamed for the present position, but I feel that the situation might have been foreseen and some means to overcome it devised at an earlier date. In the Sunraysia area, two grower organizations are most active in connexion with this problem. One is the Sunraysia Salinity Committee, which is mainly comprised of citrus and vegetable growers, and the other is the Australian Dried Fruits Association Salinity Committee. On the 7th October, 1966, the then Minister of Water Supply met the Sunraysia Salinity Committee in Mildura and certain questions were put to him. He was asked—

> Are you aware of the present salt problem in the lower Murray irrigation areas, which has already reached serious proportions in South Australia and the Swan Hill district?

As an indication of the serious situation which developed in South Australia last year, I point out that it was reliably estimated that 40 per cent. of the expected citrus production was lost because of poor quality water. That meant a loss in production of 1,000,000 bushels as compared with a normal year. Other questions put to the then Minister were—

> What effect will natural seepage and the increasing discharge of highly saline drainage water into the river have on this problem, particularly between Swan Hill and Wentworth, when the rate of flow in the river is reduced following the construction of the Chowilla dam?
>
> Will the Minister give an assurance that water of the necessary quality for all horticultural purposes, including the overhead spray irrigation of citrus, will be supplied at all times.
>
> Will the Minister divert all highly saline drainage water, such as that from the Kerang area, away from the river system, into evaporative basins?

Other matters which were more particularly the concern of the Federal Government were also raised. At that time, the organizations were impressing upon the Minister of Water Supply that these problems could occur, and now, although planning for the type of diversion I have mentioned is being undertaken, nothing concrete has been done. The position will have to be watched closely if considerable areas of permanent plantings of citrus and vine fruit are not to be lost.

I am concerned about the possible effect in the Barr creek area, even after the first stage of the diversion is carried out. The area is subsident and very flat, low lying ground. The present plan is to divert water away from Barr creek into Lake Tutchewop and adjoining shallow lakes. One can envisage that, after heavy rainfall in the area, this water could find its way into the River Murray. There may not be a great flow of water in the river, and water of particularly bad quality could be flushed into the river.

I am also concerned about the distribution of stock and domestic water supplied through the Wimmera-Mallee system. About two years ago, the State Development Committee inquired into the possibility of pipe-lining the Millewa system for the supply of stock and domestic water. The committee recommended such a scheme, particularly because the present distribution system is obsolete and should be replaced in any case. Again, suitable plans have been drawn up by the State Rivers and Water Supply Commission and these, too, are being examined by the Commonwealth Government which has been asked to provide funds so that the undertaking may proceed. I ask the Minister of Water Supply whether some of the unexpended money allocated by this Bill could be used for this purpose. Presumably, the Premier would have to give approval, and it is also possible that Loan Council approval would be needed. These projects are of sufficient importance to the State to warrant the provision of extra money.

In relation to the Millewa scheme, the Dennying and Ellam channels distribution system in the Hopetoun, Patchewollock, Walpeup area also needs attention. This system was investigated by the Minister of Water Supply in August. He saw at first hand the amount of water which was seeping out of the channels which run through light, sandy country. At least as a temporary measure, some type of piping should be placed in the worst sections of the channel to save water and speed up the supply of stock and domestic water in the area. Lake Bellfield and other storages in the Grampians area have had particularly low inflows during the past eighteen months, and there will be a serious shortage of stock and domestic water unless heavy rains fall in that catchment area. If the piping of the worst sections of the northern Mallee distribution system had been undertaken before this year, a large quantity of water which might have been vital in the next irrigation season could have been saved.

Since the Minister of Water Supply has undertaken the duties of his portfolio, he has made every effort to familiarize himself with the problems which confront water users throughout the State. I compliment him on the job he has already done, although the Country Party agrees that he has a lot to learn. I trust that the problems will not get him down in the meantime and that he will be able to supply all the solutions to irrigation problems in Victoria within the next twelve months. I hope this loan application Bill will have a speedy passage and that part of the expenditure will be directed in some of the directions I have suggested, in order that benefit might accrue to isolated dwellers throughout the State who are doing a tremendous amount to provide food and, indeed, income for the State and the Commonwealth of Australia.

Mr. MOSS (Leader of the Country Party).—This is the usual loan application Bill presented each year. This measure provides for an expenditure by the State Rivers and Water Supply Commission of something like $30,000,000. However, this does not necessarily mean that this sum will be spent by the Commission this year. The Budget Papers show the estimated expenditure by the Commission for the current year to be $11,250,000, and I am afraid that the hopes of the honorable member for

Mildura, that some of the works which are authorized by this Bill and further extraordinary works will be undertaken, will not be realized. Some of the items mentioned in the schedule to the Bill were also mentioned in the schedule attached to last year's Bill. This sort of thing goes on from year to year and the actual expenditure and what is proposed is not detailed. This Bill simply seeks approval by the Parliament for certain works.

I am disappointed at the amount of money allocated by the Treasurer for the activities of the State Rivers and Water Supply Commission and the various waterworks trusts. The amount is in marked contrast to the provision made by a Country Party Government between 1950 and 1952 which, on a Budget of something like £90,000,000, spent in the interests of water supply, water storage and water trusts and so on, an amount of £11,750,000. According to the Budget documents, last year an amount of $18,000,000, of a total expenditure of $600,000,000, was spent on water projects. The position has deteriorated greatly from that of a few years ago when the Government of the day, and successive Government, had some conception of using the water resources of Victoria to 100 per cent. of their capacity. The provision for water supply projects has fallen by the wayside with successive years of Liberal Party Government. There is no argument about this because the facts are plain. The comparison is that last year the amount expended was $18,000,000 of a Budget total of $600,000,000, whereas the Country Party Government spent $23,500,000 out of a Budget of $186,000,000.

I will not canvass what the honorable member for Mildura and the honorable member for Midlands have already pointed out about the serious water supply and irrigation problems in the State. There is one broad concept in Victoria today. There are vast areas where a wonderful job is being done to relieve the problems of drought-stricken people who do not have the benefits of irrigation. Basically, the person who engages in irrigation production does not derive the greatest benefit from it. Many people in country towns, provincial cities and Melbourne make a living from the activities of irrigation farmers, just as other people are dependent for their livelihood on wheatgrowers and other primary producers. This is an assured form of production.

The enthusiasm which was displayed a few years ago when a Country Party Government was in office, could well be emulated by this Government. I should like to see more enthusiasm concerning the utilization and conservation of water throughout the State, and some worth-while action should be taken to utilize the vast quantities of underground water which are available and waiting to be tapped. The Government and the Minister of Water Supply should be concerned with these issues. However, the Government seems to be easily sidetracked from time to time. The Premier advocated the removal of the locks, but that is about the last thing that anyone should suggest. The whole River Murray system, with the exception of the Hume and Yarrawonga weirs, is built on the locks system and it is beyond my comprehension why anyone would suggest that the locks should be removed. The Chief Secretary also said something along these lines, which highlights the fact that two or three people are trying to run the affairs of the water Commission in Victoria. Both honorable gentlemen should leave this task to the Minister of Water Supply and not impede his enthusiasm. The honorable gentleman has the ability to do a worth-while job concerning the conservation of water.

The honorable member for Midlands referred to the losses of water, which are serious. I believe that, eventually, our water reticulation for irrigation purposes will, in the main, have to be piped or conveyed in

cement troughs or by some other advanced system which will prevent seepage from taking place. In order to carry the same volume of water, channels which contain sludge and so on, must be twice as large as channels which are lined with non-resisting substances like cement. If water is to be conserved, attention must be devoted not only to the provision of additional storages but to a more efficient distribution of water supplies. This aspect must be closely watched and every scientific method that has been evolved will have to be employed. I do not agree with the honorable member for Midlands that there are leaks through the meter wheels.

Mr. STONEHAM.—I was quoting from the report that some water was obtained illegally.

Mr. MOSS.—I suppose it could happen in the course of irrigating. While a farmer was trying to get a couple of hours sleep at night it is possible that he could have the misfortune of a piece of timber, 4 inches by 2 inches, becoming wedged in the water-wheel and holding up his irrigation. This could actually happen, but no irrigation farmer would want it to happen because it would reduce his supply of irrigation water. Instead of his property receiving five or seven acre-feet through the wheel, during the period of five or six hours, it might receive only one-third of an acre-foot. Possibly that is what was referred to by the honorable member for Midlands.

It is not the first time that it has been suggested that irrigators obtain water illegally, but it is wrong to suggest, as the article to which the honorable member referred apparently does, that the practice is widespread amongst irrigation farmers. It is true that some irrigation farmers have "pinched" small quantities of water, but they, too, have been "pinched" by the Commission and dealt with as they should be dealt with. In this regard, the Commission's officers are vigilant. Not only the water bailiffs but the head water bailiffs keep a close watch on water usage, practices and conditions, and they watch the water wheels closely. I commend the Commission for its work in this direction.

A specific problem confronts irrigation farmers generally in the main irrigation area of Victoria—I refer to the Goulburn–Murray irrigation system which, I suppose, uses about 85 per cent. of the total irrigation water supply. The area, which embraces more than 1,000,000 acres, uses over 1,000,000 acre-feet of water annually. The Commission has stated that, in normal circumstances, it desires to provide water rights plus 30 per cent. sales: in other words, it wants each irrigator to receive 130 per cent. of his water right. Last year, irrigators in Goulburn–Murray irrigation area received 160 per cent. of their water right. This year, however, because of the low rainfall and dwindling storages, which have caused grave concern to the Commission, it is inevitable that only water rights will be available. The loss of 30 per cent. water sales represents a serious reduction in the amount of water available to irrigators.

I appreciate the existing situation in regard to the Hume weir and Eildon weir, in which there is at present about 2,000,000 acre-feet of water, which is a substantial volume but, under the circumstances, I feel that the outlook of the Commission is somewhat conservative. Only a few days ago, the Minister told me that with the storage water available it would be possible to provide irrigators with their water rights. The honorable gentleman also said that the water rights would be provided next year. Generally speaking, that is a satisfactory position but, unless additional water is supplied, there will be a serious reduction in production in the irrigation districts.

I have already stated that in addition to the water that is at present being supplied from the Snowy Mountains scheme, there should be further

releases of water to ensure that irrigation farmers obtain water rights plus 30 per cent. sales. If that were possible, production would be maintained at the normal level. The storage position is closely watched by the Commission. Unless some extraordinary situation arises, such as heavy rainfall in the catchment areas, or big rains in the irrigation district, which would mean a saving of irrigation water, hundreds of irrigation farmers will run out of water by the end of January.

The Commission has warned farmers concerning the quantity of water that will be available, but it is ridiculous to suggest to an irrigation farmer that, in the circumstances, it would be wise for him to save his water until the end of the season and let his pastures go to blazes, as it were, in the meantime. Obviously, if this is done, the pastures will not recover and his herds will become depleted and have to be sold. The only practical course of action, from the producer's point of view, is for him to use the water as sparingly as possible to maintain production on a fair and reasonable basis in the circumstances. When irrigators run out of water it is not a question of maintaining production for as long as possible and hoping that something will turn up. That is not a practical way of looking at the situation. The Minister should make representations to the Commonwealth for the release of further water from the Snowy Mountains scheme. Next Thursday, members of the Country Party will make representations to that effect to the Hon. D. Fairbairn, the Federal Minister for National Development. The honorable member for Mildura, Sir Percy Byrnes from another place, and I will travel to Canberra for this purpose. It is a question not of our getting in first, but of seeing that we get as much as we can in the serious situation in which we find ourselves at present because of the lack of water.

From time to time, there has been a good deal of talk concerning underground water resources. It is known by the Mines Department that there are vast underground water resources in Victoria, and indeed in Australia, but we do not seem to be getting down to tin tacks and tapping these supplies. A classic example of the availability of underground water is the 600-feet bore put down by the Mines Department at Katunga. A tremendous quantity of high quality water was discovered at Katunga and, although a bore has been sunk, nothing is being done about it at present. Surely, it would be sensible for the Commission to put a pump on the bore with a view to testing it properly and augmenting water supplies in the irrigation channels. Similar action could be taken in many areas of Victoria.

Private individuals have tapped underground water supplies to some degree, but the Government should initiate action and at least test the underground resources so that we will know what supplies are available. The stage has been reached in Victoria where there are too many bores in particular districts and the supply is less than the actual demand. I have not time to pursue this line of thought. There are reliable underground water resources in Victoria which are at present untapped. I quote the town water supply at Portland as a classic example of the availability of an abundant supply of good water. The water, which is drawn from a deep bore at Portland, must be cooled when it is brought to the surface.

Mr. STONEHAM.—There are some deep bores on the Government side of the Chamber.

Mr. MOSS.—This is hardly the time to discuss the Swine Compensation Act. I am referring to the interjection of the honorable member for Midlands and not looking at members

on the Government side of the Chamber. In conclusion, I urge the Government to take prompt action concerning our underground water resources, which could be better utilized to the benefit of the people of Victoria.

Mr. SCANLAN (Oakleigh).—I have been provoked into participating in this debate by an interjection a few minutes ago to the effect that Government supporters are a lot of bores, one way or another. At the time, the remark seemed to be pertinent to the comments then being made by the honorable member for Midlands. There has been an interesting debate on this measure to-day, but some clarification, if not amplification, is required. We are at present in the midst of a tremendous drought. I know that the Leader of the Country Party would be among the first to say, as the Commonwealth Minister for Primary Industry stated recently, that the loss to the nation will be somewhere between $300,000,000 and $400,000,000, which represents a sizeable slice of the gross national product. This drought has severely affected Tasmania, Victoria, New South Wales, South Australia, parts of Western Australia, and the central districts of Queensland. It has occurred not just in the last year but over a three-year cycle. As the honorable member for Midlands and the honorable member for Mildura mentioned, it has directed attention in no uncertain fashion to the problems of salinity in our water resources, and it has heightened the impression throughout the community — one that will grow with the years — that the River Murray has virtually become no more than a drainage ditch, although it has always been a proud and noble stream in which every Australian takes pride. The position is grave, and will continue to be so for some time.

The honorable member for Midlands implied that no research was being undertaken and that the flushing of the saline content from our streams was a wasteful method of dealing with the problem of salinity. It may be true that flushing is somewhat wasteful, but it is very wide of the truth to imply that research is not being undertaken. The Minister of Water Supply has announced that a proposal for the creating of salt pans for the disposal of some of the saline water at an estimated cost of $10,000,000 is being investigated. This is only one aspect of the research that is being undertaken in an endeavour to find an answer to the salinity problem.

Then there is the Pels scheme, which was originated by an officer of the Water Conservation and Irrigation Commission of New South Wales, who used a Churchill Fellowship to study the problem of salinity. He proposed that the River Murray should become wholly a drainage ditch carrying all the drainage water and that irrigation water should be carried in man-made channels using some of the existing channels on the Victorian side of the Murray. The Adelaide *Advertiser* recently quoted Mr. Hutchens, the Minister of Works in South Australia, who is responsible for water supply, as having stated that the scheme did not appear to be practicable in relation to salinity problems in South Australia. The *Riverlander* of October of this year, in a review of the current season, which appears at page 28 of that issue, stated—

> To end on a brighter note, Mr. F. M. Read, the retiring director of the Victorian Department of Agriculture, stated in the Australian Broadcasting Commission Country Hour that "the salt problem today is not nearly as menacing as it was in 1925 when whole areas were going out of production".

Mr. WHITING.—There was a different reason for it then.

Mr. SCANLAN.—That is perhaps so. The point is that research is going on all the time and solutions are being sought. The Pels scheme appears terribly expensive and, in the present state of our economy, seems to be completely beyond our financial resources. It is generally

conceded that the two great sources of salt in the River Murray are the Torrumbarry–Kerang area and the Mildura–Renmark region. I do not intend to undertake an analysis of the salt content of the river. This was excellently presented by the honorable member for Mildura. The salt originating from these two sources is causing great problems. These are perhaps not so great in Victoria as they might have been if the Chowilla dam had been proceeded with as originally envisaged, but the problem in South Australia is exceedingly grave.

I hope that you, Mr. Speaker, share my view that it is regrettable that the newspapers in Victoria have not demonstrated the same concern as the South Australian press has done. I recall being in Adelaide with the Public Works Committee recently when a salt slug was admitted to the River Murray. The news appeared on the front page in the Adelaide newspapers, and aroused a great deal of interest throughout South Australia. The Victorian press, however, regarded the event as being of so little importance as hardly to warrant a mention. The problem for South Australia is that the salt discharged from the two sources that I have mentioned has its greatest effect in that State. We recall the comments made about Adelaide's water supply and the experience of bathing in that brown, turbid liquid that will not lather. However, citizens of Adelaide, because of the paucity of their water supplies, accept a higher degree of salinity in their water than the people of Melbourne would accept.

I return to my theme that research has been going on constantly. I want to amplify my remarks by reference to Progress Report No. 5 of the Public Works Committee on its inquiry into the water resources of Victoria. The subject of this report was the use of natural streams and lakes as irrigation carriers, with particular reference to the central sector and the upper sector of the Torrumbarry water distribution system. It has been suggested in this House that the problem of salinity is something new to us.

Mr. STONEHAM.—That was the Minister's suggestion in relation to the Chowilla proposal.

Mr. SCANLAN.—It was not. The report of the Public Works Committee referred to the general rise in the water table and the resultant intrusion of salts into the upper soil levels and stated—

> The earliest evidence in this regard is that about 1880, before irrigation began, a salt water table lay at 20 to 30 feet beneath the plains between Nine Mile and Calivil Creeks.
>
> Before 1890 no ground water was ever encountered in excavating tanks to 11 feet but, by the year 1900, salt water was only 10 feet below the surface at Tragowel. By 1902 it had risen to 7 feet. By 1930, after six years of operation of the Torrumbarry system, the water table throughout the Kerang East area was within 2 to 3 feet of natural surface.

The records in Victoria show that research has been going on continuously and that this salinity problem has not just recently emerged. Our records go back to 1880, and I expect that in another 100 years' time people will be making exactly the same statements as are made now. Recently, the Minister of Water Supply applied to the Commonwealth Government for financial assistance under its scheme for the contribution of $50,000,000 over five years for approved water conservation works. It was suggested that the proposal for the development of saline pondages at a cost estimated at $10,000,000 could come within the framework of this scheme of Federal assistance. It seems regrettable that nothing more has been heard from the Commonwealth about this proposal.

The honorable member for Mildura pointed out that the Australian Dried Fruits Association has suggested that there is a need for the Commonwealth to accept more responsibility in relation to this problem. We do not really want the Commonwealth to

step in. In the River Murray Commission, there is already a perfect instrument for the job, and it should be given the money by the Commonwealth, through the States, to do the work. There is no need for direct Commonwealth intervention. At present 80 per cent. of Australia's population lives in the triangle bounded by lines joining Adelaide, Melbourne and Sydney. This has consistently, historically and traditionally been the situation, and for many years this area will be the economic backbone of the nation. It has been suggested, fairly authentically, that by the year 2000 Victoria's population will number 8,000,000 people, of whom 5,000,000 or 6,000,000 will live in the Melbourne metropolitan area, and most of the balance in the River Murray basin. It appears to me that there is a great need for the Commonwealth Government to give particular attention to the need to assist Victoria financially by acceding to the request made by the Minister of Water Supply.

Mr. MITCHELL (Benambra).—I support my Leader's condemnation of the Government's miserly and parsimonious approach to the water supply problems of this State. That approach has been revealed in all its clumsy inefficiency in the situation that has arisen this season. After all, it is easy to blame the Government. When one looks at those who comprise it, one realizes that they are not country men; they are city men. The Minister of Labour and Industry said the other day that he does not worry much about what happens beyond the limits reached by the tramlines, and that attitude is stamped all over this Government. Those who comprise it have no understanding of water resources. They know nothing about water except that if they do not take soda with their whisky they put water in it. That indicates the extent of their practical knowledge of water supply problems.

As well as this parsimonious and skinflint approach to the vital question of water supply within the State, the Government party is split from top to bottom. This afternoon it became apparent that the Government has two Ministers of Water Supply—one on the Treasury bench and the other on a back bench, where he is likely to remain for a very long time because he torpedoed his own Minister by describing the honorable gentleman's case as false, untrue and having no application to the future welfare of this State. Conversely, the Country Party has assumed a realistic and sincere attitude by proposing to send to Canberra a deputation comprising the Leader of the Country Party, the honorable member for Mildura and Sir Percy Byrnes, the Leader of the Country Party in another place, in an endeavour to see what can be done by the Federal Government to furnish the State of Victoria with additional supplies of water.

Unfortunately for the Government and for the State, the season has not been good, and the big lake at Eucumbene is seriously low. Moreover the new lake at Jindabyne has never come anywhere near being full. There is only a meagre, anaemic series of puddles at the bottom of the valley. It is common knowledge that the level of the Hume reservoir is extremely low. Indeed, the level is so low that the Shire of Towong has sent letters to all the people interested in the holding of water sports over the holiday period expressing doubt whether there will be enough water at Tallangatta to enable those sports to be held and offering to transfer all bookings over to the following year. The position is simply that there is not enough water. I cannot help laughing when I reflect that some years ago it was claimed that water shortages would be solved by banning grazing above the 4,000 feet level in the Australian Alps. Such action was taken by a stroke of the pen, but it does not seem to have achieved much.

I come now to the matter of salinity. My constituents are particularly interested in the big catchments

in the Alps, and have always been disheartened by the fact that, because of evaporation, barely 60 per cent. of the water sent through the channels reaches the irrigation areas. I concede that certain steps have been taken in an effort to reduce the salinity of irrigation water, but when I recently went out on to Lake Hawthorn in a boat, I was surprised to discover how saline the water actually was. The problems associated with salinity have been discussed by the honorable member for Mildura, who claims that whenever there is a low level of water in the river—that is, independent of Chowilla or anything else—there is no back pressure to prevent salinity from seeping in from the banks on either side. Indeed, in this matter of salinity, New South Wales is contributing as much as is Victoria, and I should like to know whether the Victorian Government has sought information as to what the New South Wales Government proposes to do in an effort to stop an increase in the degree of salinity of River Murray waters.

One solution to the problem of salinity is to flush down the river with fresh water from the mountains. I reiterate that this is entirely independent of Chowilla or anything that might be done farther downstream. If fresh water is to be provided to break down the salinity of water in the river and to prevent the salinity from coming in from the banks on either side, a large storage will be needed somewhere up the mountains. In my electorate rumours are rife as to where such a dam will be located, and the question arises whether it will be placed in Groggin valley, Geehi valley, Callaghan creek, Dark river, Limestone creek or at the headwaters of the Mitta Mitta. I want to know what the policy of the Government is with regard to any form of storages in the mountains, additional to what is available at the present time. I observe that a certain amount of money is to be set aside for increasing the size of the Buffalo dam but, if the salinity is as acute as I think it is, larger storages will definitely be needed in the mountain country, and the question arises as to where they will be located. People who reside in the north-eastern districts of Victoria should be put in the picture in that regard.

I wish to discuss another matter relating to water but I am not certain whether I shall be in order if I raise it. There has been a great deal of dissatisfaction on the Victorian side and also on the New South Wales side of the River Murray as to the actual location of the State border with respect to the waters of the Hume weir. It would obviously be impossible to install a line of buoys along the old river course and keep them there.

The SPEAKER (the Hon. Vernon Christie).—Order! Has this any bearing upon the matter of water supply?

Mr. MITCHELL.—Yes, although I am not sure that what I propose to say is completely within the ambit of the Bill. Nevertheless, it is cogent to my electorate particularly with respect to the policing of the activities of shooters and fishermen. I repeat that it would be impossible to install a line of buoys to mark the old river course, but I suggest that the Government should seek a conference with representatives of the State of New South Wales, having in mind that it is competent for this State to make legal arrangements with New South Wales, with respect to the delineation of the State border. I consider that the border should proceed along the Victorian bank of the weir to the Bethanga bridge, across the Bethanga bridge to the New South Wales shore, and along the New South Wales shore to the wall of the Hume weir.

The SPEAKER (the Hon. Vernon Christie).—Order! The honorable member is now discussing the question of the border between two States, not the matter of water supply.

Mr. MITCHELL.—The matter of water supply is involved, because as water is drawn from the weir the border line fluctuates. An alternative solution to the problem of border demarcation is to determine the border as proceeding from a pylon or other conspicuous mark on top of the Bethanga peninsula to a point marked by another pylon in the middle of the wall of the Hume weir.

The SPEAKER.—Order! I must rule out of order what the honorable member is now discussing.

Mr. MITCHELL.—I thank you, Mr. Speaker, and honorable members for the patience that has been extended to me concerning the discussion of this matter which, although it is not related strictly to the Bill, is of considerable importance to my constituents. However, I trust that the Government will see fit to act along the lines I have suggested.

I know that the Minister of Water Supply is at present reviewing the water supply at Tawonga. In that area Mr. Steve Svarc, a big poultry farmer, and a considerable number of other settlers are completely out of water. I appreciate that this problem is particularly difficult of solution, but something must be done to alleviate the plight of farmers in Tawonga and Tawonga South who are now waterless, and to ensure that such a state of affairs does not recur. It is useless to take the view that a bad season has been experienced and that what has happened will not occur again; that the future should be left to look after itself. I ask the Government to make a departure from its parsimonious attitude and to make adequate plans to assist settlers in the Tawonga district.

The Deputy Leader of the Country Party referred to the stepping up of research work. This activity is very necessary, because, in my opinion the proposed desalination of water or treatment of effluent is not a complete answer. When I was in Israel two years ago I discovered that only about 5 per cent. of Israel's water needs was provided for by desalination of sea water and the treatment of sewage and other effluent. I believe that unless some dramatic research work is undertaken into the matter of boring for water and bringing it to the surface, we shall be failing in our responsibilities. The question of water in the Kiewa Valley has been under discussion by many people who are interested in finding a solution to the problem of water shortages, and I think the Minister will agree that in this matter there are two sections to be considered, namely, the upper and lower parts of the valley.

At this point I sound a note of warning to those who feel that the Hunter Valley Act in New South Wales provides the answer with respect to the application of water to agriculture. This aspect should be carefully reviewed. After studying the Hunter Valley Act of New South Wales, I was far from satisfied that it provided the answers to the problems being experienced in the Hunter Valley or that it would make any material contribution towards solving the problems being experienced in the Kiewa Valley in Victoria. Under the Hunter Valley Act, drastic powers are conferred upon the New South Wales Government, which can compel a dairy farmer operating along the Hunter river to take up banana growing about which he probably knows nothing.

In the Kiewa Valley a question has arisen as to what constitutes a water course. That question might have been determined elsewhere but in my electorate it is a matter of genuine concern. My constituents are eager to play the game in the matter of building dams and catchments within the ambit of the law. I am not clear what is the guiding principle when a farmer located in north-eastern Victorian desires to build a dam on a water course without infringing the law. In regard to this matter, I commend to the Minister a fine

officer and citizen in the person of Mr. Ray Kelly, a conservation officer in Tallangatta, who is tactful, informative and willing to explain difficult matters. In addition to helping people with their water problems, he is an extremely good citizen.

One point upon which I am not clear is what Mr. Yeomens is doing on the matter of water supply. I recall that the Public Works Committee visited New South Wales to study Mr. Yeomens's works, and the committee stated that it was worried about two points. First, it was said they would be happier about Mr. Yeomens's conservation schemes if Mr. Yeomens did not make and sell the machinery used, and, secondly, that it was not happy about his stock figures. I should like to have a talk with Mr. Yeomens on these matters. I appreciate his constructive approach to the problem. I have read his books but I am not satisfied, nor do I think the Government is, that Mr. Yeomens can provide the answer so far as the State of Victoria is concerned.

The final point I wish to raise relates to Tallangatta, which matter was raised by the "second Minister of Water Supply" in the present Bolte Government. I refer to the dirty water in Tallangatta. That town's water supply has been not only dirty but nauseating in smell. Literally, one cannot take a shower because of the smell of the water. Moreover, the taste of the water drives one to hard drinking, because a lemon squash made of Tallangatta water just about lifts one's head off. I ask the Minister to review this matter urgently, because Tallangatta is one of the leading tourist resorts of north-eastern Victoria, and we do not want anything to spoil the income of the town, particularly when it has been forced to make every post a winning post in an effort to recover revenue that has been lost as the result of its relocation.

The sitting was suspended at 6.28 *p.m. until* 8.5 *p.m.*

Mr. Mitchell.

Sir HERBERT HYLAND (Gippsland South).—I desire to refer to a matter in relation to irrigation in Gippsland, following upon the final report of the Public Works Committee on the inquiry into the future water supply for the Melbourne and metropolitan area. Local farmers submitted to the committee evidence of what they believed should be done for irrigators and ordinary water users in Gippsland. The Public Works Committee report was signed by Messrs. W. M. Campbell, W. L. Floyd, T. C. Trewin, John Wilton and A. H. Scanlan—the Honorable A. K. Bradbury was overseas at this time.

On behalf of the irrigators of Gippsland, I have been endeavouring to ascertain the prospects for the construction of a storage weir on the Thomson river. The conclusions in the report of the Public Works Committee contain a statement which leads one to believe that some further information is necessary. Local farmers want to know whether the Government will give an unequivocal assurance that the dam will be constructed within the next 22 years. On the 11th October, I asked the Premier whether the Government would give an unequivocal assurance that the Thomson dam will be built; and if so, when? The Premier replied—

> A Ministerial statement outlining the Government's decisions on the subject has been made by the Minister for Local Government. The Minister is arranging for copies of the statement to be supplied to all honorable members.

Having received a copy of the statement, I wrote to the Premier and, on 27th October, he replied—

> I refer to your letter of the 25th October, asking whether the Government will give an unequivocal assurance that the Thomson dam will be built, and if so, when.
>
> As I said in reply to your question on this subject in the Legislative Assembly on the 11th October, a Ministerial statement on the matter has been made by the Minister for Local Government. Two copies of this statement are enclosed for your information.
>
> I have nothing further to add to Mr. Hamer's statement at this time.

The statement of the Minister for Local Government, which was made in the Legislative Council on the 3rd October, 1967, contains this statement—

> Stage 3 will require the construction of the large dam on the Thomson river at Talbot creek and the diversion into it of the Aberfeldy river, at an estimated cost of $44,000,000. According to the committee it will be needed by 1989. However, it will require detailed investigation, as the committee indicated, especially in view of the huge estimated cost not only of constructing the dam itself, but of bringing the water through the mountains. No final decision is likely for some time yet.

This is not satisfactory to the farmers. Conclusion No. 4 of the Public Works Committee's report reads—

> The Committee recognizes the potential of the proposed irrigation areas in the Thomson, Macalister and Avon valleys, mentioned by the Gippsland Water Utilization Committee. There is good reason to be confident that, following further detailed investigation under the auspices of the Water Resources of Victoria Inquiry, the conservation possibilities on these river systems will balance the potential local demand. This confidence is further bolstered in the knowledge that conservation possibilities on the neighbouring Mitchell river appear to be quite considerable.

The inquiry into the water resources of Victoria is still proceeding. Local farmers are rightly complaining that they are being left high and dry, and that they are not being told by the Government what they can expect. It is a long time to wait until 1989, but the farmers concerned are prepared to wait until then, provided that they receive some assurance from the Government.

Over the years, residents in the Gippsland area have been patient with the State Rivers and Water Supply Commission. On the 26th May, 1966, I received a letter from the Commission in reply to a request for information as to expenditure on reservoirs, storage dams and lakes by the Commission since 1950. The letter listed works at Eildon, Eppalock, Cairn Curran, Rocklands, Bellfield, Tullaroop, Buffalo, Devilbend, McCay, Glenmaggie (enlargement) and Cowwarr weir, involving a total expenditure of $94,100,000, of which a sum of $4,100,000 was being spent in Gippsland and $90,000,000 in other areas of the State. Gippsland farmers have not squealed because all this money has been going to other parts of the State, but they ask for some statement to be made by the Government as to what will be done in connexion with the dam on the Thomson river. If they receive an assurance, although they may not be happy, they will be satisfied as to future prospects.

Mr. FENNESSY.—Are they going broke?

Sir HERBERT HYLAND.—It is amazing that the honorable member for Brunswick East, who was a farmer on one occasion, should now be bitterly opposed to the farming community. Apparently, he did not make good as a farmer, otherwise he would not be so bitter.

I congratulate the Minister of Water Supply on his appointment to the portfolio, and I ask him to supply me with the information so that I can inform the local farmers of the position. I hope that he, unlike some former Ministers, will ensure that honorable members who have raised matters during this debate will receive replies to their representations so that they may know what is going on. I have directed attention to this matter time and time again. During the term of a former Minister of Water Supply—I shall not mention his name—it was six months before I received a reply to a question I raised because the correspondence was lost in the office. Whatever our political complexion may be, I hope our questions will be answered for the benefit of our constituents.

Mr. B. J. EVANS (Gippsland East).—I congratulate the Minister of Water Supply on the introduction of his first Water Supply Loan Application Bill, and I express my appreciation of his visit to Mallacoota, in the farthermost point of my electorate with the excellent news that the long-awaited town water supply proposal had received the endorsement of the State Rivers and Water Supply

Commission. Lack of water has been the only drawback and this has prevented large numbers of tourists from enjoying the best holiday resort in Victoria.

The honorable member for Gippsland South referred to the situation along the Thomson river. After the Public Works Committee brought down its report on the future of Melbourne's water supply, the Government was quick to have the Minister for Local Government make a Ministerial statement in another place outlining proposals to be put into effect immediately. Recommendation No. 5 of the Public Works Committee seems to have been ignored, and I hope the Minister of Water Supply will inform the House what is proposed. This recommendation stated that—

> The commitment of 50,000 acre-feet per annum to existing water users in the Thomson valley be safeguarded during the stage programme by the adoption of the formula outlined in the body of the report.

The formula is contained at page 15 of the report, and states, *inter alia*—

> 1. The Board will reduce or, if necessary, cease diversion of Thomson river waters when flows at Coopers Creek gauging station fall below the following:

Then is set against the different months of the year the flow in cusecs below which the Thomson river is not to be allowed to fall because of diversion to the metropolitan area.

With commendable speed, and before the ink on the Ministerial statement was dry, the Government sought to divert the waters of 7 square miles of the headwaters of the Thomson river into the Upper Yarra dam for the metropolitan area. Will the State Rivers and Water Supply Commission carry out the terms of the recommendation that the flow of the river is not to fall below the proposed levels at the Coopers creek gauging station? There is no necessity for me to remind the House that the dry period is affecting the headwaters of the Thomson river just as much as those of the Yarra river. By February or March of next year, the flow of the Thomson river may be reduced to the level that the formula will have to be brought into effect. The interests of many people are tied up in the diversion of the water from the Thomson river, and those concerned are anxious to know whether their future rights will be safeguarded. I should be much happier if, in a Ministerial statement, an assurance was given that recommendation No. 5 in the report of the Public Works Committee is to be implemented. It is vital to the people of the area and they are entitled to have some indication of the Government's intentions.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2, relating to the issue and application of money from Loan Fund for the purposes specified in the schedule.

Mr. BORTHWICK (Minister of Water Supply).—I thank honorable members for their kind remarks about my appointment. I assure them that I have listened with interest to the points they have raised, and where applicable I shall give a detailed answer when I read their remarks in *Hansard*.

The problem of the salinity of the River Murray has been raised by honorable members. The present drought is the most severe in the history of settlement in Victoria, and the problem is becoming more urgent as time goes on. I have discussed the problems with honorable members in this House and from another place, and with irrigators along the Murray Valley. Honorable members will recall that, in answer to a question asked some time ago I said that I had submitted the question of the control of salinity of the River Murray waters to the Commonwealth Government for consideration in

relation to the over-all national programme. I indicated to the House that a sophisticated plan had been prepared covering the Redcliffs-Merbein area in association with evaporation basins to the south, and that a scheme for Barr creek was being investigated, but at that stage I felt that it would be some time before it could be submitted to Canberra. Since then the officers of the Commission have earnestly considered the problems of the Torrumbarry area and in relation to the Barr creek flow.

As the result of these considerations, I was to-day able to submit to the Minister for National Development, the Honorable David Fairbairn, a detailed proposal, fully costed and with the economic advantages listed that should enable the Commonwealth to make up its mind quickly as to whether it is prepared to include the plan in the national programme. In my view, in now considering the value of the Murray Valley not only to three States vitally concerned but to Australia as a whole, there can be no more worthwhile programme for the Commonwealth to assist. It would be of advantage not only to Victoria but to the other States involved. In my opinion, regardless of how urgently Victoria, South Australia, or the River Murray Commission may desire a dam to be built at Chowilla, the salinity of the River Murray upstream from the proposed dam site must of necessity be controlled before a dam of any size can be built at Chowilla with advantage to the States. As a matter of urgency, I asked for the opportunity to discuss the matter with the Minister for National Development.

Mr. FENNESSY.—How far do you think you will get?

Mr. BORTHWICK.—After the Minister for National Development agreed to see me next week, he proposed as a preliminary to our meeting next week, that Mr. McCutchan, one of his senior officers, should confer with senior officers of the State Rivers and Water Supply Commission. This meeting took place yesterday.

I should explain to the Committee that at this stage a detailed plan has been devised covering the Kerang–Torrumbarry area, which will not initially take the water right across to Lake Tyrrell. The Government considers the matter to be so urgent that at least the initial scheme in that area should be completed in order to give some relief relatively quickly. I pay tribute to the work the officers of the Commission have performed in recent weeks on such a plan. It is proposed to take the water as far as Lake Tutchewop, which has a capacity of 17,000 acre-ft., and an estimated evaporation rate of 10,000 acre-feet per annum. The Government realizes that ultimately the water must be taken farther, to Lake Tyrrell and other evaporation basins between Lake Tutchewop and there.

I point out to those honorable members who have spoken that, at a time when many people could be in great difficulty, the Government has taken a serious and urgent view of the situation. It is my purpose when I am in Canberra next week, to press Victoria's claims, in the interests of Victoria and of the whole of the Murray Valley in particular.

The clause was agreed to, as were the remaining clauses and the schedule.

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

MINISTERIAL STATEMENT.

DROUGHT SITUATION IN VICTORIA.

Sir WILLIAM McDONALD (Minister of Lands) (*By leave*).—A few days ago, the Leader of the Opposition requested that a Ministerial statement be made to the House on the current drought situation in Victoria. I believe that in making such a statement, as I now propose to do, I should put on record some description of the climatic and physical situation of the drought at this stage. I think the spring of 1966, which led up to this

position, ought to be mentioned, because it finished well after a somewhat hesitant winter. Crops generally were good and considerable quantities of pasture hay were conserved. As a result of this good spring, the State was enabled to go into the succeeding winter in very much better shape than it might otherwise have done. However, the autumn of 1967 was unusually dry and the rains were very late.

I remind honorable members that this is a comparable situation to the 1914 drought, in which, despite the fact that rains were very light in the winter and spring, these seasons were not the part of the 1914 drought which caused the real losses. These occurred in the autumn which followed. As I have said, this year the winter rain was very light and, consequently, a great number of crops, particularly in the northern Wimmera and the Mallee, were not sown. Because these crops were not sown, the farmers concerned are in a much worse position than those in the rest of Victoria. They did not have a chance. Generally speaking, in the more southerly areas of the State, rainfall does improve, but over a great part of the State, particularly in the Wimmera where substantial crops are normally expected, in many instances the crops have not reached proportions which would encourage the farmers to harvest the grain.

This year the rainfall over Victoria has been something less than half of normal and the better areas of the State are those which normally receive more rain than is either necessary or desirable. I have prepared a table, which I believe sets out the situation better than any general description would do, and I propose to read it to the House. It is as follows:—

RAINFALL—DISTRICT AVERAGES—PERIOD 1ST JANUARY TO 30TH SEPTEMBER.

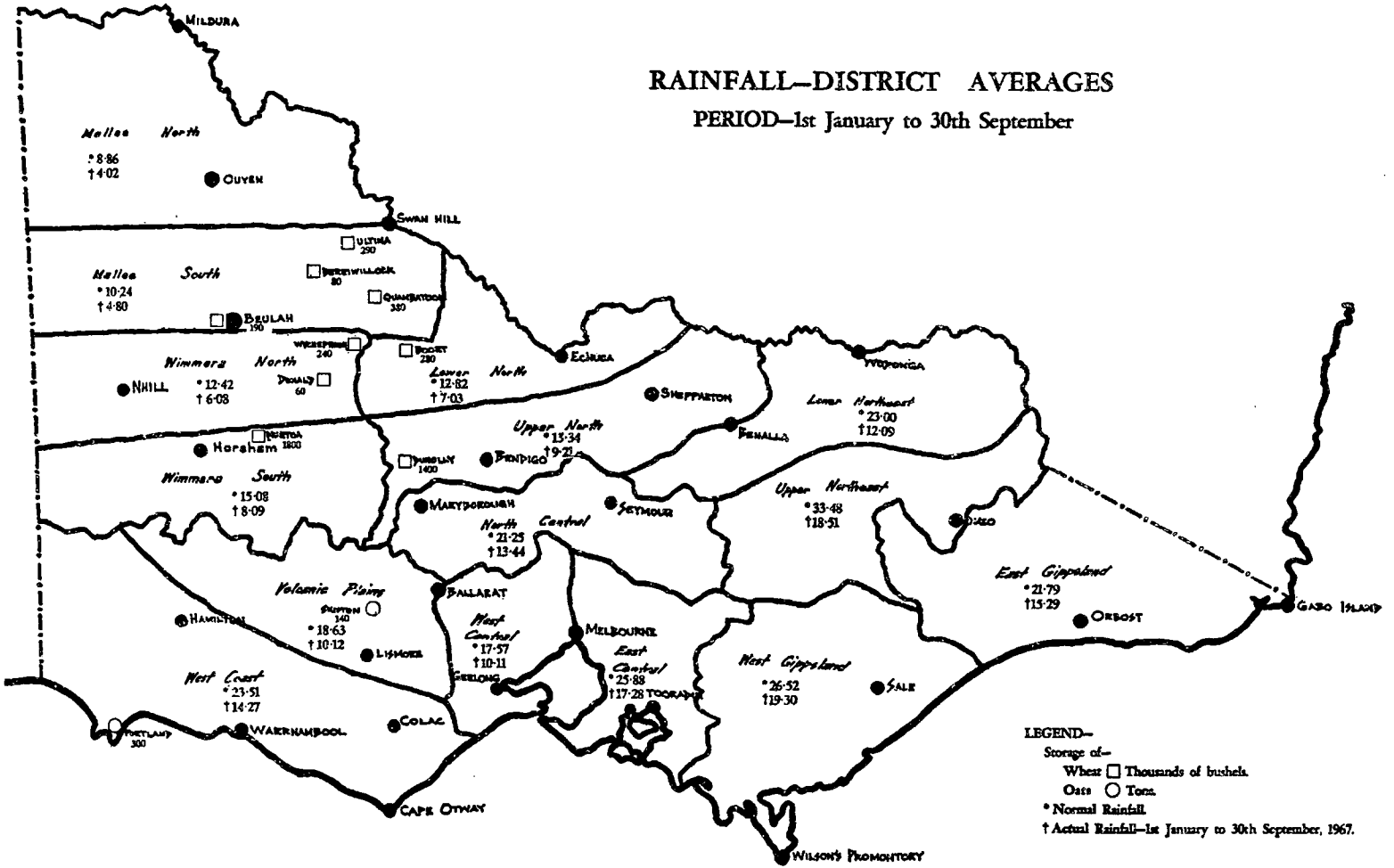
District.	Normal Rainfall.	Actual Rainfall.	Percentage below Normal Rainfall.
	Inches.	Inches.	Per Cent.
Mallee North	8·86	4·02	55
Mallee South	10·24	4·80	53
Wimmera North	12·42	6·08	51
Wimmera South	15·08	8·09	46
Lower North	12·82	7·03	45
Upper North	15·34	9·21	40
Lower North-east	23·00	12·09	47
Upper North-east	33·48	18·51	45
North Central	21·25	13·44	37
Western Plains	18·63	10·12	46
West Coast	23·51	14·27	39
East Gippsland	21·79	15·29	30
West Gippsland	26·52	19·30	27
East Central	25·88	17·28	33
West Central	17·57	10·11	42

To summarize, whereas the average normal rainfall for the State is 19.01 inches, this year the actual rainfall has been 11.2 inches.

Mr. FENNESSY.—Is this for the year 1967?

Sir WILLIAM McDONALD.—The figures in the second column of the table cover the rainfall that the State has received this year. I also ask that a map detailing the rainfall from 1st January to 30th September in an average year and the actual rainfall for the same period of 1967 be incorporated in *Hansard*.

Leave was granted.


RAINFALL—DISTRICT AVERAGES
PERIOD—1st January to 30th September
Mildura
Mallee North
*8·86
†4·02
Ouyen
Swan Hill
Mallee South
*10·24
†4·80
Ultima 250
Berriwillock 80
Quambatook 380
Beulah 190
Wesepton 240
Boort 280
Echuca
Wimmera North
*12·42
†6·08
Nhill
Donald 60
Lower North
*12·82
†7·03
Sheppartton
Weppunga
Lower Northeast
*23·00
†12·09
Horsham 1800
Upper North
*15·34
†9·21
Benalla
Wimmera South
*15·08
†8·09
Murrayville 1400
Bendigo
Upper Northeast
*33·48
†18·51
Marysborough
Seymour
North Central
*21·25
†13·44
Dargo
East Gippsland
*21·79
†15·29
Volcanic Plains
Ballarat
Gabo Island
Hamilton
Skipton 140
*18·63
†10·12
Lismore
West Central
*17·57
†10·11
Melbourne
Orbost
Geelong
East Central
*25·88
†17·28
Toorak
West Gippsland
*26·52
†19·30
Sale
West Coast
*23·51
†14·27
Portland 300
Warrnambool
Colac
Cape Otway
Wilson's Promontory
LEGEND—
Storage of—
Wheat □ Thousands of bushels.
Oats ○ Tons.
* Normal Rainfall.
† Actual Rainfall—1st January to 30th September, 1967.

Mr. FENNESSY.—I should like to know whether the Minister of Water Supply has the figures for 1966?

Sir WILLIAM McDONALD.—I have those figures in the form of a table, and I propose to seek leave of the House at a later stage for that table to be incorporated in *Hansard* for the information of honorable members. It shows the rainfall by districts, and includes the averages.

I now direct the attention of the House to statistics relating to cereal production which indicate the paucity of the season. These figures show that whereas normally Victoria produces 67,900,000 bushels of wheat, the estimated yield this year is between 20,000,000 and 22,000,000 bushels. The normal production in the adjoining State of South Australia, which is of great interest, is 38,100,000 bushels, but the estimated production for this year is 22,000,000 bushels. It is estimated that 80,000,000 bushels of wheat will be produced in New South Wales this year, as against the normal production of 109,100,000.

The position of oat production in Victoria this year is far worse than that of wheat. Whereas the normal production is 21,500,000 bushels, it is estimated that this year 2,000,000 bushels will be harvested. In South Australia, where the normal expectation is 67,800,000 bushels, it is estimated that only 750,000 bushels of oats will be harvested. In New South Wales, it is estimated that 1,500,000 bushels will be produced, as against the normal production of 18,600,000. I should point out to honorable members that the Victorian figures include the Riverina, and the New South Wales figures are exclusive of the Riverina. This is because the Riverina production is conveyed on the Victorian Railways, and the statistics are kept in this way. By comparison with the eastern States, the West Australian production of wheat this year is estimated at 90,000,000 bushels, whereas normally that State produces about 63,500,000 bushels. In the case of oats, against the normal expectation of 20,330,000 bushels, that State expects to harvest slightly over 22,000,000 bushels.

The other figures I should like to quote give an indication of the severity of this drought compared with other recognized droughts over the years. In 1888, the rainfall was 19 inches; in 1902, it was 18 inches; in 1914, which is recognized as the worst drought year up to this time, the rainfall was 14 inches; in 1938, which was a quite severe drought year, the rainfall was 16 inches; in 1944, it was 17 inches; and this year only 11 inches have been recorded. I seek leave for the incorporation in *Hansard* of the full rainfall table from 1888 to 1966.

Leave was granted, and the table was as follows:—

VICTORIA—RAINFALL IN DISTRICTS.

Year Ended 31st, December.	Mallee.	Wimmera.	Northern Country.	Central North.	North Eastern.	Western District.	Central South.	Gippsland.	Whole State.
	Inches	Inches	Inches	Inches	Inches	Inches	Inches	Inches	Inches
1888	8·37	13·68	12·53	19·61	28·38	23·75	24·39	30·21	19·70
1889	21·24	28·74	27·63	37·60	46·28	34·25	34·72	38·15	32·77
1890	17·18	23·72	22·23	29·71	37·11	29·98	29·75	41·29	28·51
1891	15·22	16·82	20·29	23·79	32·84	26·09	31·74	42·18	25·90
1892	13·46	19·40	19·71	26·68	31·89	29·73	30·10	36·92	25·46
1893	14·71	22·96	20·31	32·21	38·45	32·75	32·95	43·23	28·99
1894	20·58	24·59	24·89	31·28	42·80	34·13	29·67	32·83	29·69
1895	10·23	16·02	14·45	21·22	28·98	27·86	23·29	27·61	20·88
1896	10·54	14·63	14·19	20·29	27·90	25·70	28·57	36·73	22·03
1897	9·24	14·82	15·08	23·51	27·35	23·92	29·58	37·59	21·94

VICTORIA—RAINFALL IN DISTRICTS—*continued.*

Year Ended 31st December.	Mallee.	Wimmera.	Northern Country.	Central North.	North Eastern.	Western District.	Central South.	Gippsland.	Whole State.
	Inches	Inches	Inches	Inches	Inches	Inches	Inches	Inches	Inches
1898	11·34	18·36	16·24	22·15	31·10	23·77	21·62	28·53	21·30
1899	12·31	17·34	15·99	24·46	28·16	30·88	31·09	36·97	24·22
1900	11·81	17·81	16·38	25·17	33·65	28·22	31·09	38·68	24·79
1901	9·39	16·61	13·58	24·78	28·08	27·90	28·98	33·66	22·05
1902	7·64	11·94	11·26	18·41	20·10	23·54	24·88	33·35	18·55
1903	16·34	22·76	22·22	32·07	33·13	33·43	32·86	33·68	27·44
1904	10·75	17·22	17·32	28·00	33·56	28·54	31·29	30·02	23·49
1905	12·01	18·40	16·39	25·36	31·72	28·79	29·61	37·84	24·53
1906	15·22	23·42	24·16	32·00	42·11	32·53	30·13	34·81	28·49
1907	9·25	17·07	14·74	22·42	26·19	26·16	25·36	27·20	20·40
1908	12·33	17·72	14·38	19·98	26·40	25·81	20·08	24·29	20·02
1909	14·35	22·38	20·04	29·77	35·62	31·37	30·57	34·09	26·52
1910	15·96	22·36	20·13	29·13	32·10	32·45	28·28	30·80	25·96
1911	17·84	19·89	19·87	29·79	33·24	31·13	36·88	39·71	28·08
1912	12·50	17·52	18·12	23·00	30·93	25·94	24·92	26·60	21·86
1913	12·66	16·38	16·76	24·22	29·69	25·85	27·64	34·65	22·96
1914	7·29	9·76	9·73	14·95	19·94	18·56	20·05	23·81	14·66
1915	12·42	18·98	16·75	25·65	34·17	27·44	24·67	27·63	22·35
1916	17·72	22·54	25·60	34·44	44·01	30·72	38·78	37·78	30·27
1917	19·55	21·96	26·34	35·86	56·09	31·70	32·41	34·63	30·77
1918	13·59	16·44	21·96	28·30	36·96	25·70	30·11	33·39	24·70
1919	11·46	13·86	15·06	21·21	27·27	26·47	25·48	37·03	22·77
1920	14·93	16·04	20·15	28·37	34·42	25·99	31·38	33·37	25·43
1921	16·29	19·99	23·69	31·75	39·57	27·36	31·13	31·73	25·35
1922	10·44	17·15	13·15	20·85	26·10	28·09	27·82	32·92	21·35
1923	15·07	20·21	17·60	27·30	34·80	33·51	30·11	33·88	26·12
1924	16·08	22·17	23·29	34·74	40·70	31·13	40·30	37·37	28·10
1925	9·87	14·20	14·09	20·28	27·42	22·43	23·12	29·69	19·74
1926	12·64	17·00	16·85	24·25	35·36	26·70	24·20	29·72	22·90
1927	7·66	13·93	11·14	18·67	26·15	23·20	22·16	28·43	18·56
1928	14·04	19·10	21·27	29·56	37·21	30·46	29·86	33·98	26·14
1929	9·10	15·56	13·65	24·20	27·24	29·28	31·13	32·36	22·00
1930	15·32	20·94	19·68	30·59	32·49	29·43	30·85	33·66	25·76
1931	14·86	19·25	21·77	31·20	43·18	28·79	32·88	32·65	26·97
1932	14·96	18·90	20·60	29·63	34·33	31·85	32·91	34·19	26·34
1933	14·13	20·96	20·25	31·09	32·09	26·87	27·56	30·65	24·47
1934	13·21	16·64	21·01	28·57	42·81	29·20	35·60	43·39	27·60
1935	10·84	17·71	19·53	29·14	35·86	30·49	34·23	42·53	26·63
1936	14·39	19·41	19·50	28·47	35·52	26·91	30·24	36·38	25·63
1937	12·69	17·19	13·70	20·08	26·25	26·39	25·20	28·33	21·02
1938	6·30	11·39	8·66	15·62	20·49	22·63	20·47	26·39	16·28
1939	15·32	20·33	27·72	37·83	53·05	32·94	38·10	38·16	31·37
1940	6·82	11·26	9·67	17·13	21·21	21·51	22·81	26·94	16·73
1941	12·23	20·14	17·31	25·39	30·41	29·73	31·53	33·13	24·29

VICTORIA—RAINFALL IN DISTRICTS—*continued.*

Year Ended 31st December.	Mallee.	Wimmera.	Northern Country.	Central North.	North Eastern.	Western District.	Central South.	Gippsland.	Whole State.
	Inches	Inches	Inches	Inches	Inches	Inches	Inches	Inches	Inches
1942	14·31	22·04	19·66	31·91	38·28	30·54	29·68	31·59	26·28
1943	8·25	13·48	10·98	20·22	26·76	25·86	22·46	30·05	19·44
1944	6·59	10·46	9·24	17·10	20·72	24·30	23·97	27·54	17·09
1945	9·63	15·20	14·84	21·72	29·97	25·21	22·25	28·60	20·50
1946	14·07	22·07	17·76	29·86	39·85	40·20	33·04	41·19	29·37
1947	15·16	22·71	20·35	32·93	40·91	33·80	33·00	36·10	28·46
1948	11·29	19·15	16·46	24·82	31·98	28·37	25·93	34·37	23·61
1949	11·80	16·67	20·45	31·35	33·72	26·91	32·62	36·72	25·05
1950	17·57	20·04	23·67	31·63	35·03	24·01	30·82	36·65	26·52
1951	12·09	19·61	20·26	31·87	37·45	33·32	34·71	41·78	27·91
1952	15·22	21·87	21·86	35·56	46·24	39·30	40·66	48·71	32·75
1953	12·27	19·62	16·81	28·69	35·57	30·40	30·75	35·29	25·38
1954	13·41	17·68	21·22	29·88	35·58	25·92	30·93	34·02	25·02
1955	17·68	22·44	26·00	35·99	49·05	32·40	34·12	33·86	30·24
1956	20·85	24·31	31·45	41·17	55·59	34·02	34·29	44·25	34·69
1957	9·67	14·87	13·55	23·01	27·32	26·82	24·85	31·98	21·03
1958	15·45	17·65	21·40	31·57	37·78	29·05	28·99	35·42	26·35
1959	9·97	15·16	16·56	26·09	27·69	24·46	26·53	33·63	21·70
1960	18·08	24·75	22·70	38·45	40·16	36·01	34·98	37·26	Figures not available.
1961	13·44	15·07	14·90	25·27	27·60	24·03	22·90	33·04	
1962	11·29	17·69	18·85	27·77	33·78	25·99	26·07	31·41	
1963	16·15	18·55	20·66	30·46	35·49	25·87	28·36	35·61	
1964	16·14	25·02	20·93	34·40	40·27	38·69	35·40	37·99	
1965	11·76	15·25	15·36	25·83	25·80	24·67	25·09	26·28	
1966	12·48	16·47	20·28	31·97	41·26	29·35	32·08	38·97	

Sir WILLIAM McDONALD.—The environment of drought in which Victoria find itself constitutes equally as serious a situation as the low rainfall which has been recorded. Large areas of New South Wales are very dry and agistment there for Victorian stock is limited.

Comparatively little fodder is likely to be exported into Victoria, and only isolated districts such as Glen Innes, Scone, and Singleton, have been able to absorb any substantial quantities of agistment stock. Generally speaking, we would have anticipated that very large numbers of stock could have gone into New South Wales if our own drought had been of an isolated kind. On our western boundary, the situation in the lower portion of South Australia —which, for practical purposes, has our own climate—is almost as bad as ours.

With that picture of rainfall and cereal production, we entered the spring of 1967 with a total of 31,000,000 sheep, of which 24,000,000 were in the drought zone, and 3,500,000 head of cattle, of which 1,700,000 were in the drought zone.

Mr. Deputy Speaker, I have a table of comparative stock statistics, and I seek the indulgence of the House to have it incorporated in *Hansard* without my reading it.

Leave was granted, and the statistical table referred to was as follows:—

NUMBER OF PRINCIPAL LIVESTOCK ON RURAL HOLDINGS IN VICTORIA AS AT 31ST MARCH, 1967.

Commonwealth Bureau of Census and Statistics (Figures in 000's).

Districts.	Dairy.			Beef.				Sheep.					
	Cows, Heifers.	Bulls.	Other (Calves, M./F.)	Cows, Heifers.	Bulls.	Other (Steers, &c.).	Calves.	Breeding Ewes to Mate 1967.	Lambs Marked 1966 Season.	Less Slaughter.	Lambs.	Dry Sheep.	Total.
Metropolitan	19·5	·5	3·6	12	·5	4·4	9	..	..	..	..	..	..
Central	239	6	46	102	4·7	40	65	..	..	..	..	..	..
North Central ..	27	·7	6	44	2	16	29	..	..	..	..	..	..
Western	371	9·4	74·5	233	10·6	62	127·8	4,687	3,639	Less 1,820 =	1,819	5,994	12,500
Wimmera	17	·8	3·6	17	1·2	4·7	12·3	1,435	1,113	Less 557 =	556	1,909	3,900
Mallee	16	·5	3·5	8·7	·6	3	7·9	727	657	Less 328 =	329	144	1,200
Northern	352	8·8	83·5	65	3·8	36·2	59	1,845	1,622	Less 811 =	811	844	3,500
North Eastern ..	117	2·8	26·3	150	6·4	65	90·4	1,494	1,240				
Gippsland	446	11·2	95·5	125·5	5·4	65·7	86·3	..	..	Less 2,491 =	1,291	4,291	10,100
Other	..	..	..	..	..	..	..	3,024	2,542				
Total	1,604·5	40·7	342·5	757·2	35·2	297	486·7	13,212	10,813	6,007	4,806	13,200	31,200

Sir WILLIAM McDONALD.—In order to provide sustenance for these large numbers of stock, graziers face the proposition of very meagre pastures and practically no possibility of conserving baled hay. In the more favoured districts of the north-east and Gippsland, some baled hay will be cut, and in the cereal growing districts some of the crops that would normally have been stripped show so little promise of grain that their owners have conserved hay. As well as the hay that is available, there are some 21,000,000 bushels of wheat currently in store in Victoria, and of this figure some 5,000,000 bushels are committed to milling. To that, of course, must be added the 20,000,000 bushels of the estimated harvest.

There are no oats worth talking about above day-to-day requirements available in Victoria at present, even including the Riverina production; so Victoria looks to a total availability within the State of something in the vicinity of the estimated 2,000,000 bushels currently expected to be harvested. The holding outside of Victoria, or within reasonable distance, is 8,290,000 bushels in South Australia, and the silos in the lower part of South Australia—at Bordertown and Frances, for instance—can reasonably be expected to supply the southern and western sections of Victoria. To that quantity of 8,290,000 bushels can be added the expected 22,000,000 bushels of the current harvest. There are 41,490,000 bushels currently held in New South Wales, and to this can be added the 80,000,000 bushels expected this year. Of course, all of those figures are less than the domestic requirements of the States concerned.

In addition, if the drought should persevere for longer than one would normally expect it to, there are 90,000,000 bushels expected in Western Australia and 4,690,000 bushels currently held. To this can be added another 20,000,000 bushels of oats currently expected in Western Australia. As several members have mentioned, there appear to be adequate stocks of grain available for the feeding of stock, and I can assure the House that the Australian Wheat Board is conscious of the need to conserve more than adequate quantities inside Australia to meet the current demand.

The methods employed to meet the drought will vary with the properties that are concerned, and the factors that will determine the practice that is followed will be decided by the class of stock being carried—whether cattle or sheep, and whether they are being carried for meat or dairying or wool production. This will be determined by the normal stocking rate of the property. In many parts of western Victoria, because of new techniques, graziers have been encouraged to carry more than normal numbers of stock without the reserves that might reasonably have been expected to go with them. Another factor that will determine management is a normal climatic condition. Obviously, there will be a great deal of difference in management in areas where normal climatic conditions produce small quantities of rain and in the southern areas of high rainfall.

All of those factors will determine policy, and the great majority of Victorian graziers will fall into the category which carries both sheep and cattle and which combines breeding and fattening. For this group, I believe that the long-established maxim will prevail. It is very simply expressed in a few words: "Keep your breeders." My own views would be coloured by this outlook, and I believe that the Government would subscribe to the policy both literally and figuratively, and its effects both on the individual and on the State.

The object of our administration will be based on this simple maxim of "Keep your breeders". We recognize that a drought of the severity of that which faces us this year will have both a short and a long-term

effect on the economy; and though its incidence may first be felt by the cereal growers—particularly those that I mentioned earlier, who were unable either to sow their crops or to obtain a harvest from them—it will be felt by the stockowner, it will spread through the immediate ancillary industries, and eventually it will be felt, I believe, by every section of the community. The policy of "Keep your breeders" is aimed as much at the long-term result on the State as it is at the short-term effect on the individual. The Government aims at retaining normality as nearly as is possible on the individual farm so that normality can be maintained as nearly as possible over the whole State. I propose to deal in more detail later with the unemployment that is engendered by local drought conditions.

I set out to describe the state of drought as I see it. I propose to pass to the administrative acts which the Government has already put into practice, and I shall try to give, at least briefly, the reasons for them. Honorable members will remember that, throughout the winter of 1967, individual shires suffered to some extent from drought conditions, and the concessional freight rates which were promised then and which have been put into effect were, until 1st October, borne entirely by the Victorian Government. As early as August, the Premier advised the Prime Minister of the current dry conditions and alerted the Federal Government to the need for action, and that Administration acknowledged his message at that time.

Since the Premier gave me responsibility for administration made necessary by the current drought, my personal contact with the Federal Administration, both at Ministerial and officer level, has indicated both their sympathy with the plight of individual farmers and a recognition not only of the overwhelming importance of cereal growing and the grazing industry to Australia, but also of the proportion of the whole for which Victoria is responsible.

Having been given the responsibility for drought administration, my first action was to call together the producing organizations — the Victorian Graziers' Association, the Victorian Dairy Farmers' Association, the Australian Primary Producers' Union and the Wheat and Wool Growers' Association—to ask their advice and to seek their co-operation.

As a result of our first meeting a committee was formed, consisting of representatives of those four organizations and senior officers of the Treasury, the Rural Finance and Settlement Commission, the Lands Department, and local government. This committee has met on several occasions, and it intends to meet at regular intervals. As I see the task of the Government, it is to ensure that the primary producing industry is enabled to carry on through this period of drought and, when the rains come in the autumn of next year, to be capable of immediately returning to full production.

The day-to-day decisions on what has to be done—the decision on whether to sell or keep, the decision to feed at home or send stock on agistment, the decision on what is to be held and what has to be sold —must fall on the individual farmer.

Considerable publicity was given earlier to a request made to various farmers in Gippsland to accept for agistment even small numbers of valuable beef breeding stock. In fact, there was a very poor response, but, having spent the last few days in Gippsland with the honorable member for Gippsland East, I can very well understand the lack of enthusiasm on the part of dairy farmers to add more mouths to those already on their farms.

Sir HERBERT HYLAND.—It is getting pretty dry down there.

Sir WILLIAM McDONALD.—Yes. Having regard to the amount of rain that Gippsland has had in comparison with other parts of the State, it is amazingly dry.

However, in anticipation of the response that we believed, three weeks or a month ago, to be possible from Gippsland, we set up a committee to administer the agistment which we believed at that time we would be able to get. The committee is comprised of the Victorian Dairy Farmers' Association, on the one hand, and the Associated Stock and Station Agents on the other, and we invited farmers who had agistment to offer to give particulars to Mr. Thorne, the secretary of the Victorian Dairy Farmers' Association.

In addition, we have investigated the possibility of using Crown lands and have sought, with some degree of success, the acquisition of night paddocks in some of the areas of Gippsland where feed is still available so that roving on the roads can be made practicable. Some of the more encouraging responses have been from the shires of Alberton, Korumburra and Orbost, from the Forests Commission and from the Fisheries and Wildlife Department. In particular, these proposals have been submitted to the stock and station agents' section of the committee for consideration and for allocation.

The shires of Alberton, Korumburra and Orbost have approved roadside agistment and, in total, they will accommodate something over 1,000 head. The shires of Avon and Maffra could accommodate between 400 and 500 head, but this is subject to approval by the shire councils and, as yet, a reply to a request for their approval has not been received. Offers of agistment have been received from the upper Hunter River Valley and the northern tablelands in New South Wales, where 600 head can be accommodated. Crown lands in the north-east of Victoria could accommodate between 300 and 400 head. A forest area of 40,000 acres in the parishes of Won Wron, Boodyarn and Mullunbung would accommodate an estimated 400 head.

Sir HERBERT HYLAND.—Is there water for them?

Sir William McDONALD.—There is plenty of water. In some places, the fences are not good. Probably, electric fencing or something of the kind would be necessary but, if 400 head of cattle can be agisted there, owners would probably be only too pleased to erect the fencing. The Government appreciates that a great burden is being placed on stock owners who must pay for agistment. Its price is very high, and only valuable breeding stock would justify the cost. Because of this, the Government proposes to make it as easy as possible to take cattle to the agistment areas, and I shall deal with freight subsidies later in my statement.

Assuming that most farmers agree with the policy of which I have spoken—that of keeping breeding stock alive—inevitably, non-breeding stock will be destroyed. While this is the normal end to surplus stock in any year, the need for an accelerated slaughtering programme is obvious. Victoria was fortunate that, in the winter of 1967, when we failed to get the rains normally expected, the bad climatic conditions were accompanied by high meat prices. The price of top quality young beef was quoted as high as $38 per cental. The price of mutton was over 40 cents, and that of lamb was up to and above 24 cents. If these prices had not prevailed, the stock numbers in Victoria might well have been much higher than they were at the time when hope for rain was finally abandoned, over most of the State, in late October. Since that time, the meat working establishments have been taxed to the limit to process stock.

I have been in constant touch with the management of all of the metropolitan meat works, and I should like to record the support that they have given to the programme and the appreciation of the grazing community for their assistance. It became apparent very early that the shortage of Commonwealth inspectors would seriously

retard the total throughput in the meat works which were licensed for export, and that, to obtain maximum throughput, the more profitable export of carcass meat would have to be minimized in favour of packaged manufactured meat.

I sought the co-operation of the Federal Minister for Primary Industry, Mr. Anthony, and the Victorian Minister of Health in an endeavour to improve the total throughput of the metropolitan abattoirs. The co-operation of the latter Minister was sought so that a dual inspection of meat for home consumption could be abandoned, at least for the period of the drought, and that of the Federal Minister for Primary Industry so that greater numbers of Federal inspectors could be made available from States in which the demand for their services was not so high, in order that the throughput of Victorian abattoirs could be improved. It should be noted that, since September, an additional 36 inspectors have been brought to Victoria from interstate, and an additional 28 local inspectors have been employed, adding 64 to the number in Victoria. As a result, there has been a considerable increase in the number of sheep which it has been possible to slaughter.

Statistically, the total throughput of the abattoirs has been raised during the period of which I have spoken from 8,768 to 17,000 cattle per week and from 142,328 to 213,665 sheep per week.

Mr. Moss.—This would be normal under the circumstances.

Sir WILLIAM McDONALD.—Does the Leader of the Country Party mean that it was normal under the circumstances of drought, or normal because of the time of the year?

Mr. Moss.—Both.

Sir WILLIAM McDONALD.—It is normal in the circumstances of drought, but it is abnormal under ordinary circumstances. Further, the Government had caused the Shepparton abattoirs to be re-opened under the management of the Inland Meat Authority, with an additional throughput of between 6,000 and 7,000 head a week.

In addition to the number of stock being slaughtered, more than 2,000,000 sheep and 110,000 cattle have been sold out of drought areas to areas where feed is available. More than 10,000 head of sheep and 15,000 head of cattle have been transferred to agistment areas in Gippsland and New South Wales. This movement was organized by stock and station agents. Without their experience and their untiring assistance during this period, the movement would inevitably have resulted in chaos. The figures I have quoted have been obtained from stock and station agents, and I thank their staffs, who are not normally employed on statistical recording, for their co-operation. I do not claim that the figures are precise. In any case, they are several days old, but they give an indication of the number of sheep which have been moved and the numbers which have been slaughtered.

Sir HERBERT HYLAND.—When you speak of drought areas, do you mean declared drought areas?

Sir WILLIAM McDONALD.—Those that are declared today, yes. For practical purposes, one could say that if a line were drawn to the north of Melbourne, the areas to the west of that line would be drought areas. Obviously, the statement is not absolutely accurate and, equally obviously, the line would not be straight.

Mr. HOLDING.—Conditions are a little better nearer the coast, are they not?

Sir WILLIAM McDONALD.—They are, without doubt. To assist farmers to move stock to agistment areas, rail freights in both Victoria and New South Wales have been reduced by 50 per cent.

Sir HERBERT HYLAND.—Who is paying the difference?

Sir WILLIAM McDONALD.—The railways are charging half the normal freight and the Federal Treasury is paying the balance direct to railway accounts. In addition to these measures, because of delays in rail transport north of Albury, the Federal Government has agreed to subsidize road transport. The subsidy is paid in cases where rail transport is not available or is impractical. It is not necessary to read the whole proposal, but, broadly, agreement has been reached that, for distances over 40 miles, 50 per cent. of road transport costs will be met, to a maximum of 25 cents per mile.

I said earlier that the approach to drought administration would vary from property to property. In most cases, it will be desirable and expedient to feed stock on the home property on purchased fodder. This will apply in the case of fat stock which could be held off an already glutted market, or to save valuable breeding stock. The class of fodder used will be determined by the needs of individual farmers and, to a large extent, by what is available. Inevitably, the cost of prolonged feeding will be heavy and the cost of bringing fodder over long distances can greatly add to the over-all cost. To encourage farmers to hold available breeding stock at home, the Government has reduced by 75 per cent rail freights on fodder sent to drought areas. This matter seems to be causing some uncertainty all over the State, and I make it clear that this concession will be applicable to an agent in the same way as to a principal, and it will also be applicable to manufacturers of stock feed when a suitable declaration of destination has been provided.

When the road transport of fodder is preferred, permits will be issued free of charge, and as of right, for fodder transported to declared drought areas. I know that many farmers have some misgivings about the use of high protein feeds such as wheat for the general feeding of stock. Admittedly, it is necessary to introduce stock gradually to these stock feeds. To assist in the feeding of stock, the Minister of Agriculture has had printed some thousands of text books on drought feeding, and has made arrangements for veterinary advice to be offered to farmers at a number of centres. I have copies of these books available and any honorable member who is interested can obtain one from me or from the Department of Agriculture. The Department of Agriculture also proposes to hold field days. The first of these will be at Lismore on Friday of this week and the next at Hamilton on Monday next. There will be further field days at Winchelsea and Beaufort on the 28th and 29th of this month, respectively.

To augment the supply of wheat and to offer an alternative feed, large quantities of oats have already been imported from New South Wales and South Australia. At present, about 45 tons of oats are coming into Victoria from New South Wales every two days. The Government greatly appreciates the work done by the Victorian Oat Pool in bringing these oats into the State and distributing them. Only this morning, I was able to make arrangements for the subsidization of sea freight from Western Australia. An option was held, and it was executed at mid-day today, for the first 3,500 tons of feed to be delivered by sea into the port of Melbourne. It should arrive some time in mid December. We are attempting to make arrangements for the off-loading of ships in the port of Portland, for either this consignment if we are able to provide for it, or for subsequent consignments if it proves impossible to unload this one. Although Portland has adequate facilities for the loading of bulk oats, the machinery that will load grain into ships is of no value for unloading ships. The cost of using ships' winches to unload at a

rate of about 6 to 7 tons an hour is offset by high wharfage charges, and the result would be uneconomical.

Mr. Moss.—What is the landed cost in Melbourne?

Sir WILLIAM McDONALD.—It is in the vicinity of 94 cents on the wharf, give or take a cent. The honorable member for Brunswick East directed attention to the desirability of adequate water supplies being provided. The honorable member is quite right in this matter, because the huge losses of 1914 occurred not because of a shortage of feed but because of lack of water, and stock died of thirst in thousands. I believe that 1967 finds Victoria a good deal better prepared than it was in 1914. Despite the fact that in February the reservoirs in the Wimmera-Mallee system contained only some 10 per cent. of their normal capacity, the Minister of Water Supply has assured me that stock and domestic and irrigation water will be available until the winter of 1968. The dams on which reliance is placed are already full, and it is expected that the water will last until the winter rains.

In addition to the normal supplies, water is being brought from the Waranga basin and work has recently been authorized to enlarge the present channel from its 85 cusec capacity to a capacity of 100 cusecs. This will have the effect of making water available in the next season roughly north of a line drawn east and west through Birchip. The net effect of this enlargement is that, whereas it was possible to deliver a total of 25,000 acre-feet in the last season, it will be practical to deliver in excess of 55,000 acre-feet in the coming season. In addition, it is proposed to pump 6,000 acre-feet from the River Murray into the Wimmera-Mallee channels at Nyah, and this will provide water for the north-east corner of the area where, as some honorable members are aware, the prospect of water shortage is causing some apprehension. As a further measure to combat drought conditions, dams have been provided in channels adjacent to the Stawell-Callawadda section to ensure supplies for carting purposes to nearby non-rated areas.

The position regarding artesian waters has changed very dramatically since the 1914 drought. Drilling has largely replaced the old method of well sinking and has substantially cheapened the cost of providing underground water. Of course, one of the great barriers to drilling for underground water is the uncertainty of finding it in some areas. To ensure better information on the subject, some time ago the Government purchased and has since operated exploratory drilling equipment. The Mines Department has produced some excellent maps and honorable members who have some interest in this subject may inspect them either here or in the Department.

Sir HERBERT HYLAND.—What areas do the maps cover?

Sir WILLIAM McDONALD.—They are Victoria-wide maps which give an indication of the quality, quantity and depth of water over the whole State. To meet the current situation the Minister of Mines has agreed to transfer these exploratory drilling plants and make them available for practical drilling operations in areas where communal carting can be arranged and where there is a reasonable prospect of obtaining good quality water. These bores will be drilled, cased and equipped free of cost, either for this purpose or to provide emergency town supplies.

Mr. HOLDING.—Will it be free of cost for emergency town supplies?

Sir WILLIAM McDONALD.—Yes; that is, where they are emergency supplies. To avoid duplication and to make for better administration, we require requests for this service to be channelled through shire councils,

and I have asked councils to address them to me. Where water cannot be made available by more economic means, it has been agreed to subsidize its carting by rail. The subsidy will ensure that water in no case will cost more than $1.50 for the carting component.

Mr. B. J. EVANS.—To what does the cost of $1.50 relate?

Sir WILLIAM McDONALD.—It is the cost per 1,000 gallons. The honorable member for Portland drew my attention to the fact that there is some doubt about this in railway circles. I discussed the matter with the Minister of Transport, and it was agreed that water cartage for small towns should come into the same category as water carting for individual farm supplies; that is, that it should be subsidized on the same scale. Another point that was directed to my attention to-day from Ararat was that there is a shortage of bore casing. We were somewhat misled last week because an inquiry directed to Stewarts and Lloyd's indicated that there was no shortage, but the criticism from country areas was so consistent that I made inquiries to-day from the management of Stewarts Lloyd's and I found that there was, in fact, delay of about three weeks on 5-in. and 6-in. bore casing.

Mr. B. J. EVANS.—It is probably tied up with making bore casing for Esso Exploration.

Sir WILLIAM McDONALD.—I cannot tell the honorable member for Gippsland East whether that has any influence on the shortage, but the demand in Victoria is greatly in excess of what it is in a normal year. The stocks held in Melbourne at the present time are 12 tons of 4-in. and 12 tons of 8-in. casing, and in the hands of distributors at various places there are 15 tons of 5-in. and 9 tons of 6-in. casing. Fortunately, the Mines Department is holding in stock some twelve months' supply of casing, and arrangements have been made to transfer supplies of casing which are not vital for the next three weeks or so to Stewarts Lloyd's for distribution, and that firm will supply the Mines Department to keep up with our own demand over the next ten days. It is expected that, in from seven to ten days, an additional quantity of 160 tons of 5-in. and 6-in. pipe—or 80 tons of each—will be landed.

I have dealt only with the practical and physical aspect of drought administration. Of course, it is appreciated that this is not the only aspect and that extreme economic stress will result from prolonged drought. This will apply first to individuals, and later it will spread over Victoria. It must be understood that some cereal growers will have no harvest at all and that a great many will have severely curtailed harvests. The other fact that I feel must be understood and remembered is that they will receive no income from their farms, at any rate not until the 1968-69 crop is harvested and sold.

The recovery of farmers who are wholly dependent on income from stock will be even slower than the recovery of cereal growers, because if there is reasonable rain in the autumn of 1968 and if cereal growers get one good crop at good prices, they could be out of trouble, but the stock owner will not be in that position because he is reliant on the return of sheep at the earliest at shearing time—probably a little before Christmas—and the return of surplus stock well into next year. There is no doubt that a number of well-established and prudent farmers, not ordinarily reliant on borrowed finance, will be able to meet the obligations of drought from their own resources, but by far the largest percentage of farmers rely on either fixed borrowing or seasonal overdraft, or a combination of both. It is expected that the Reserve Bank will make extraordinary finance available to the trading banks and that this will flow to stock agents and pastoral houses.

By this means, it is hoped that the great majority of clients can be accommodated.

It is, however, expected that some clients, who are normally carried by finance houses, will, because of circumstances associated with drought or for other reasons, not continue to command credit. It is this section that the Government hopes will be accommodated from resources that will be administered by my Department, which proposes to meet such requirements as finance to purchase fodder for stock, to carry on requirements during the drought, and to restock when rain has fallen and the food is available.

These funds will be made available by the Rural Finance and Settlement Commission at 3 per cent. interest and, where necessary, repayment will not be sought over the first two years of the loan, which may be spread over a period up to seven years. The finance for this purpose is loaned to Victoria by the Commonwealth Government without interest charge. The interest charged to clients accepted in this field is designed to cover the cost of the administration and the cost of capital losses due to the inability to repay. Forms of application that have been devised with a minimum of complication have been printed and are available in the offices of banks and stock agents. Farmers finding it necessary to resort to this form of finance should complete the forms, preferably with the assistance of their own bankers, and forward them addressed to the chairman of the Rural Finance and Settlement Commission. I assure honorable members that the processing of these applications will be delayed no longer than is absolutely necessary. The net result of this administration is that for practical purposes all farmers are assured of additional financial provision.

Our objective is that a virile primary producing community will be preserved, and will be ready immediately following the seasonal rains of 1968 to continue to play its role in the economic life of the State. This is not charity, as some would tend to suggest; it is simply an acknowledgement by the nation that it is reliant for its existence, as it always has been, on the strength and contribution of primary producers.

Some criticism has been levelled at my Department and the trading banks in relation to interest. I have been criticized on the ground that bad managers will receive preferential interest rates compared with good managers. The banks have been criticized on the ground that overdraft interest rates are higher than they should be in time of drought. My answer, which has been given at several public meetings, is that if the interest comparison were reversed I would regard my position as untenable. I believe that there is ample justification for giving the lower interest rate to the man who is struggling. My only regret is that it is not possible to give the lower rate to everyone. Concerning the criticism of high bank interest rates, I think I should inform the House that yesterday I requested a discussion collectively with the managers of the trading banks in Victoria. After some discussion, I can assure honorable members that I have been assured that the staffs of these banks will view with the greatest sympathy —those are the words of the managers—all requests for drought carry-on funds.

Mr. HOLDING.—They will want collateral also.

Sir WILLIAM McDONALD.—That is normal in banking. I am assured that the Government's action in relieving the banks of customers who are no longer regarded as credit worthy is appreciated by the banks, and that in almost all cases a maximum interest rate of 5¾ per cent. will be applied to funds advanced essentially for drought carry-on requirements. It is explained, however, that some accounts carry an

element of capital indebtedness and in these cases higher rates are charged. My discussions are continuing, but I must say that, although I shall obtain a lower general rate of interest if I am able to do so, the situation is not made easier by the fact that the managements of the banks are national managements and not State managements.

Mr. HOLDING.—What is the policy of the State Savings Bank of Victoria on this?

Sir WILLIAM McDONALD.—To the best of my knowledge, it does not propose to cut interest rates in these cases. It is hoped that the physical and financial assistance to farmers that I have outlined will maintain a degree of normality in the over-all economic life of the rural community and that debt for the supply of services will be minimized, thus allowing trade to flow and rates to be paid to shire councils, enabling them to continue with development work and to maintain employment. We hope these measures will also maintain employment on farms.

However, it is realized that a section of the rural community is not directly covered by these measures. That is the section of industry that is ancillary to farming. Already there is evidence of unemployment in country towns. This is occurring in part in engineering works that normally maintain earth-moving equipment and farm machinery. To relieve this sectional unemployment, the Minister of State Development has requested city industrialists to consider sub-letting work to engineering establishments in country areas. In addition, the Minister of Public Works and the Minister for Local Government have advanced plans for works in country towns. Shire councils have been invited to prepare proposals for useful work, and Government Departments have been asked to submit maintenance and development projects containing maximum labour intensity.

To administer unemployment relief works of this kind, a committee representative of senior officers of the Rural Finance and Settlement Commission, the Public Works Department, the Local Government Department, the Ministry of Transport and the Treasury has been formed. Shire councils in areas where unemployment is evident may submit applications for relief work. I have asked councils to address their applications to me, and I have given an assurance that these will immediately be placed before this committee for investigation and executive action. I am pleased to advise the House that works to a total of $135,560 were approved to-day. I have a table giving details of these works, and I seek leave of the House to have it incorporated in *Hansard* without my reading it.

Leave was granted, and the table was as follows:—

TABLE 1.

Estimated Cost of the Initial Works Programme as approved by the Steering Committee, at meeting of 21st November, 1967.

	$
Vermin and Noxious Weeds Destruction Board.	
Twelve weeks' work for 42 men, and materials	30,000
Railways.	
Twelve weeks' work for 69 men	60,000
Agriculture.	
(*a*) Hamilton—fencing work for five men	7,000
(*b*) Walpeup—work for two men on fencing, farm structures, &c.	1,500
Municipal councils.	
Total cost $3,820 subsidy ..	2,060
Country Roads Board.	
Twelve weeks' work for 30 men	35,000
	135,560

Sir WILLIAM McDONALD.—All of these works are subject to review in regard to both their duration and the numbers of men to be employed, this depending primarily on the availability of labour due to drought conditions. The following is a list

of places where additional men are to be employed:—

TABLE 2.

DISTRIBUTION OF LABOUR CONTENT IN RESPECT OF TABLE 1.

Locality.	Vermin and Noxious Weeds Destruction Board.	Railways.	Agriculture.	Councils.	C.R.B.
	Men.	Men.	Men.	Men.	Men.
Ararat	4	..	..	..	4
St. Arnaud	2	..	..	..	..
Stawell	2	..	..	..	..
Casterton	2	..	..	..	..
Coleraine	2	..	..	..	..
Glenthompson-Dunkeld ..	2	..	..	..	..
Hamilton	2	25	5	..	6
Heywood	..	..	..	..	8
Penshurst	2	..	..	..	..
Portland	2	..	..	..	..
McArthur	1	..	..	..	..
Dimboola	..	..	..	..	4?
Horsham	2	30	..	..	..
Murtoa	1	5	..	..	..
Nhill	2	..	..	..	..
Rainbow	1	..	..	..	..
Warracknabeal	..	9	..	($3,820) total cost.	
Birchip	2	..	..	..	..
Hopetoun	1	..	..	..	3
Ouyen	..	..	2	..	..
Camperdown	2	..	..	..	..
Cobden	2	..	..	..	..
Mortlake-Derrinallum ..	4	..	..	..	..
Port Fairy	2	..	..	..	..
Warrnambool	2	..	..	..	..
Caramut	..	..	..	..	4
Total ..	42	69	7	($3,820)	29

Total number of men = 147(+).

This list shows that we are endeavouring to spread the employment provided in this way as widely as possible over the State. Applications by shire councils will constantly be kept under review and every available opportunity will be taken to employ men who have become unemployed because of the drought.

Sir HERBERT HYLAND.—I take it that the Government will be using loan money for this purpose.

Sir WILLIAM McDONALD.—No; in fact the money will be made available from the Commonwealth Government to the State by way of a grant.

In conclusion, I should like to record my appreciation of the advice and assistance given to me over the past few weeks. Inevitably, if I were to endeavour to list all those to whom this appreciation is due, some omissions would occur. However, I should like particularly to mention the officers of my own Department, who have been thoughtful, careful, practical and painstaking beyond what I would have regarded as the normal call of duty. I acknowledge also the assistance of Ministers and staffs of Departments of both the State and Federal Governments. I mention particularly representatives of producer organizations, meat packers, trading banks, stock and station agents, the Australian Wheat Board, the Victorian Oat Pool; and officers of the Municipal Association of Victoria and shire councils, as well

as many individuals not associated with any particular organization who have given me valuable advice.

I assure honorable members, if that is necessary, that the Government views the current situation as a serious threat to our economy. For many individual farmers it represents economic disaster and for many others it represents loss of production and of valuable stock in herds and flocks that have been built up by careful husbandry over the years. I assure farmers throughout Victoria that the Government is not only conscious of the hardship that they are suffering but also appreciative of the manner in which individual farmers, whether cereal growers or graziers, are meeting the situation.

The Government has taken certain steps, some of which I have enumerated. It will continue to watch the situation closely and will stand ready to offer further assistance if and when it is required. Everything possible will be done to ensure that when rain comes the great primary producing industries will again be able to play their part in the economy of this state.

By leave, I move—

That this House take note of the Ministerial statement.

Mr. HOLDING (Leader of the Opposition).—I move—

That the debate be now adjourned.

In proposing this motion I ask the Minister to indicate to the House some suitable occasion when the debate on his statement may be resumed.

Sir WILLIAM McDONALD.—I give an undertaking to discuss the matter with the honorable member and to resume the debate on a occasion convenient to honorable members on both sides of the House.

Mr. HOLDING.—If that meets the wishes of the corner party, I am happy with the Minister's assurance.

Mr. MOSS (Leader of the Country Party).—There are three parties in this House, and the third party is at least entitled to a little consideration in any undertaking given by the Minister to the Leader of the Opposition.

The SPEAKER (the Hon. Vernon Christie).—Order! I point out that the motion before the House concerns only the adjournment of the debate and not the time when it will be resumed.

Mr. MOSS.—I raise the question whether the debate will ever be resumed if it is adjourned now. I understand that the Minister of Lands has said that he is prepared to discuss with the Leader of the Opposition the resumption of the debate on a suitable occasion.

Mr. HOLDING.—I think we both intended that the honorable member should be included in the discussion.

Sir WILLIAM McDONALD. — The Leader of the Country Party well knows that it was intended that he should be included.

Mr. MOSS.—The debate may never be resumed.

Mr. B. J. EVANS (Gippsland East). —The point at issue is whether, if the debate is now adjourned, it will ever be resumed. Normally, the matter would go to the bottom of the Notice Paper and honorable members might not get an opportunity to resume the debate. We want a clear statement from the Minister of Lands that the debate will be resumed within a certain time.

The motion for the adjournment of the debate was agreed to.

It was ordered that the debate be adjourned until Tuesday, November 28.

MILK AND DAIRY SUPERVISION (AMENDMENT) BILL.

This Bill was received from the Council and, on the motion of Sir WILLIAM McDONALD (Minister of Lands), was read a first time.

STOCK FOODS (AMENDMENT) BILL.

This Bill was received from the Council and, on the motion of Sir WILLIAM McDONALD (Minister of Lands), was read a first time.

WATER (FURTHER AMENDMENT) BILL.

This Bill was returned from the Council with a message relating to an amendment.

Mr. BORTHWICK (Minister of Water Supply).—After the Bill was passed by this House and before it was presented in another place, certain fears were expressed to me concerning the word "flows" in respect of any river, creek, stream or water-course, or lake, lagoon, swamp or marsh, as referred to in section 204 of the principal Act, as amended by Act No. 7321. It was felt that the deletion of the word "flows" could in some way affect the concept of the Act.

For the benefit of honorable members, I might add that the word "flows" is an integral part of section 4 of the Act, which describes water vested in the Crown and, if these fears do exist, I can see no valid reason why the relevant wording should not be retained in section 204. In another place, the appropriate Minister moved the following amendment:—

Clause 6, line 6, after "water-course" insert "which flows through any land".

This amendment was agreed to. Accordingly, in order to allay any doubts that may be held by members of this House, I move—

That the amendment be agreed to.

Mr. STONEHAM (Midlands).—The Opposition offers no objection to the amendment made by the Council in this Bill.

Mr. TREWIN (Benalla).—Country Party members made the suggestion that the Bill should be amended as it has been, and we are grateful for the consideration and co-operation of officers of the State Rivers and Water Supply Commission. We also thank the Minister of Water Supply for his consideration.

The motion was agreed to.

SUPREME COURT (JUDGES) BILL.

This Bill was returned from the Council with a message intimating that on consideration of the Bill in Committee it suggested that the Assembly should make certain amendments in the Bill.

Mr. G. O. REID (Attorney-General).—I move—

That this House do make the amendments suggested by the Council.

The amendments suggested by the Council are in the following terms:—

1. Clause 3, line 15, after "period" insert "not exceeding 6 months".

2. Clause 3, line 16, after "certificate" insert "but not more than two Judges of the County Court shall be so appointed to be Acting Judges of the Court at any one time".

These amendments are inter-related. Honorable members will recall that when the Bill was before this House, provision was made in sub-section (2) of proposed new section 11 of the principal Act, as contained in clause 3, for the appointment of Judges from the ranks of County Court Judges to fill temporarily the office of Supreme Court Judges in particular circumstances. The relevant provision stated—

When and so often as the Chief Justice certifies that it is desirable for an acting Judge to be appointed temporarily to assist in disposing of the business of the Court during any period the Governor in Council may, if he thinks fit, appoint a Judge of the County Court to be an acting Judge of the Court for such period as is specified by the Chief Justice in his certificate.

After the Bill had been debated in this House, representations were received from the Bar Council, and I shall summarize those representations by reading the relevant paragraph of the letter which was sent to me on the subject. It states—

It is the view of the council that the power given in the proposed new sub-section (2) of section 11 should be limited in operation to a period of, say, twelve months from

the date when the sub-section comes into operation; and that it should also be expressly limited to a power to appoint not more than two County Court Judges at any one time, so that the effective number of Judges of the Supreme Court could be maintained at, but would not exceed, the strength envisaged in clause 2 of the Bill. Such an amendment would, of course, leave unaffected the power to appoint acting Judges under section 11 (1) of the Act. The amendment suggested would not only largely allay the concern of the council but would bring the Bill as presented into conformity with the evident intention of the Government as expressed by you.

Those representations of the Bar Council of Victoria have been taken into consideration by the Government, and I may say that it was always the Government's intention that the number of Judges appointed from the County Court as temporary Judges in the Supreme Court would be limited. Further, it was also the Government's intention that the period of appointment of each such Judge would be a limited term. In view of the representations of the Bar Council, and to put the matter beyond all doubt, the Government has propounded an amendment which has been suggested by another place to the effect that any Judge so appointed shall be appointed for a period not exceeding six months, and also that not more than two Judges of the County Court shall be so appointed to be acting Judges of the Supreme Court at any one time.

The first suggested amendment gives effect to the proposition that the period of appointment shall not exceed six months, whilst the second suggested amendment gives effect to the proposition that not more than two Judges of the County Court shall be so appointed at any one time.

Mr. TURNBULL (Brunswick West). —The Opposition offers no objection to the amendment suggested by the Council.

The motion was agreed to.

It was ordered that the Bill be returned to the Council intimating the decision of the House.

FISHERIES (AMENDMENT) BILL.

Mr. RYLAH (Chief Secretary), by leave, moved for leave to bring in a Bill to amend the Fisheries Act 1958.

The motion was agreed to.

The Bill was brought in and read a first time.

SUNDAY ENTERTAINMENT BILL.

Mr. RYLAH (Chief Secretary).—I move—

That this Bill be now read a second time.

Its purpose is to modernize and clarify the law relating to entertainments held on a Sunday and to control the holding of public entertainments for profit on that day.

The law in Victoria relating to Sunday observance is to be found in an ancient statute of the Imperial Parliament, Act No. 21 of George III, and certain other Acts, such as the Theatres Act 1958, the Local Government Act 1958, the Labour and Industry Act 1958 and the Summary Offences Act 1966.

By virtue of section 4 of the Imperial Acts Application Act, certain Imperial Acts are written into the Victorian statute law. One of these enactments is Act No. 21, George III, entitled "an Act for preventing certain abuses and profanations on the Lord's Day called Sunday". This Act provides that any house, room or other place opened or used for public entertainment or amusement upon a Sunday and to which persons are admitted for payment of money or by tickets sold for money shall be deemed a disorderly house or place. It also provides therein that the manager and master of ceremonies conducting the entertainment and the staff employed thereat shall be guilty of an offence. Action under this Act may be taken by a common informer, and the penalty for holding such an entertainment is the forfeiture of $400 for each day such house, room or place is so opened.

The Theatres Act 1958 prohibits the holding of any entertainment on the stage on a Sunday to which admission may be procured by payment of money or by ticket or by any other means, token or consideration. The same Act, however, permits a licensed theatre to be used on a Sunday for the holding of a public concert, reading, lecture, recital or musical entertainment, but the Act of George III prohibits the making of any charge for admission into such concert, reading, and so on, on that day.

In 1964, legislation was enacted to enable a cinematograph theatre to exhibit films for profit on a Sunday provided that the exhibition did not commence before 8.30 p.m. and that the theatre is one where films are commonly exhibited for profit. Pursuant to the Local Government Act 1958, the council of any municipality may make regulations for appointing the times and hours during which registered buildings may be used or shall be closed.

Provisions of the Labour and Industry Act 1958 and the Summary Offences Act 1966 impose certain prohibitions on a Sunday in relation to matters other than public entertainments and are not relevant to the present Bill.

There can be little doubt that the law on this subject is archaic and confusing. That is probably the understatement of this session. One only has to read the relevant provisions of the Act of George III and the Theatres Act to be convinced on this point. Briefly stated, the position is that it is against the law to open any house, room or other place on a Sunday for the purpose of public entertainment or amusement if a charge is made for admission, but there appears to be nothing to prevent a collection from being made.

In addition to exploiting this weakness in the law, promoters of public entertainments have adopted many devices to overcome the legal prohibition of a charge being made for admission. Charges have been made for programmes and for reservation of seats, and demands have been made for donations of specified amounts, to name only a few of them.

Considerable uncertainty exists at present as to whether these devices avoid the prohibitions of the law against charging for admission or whether they are in fact a charge such as to bring the promoters in contravention of the law. Apart from the fact that this state of affairs is unsatisfactory and brings the law into ridicule, the general demand in the community for wholesome public entertainment on a Sunday has changed considerably in the period of almost 200 years since the passing of the Act of George III.

It is the desire of the Government to meet that demand but at the same time to exercise a strict control over the holding of such entertainment by the provisions of the measure now before the House. The purpose of the Bill is to remove from the statute-book Act No. 21 George III C. XLIX so far as it is in force in Victoria by the operation of the Imperial Acts Application Act 1922 and in its stead to provide a system of control of public entertainments for profit on a Sunday.

Public entertainment for the purpose of this Bill means any entertainment, amusement, contest, display or other function to which the public are ordinarily admitted upon the payment of money or other consideration or by ticket, programme or donation and includes specifically the entertainment referred to in clause 3. The Chief Secretary may also declare other functions or activities to be public entertainment for the purpose of the Act.

Clause 5 makes it an offence to hold or conduct a public entertainment on a Sunday without a permit in writing having first been obtained from the Chief Secretary. This prohibition does not apply to an exhibition of cinematograph films for hire, gain or reward after the hour of

8.30 p.m. on a Sunday in a theatre commonly used for that purpose on days other than a Sunday.

It is specifically provided in clause 4 that nothing in the Bill shall authorize the holding or conduct on a Sunday of any game, race or sporting contest at which betting is permitted or have any application to licensed premises within the meaning of the Licensing Act 1958. In addition, clause 14 amends section 9c of the Licensing Act 1958 to prohibit the holder of a theatre licence under that Act from serving liquor on theatre premises during the holding of a performance in a theatre on a Sunday. This is quite reasonable because I do not think one theatre has taken advantage of the provisions allowing theatres to provide liquor during their showings, despite the fact that the Act was amended two years ago to permit this.

The penalty for holding a public entertainment on a Sunday without the permission of the Chief Secretary is not more than $500 or imprisonment for not more than six months or both. In considering any application for a permit, the Chief Secretary shall have regard to certain factors. These factors are set down in clause 7 of the Bill and include such matters as church services to be held in the vicinity, any objections by the municipality concerned, and the nature and type of the function. I think, in view of some of the comments already made on the Bill by people who have not seen what is in it, I should give the House an outline of the provisions of clause 7. They are—

In considering any application for a permit under this Act the Chief Secretary shall have special regard to—

(a) church services which will be held in the vicinity at the time of the proposed public entertainment;
(b) any objections raised by the municipality concerned;
(c) the nature and type of the public entertainment;
(d) admission charges to be made; and
(e) the public demand for the public entertainment to be held.

Mr. SUTTON.—Does that mean the amount of the charges?

Mr. RYLAH.—Yes, that has been done deliberately. Functions have been held at certain places—Festival Hall in particular—where the donation asked for, having regard to the type of entertainment provided, has been out of all reason. I believe it is a responsibility of the Government to ensure that this type of activity does not continue. In saying that I am not blackballing any entertainment held at Festival Hall, but if the prices charged to see the act of a "crummy" entertainer from overseas, who provides a poor sort of entertainment, are out of reason, the Chief Secretary should have power to refuse a permit.

Mr. SUTTON.—That is if the scale is stated beforehand.

Mr. RYLAH.—The scale will have to be stated in the application. I think most people will agree with this. Many people in the community believe that Sunday is being exploited by certain interests for entertainment. They think the spurious donations which are supposed to be for charity are not going to charitable organizations. I have some doubt whether charity gets them.

Mr. SUTTON.—The full benefit, anyway.

Mr. RYLAH.—I agree. If the Chief Secretary is satisfied that the entertainment is not contrary to the public interests so to do, he may grant the application unconditionally or impose such conditions as he thinks fit. Any permit so granted may be revoked by notice in writing served on the holder of the permit.

In order that a municipality may have knowledge of the intention of an applicant to hold a public entertainment on a Sunday, sub-clause (1) of clause 8, requires the applicant to send a copy of his application to the town clerk or secretary of the municipality concerned. The Chief Secretary is unable to grant a permit for the holding of a public entertainment on a Sunday upon any land or in any building controlled by a municipality,

unless the council of that municipality gives its consent to the holding of the entertainment. This is in accordance with the Government policy of not interfering with the rights of local government.

Clause 10 facilitates the administrative work associated with the issue of permits. This clause enables a permit to be issued to hold a public entertainment —

(*a*) on one Sunday only;

(*b*) on two or more specified Sundays;

(*c*) on every Sunday within a specified period of not more than twelve months.

Pursuant to clause 11, the responsibility is upon the permit holder to ensure that the permit is available for inspection at the premises to which it relates. The permit must be produced for inspection on demand by any member of the Police Force. It will be an offence for any owner, lessee or occupier of land or building to permit the use of such land or building for a public entertainment on a Sunday, unless the function is held with the permission of the Chief Secretary. The penalty for such offence is a fine of not more than $500 or imprisonment for six months or both. This is provided for in clause 6.

For purposes of establishing whether a person charged with an offence under the Sunday Entertainment Act was or was not the holder of a permit issued under the Act in respect of any particular public entertainment, it is proposed, under clause 12, that a certificate signed by the Chief Secretary shall be prima facie evidence that such person was or was not the holder of a permit.

By clause 13, the Governor in Council is given power to make regulations in regard to certain matters, including the making of applications to the Chief Secretary, the issue of permits, and the charging of fees therefor. Clause 15 makes a consequential amendment to the Theatres Act 1958.

Under clause 16, no person who holds a permit under the Sunday Entertainment Act to conduct a public entertainment on a Sunday will be liable to a penalty under any other law for holding such public entertainment.

This Bill should be treated as urgent because of the various subterfuges that are being indulged in at the moment in connexion with Sunday entertainments. I commend the Bill to the House and ask for its speedy passage.

On the motion of Mr. SUTTON (Albert Park), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, November 28.

SWINE COMPENSATION BILL.

Sir WILLIAM McDONALD (Minister of Lands).—I move—

That this Bill be now read a second time.

The Government has decided to introduce a number of amendments to the legislation dealing with cattle and swine compensation. At the same time, it was considered that the opportunity should be taken to eliminate inconsistencies between the two existing Acts, which, to facilitate administration, should correspond as closely as possible in form and expression. As this necessitated some re-arrangement and alteration of the various provisions of the two Acts, it was considered desirable to repeal them, and to introduce new legislation which would effect the necessary changes and incorporate the amendments proposed by the Government.

This Bill deals with the legislation relating to swine compensation, and a similar measure has been introduced in relation to cattle compensation. Apart from the changes necessary to bring the provisions of the two Acts into line, I shall now outline the principal amendments proposed in this Bill.

The first relates to the payment of compensation where pigs which are ordered to be destroyed die before they can be destroyed, or where pigs are ordered to be destroyed because of injury suffered by them in the course of disease control activity under the Stock Diseases Act 1958. Not infrequently, cases arise where pigs, which have been inspected and their value determined for the purposes of compensation, die before arrangements can be made for their destruction under supervision at an abattoir. In such cases, as the pigs were not destroyed by or by order of an inspector of stock, compensation cannot be paid under the Act as it now stands, although it is the usual practice to compensate the owner by way of an *ex gratia* payment.

Again, from time to time, cases occur where pigs are injured as a result of disease-control measures undertaken by the Department of Agriculture, and the injury is of such a nature that it is necessary to order their destruction. There is no provision in the Act whereby compensation may be paid in these circumstances, although compensation is obviously justified. It has been decided therefore to provide authority for the payment of compensation in these cases.

The second proposal relates to an alteration to the method of dealing with moneys obtained from the sale of the carcass and offal of pigs destroyed. Under the principal Act, such moneys—that is, the residual values —are paid to the owner of the pig by the purchaser, usually the abattoir, and represent the proceeds of the sale less killing fees, yardage dues, transport costs, and so on. The Act provides further that the amount of any residual value is to be deducted from the amount payable as compensation. In practice, the owner receives two separate payments, one from the abattoir covering the residual value, and one from the Treasury for the amount of compensation. Understandably, this system of separate payments leads to some confusion, and to numerous inquiries as to the values determined for the purpose of compensation.

This Bill proposes that the residual values shall be paid to the Chief Inspector of Stock and transmitted to the Swine Compensation Fund. Owners of pigs will then receive one payment from the Treasury by way of compensation which will be the agreed upon value of the animal up to the specified maximum market value of $50. In any case where the residual value obtained exceeds the market value, compensation equal to the residual value will be paid.

The third proposal is that moneys in the Swine Compensation Fund shall be applied towards the cost of erecting and equipping veterinary diagnostic laboratories to be established by the Department of Agriculture. An examination of this Fund has disclosed that, through reduction in expenditure and increase in receipts, the balance has reached a level well above that considered to be a safe minimum to cover outbreaks of disease and long-term disease control programmes. Since June, 1956, when the balance was a little over $43,600, the Fund has built up to $765,388 as at the 31st October, 1967, and over the financial years from 1964-65 to 1966-67 has increased at an average annual rate of 28.04 per cent.

Factors which have had a bearing on the growth and stability of the Fund are the increase in pig numbers and the decrease in compensable disease incidence. From 1956 to 1966, pig numbers in this State rose from 227,223 to 384,000, resulting in increased sales and a steady build-up in the income to the Fund by way of stamp duty. There is evidence of intensification and specialization in the pig industry, which will ensure that pig numbers are likely to remain at least around their present numbers for some years to come.

On the other hand, there has been a decrease in expenditure from the Fund. Over the financial years

1956-57 to 1966-67, expenditure has varied from a maximum of $107,129 in 1957-58 to a minimum of $50,246 last year. In particular, expenditure for the disease, tuberculosis, has during that period decreased from $31,420 to $17,212. The expenditure in respect of other diseases has varied, depending upon the severity of outbreaks in any particular year, but, from the experience of the past ten years or so, there is no indication that any major upsurge in expenditure due to the incidence of compensable diseases is likely. Another factor which has a bearing on this decrease in expenditure is the amount attained by way of residual values from pigs destroyed which represents a saving to the Fund and/or the relevant vote. In the period from 1956-57 to 1966-67, the total amount obtained in this way was $38,261.

The Government has had before it proposals that moneys in the Fund over what is considered to be the safe minimum figure should be applied towards portion of the cost of erecting and equipping veterinary diagnostic laboratories to be established by the Department of Agriculture in this State. Planning for the setting up of these laboratories is well under way; land has been acquired at Hamilton and Bendigo, where the first two will be established, and the third will be erected at a suitable location in Gippsland. Others will follow.

The greatest single factor limiting the ability of the Department of Agriculture to play its proper role in disease control and eradication programmes is the desperate shortage of veterinary diagnostic laboratory facilities. The Government recognizes that the provision of an adequate and efficient diagnostic service will be of great benefit to pig owners generally, and will make a significant contribution to the control and eradication of disease.

The Government considers that it is not unreasonable that moneys in this Fund, which are contributed by pig-owners, should be applied towards portion of the cost of providing a service which will be of such benefit to them. In this approach, the Government has the broad support of the industry. It is proposed, therefore, to provide authority for a proportion of the moneys in the Swine Compensation Fund to be utilized for this purpose. In determining the proportion which should be fixed, the Government gave careful consideration to the amount which could be accepted as a safe reserve to meet any eventuality. Having regard to the experience of the past twenty years, it is considered that a figure of $400,000 would represent a safe reserve in the Fund.

Accordingly, this Bill limits the moneys which can be applied from the Fund for the purpose of veterinary diagnostic laboratories to one-third of the amount standing to the credit of the Fund on the day on which this proposed Act receives the Royal assent. Present indications are that, on this basis, the amount which could be so applied will be about $265,000 leaving a balance in excess of $520,000 in the Fund, which is well above the figure of $400,000 regarded as a safe reserve. Under the existing legislation, the Government guarantees the availability of funds to meet compensation payments, and this guarantee is continued in this Bill under sub-clause (4) of clause 10.

The fourth proposal is the repeal of Part II. of the Swine Act 1958. The provisions of this Part prohibit the making of charges or deductions on pig sales by way of indemnity or insurance against possible losses due to injury, disease or death of pigs subsequent to their purchase. These provisions were enacted in 1927, shortly after the implementation of the original Act dealing with swine compensation. Their purpose was to terminate a practice which had been prevalent for many years, whereby bacon curers purchasing pigs imposed charges and deductions

against the purchase price as a sort of unofficial compensation scheme of their own. This practice has long since been discontinued, and, as the provisions no longer serve any useful purpose, it is proposed to repeal them.

The last of the principal amendments proposed in this Bill deals with the matter of stamp duty. For many years, the collection of contributions to the Swine Compensation Fund of this State has been effected by the affixing, by the vendor or his agent, of special swine duty stamps on the "statement of sale" which must be given to the purchaser whenever pigs are sold. These stamps are ordinary adhesive duty stamps specially overprinted by the Government Printer with the word "SWINE" and sold by the Comptroller of Stamps and post offices. The Stamps Act prohibits these so-called "appropriated" stamps from being used for the payment of any other form of stamp duty. The amounts credited to the Fund from time to time consist, in the main, of the proceeds of sale of such swine duty stamps.

This method of collection is considered to be laborious and time consuming and therefore uneconomic, especially in the case of the larger stock and station agents, who process a vast number of individual sales each day throughout the State. In addition, the Government Printer, the Stamp Duties Office and the Distributor of Stamps at the General Post Office, as well as hundreds of individual postmasters, must maintain and account for large stocks of these stamps.

In both South Australia and Western Australia, legislative provision exists whereby "approved" stock and station agents pay this duty on a periodical return basis, the use of adhesive stamps being restricted to direct owner-to-owner sales and sales made through the medium of the smaller agents. The adoption of such a procedure in Victoria would involve the use of two co-existing systems, namely, returns and stamps. However, under the Victorian Stamps Act, such a concept has already been accepted in four other duty fields and is working quite smoothly.

Accordingly, it has been decided to introduce a system whereby "approved" agents will be permitted to pay this duty by means of monthly returns to the Stamps Office. It is the present practice for agents to affix the stamps on the vendor's behalf and recover this outgoing by deducting the value of the stamps from the proceeds of sale of the animals. It is assumed that this practice will still be followed in the case of duty paid on the agents' returns.

For the information of honorable members, I should like to refer to those clauses in which the provisions contained in the existing legislation are altered substantially. Clause 1 of the Bill provides that Part V. will come into operation on the day on which the Act receives the Royal assent. This means that the authority to apply one-third of the amount standing to the credit of the Fund for the purpose of veterinary diagnostic laboratories will operate from that day. The other provisions of the Bill, which are in effect the substituted legislation, will come into operation on a day to be fixed by proclamation of the Governor in Council. The reason for this approach is that some time will be required by the Stamps Office to set up the administrative machinery necessary for the proposed new method of paying duty. It is expected that the provisions of the Bill other than those in Part V. will be proclaimed, and the necessary regulations promulgated on a date which will be mutually convenient to the Stamps Office and the majority of approved agents.

In Clause 3, interpretations of "approved agent" and "residual value" have been included to cover references to these expressions. An interpretation of "swine duty stamps", which is not necessary in view of the reference in clause 13, has been

deleted. Under sub-clause (1) of clause 4, the cases in which compensation is payable have been extended to cover circumstances where pigs ordered to be destroyed die before this can be effected, or where pigs are destroyed because of injury suffered in the course of the administration of the Stock Diseases Act. The necessary provision is made in paragraphs (*b*) and (*c*). Sub-clause (2) has been amended to meet the new arrangement whereby residual values will be paid into the Fund. The percentage of compensation payable from the Fund and the vote in respect of tuberculosis are unchanged.

Sub-clause (3) of clause 6 requires the payment into the Swine Compensation Fund of the residual value of pigs destroyed. Sub-clause (4) provides that, where the residual value exceeds the market value, compensation equal to the residual value will be paid. Sub-clause (5) has been amended to authorize payment from the Fund of costs incurred in the transport of pigs ordered to be destroyed but which die either in transit or at an abattoir before they can be destroyed. In such cases, there are no proceeds from which these costs can be met.

Under the existing Act, there is a provision whereby compensation may be refused to an owner who has been convicted of any offence against that Act, the Cattle Compensation Act, the Stock Diseases Act, the Milk and Dairy Supervision Act and Part XV. of the Health Act or the regulations thereunder. As penalties are provided under each of these Acts and the regulations for any offences, it was considered that this particular provision was in the nature of a continuing additional penalty, and therefore it has been omitted from clause 7.

Clause 10 provides for payment into the Fund of residual values of pigs destroyed, and payment out of the Fund of costs incurred in the transport and destroying of pigs where the carcasses are condemned or the pigs die before destruction can be carried out. The provision concerning the use of the Fund for veterinary diagnostic laboratories, which I dealt with earlier in my remarks, is also contained in this clause.

Clause 12 differs from the existing single adhesive stamp system specified under the existing Act in two respects. First, it will apply only to sales not made through the medium of an "approved" agent—for example, owner-to-owner sales and those effected through smaller agents. Secondly, the statement of sale which the vendor is required to make out and stamp is to be in or to the effect of a prescribed form. It is considered that this will give a degree of control, at present lacking, over the amount of information to be set out in such statements.

Clauses 14 and 15 are new, and are based on similar provisions in the Stamps Act covering the authorization of persons to pay various forms of stamp duty by means of periodical returns, the methods of furnishing such returns and the payment of the duty. Clause 14 authorizes the Comptroller of Stamps to declare stock and station agents to be "approved agents" for the purposes of Part II. of this Bill. This will be done on the recommendation of the Chief Inspector of Stock. Provision is made also for any declaration or revocation thereof to be effective from the date specified in the *Government Gazette* notice. This clause also requires the Comptroller to assign a serial number to every agent duly declared. This will facilitate identification and assist administration.

Sub-clause (1) of clause 15 requires all approved agents to furnish the requisite return, and pay the appropriate duty not later than the 21st day of the month following that in which the relevant sale took place. The prescribed form will be a simple one, showing the agent's name and Victorian head office address, his serial number and the total swine

duty payable for the month in question. As the rate of duty is based on the purchase price for each lot, with a maximum amount of duty per head, it will be necessary for the agent to calculate the duty separately in respect of each individual sale. It will, therefore, be essential for him to have books of account and use working papers in arriving at the monthly total, particularly where the agent is a company having various branch offices throughout the State. Sub-clause (2) requires such books and papers to be kept available for inspection. This provision is essential for the protection of the Fund, and is in line with the requirements of similar systems under the Stamps Act.

Sub-clause (3) of clause 15 is a machinery provision prescribing the method of denoting the duty in the Stamps Office. Sub-clause (4) requires the approved agent to issue an invoice, in respect of each sale, to the relevant purchaser showing the necessary particulars. This invoice is to be endorsed as specified, and will be the purchaser's safeguard in the event of a claim for compensation arising. Sub-clauses (5) and (6) are penalty provisions — the former relating to offences by approved agents, the latter to offences by other persons who hold themselves out as, or purport to be, approved agents but who are not so in fact.

Clause 17 is in similar terms to section 159 of the Stamps Act, relating to the recovery and mitigation of penalties, which has been operating satisfactorily for many years. It authorizes the recovering of penalties, with costs, in a summary way before a Court of Petty Sessions, and also authorizes the Minister to stay or compound proceedings, mitigate penalties and reward informers. Under this clause, the Comptroller of Stamps is empowered, instead of commencing court proceedings for the full penalties, to demand payment of full or reduced penalties. The alleged offender may either pay the amount demanded, in which case no court proceedings will be taken, or at his option, by not paying such amount within fourteen days of the demand, elect to have his case dealt with by the court.

Section 167 of the Stamps Act empowers the making of regulations for various purposes, including the better securing of the revenue of the Crown, as it may be effected by that Act. Under the existing Swine Act, provision is made for section 167 of the Stamps Act to be applied to the making of regulations relating to the Swine Compensation Fund. Sub-clause (1) of clause 18 which is in substantially the same terms as the existing provision will, in addition, cover the prescribing of the manner of applying for declaration as an approved agent. Under sub-clause (2), the present $40 maximum penalty for breach of any such regulation is increased to $100, the same as the present maximum for a breach of any regulation under the Stamps Act.

Another provision in the existing Act which has been deleted is one specifying that, in any proceedings against an owner or agent for contravention of or failure to comply with the Act or regulations, the burden of proof that the provisions of the Act or the regulations have been complied with shall be on the defendant. It is considered that this provision is no longer acceptable, and therefore it is being omitted.

In clauses 19 and 21, the maximum penalties provided have been increased from $40 to $100 to bring them into line with the maximum penalty under clause 18. Clause 22 effects the necessary consequential amendments to the Stamps Act. The rate of duty is altered from 2 cents per $2.50 or part thereof, to 4 cents per $5 or part thereof. This alteration has been included at the request of stock and station agents in order to simplify the calculation of duty. Agents have found that the existing rate, which has operated since the change-over to decimal currency, gives rise to frequent errors in calculation.

Clause 23 enables the provision relating to the use of the specified proportion of the Swine Compensation Fund for the purpose of veterinary diagnostic laboratories to be brought into operation on the day on which the Act receives the Royal assent. This Bill will extend the financial assistance granted to owners of diseased pigs, provide a more efficient system for payment of swine duty, improve existing administrative procedures and facilitate the establishment of veterinary diagnostic laboratories in this State. I commend it to the House.

On the motion of Mr. GINIFER (Deer Park), the debate was adjourned.

It was ordered that the debate be adjourned until Wednesday, November 29.

MILK AND DAIRY SUPERVISION (AMENDMENT) BILL.

Sir WILLIAM McDONALD (Minister of Lands).—I move—

That this Bill be now read a second time.

The purposes of this Bill are to amend the provisions in the principal Act relating to the notification of diseases of animals, to empower the Governor in Council to revoke, amend or vary by proclamation any proclamation made pursuant to sections 55 and 65 of the principal Act, and to extend the operation of Part II. of that Act to certain dairies and dairy farms.

Since the Milk and Dairy Supervision Act was promulgated in 1905, it has contained provision for the reporting of specified notifiable diseases of animals to a dairy supervisor or a member of the Police Force, and for the isolation of animals affected with those diseases. Provision has been included also for veterinary surgeons or other persons treating animals for diseases to notify the Minister of Agriculture or the council administering the provisions of the Act in a municipal district of the occurrence of notifiable diseases of animals upon such information coming to their knowledge, and for payment of a fee for this notification.

Some confusion has arisen through the years in that the diseases specified as notifiable under the Milk and Dairy Supervision Act are not in all cases scheduled under the Stock Diseases Act, and represent only six out of the 54 diseases notifiable under the latter Act in this State. The provision in the principal Act requiring a report to be made to a member of the Police Force when any animal at a dairy farm or dairy is affected with a notifiable disease appears to cut across the requirement that owners of stock affected with diseases scheduled under the Stock Diseases Act are to notify an inspector of stock, who is specifically empowered under that Act to deal with outbreaks of stock diseases. Furthermore, the Milk and Dairy Supervision Act as it now stands appears to limit the operation of proper stock disease control procedures, in that "animal" as at present defined in that Act is more restricted than the definition of stock under the Stock Diseases Act.

The normal procedure followed today in the event of a suspected occurrence of stock disease is that the owner gets in touch with the departmental inspector of stock or veterinary officer and, if the presence of the disease is confirmed, appropriate action is taken under the Stock Diseases Act to deal with the situation. Notification to a member of the Police Force of the occurrence of disease can lead to unnecessary delay in dealing with the outbreak, and the existence of two separate sets of notifiable diseases of animals under the Milk and Dairy Supervision Act and the Stock Diseases Act is likely to confuse the owner as to the correct procedure to be followed.

The Bill now before the House proposes amendments to the Milk and Dairy Supervision Act which will overcome the difficulties to which I have referred. By clause 2, the interpretation of "animal" in section 54

of the principal Act is widened to include poultry, and an interpretation of "inspector of stock" is inserted consequent on the amendment to section 71, which is dealt with under clause 6. Clause 5 of the Bill substitutes a new section for section 70 of the present Act.

Under the existing section 70, eight diseases are specified as notifiable diseases of animals for the purposes of Part II, of the Act, and provision is made for the Governor in Council to proclaim by order further notifiable diseases. The proposed new section 70 empowers the Governor in Council to declare by proclamation those diseases which will be notifiable under the Act, and makes provision for any such proclamation to be revoked, amended or varied. To remove any confusion as to the requirements under the Milk and Dairy Supervision Act and the Stock Diseases Act with regard to the notification of diseases, it is intended that the diseases which will be proclaimed as notifiable under the new section 70 will be the same as those scheduled as notifiable under the Stock Diseases Act.

Clause 6 removes the present requirement in the Act for notification of the occurrence of a notifiable disease to be given to a member of the Police Force, and provides for such a notification to be given instead to an inspector of stock as required under the Stock Diseases Act. Clause 6 also removes the provision in the principal Act for payment of a fee for notification of the occurrence of a notifiable disease. Payment of such a fee has not been made for many years, and the principle underlying the provision for payment is one which is not now acceptable in view of the fact that, under the Stock Diseases Act, there is a legal requirement for notification to be given of the occurrence of any notifiable disease of animals.

Clauses 3 and 4 of the Bill deal with sections 55 and 65 of the principal Act. Many municipal districts in Victoria have been proclaimed to be subject to Part II. of the Act, pursuant either to section 55 or section 65, but in some cases there have been changes in the status, name or boundaries of the municipal districts since the proclamations were made. Since there is at present no power to revoke such a proclamation, each district, whatever its present status or boundaries, remains subject to Part II. of the Act by force of either section 55 or section 65, and however desirable or convenient it may be to have a new proclamation made setting out the present area of operation of Part II. this cannot be done. It is true that section 65 empowers the Governor in Council to alter, extend or reduce the boundaries of any milk area, but legal opinion is that, in the absence of any statutory power to revoke the proclamations, the constitution of the milk areas will remain unaffected by any attempt to reconstitute them.

It is therefore proposed to incorporate this power both in section 55 and in section 65 of the principal Act in the manner set out in paragraph (*c*) of clause 3 and paragraph (*c*), respectively, of clause 4, of the Bill. As a consequence, the power at present conferred on the Governor in Council under section 65 to alter, extend or reduce the boundaries of any milk area is no longer necessary, and is repealed by paragraph (*b*) of clause 4.

Another purpose of the Bill is to extend the operation of Part II. of the principal Act to dairies and dairy farms outside any milk area or any municipal district proclaimed pursuant to paragraphs (*c*) or (*d*) of section 55, from which milk is sold within any milk area or any municipal district so proclaimed. It is obviously desirable that, once a muncipal district or part thereof has been made subject to Part II. of the Act, no milk should be sold within the proclaimed area from dairies or dairy farms situated outside the proclaimed area unless such dairies and dairy farms are also subject to Part II. of the Act. This fact was recognized when the first milk areas were constituted in the Act at the time of its enactment, and a perusal of section 64 will show

that the definition of each of these first milk areas included, besides the specified municipal district, "the whole of the premises of each and every dairy farm or dairy outside such municipal districts wherever situated from which milk is sold within any such municipal districts".

From time to time, since the Act first came into force, additional milk areas have been declared pursuant to section 65, and in most cases the proclamations have specified a municipal district together with the whole of the premises of each and every dairy farm or dairy outside such municipal district wherever situated from which milk is sold within such municipal district. Although, as I have said, this formula was used in the original enactment, doubt has now been expressed as to whether, in the subsequent proclamations under section 65, the inclusion in a milk area of any premises that are situated outside the specified municipal district was a proper exercise of the power that is conferred on the Governor in Council by section 65. It will be noted that section 65 provides that "any portion of Victoria" may be proclaimed a milk area, and legal advice is that, because of this phrasing, it can be argued that the inclusion in a milk area of any premises situated outside the specified municipal district from which milk is sold within the district would not be proclaiming a single portion of Victoria a milk area.

In view of the doubt that has been raised regarding the validity of some of the proclamations made under section 65, and because it is desirable that, once a municipal district has been made subject to Part II. by force of either section 55 or section 65, no milk should be sold within the proclaimed area from dairies or dairy farms situated outside the proclaimed area unless such dairies and dairy farms are also subject to Part II. of the Act, it is now proposed to provide the necessary statutory power by amending section 55 of the Act in the manner set out in paragraph (*b*) of clause 3 of the Bill.

When the proposed amendments set out in clauses 3 and 4 have come into force, it will be possible to reproclaim all of the municipal districts at present subject to Part II. of the Act, thereby bringing all boundaries up to date and at the same time removing any doubts as to the validity of the proclamations. This, in turn, will facilitate the proving of the applicability of Part II. to any area when proceedings are initiated under the Act.

In addition to the amendments which have been included in this Bill, the Government had before it the question of the adequacy of the various fees specified in the principal Act or the regulations thereunder. Most of these fees have been in operation for very many years, and bear little or no relationship to the present-day costs involved in the administration of the Act. For example, the level of licence fees specified for dairy farms has remained unchanged since the inception of the Act in 1905, and the rates of licence fees for factories and stores were determined in 1919. Whilst recognizing that a more realistic proportion of the cost of the inspection and other services provided by the Department of Agriculture under the Act should be borne by those for whom the services are provided, the Government has decided to defer action on this matter for the present, in view of the extremely difficult seasonal conditions being experienced by all sections of the primary producing community. My purpose in mentioning the matter at this stage is to indicate to honorable members that the Government intends to proceed at the opportune time with a review of these fees to bring them more into line with present-day costs, and will submit its proposals to Parliament for consideration in due course.

I commend the Bill to honorable members.

Mr. WILTON (Broadmeadows).—I move—

That the debate be now adjourned.

I suggest that the debate should be adjourned for one week.

Sir WILLIAM McDONALD (Minister of Lands).—By leave, this Bill has been considered in another place, and in the circumstances the Government considers that an adjournment of the debate until next Tuesday would be sufficient.

The motion was agreed to.

It was ordered that the debate be adjourned until Tuesday, November 28.

STOCK FOODS (AMENDMENT) BILL.

Sir WILLIAM McDONALD (Minister of Lands).—I move—

That this Bill be now read a second time.

The manufacture of stock foods constitutes a large and expanding industry of great importance to primary producers. The sale of stock foods in Victoria is regulated by the Stock Foods Act 1958, administered by the Department of Agriculture. Under the provisions of this Act, manufacturers are required to register certain products annually with the Department, to label them correctly, and to guarantee their compositions. A system of inspection and analysis of samples by Departmental officers is used to police the provisions of the Act.

Of recent years, more and more feed additives — vitamins, drugs, minerals, and so on—have been used in the manufacture of stock foods. The use of these additives, many of which are not controlled by the present provisions of the Act, has given rise to increasing concern. In some cases, manufacturers have wished to include additives having no specific or desirable purpose, and in others, the levels have been too low to be of benefit to livestock. This can lead to exploitation of the farmer. Again, additives may be used at levels which are toxic to stock, and certain additives may leave residues harmful to human health in meat and other products.

As a result of this concern amongst various authorities, the Department of Primary Industry, Canberra, at the request of the Standing Committee on Agriculture, convened a technical sub-committee on livestock feed additives, consisting of representatives of the Commonwealth and the States. This sub-committee discussed the matter fully, and issued a number of recommendations regarding livestock feed additives and related matters. It listed those additives which should be permitted and those which should be prohibited, and in a number of cases set the levels at which the additives should be present in various stock foods. It also recommended that stock licks, which consist largely of mineral mixtures, should be considered as stock medicines, and brought under the provisions of the various stock medicines Acts. It further recommended that in the interests of uniformity the closing date for registration of stock foods should be the 30th June in all States. In Victoria the date is the last day of February in each year.

These recommendations were adopted by the Standing Committee and by the States, and the present Bill is intended to give effect to them, as well as to a number of related matters arising out of modern developments in stock foods manufacture. Clause 1 states the date of the coming into operation of the Act. This date enables registrations for 1968 to be postponed until June. Clause 2 of the Bill adds or varies a number of necessary interpretations.

Paragraph (*a*) interprets "Feed Additive", according to the definition approved by the Commonwealth sub-committee. Paragraph (*b*) interprets "Importer", while paragraph (*c*) extends the interpretation of "manufacturer". These additions to the Act are intended to make it clear that applications for registration must be made by persons resident in Victoria and that the responsibility for compliance with the provisions of the Act lies with such persons.

Paragraph (*b*) of clause 2 also interprets the term "ingredients". Although this term is used throughout the Stock Foods Act, it has until now not been interpreted. Paragraph (*d*) varies the interpretation of "mixed concentrated or prepared stock foods" by adding milk products, and removing stock licks. Milk products are being used to an increasing extent in stock foods, particularly those intended for calves, and they should therefore be listed along with other ingredients used. Stock licks have been removed in accordance with the aforementioned decision of the Standing Committee on Agriculture. Paragraph (*f*) interprets the term "vitamin". Although vitamins are mentioned in the Act, there has been no interpretation, and in some cases the exact meaning of the word has been in doubt.

Clause 3 deals with some aspects of registration of stock foods. In sub-paragraphs (i) and (ii) of paragraph (*a*), provision is made for the change in registration date from the last day in February to the last day in June. Sub-paragraph (iii) provides for the listing in applications of alternative ingredients. In a number of cases the economics of the stock food industry make it desirable that the ingredients of a stock food be varied at times without any adverse effect on quality. Thus wheat or barley or oats may be used in the one stock food at different times throughout the year. This amendment will permit such variations of ingredients in prescribed cases. Sub-paragraph (iv) varies the chemical analysis statement required in the application by omitting all of the previous references to stock licks, and by changing the statement of vitamin content from units per gram of food to units per pound of food. This latter change is in accordance with the wish of the industry, and brings the Act into line with current trade practice. Manufacturers will also be required to reveal the quantities of food additives present in a stock food.

Sir William McDonald.

In paragraph (*b*) of clause 3, provision is made for the prescribing of other material which manufacturers will be required to furnish with their applications for registration; for example, printed labels, and information on safety and possible residues in connexion with new feed additives. This follows current practice in the registration of pesticides. Paragraph (*c*) is consequent upon the change of registration date.

Paragraph (*a*) of clause 4 makes provision for a changed date for the publication in the Victorian *Government Gazette* of the list of registered stock foods — consequent upon the change in registration date — while paragraph (*b*) brings up to date the name of the Department of Agriculture's journal.

Paragraph (*a*) of clause 5 relates to labels on bags of stock food. To date, printed tags have been necessary, but in a number of cases — for example, where bags of stout paper or suitable plastic material are used — a printed or branded label is satisfactory. This amendment allows for such labelling. Paragraph (*b*) amends the labelling requirements. It permits a manufacturer, with certain prescribed exceptions, to omit on the label the actual quantities of the feed additives present, although it will be necessary to list all additives present. As the permitted levels of additives will be prescribed, there is in general no need to show these amounts on the label. Provision is also made for the prescribing of any additional matter which might be desirable — for example, safety directions or periods which should elapse between use of a stock food containing an additive and slaughter of the stock.

With regard to clauses 6 and 7, there are two sections of the Act covering warranties in respect of stock foods, namely, sections 12 and 13. At present, section 12 of the Act covers all stock foods including chaff, hay and grains, which do not require registration, and mixed concentrated

and prepared stock foods and by-products, which must be registered. Section 12 provides that every agreement circular or advertisement for a stock food shall list all ingredients in the stock food, and shall constitute a warranty that the product consists solely of those ingredients. This is still of importance for products such as chaff, hay and grain. However, it is considered that the other provisions of the Act together with the proposed amendment of section 13 by clause 7 of the Bill adequately protect the purchaser of those stock foods which require registration. Therefore paragraph (*b*) of clause 6 will exempt mixed concentrated or prepared stock foods from the provisions of section 12 of the Act.

Further, although invoices are no longer of importance in the case of mixed concentrated or prepared stock foods, where an adequate label is necessary with each package or sale of bulk stock food, they should be provided in the case of sales of chaff, hay and grain and similar stock foods where no label is provided. Such invoices should disclose the ingredients of the stock food and should constitute a warranty. Paragraph (*a*) of clause 6 provides for this.

Clause 7 amends section 13 of the Act to extend the warranty on a mixed concentrated or prepared stock food or by-product to cover compliance of the stock food with claims on the label, agreement, circular or advertisement with regard to ingredient content and use. Clause 8 is consequential on clause 6.

Clause 9 deals with matters which may be prescribed by regulation. Paragraph (*a*) provides for the prescribing of permitted feed additives, the methods of stating their quantities, and those feed additives for which quantities present must be shown on the label. The Act already provides for the making of regulations controlling the levels at which additives may be used, but does not provide for disclosure of the amounts present. The main purpose of the amendment in paragraph (*b*) is the removal of the reference to a register book. Such a book has never been prescribed or put into use. It is quite unnecessary, as the applications for registration and the published list of registered stock foods constitute a sufficient register. Paragraph (*c*) is consequential on the insertion in section 31 of the principal Act of a new paragraph (*ec*) which appears in paragraph (*d*) of clause 9 of the Bill, and in which provision is made for the prescribing of alternative ingredients that may be used in the manufacture of a stock food.

Clause 10 is consequential on the removal of stock licks from the provisions of the Stock Foods Act and brings them under the provisions of the Stock Medicines Act. This Bill is intended to bring the Stock Foods Act up to date and particularly to give effect to the recommendations of the Sub-Committee on Livestock Feed Additives as accepted by the Standing Committee on Agriculture and by the Department of Agriculture of this State. I commend the Bill to the House.

On the motion of Mr. WILTON (Broadmeadows), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, November 28.

ADJOURNMENT.

MELBOURNE WATER SUPPLY — SOCIAL WELFARE BRANCH: PAYMENT OF ARREARS OF RENT TO HOUSING COMMISSION.

Mr. RYLAH (Chief Secretary).—I move—

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

The motion was agreed to.

Mr. RYLAH (Chief Secretary).—I move—

That the House do now adjourn.

Mr. FLOYD (Williamstown).—I should like to raise an urgent matter. I refer to the calamity that could take

place if Victoria has another dry winter in 1968. I believe that what I have to say comes under the heading of Government administration, because it is an emergency measure.

I suggest that the Government should explore the possibility of bringing forward the development of the Yarra resources above Warrandyte. I suggest that something of a temporary nature should be undertaken rather than wait for this development to take place towards the year 2000, as has been recommended in the report of the Public Works Committee. We should not wait until then to develop these resources. The area known as Yarra Brae should be immediately ponded and pumped into the Maroondah aqueduct for conveyance to Melbourne. The Maroondah aqueduct is below the Maroondah reservoir, and the water that runs down the Yarra river below Maroondah runs into the Bay. The town of Warrandyte uses this water. It pumps it and it chlorinates it.

The proposal of the Public Works Committee was that it should be pumped from Yarra Brae to Sugarloaf creek and then decanted into the area known as Watson's creek reservoir. That is a $10,000,000 scheme, and it will involve a lot of exploration by the Government before it takes place. What I am suggesting does need exploration as to the cost of pumping and the actual yield that will be obtained by taking water from the Yarra river and putting it into the aqueduct from Maroondah to Preston.

The only fault that the Government or some people will find in what I have suggested is that the water will have to be chlorinated. A recent statement by the Board of Works says——

Mr. RYLAH.—You have had a fair go.

Mr. FLOYD.—It is impossible in this place to be even reasonable towards the Government.

Mr. RYLAH (Chief Secretary).—On a point of order, I was generous to the honorable member for Williamstown. The matter he has raised is not one of Government administration, but I thought we should hear him and I was interested in what he said. Subjects discussed on the motion for the adjournment of the sitting should relate to Government administration.

The SPEAKER (the Hon. Vernon Christie).—Order! I cannot uphold the point of order. This is a borderline case. The question of water for the people of Melbourne is surely a matter of Government administration, whether direct or indirect. I invite the honorable member for Williamstown to finish his speech.

Mr. FLOYD (Williamstown).—I explained in the first place that it was a question of Government administration. This is an emergency measure. It relates to Government administration because, whilst it should be a Melbourne and Metropolitan Board of Works job, the Government has authorized the digging of a channel from the upper reaches of the Thomson river to supply water to the Upper Yarra dam. All I am trying to do is put forward a sensible suggestion for exploration by the Government.

The Government may say that water for Melbourne cannot be chlorinated, but Melbourne's water has been chlorinated for the past seven years. Seventy tons of chlorine have been used each year in chlorinating the water coming from Maroondah dam to the Preston reservoir, and rightly so.

Mr. SCANLAN (Oakleigh).—I raise a point of order, Mr. Speaker. Chlorination of water is carried out by the Melbourne and Metropolitan Board of Works, not by the Government. I cannot see that the question of chlorination is a matter of Government administration.

Mr. HOLDING (Leader of the Opposition).—On the point of order, Mr. Speaker, the honorable member for Williamstown has already given the House one example of how the Government is acting—properly, the

Opposition believes—in trying to clean up the mess of Melbourne's water supply, and it is a mess. It would seem that the Government wants the right to innovate action which should be taken but, at the same time, to avoid political responsibility for the grave water shortage. The honorable member for Williamstown is clearly in order.

The SPEAKER (the Hon. Vernon Christie).—In line with my previous ruling, I do not uphold the point of order taken by the honorable member for Oakleigh, on the fact that the supply of water for the people of Melbourne, directly or indirectly, is a question of Government administration or concern. However, I ask the honorable member for Williamstown to disregard any interjection and to conclude his remarks.

Mr. FLOYD (Williamstown).—I wanted my suggestion to be accepted. I did not want it to be ignored on the ground that the water would have to be sterilized by chlorination. I do not care who chlorinates the water. Someone has to do it once the bacterial count reaches the stage that the water becomes impure. A pure water supply becomes impure if somebody puts impurities into it, and chlorination is necessary.

My suggestion is that water which flows down the river below the reservoir should be piped into the conduit and sent to Melbourne. The proposal would require investigation on whether the pumping costs would be too great. I have taken out the figures of the number of cubic feet of water passing down the Yarra river each second for the past twelve months, and I am able to say that it would not be short of water for flushing purposes. I assure the Chief Secretary that I do not want to make political capital out of this matter. All I want is to see that people in Melbourne can get a drink of water in 1968.

Mr. HOLDING (Leader of the Opposition).—I direct the attention of the Chief Secretary to a matter which concerns the Social Welfare Branch and the Minister of Housing. In my electorate, there is a family, the six children of which are in a State home. I understand that it costs the State approximately $30 a week to keep each child. The Housing Commission is ready to house the family, and the social worker concerned with the case considers that it would be in the interests of the family as a whole and would make for better supervision of the situation if the family were housed in a Housing Commission unit. The family already owes the Housing Commission approximately $300 for past rent, but the Commission has stated that, if the arrears are paid, it will be prepared to provide a unit, as a matter of emergency, for the family.

It seems to be an incredible waste of public revenue to have children living as wards of the State at considerable cost to the Government when, if the Social Welfare Branch was prepared to remit to the Housing Commission the cost of keeping these children, within a fortnight the arrears owing to the Housing Commission would be fully paid and the family could live together. As a result, further claims upon the revenue would be diminished.

I hope the Chief Secretary will examine, as a matter of general principle, the desirability of the Social Welfare Branch paying money to the Housing Commission in this type of case, instead of housing children as wards of the State in institutions. I believe such a course would effect a considerable saving and, in the long run, would effect a marked improvement in the general circumstances of this family, as it would in other cases.

Mr. RYLAH (Chief Secretary).—Until the honorable member for Williamstown became upset about the comments I made, I was very much in accord with his remarks. One of the problems is that the proposal for Yarra Brae was well under way so far as the all-party committee

which investigated it was concerned. The suggestion of the honorable member is that the Government should recreate the uncertainty which it tried to overcome in that area by saying that the project should be advanced in time, but if that were done many people would be placed in jeopardy. I have followed the honorable member's argument that Melbourne should accept water from Watson's creek. I am not unmindful of the problem, which I have examined. On the basis that part of Melbourne's water supply is chlorinated, his case is not unreasonable. But does chlorination provide the whole answer?

The Government is as concerned as the Opposition and the Country Party about the problem of lack of water for Melbourne. Everyone must be sensible and reasonable about this matter. Any proposal submitted to the Government, whether by the honorable member for Williamstown, by any other member of the Parliament, or by any private citizen, will be fairly examined. I am a little concerned about the desire of the honorable member for Williamstown to make political capital out of the position.

Mr. HOLDING.—That is not fair; the honorable member made it clear that he was not doing that.

Mr. RYLAH.—I think that is fair enough. The honorable member for Williamstown shares my view that this situation should be met quickly. Any proposal submitted to the Government will be examined.

I thank the Leader of the Opposition for raising the matter of which he spoke, but I wish he had referred it to me earlier. It has been the policy of the Minister of Housing and myself to solve these problems by liaison between the Social Welfare Branch and the Housing Commission. If the Leader of the Opposition had mentioned the problem to me this morning, I am sure that it would have been solved by this afternoon. The liaison between the Social Welfare Branch and the Housing Commission has been extremely good. The problem raised by the Leader of the Opposition is typical of the difficulties about which the two authorities have been getting together on many occasions. I suppose it is the old story that the things the Government does which are worth while never receive publicity, and the problems which we cannot solve are immediately raised in this House or in the press.

I assure the Leader of the Opposition that if he will provide me with the name of the family concerned, the matter will be examined tomorrow morning, and I am sure that the co-operation of the Housing Commission will be forthcoming to solve the problem.

The motion was agreed to.

The House adjourned at 11.25 *p.m.*

Legislative Council.

Thursday, November 23, 1967.

The ACTING PRESIDENT **(the Hon. G. J. Nicol)** took the chair at 11.23 a.m., and read the prayer.

PETROLEUM (SUBMERGED LANDS) BILL.

The House went into Committee for the further consideration of this Bill.

Discussion was resumed of clause 2, relating to amendments and repeals.

The Hon. R. J. HAMER (Minister for Local Government).—There was a vigorous debate at the second-reading stage of this Bill last night and a number of conflicting proposals and views were put. It would not be of great value to comment on many of them, except to say that on this

issue the Government and the Country Party on the one hand and the Australian Labor Party on the other are on opposite sides of the fence. The views put forward on behalf of the Australian Labor Party made it quite clear that if that party had its way public ownership of the gas and oil discoveries in Bass Strait would be adopted.

The Hon. SAMUEL MERRIFIELD.—Hear, hear!

The Hon. R. J. HAMER.—Mr. Merrifield's response indicates that this is so. In other words, Labor would nationalize the discoveries and exploit them.

The Hon. SAMUEL MERRIFIELD.—They are nationalized now, but the Government is giving them away.

The Hon. R. J. HAMER.—I want to keep the issue in very simple terms. We in this Government are fundamentally opposed to any concept such as nationalization. My only comment is that if the Labor Party were able to put its policy into effect in Victoria our gas and oil resources would still be sleeping peacefully, undiscovered and untouched, beneath the waters of Bass Strait.

The Hon. ARCHIBALD TODD.—That would not worry us very much. We would still be getting gas from the La Trobe Valley. What about the people there who are losing their jobs?

The Hon. R. J. HAMER.—The reaction from Mr. Todd confirms the opinion that in Labor's view these discoveries in large measure are unfortunate. The Government does not hold that opinion. We are on opposite sides of the fence. There are varying views, and I believe that certain matters require clarification. Mr. Merrifield last night referred to the Petroleum (Barracouta and Marlin Fields Agreement) Act and the Pipelines (Submerged Lands) Act which were passed by this Parliament earlier in the year. The first ratified and validated an agreement between the Victorian Government and the Esso-B.H.P. interests and the other provided for the building of pipe-lines. Mr. Merrifield stated that in his view that legislation was invalid.

I want to remind the House why the legislation was enacted and why it was not invalid. It was enacted first because Esso–B.H.P. were on the point of beginning their development of these fields. Before they could implement their agreement with the Victorian Government, it had to be validated by this Parliament, in the way in which we have validated numerous other agreements with many other interests.

In December of last year Mr. Fairbairn, the Commonwealth Minister for National Development, and the Mines Ministers of all the States outlined the agreement which had been reached and which is enshrined in the legislation that we have before us to-day. This uniform legislation had not then been finally drafted or approved. But to enable the gas and oil in Bass Strait to be exploited, the agreement had to be validated by this Parliament.

The Hon. I. R. CATHIE.—We have no power beyond the 3-mile limit.

The Hon. R. J. HAMER.—I emphasize that the legislation contained provision, which may have been overlooked, that it was to apply so far as the jurisdiction of Victoria extended.

The Hon. SAMUEL MERRIFIELD.—Only up to the 3-mile limit.

The Hon. R. J. HAMER.—It may have been for 3 miles or 12 miles from shore or to the limits of the continental shelf. At all events jurisdiction that did not exist was not claimed. So it is of no use saying that the legislation was invalid. This type of provision is frequently adopted in constitutional measures to limit the operation of the law of the State to that of the jurisdiction of that State, whatever that may legally be.

The Hon. D. G. ELLIOT.—The Minister is thinking like a sprinter, not like a long-distance runner.

The Hon. R. J. HAMER.—Yes, because it was necessary for the sprinter to get off the blocks. If that legislation had not been passed earlier this year, we would still be waiting for Esso-B.H.P. to start on the exploitation of the oil and gas discoveries in Bass Strait.

I wish specifically to discuss three points concerning charges to be made under the terms of the agreement. First, I stress that this agreement was entered into by the Prime Minister of the Commonwealth and the Premiers of all six States. It has already been approved by a number of Parliaments, including that of the Commonwealth. The uniform legislation has been adopted after several years of discussion and perhaps of controversy, and finally an agreement has been made. The first matter on which I want to comment is the royalty system. It has been suggested that the royalty of 11 per cent. to be charged under the initial agreement means that in some way we are giving away these resources.

The Hon. J. M. TRIPOVICH.—The original rate was 10 per cent.

The Hon. R. J. HAMER.—I thank Mr. Tripovich for his interjection. The original rate was 10 per cent., which was to be split equally between the Commonwealth and the State. The modification of the original arrangement involved an override royalty of 1 per cent. instead of the surrender of four-ninths of the production area. The split-up was changed to give the State an additional 1 per cent. and the Commonwealth 1 per cent. less. It is now in the ratio of 7 : 4 instead of 5 : 5 in favour of the State. So the advantage to the State is 2 per cent.

The Hon. J. M. TRIPOVICH.—But is not the right to four-ninths of the discovery area being given away?

The Hon. R. J. HAMER.—I shall come to that. I want to deal first with royalties. As far as I know, in other countries where oil and gas have been discovered the royalty system has been adopted as a reasonable way of cutting the public in on the discoveries. In no other country has there been an attempt to nationalize these resources once they have been discovered. The actual rates of royalty have varied. There has been an attempt to create an impression here that the figure fixed by the States and the Commonwealth under this agreement is low. It is not. In most countries the rates are lower than the rate in Victoria. Until 1955, the royalty rate in this State was only 5 per cent. but it was then raised to 10 per cent.

The Hon. I. R. CATHIE.—The rate in Canada is 16-2/3rds per cent.

The Hon. R. J. HAMER.—I have the rates for various countries here. I shall start with the Canadian one. The figure that Mr. Cathie has mentioned applies to land discoveries, not off-shore discoveries. In Canada the rate for off-shore discoveries is 5 per cent. for the first five years, and thereafter 10 per cent. So it is lower than ours. Some point was made of the situation in Italy. The royalty rates are 8 per cent. for oil and 5 per cent. for gas. In Norway, which is a good democratic country not unlike our own, the rate is 10 per cent. In the United Kingdom it is 12½ per cent.

The Hon. A. W. KNIGHT.—The graticular system was not sold out in other countries.

The Hon. R. J. HAMER.—Let us deal with one thing at a time. I am answering the criticism of the royalty rate and demonstrating that the rate here is not low by normal world standards. Indeed, it is somewhat higher than the rates in most countries. I point out that the discoveries in Bass Strait are some of the most difficult in the world to exploit. The water is comparatively deep—200 ft. or more.

The Hon. A. W. KNIGHT.—Strikes have been made in deeper waters in other parts of the world.

The Hon. R. J. HAMER.—I stick to the point that the exploitation of the resources in Bass Strait is difficult. The water is extremely rough for a good deal of the year, and particularly in winter, and the oil and gas have to be brought a comparatively long way to shore compared with the situation elsewhere in the world. Because of the expense involved in expoiting the field and the comparatively small market to be served, when compared with markets elsewhere in the world, it would perhaps have been quite reasonable to pitch the royalty rates even a little lower.

I now pass to the second point, which relates to the provision in the agreement for an alternative method of dealing with a location by allowing a discoverer of oil and gas to elect to give up four-ninths of the location area or to retain the whole area and pay an override royalty. It has been suggested that in some way this amounts to giving away the resources. Let us look at comparative values.

The override royalty of 1 per cent. represents not 1 per cent of four-ninths of the area, but 1 per cent. over the whole field, and therefore applies to the most productive parts as well as to the less productive parts. According to estimated reserves in the two fields, it appears, though there is some guesswork about it, that over the 20-year life of the Marlin and Barracouta fields, 1 per cent. would represent about $33,500,000. That is the additional amount that will come to Victoria.

As I have pointed out, under the change in the arrangement, Victoria now gains 2 per cent., which represents, say, $67,000,000 over the life of the fields. In assessing whether this represents a good deal or is just giving away the resources, it is necessary to consider whether there would have been a reasonable prospect of selling the four-ninths of the area, if Esso-B.H.P. had been compelled to give it up, for something like the present value of $67,000,000. The Government's advice was that as the number of interests that could operate such a field is extremely limited, the likelihood of an offer of $67,000,000 for such a prospect was negligible. As Victoria's requirements over a long period have to be supplied, this deal appeared to be a good one, even if it meant allowing the discoverer to take over the whole of the field.

The Hon. I. R. CATHIE.—Who offered that advice?

The Hon. R. J. HAMER.—The Victorian Mines Department. Mr. Cathie may dispute whether or not the decision was wise, but it was taken deliberately on an appreciation of what was best for this State. The Government believes the deal is a good one.

The next line of argument was that the price for gas agreed upon between Esso-B.H.P. and the the Gas and Fuel Corporation, acting on behalf of all gas undertakings in Victoria, was detrimental to this State. As honorable members are aware, the negotiations dragged on for a long time. The Country Party went so far as to move a motion for the adjournment of this House, criticizing the delay. The Country Party, particularly its Parliamentary representatives of Gippsland, was anxious for the negotiations and arrangements to be completed. Eventually, agreement was reached, but the actual price has been criticized by members in this House.

I direct the attention of the House to the fact that the principal party concerned, the Gas and Fuel Corporation, seems to be satisfied about the price. The annual report of the Corporation for the year 1966-67 which was circulated within the last fortnight had this to say about the Corporation's negotiations with Esso-B.H.P.—

During this time, both the Corporation and Esso-B.H.P. made considerable concessions regarding price and delivery conditions. The final price and conditions of delivery are a compromise between the

views of the parties. They represent terms which the Corporation believes will enable natural gas to compete with other fuels in all sectors of the Victorian market, whilst providing a return to Esso-B.H.P. which will more than cover their costs and provide a level of profit sufficient to encourage continued exploration.

The following passage in the report is also interesting—

The Corporation believes that the provisions of the Letter of Intent outlined should ensure rapid development of the State's natural gas resources with financial benefits to its consumers.

The report goes on to point out that in North America natural gas has competed freely and vigorously in the energy market and, as a result, now supplies some 33 per cent. of the total primary energy used in the United States of America and 20 per cent. of Canada's needs. Then the report states—

The price at which the Corporation is to purchase natural gas from Esso-B.H.P. should allow delivery to the Metropolitan distribution system at prices equal to or better than those applying to many of the major population centres in the United States of America. With adequate supplies of natural gas secured, the Corporation is planning a vigorous approach to natural gas marketing along North American lines. This will result in immediate benefits to those within the range of the initial natural gas pipelines system, and should lead to indirect benefits to fuel users beyond the gas mains due to the increased competition in the energy market.

One could hardly have a clearer statement than that from those who are to distribute the gas. The Corporation believes that in this price and in this agreement it has a deal which will enable it to bring substantial benefits to the Victorian market. Clearly it is incorrect and unreasonable to claim, over and over again, that in some way this price should not have been accepted. Although the price is a little higher than that recommended by Dr. Hetherington, it must be remembered that as volume increases the price will be reduced. It will come down to about 2½ cents a therm when a certain volume is achieved. The Gas and Fuel Corporation and other undertakings expect that volume to be reached within five years.

The Hon. I. R. CATHIE.—Dr. Hetherington took that into account. He stated that the maximum should not be higher than a certain amount.

The Hon. R. J. HAMER.—That is so. The maximum price is some two-thirds of a cent per therm above the price which Dr. Hetherington recommended, but I do not suppose he put that as a final figure. In any event, the price emerged out of negotiations and according to its own report, the Gas and Fuel Corporation is satisfied with the agreement.

I do not intend to go into all the pros and cons and political philosophies involved in this, but to deal with the practical side of the matter. The last point of argument was the question of the Continental Shelf. The Second Schedule to this Bill is the agreement arrived at by the International Convention on the Continental Shelf to which Australia was a signatory. The agreement specifically recognized the difference between the territorial sea, which belongs absolutely to a country, and the continental shelf.

The Hon. SAMUEL MERRIFIELD.—That is what we have been trying to tell you for eight months.

The Hon. R. J. HAMER.—It does not define what the territorial sea is. Article 1 of the convention commences as follows:—

For the purpose of these articles, the term "continental shelf" is used as referring (*a*) to the sea-bed and subsoil of the submarine areas adjacent to the coast but outside the area of the territorial sea.

It does not define territorial sea. For many hundreds of years, it has been generally recognized as being the area inside the three-mile limit, because that was the range of shore-based cannon until recent centuries and therefore control could be exercised over that distance from the shore. When the range of cannon was increased the matter became, to say the least, open, and many countries have claimed that the territorial sea extends for a distance of twelve miles from the shore, to enable

them to control fishing, pearling and other activities within that area. Some countries claim that the territorial sea is co-terminus with the continental shelf, that the territorial sea is in fact the continental shelf. All of that is put aside in the convention. The first article deals, not with the water above the shelf or the freedom of navigation, or shipping, but with the materials in the sub-soil under the continental shelf. That is what the convention is concerned with.

I think confusion may arise unless that difference is recognized. What is claimed here, as part of this international convention, is that the coastal State—in this case, Australia —exercises certain rights over the continental shelf in respect of whatever minerals or other materials there may be in it. That is recognized internationally.

The Hon. A. J. HUNT.—It is a question of rights as distinct from ownership.

The Hon. R. J. HAMER.—I thought I had made that clear. The territorial sea is the area which may be claimed to be owned, whereas the continental shelf is the area over which the coastal State has certain recognized rights.

The Hon. SAMUEL MERRIFIELD.—And that is the Commonwealth of Australia.

The Hon. R. J. HAMER.—It is the coastal State. I am not saying it is the Commonwealth, because certain countries—Australia is one of them —are federations, and there may be quite different sovereign rights, State rights and Federal rights. It has never been conceded by any State of Australia that it has any lesser rights, territorially, than the Commonwealth; in other words, the States claim that whatever rights the coastal State has over the continental shelf are also theirs.

The Hon. I. R. CATHIE.—You would not like to test that.

The Hon. R. J. HAMER.—There have been disputes on this matter in practically every country which has off-shore oil and gas. It was to avoid that sort of litigation and having to sort out the respective rights of Federal and State jurisdictions that this agreement was made. There is one thing everyone will applaud. We do not want in Australia litigation like that which has been going on in the United States of America and Canada for such a long time. This agreement very cleverly avoids that by saying, " Whatever our rights are, we are pooling them. We must have all the rights between us, and if we pool them and act together, we can exercise them." That is the whole basis of this agreement.

The agreement makes sense to the Country Party Government of Queensland, the Labor Governments of South Australia and Tasmania, and the Liberal Government of Victoria, and it made sense to the former Labor Government of New South Wales. The basic system was never in doubt, although the details were. The basic intention of avoiding litigation and of reaching agreement on having a system of royalties was never really in doubt. Everyone accepted it, whatever his political colour or mixture of political colour. I believe this Bill to be a triumph of Federal co-operation, and that it will save us years of expense, doubt, indecision, litigation, and so forth.

The Hon. J. M. TRIPOVICH.—That is only on the question of recognition of the continental shelf, is it, or are you discussing the question of royalties and the sacrifice of the four-ninths? Are you encompassing everything?

The Hon. R. J. HAMER.—My comments cover the whole of this legislation—its purpose and its effect, and the reason why it has been acceptable to Governments of every political colour. It exercises a kind of jurisdiction which other countries regard with envy because they are still fighting about it. It puts the whole thing on a sensible basis.

So far as I know, the graticular system has not been used in relation to off-shore oil fields anywhere else in the world.

The Hon. J. M. TRIPOVICH.—How did it come about in England?

The Hon. R. J. HAMER.—It is somewhat different in England. In Canada it is used on land, but in a slightly different way. The actual sectors or sections are much smaller, and the surrender of four-ninths and the keeping of five-ninths of the area works in a particular way. Because the locations are much smaller, the chance of anyone who takes the five-ninths taking the whole oil or gas reservoir is much less, and therefore the opportunities open for people to take up the other four-ninths by option or by purchase are increased. The experience in Canada has been that the graticular system works quite well on land.

The use of this system in Australia is the first use in respect of off-shore oil and gas fields. This alternative proposal was made because of what could happen if the Government compelled the discoverer to give up four-ninths of the area. I have illustrated why the arrangement was made and how overall it would not be detrimental but rather, extremely advantageous to the State of Victoria. Under the system in use in the North Sea, to which Mr. Tripovich adverted, the discoverer gives up half of his exploration area. At the moment there is no provision, for auctioning or selling what the discoverer gives up, although obviously the Government or somebody else will grant rights to exploit the residue of the field. There is no system of taking unto the public purse the surrendered portion. The discoverer will have the right to exploit half of the discovery, and somebody else will receive the rest of it.

That is the consideration the Government has had in mind in regard to this legislation.

The Hon. R. W. MAY (Gippsland Province).—Members of the Country Party offered constructive criticism of this measure as a warning rather than a threat. We are concerned that the natural resources of this State should be developed in proper sequence. In the light of the warning which we gave and the explanation which the Minister has given to-day in relation to royalties, I inform the Committee that members of my party are deeply conscious of the fact that the taxpayers of this State and the consumers of natural gas, who will be paying the royalties, are one and the same people. Under a Commonwealth Act relating to subsidies, it is provided that a subsidy of two-thirds of the cost of off-shore drilling operations will be made available and the subsidy for geophysical surveys will be half the cost.

The Hon. R. J. HAMER.—This is the subsidy for exploration?

The Hon. R. W. MAY.—Yes. The consumers, as taxpayers, have already made a contribution by way of subsidy, so the payment of a royalty is merely a means of transferring revenue from the private sector to the Government sector. Because of this, we believe the Government ought to endeavour to obtain natural gas at the cheapest possible price for the consumer.

One must examine the annual report of the Gas and Fuel Corporation in the light of the circumstances under which it was made. Honorable members will recall that the Premier went on record as saying that the briquette industry would cease to operate in two years. This statement has resulted in considerable difficulty being experienced in maintaining staff for the operation of the Lurgi gas plant. Information on the conditions under which natural gas will be available should relieve some of the uncertainty that exists in this regard.

As recently as 24th April, and even at a later date, it was stated that the authorities in Sydney want natural gas

at a cheaper price than that proposed to be paid in Victoria. Mr. Pettingel, who is recognized as a world expert on gas, has been negotiating with the Woodside company with a view to obtaining a lower price than that proposed for Victoria. In fact, he is seeking a 50 per cent. reduction. Although the Woodside company had discovered gas, operators were buying its shares and in its wisdom the Woodside company decided to sell a parcel of shares to the Burmah Oil company. A meeting was arranged and the sale was finalized. An announcement was made to the Stock Exchange the following morning. Immediately the Harlow Investment company, which represented an overseas oil company, issued a writ against the Woodside company. After a long delay the case eventually reached the court and the decision was in favour of the Woodside company. An appeal was lodged against the decision, and the outcome was that the money which had been paid for these shares was frozen.

The ACTING CHAIRMAN (the Hon. G. W. Thom).—Order! I have allowed a certain amount of latitude during this debate to the Minister and to Mr. May, and I did intend to allow the same latitude to the member who is leading the debate for the Labor Party. However, at this stage I think I should give a ruling on how I would like this debate to proceed. I remind honorable members that the procedure to be followed in Committee is that each clause of the Bill is considered in turn, and honorable members must relate their remarks to the clause that is before the Committee. It has, however, become a practice over a number of years for the Minister in charge of the Bill to be permitted, when clause 2 is called, to reply to matters raised by honorable members during the second-reading debate. This appears to me to be a most desirable practice. The latitude so given to the Minister, however, should not be regarded as an opportunity for him to embark upon a further second-reading speech. Neither should it be regarded as affording that opportunity to other honorable members. The Minister's remarks should be closely related to matters raised during the second-reading debate, and at the conclusion of his reply any further discussion at this stage should be confined to the provisions of clause 2. This will in no way interfere with the rights of individual members to discuss the reply given by the Minister. If any honorable member is not satisfied with the Minister's reply or is desirous of enlarging thereon, I suggest that ample opportunity to debate the matter may be afforded when the appropriate clause is under consideration. The procedure I have outlined does not, of course, preclude the Minister or any other member from discussing the provisions in clause 2 while that clause is before the Committee. I would appreciate Mr. May bearing that ruling in mind.

The Hon. J. W. GALBALLY (Melbourne North Province).—If I may advert to what you said, Mr. Acting Chairman, this matter was last year considered by the Standing Orders Committee at some length, and that committee came to the conclusion that you have outlined.

The Hon. J. M. TRIPOVICH (Doutta Galla Province).—On a point of order, Mr. Acting Chairman, because of the unusual provisions of this Bill the understanding with the Leader of the House was that the Bill would be taken into Committee and that progress would be reported on clause 2. When discussion was resumed on clause 2, it was understood that further speeches would be made. This was to suit the convenience of the House, and I think consideration should be paid to that understanding. This is not a Committee Bill.

The Hon. G. L. CHANDLER (Minister of Agriculture).—On the point of order, I do not think anybody could stretch their imagination so far as to interpret what I said last night in the way in which Mr. Tripovich has put it. It was never intended

that if the Bill went into Committee, second-reading speeches could be continued in the discussions on clause 2. Mr. Tripovich did not have to accept what I said last night, but I did say that other speakers wished to contribute to the debate. I understand that Mr. Hunt wanted to speak, as did members of the Labor Party. I did not intend that there should be a re-hash of the second-reading debate during the Committee stage.

The ACTING CHAIRMAN (the Hon. G. W. Thom).—I ask for the co-operation of honorable members in this matter to allow the debate to proceed along the lines I have indicated.

The Hon. R. W. MAY (Gippsland Province).—I was under the impression that clause 2 related to the Acts referred to in the schedules to the Bill. I do not want to abuse your ruling, Mr. Acting Chairman, but I do want to refer to the warning I have given on behalf of the Country Party in relation to the steps which had been taken to prevent the Woodside company from developing its find. In my opinion the Government should take cognizance of what has happened in this regard. The Esso company had its field declared commercial, and in order that it could continue to qualify for a subsidy it had to transfer its operations to an area 300 miles off the north-west coast of Australia. All these things had a bearing on the subsidy and they also eliminated the possibility of a continuation of negotiations for a lower price. That is the point I wanted to make.

The Minister said that the Bill was a triumph. Members of the Country Party agree with that statement, because it makes the position throughout the Commonwealth uniform and puts the onus and cost of testing the legislation in the courts on to the third party. We are most anxious to ensure that these resources are developed, and we trust that the Government will take all the necessary precautions to ensure that the people who have contributed to the subsidy and who will continue to contribute because of the price they pay for natural gas will have their interests protected to the full.

The Hon. SAMUEL MERRIFIELD (Doutta Galla Province).—Clause 2 refers to the repeal and amendment of certain Acts, which include two measures passed by this Parliament in March. After listening to what the Minister has said, I am convinced that it is glaringly obvious to everybody that he has glossed over what has happened as a result of the passage of two of those measures. In March of this year he tried to convince this Chamber that those Acts were as valid as they could be, but now he is agreeing that those enactments had severe limitations. The Government acted on that legislation, and honorable members will remember that it issued licences and accepted fees for areas outside the three-mile limit. This is the bone of contention. Nobody in this Parliament has ever argued that the Government did not have jurisdiction within the three-mile limit; the point we have argued is the jurisdiction of the State outside the 3-mile limit.

In speaking to clause 2 of the Pipelines (Submerged Lands) Bill on 15th March, 1967, as reported at page 3625 of volume 286 of *Hansard*, the Minister for Local Government said—

> This is the first step. It does not make the measure any the less valid because it precedes Commonwealth legislation rather than follows it.

It is obvious that the Commonwealth legislation is in no way retrospective, so that the Government had to include the repeal of measures which purported to relate to the continental shelf. The honorable gentleman further stated—

> The Commonwealth in turn will have brought in its own legislation in a complementary sense to cover the whole field.

The Minister for Local Government was again wrong. It is true that the Commonwealth has now introduced complementary legislation, but it did

not validate legislation which the Government enacted in March; it only empowered the Commonwealth or its agents to operate the legislation. It could not have validated earlier State Acts. Gross speculation has taken place, and people have made fortunes without risk from the mineral resources of the State.

I have already referred to remarks in the *Australian Digest* which dealt with the question of operations in territorial waters. It mentioned the case of a pilot operating boats in and out of territorial waters, with most of his earnings being earned outside the territorial limit. The matter was raised in the Queensland court, which ruled that, for the purpose of levying taxation on the income of the pilot, the territory of Queensland included a strip of marginal sea extending one marine league from the low-water mark, but outside that boundary there was no jurisdiction. The cases submitted by Mr. Galbally and myself did not suggest that there was any contradiction of the views we expressed in March.

I refer to the book, *The Law of the Sea and Australian Off-shore Areas* by Dr. R. D. Lumb, a barrister and solicitor of the High Court of Australia and a senior lecturer in law at the University of Queensland. At page 35 he stated—

> Pursuant to decisions of the United States Supreme Court that the United States (and not the separate States) had paramount rights over the submerged lands (including the sea-bed) off the coastline within territorial limits, legislation entitled the Submerged Lands Act was passed by Congress to confirm and "restore" the titles of the States to lands beneath waters within their boundaries. As far as lands outside these waters were concerned, the Outer Continental Shelf Lands Act confirmed the "title" of the United States in this area.

That illustrates a similar position. So far as the report of the Gas and Fuel Corporation is concerned, if the Government does not like any member of an authority, he is dispensed with; if members of the authority "bucked" the Government, or reported on something not satisfactory to the Government, they would face quick dismissal. Therefore, they would not challenge the Government. That is the reason why the Gas and Fuel Corporation and the State Electricity Commission had to accept the turnover tax.

The Minister for Local Government glossed over the fact that, so far as operations outside the 3-mile limit are concerned, the Bill passed during last autumn sessional period is invalid. The Government is illegally taking fees and granting licences, and no agreement can close the gap in the validity of actions taken between March and the passing of this complementary Bill.

The Hon. I. R. CATHIE (South-Eastern Province).—Clause 2 seeks to repeal legislation set out in the First Schedule and to invalidate agreements that have been made. As Mr. Merrifield has already indicated, licences have been issued and powers assumed under enactments passed eight months ago that are now invalid in relation to operations in areas outside the 3-mile limit. In simple terms, those enactments were illegal, because Parilament had no power to exercise such jurisdiction and this Bill seeks to validate the action taken.

The honorable gentleman stated that, arising out of the agreement, Victoria is now receiving royalties. The ratio is 7 per cent. to the State and 4 per cent. to the Commonwealth instead of the previous figure of 5 per cent. to both parties, and he said that this is indeed a good deal. It is only narrow parochialism at the expense of Australia as a whole. It is significant that the Australian Gas Light Company Limited of Sydney and New South Wales Government have not hesitated to say that the agreement will price them out of the industrial market. As New South Wales in general and Sydney in particular could comprise a potential of 70 per cent. of the industrial market, the extent of this narrow view can be seen. It is not good for Australia that Parliament should adopt a

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parochial outlook. As this clause proposes to repeal the previous legislation, it is an admission that past steps were illegal.

The Hon. R. J. HAMER (Minister for Local Government).—I do not suppose that I shall ever convince Mr. Merrifield and Mr. Cathie on what is really a legal topic. I merely point out that they assume something which has never been conceded by an Australian State, that there is a 3-mile territorial limit on the jurisdiction of the State. This has never been conceded in any negotiations or discussions between the Australian States. Mr. Downing, a former Attorney-General for New South Wales, was a foremost protagonist for the view that there was no territorial limit, and Mr. Fagan and Mr. Rylah have taken the same strong line.

The Hon. SAMUEL MERRIFIELD.—They could not have read their case law too well.

The Hon. R. J. HAMER.—That may be so, but they have never claimed those territorial limits. The Victorian Government does not concede and has never conceded that there is a different territorial limit for the jurisdiction of the States and of the Commonwealth. Nobody knows even now exactly what the territorial limits are, and this Bill will not make it necessary to find out. Section 3 of the Pipelines (Submerged Lands) Act 1967 states—

> This Act shall be read and construed subject to the limits of the legislative powers of the State—

whatever they are—

> and so as not to exceed such powers, to the intent that, where any enactment thereof, but for this provision, would be construed as being in excess of such powers, it shall nevertheless be a valid enactment to the extent to which it is not in excess of such powers.

That is a common section in constitutional enactments where there may be some doubt as to the exact limits of jurisdiction ; it limits the operation of the law to whatever is the jurisdiction, therefore it cannot be illegal. This Bill has been introduced to dispose of doubts and to make it unnecessary to decide the respective limits of jurisdiction.

The Hon. SAMUEL MERRIFIELD (Doutta Galla Province).—I am glad that the Minister used the word "conceded" in any discussions by the Premier. This was a gigantic scheme of bluff in which all the States wanted their cut. I would back the opinion of the former Prime Minister, Sir Robert Menzies, against the opinion of the Premier on constitutional matters.

The Hon. R. J. HAMER.—What about New South Wales and Tasmania?

The Hon. SAMUEL MERRIFIELD.—They were bluffing, too. Measures were rushed through while negotiations were proceeding, and the fact that this Bill seeks to repeal other enactments indicates their invalidity.

The Hon. R. J. HAMER.—That is not so; an announcement was made.

The Hon. SAMUEL MERRIFIELD.—This Bill is different from the one which was presented to Parliament last autumn, and there has never been any validity for what was done under that measure. The Opposition party quoted certain authorities in support of its claims, but the Government has not attempted to make a rebuttal. It is useless for the Minister to allege this and that, and then to claim that the State did not concede it. Obviously, the Premier was out after his pound of flesh, and he was prepared to rush in and make an agreement with Broken Hill Proprietary Company Limited before he had the necessary power to do so. That is all that we said, and we stand by it.

The clause was agreed to, as were clauses 3 to 18.

Clause 19 (Exploration for Petroleum).

The Hon. J. M. TRIPOVICH (Doutta Galla Province).—The Minister has very rightly pointed out the lack of bargaining power by the State in

relation to the fact that the number of suppliers in this particular case is limited. I point out, however, that the number of consumers is limited, also. Therefore, as I stated last night, I believe the presence of oil at Lakes Entrance was known for many years before the current discoveries were made. About 30 years ago it was claimed that there were extensive oil deposits in this State, but at that point of time there was not readily available in this country the technical "know-how" to pinpoint the deposits.

In the matter of oil development, there is one world-wide monopoly that has a unique system of costing and accounting. I refer to the oil companies, and instance the Shell company, which has its head office in Holland, despite the fact that no oil has ever been discovered in that country.

The Hon. R. J. HAMER.—It is a Dutch company.

The Hon. J. M. TRIPOVICH.—It has other than Dutch contributors of capital. The reason why the head office of the Shell company is located in Holland is that that country levies the lowest rate of income tax of any country in which it could with safety maintain its head office.

The Hon. F. S. GRIMWADE.—What about Switzerland?

The Hon. J. M. TRIPOVICH.—The fact of the matter is that the Shell company shows Holland as the country in which its head office should be located.

The Hon. H. M. HAMILTON.—The name of the company could be "Dutch-Shell".

The Hon. J. M. TRIPOVICH.—That may be so, but the fact remains that the accountancy procedures adopted by that concern have saved the company many millions of dollars in taxation in many countries of the world.

The Hon. W. M. CAMPBELL.—The Shell company still pays taxation in the State of Victoria.

The Hon. J. M. TRIPOVICH.—I recall that a former Attorney-General of this State prosecuted the Shell oil company for its failure to pay an equitable share of taxation, yet the same gentleman later acted as legal adviser to the Shell company and defended its attitude.

The Hon. ARCHIBALD TODD.—That was "Ming".

The Hon. J. M. TRIPOVICH.—I refer to Sir Robert Menzies who was then Attorney-General in the State of Victoria and a member of another place. The avariciousness of the oil companies is such that they have never been known for the generosity of their hand-outs.

When I interjected in the course of the Minister's remarks concerning a 10 per cent. royalty, I had in mind that the oil companies have been forced by the sheikdom of Kuwait to pay a royalty of 38½ per cent. and to make retrospective payments on that basis. In view of the large sums of money that have been made available by the Commonwealth and State Governments, I could not help but laugh at the statement by Mr. Hamilton about private enterprise risking capital in the hope of locating natural gas or oil deposits.

The journal *Petroleum Search in Australia,* which I regard as an authentic document, in dealing with this matter of subsidies, states—

> The first Petroleum Search Subsidy Act which provided for the payment of subsidies for stratigraphic drilling, became law in December 1957. To September 30, 1966 a total of $57.8 million had been paid or committed under the subsidy scheme.

The great defender of private enterprise on the Government side of the Chamber who on many occasions, last night, screamed interjections about socialism, does not mind dipping into the public pocket in order to assist private enterprise to find oil in this country. Then, turning to the matter of taxation, we discover that the Federal Government allows certain concessions to investors and prospecting companies. The capitalists

are content so long as they can dip their hands into the public pocket to suit their own ends—and the Liberal Party has done plenty of that.

Over the years, changes of Government in the Federal sphere have resulted in different economic policies. There are certain people who decry socialism, even in the oil business. Concerning this matter, the journal *Petroleum Search in Australia* states—

> In Australia, all petroleum on or below the land is deemed to be the property of the Crown. Ownership of freehold land does not carry with it any rights to prospect for, or to produce, petroleum.

Does that refer to private enterprise or to socialism? This is the whole basis of my submission. I believe members on both sides of this Chamber are of the opinion that both public enterprise and private enterprise can make a contribution in this field. There are certain things that can be done far more efficiently and expeditiously by private enterprise than by public enterprise, and that situation should be maintained. We also believe, however, that certain assets belong to the people of this country in terms of the principle which I have stated, and they should remain with the people. The discovery of oil in this country was deliberately delayed for over 30 years because it did not suit the interests of the oil monopolies to reveal the whereabouts of the deposits that have now been proved to exist. The reason for this attitude on the part of the oil monopolies was that the market in Australia showed no future for the oil companies, despite the fact that the discovery of oil could have meant much to the development of Australia.

The Hon. W. M. CAMPBELL.—Who knew whether the oil deposits would yield commercial quantities?

The Hon. J. M. TRIPOVICH.—No one knew whether there would be commercial quantities, but if the question is related to the allegation of the people developing the deposits undertaking a financial risk, I would say that the whole of the capital associated with oil exploration is derived from two sources, first, from a loading on costs which are contributed by motorists as they use petrol and, secondly, from shares which are sold on the Stock Exchange and upon which many people have lost and won a lot of money. When the first gas strike was made in Western Australia, some people in Perth sold their homes and invested the proceeds in oil shares in the hope of becoming rich quickly, but to-day their scrip is worthless.

My contention is that this alleged risking of capital by large oil companies is not comparable with the conditions under which the ordinary man opens a business. I repeat that the discovery of oil in this country was deliberately delayed for 30 years.

The Hon. W. M. CAMPBELL.—Deliberately?

The Hon. J. M. TRIPOVICH.—Yes. In the terms of an international cartel, development was delayed because there was no future potential for the marketing of Australian oil. That is no idle statement. Certain gas strikes in this country were bought out and sealed down by people who did not want them to be developed. That is the sort of thing that was done by private enterprise, which is concerned in big business.

The Hon. R. J. HAMER.—Which ones were sealed down?

The Hon. J. M. TRIPOVICH.—Woodside was one.

The Hon. R. J. HAMER.—Nothing was discovered.

The Hon. J. M. TRIPOVICH.—I know that. Any prospect of discovering gas or oil was delayed for several years because of the policy of the international oil cartels. The situation is changed now because of the position in the Middle East. The oil companies now want to develop oil resources in countries with enonomies

in which their investments will be safe. Whether it has a Liberal Party Government or a Labor Party Government, I can think of no better country than Australia.

Earlier, the agreements with oil companies provided that four-ninths of the area around the place where oil or natural gas was discovered would be returned to the State to be disposed of or utilized by the State. No indication was given that that area would be developed by the State, but that was possible. The Minister has said that that arrangement has been changed because it lessened the bargaining powers of the State in its dealing with the oil companies.

Last night, Mr. Hamilton made much of the American economy being considerably better than that of the United Kingdom. Any advantages for private capitalists there have had to be restricted by the United States of America Government introducing strong anti-monopoly and anti-trust legislation to control them, and one of the first monopolies to which that Government directed its attention was the oil monopoly.

The ACTING CHAIRMAN (the Hon. G. W. Thom).—I ask Mr. Tripovich to confine his remarks to the particular matters dealt with in Division 2 of the Bill, exploration permits for petroleum.

The Hon. J. M. TRIPOVICH.—I shall abide by your ruling, Mr. Acting Chairman, but I will not be caught again like this. After this, I will make all the comments I wish to direct to a Bill during the second-reading stage. Oil companies do not have to surrender four-ninths of the area around a petroleum discovery. In view of the reason given by the Minister for the change in the provisions, honorable members should understand the attitude of the oil companies to them.

In *Petroleum Search in Australia,* a publication of the Petroleum Information Bureau (Australia), which gave details about permits and licences as at the 30th of September, 1966, this statement was made—

> The most unpopular aspect of the legislation is the requirement to surrender four-ninths of the area around a discovery. The industry considers it unjust to expect the company which takes the risks, to buy back or forfeit some of the oil or gas it has spent millions of dollars to find. Money thus spent would have to be diverted from more productive exploratory work.

The Minister said that the Government had no bargaining power, but neither had the oil companies. They could sell their products to only one customer, the people of Australia. The Government has sold out the rights to control or sell these areas where oil has been discovered for an additional 1 per cent. or 2 per cent. royalty, which will amount to $67,000,000, over the period of 21 years. That is a mere bagatelle compared with what Broken Hill Proprietary Company Limited, with little effort of its own, will gain from the discovery of oil and gas.

The Labor Party Opposition in this Parliament is not alone in protesting about what has been done. Parliamentary Oppositions, even in States where there are Labor Governments, have made complaints about the new agreements. The major part of the complementary legislation which was passed by the Federal Government was not unopposed. If a Labor Government had signed a similar agreement, the present Minister for Local Government, Mr. Hunt, and perhaps Mr. Hamilton, would have been castigating the Government for giving away the assets of the Victorian people.

The protest which the Opposition has raised about what has happened did not warrant the remarks made about the Opposition last night. Mr. Cathie documented certain arguments and honorable members on the Government benches did not have to take the attitude that the Liberal Party's name was being dragged in the mud. The Government was wrong in giving away four-ninths of the oil fields, because their retention was the only weapon it could use against the

oil companies in relation to the development of the oil field. This is not a matter of royalties of 5 per cent. and a period of eight years ; it is a matter of royalties of 1 per cent. or 2 per cent., and 21 years, over two decades, a generation. No consideration has been taken of the $100,000,000 worth of assistance given to the oil companies in such ways as complete and free advice from the Mines Department, and the use of Mines Department equipment. The oil companies do not conduct exploration themselves, the exploratory work is done by contract. For example, contractors are doing this sort of work for Esso.

The Hon. R. J. HAMER.—They pay them.

The Hon. J. M. TRIPOVICH.—Of course they do. Broken Hill Proprietary Company Limited and the oil companies will do particularly well from the discovery of oil and natural gas in Australia. In comparison the people of Victoria have not fared well.

AN HONORABLE MEMBER.—The Gas and Fuel Corporation was satisfied.

The Hon. J. M. TRIPOVICH.—Could the Gas and Fuel Corporation be anything but satisfied? It was not in a position to argue. No names, no pack drill, but the report of the Corporation does not agree with the private opinions expressed to me and other people about the Premier's dealings in relation to natural gas.

It is true that the Country Party in another place moved an adjournment motion condemning the Government's delay in finalizing an agreement. It is true that certain other people castigated the Government because of failure to come to agreement with the oil companies quickly. Personally, I did not agree with that criticism. The Premier jumped in too soon, and I have said that to him. He sold out quickly to silence the criticism made at the time. I say that for myself, not necessarily for my party. In coming to an arrangement with the oil companies, the Premier sacrificed, for a mere pittance, the right to develop or dispose of four-ninths of the oil and natural gas fields discovered.

This is not a matter of socialism or anti-socialism. This Government is just as socialistic in its outlook as Labor Party Governments have been during their periods of administering the affairs of this State.

The Hon. I. A. SWINBURNE.—We think it is worse.

The Hon. J. M. TRIPOVICH.—I accept that interjection from Mr. Swinburne. This is not a question of black and white, it is a question of what is best for the people of this State. I want the people to retain some control over monopolies. Section 92 of the Australian Constitution prevents the implementing of anti-trust laws with the same benefit which has resulted from such laws in the United States of America. The overseas monopolies have Australia at their mercy. When the advantages of operating in Australia are being put to international business organizations, it is always said that section 92 of the Constitution is of great benefit to people conducting business here.

The Government has sold out something of great value for a pittance in royalties, and that is why the Labor Party opposes this Bill.

The sitting was suspended at 12.55 p.m. *until* 2.19 *p.m.*

The Hon. SAMUEL MERRIFIELD (Doutta Galla Province).— This clause relates to the issue of exploration permits for petroleum. I believe that the 400 blocks to which clause 21 relates, as applied to Victoria, represent an extraordinarily large area. At roughly 25 square miles per block, with 400 blocks each company would get a permit over an area of approximately 10,000 square miles. If honorable members examine the map which was circulated as part of the schedule to the Bill, they will see that two of the long legs that are allowed to Victoria extend a long way out to

sea, probably in the vicinity of 700 miles in one case, and 500 or 600 miles in the other. An area so far out to sea will certainly prove a difficult area to control and explore for oil and, if oil is discovered, further difficulties will be encountered in conveying it to the mainland. The areas which are contiguous to Victoria represent the cream of the whole of the areas which have been allotted to this State.

An examination of the inside cover of the booklet, *The Power of Natural Gas,* issued by B.H.P. will reveal a black line, which includes the areas granted to that company. It is obvious that B.H.P. has almost the lot, as it were, in respect of the prospective Gippsland, Bass basin and Otway basin areas, which seems to quite unjustified. Obviously, there will be no competition in production so far as B.H.P. is concerned. The company will be able to hold the areas for the periods provided in the Bill and pick the cream off them, after which there will certainly not be very much left for anyone else. The fact that it has been necessary for the company to build another rig for drilling purposes is indicative of the fact that what it now holds has grown beyond the capacity of one rig. It means there will be no competition between firms in respect to the supply of oil and gas.

Esso holds a half-share of the exploration licences. Of course, Esso has its oil company in its own right in so many other ways, and it will operate the whole project in conjunction with its other activities. There is no evidence to show that Victoria will obtain the best deal out of these natural resources. This position could have been circumvented by the allocation of smaller exploration areas so that competition could be provided, even by the State, if necessary.

The bore testing and seismic explorations that preceded the boring were necessary, first, to find the strata that is capable of containing gas or oil, and, secondly, to obtain information concerning the structure and folds and anti-clines that will cover the oil and gas so that production will be a feasible proposition. All this experimental work has been done to a degree, more particularly in respect of areas where drilling has taken place.

In regard to the border between Victoria and South Australia, the sketch that has been supplied to honorable members indicates that the boundary between the two States on land has been continued out to sea for a short distance, after which it takes an abrupt turn to the southwest to a point well south of Tasmania. The boundary appears to be simply two straight lines with a major bend, but that is not so. Because of the competition between Victoria and South Australia, and the knowledge of the strata there, the States agreed to have a wavering line that leaves some of the domes each side of the boundary, without cutting through them. That is, perhaps, some indication of the compromise that has been arrived at with B.H.P. This has been included in the licence which that company holds—it is additional to the areas which it already holds. Obviously, there will be no competition for B.H.P.

Exploration and production will be under the enormous exploration permits that have been issued and, obviously, there will be no great competition ; it will simply be a monopoly to the huge Esso-B.H.P. corporation. In the fullness of time, it will be found that these companies will " sit on " some of these areas and either not operate them to the maximum capacity or not operate them at all. Certainly, they will operate them only as it suits their own interests.

I believe that this extraordinary area of 10,000 square miles could not be justified. Therefore, the 400 blocks that will be provided under clause 21 should have been reduced. Tremendous areas of the continental shelf in the other States are already under

the control of these two companies, and therefore, there will be no competition in production; these huge natural resources will simply be handed over to these enormous joint monopolies that have lived and thrived on the people of Australia in the past. Because this is a joint co-operative effort between the Commonwealth and the States, the Government will not depart from it. No argument can be advanced which justifies such large exploration areas being granted to one company.

The clause was agreed to, as were clauses 20 to 38.

Clause 39 (Recovery of petroleum in adjacent area).

The Hon. SAMUEL MERRIFIELD (Doutta Galla Province).—This clause, which relates to production licences for petroleum, is indicative of the arrangements made by the Government to suit a private company. As is well known to honorable members, legislation provides for five out of nine lots to be taken up and the other four to be available to be auctioned and let either to another company or to be operated by the State in its own right, if it so desires.

For the sake of an extra 1 per cent. the Government has chosen to hand over to the companies the other four blocks out of the nine. That is the provision made in the agreement already entered into and being approved by the joint legislation. I doubt whether the other States would ever press for this provision of an override royalty of 1 per cent. This State has pressed for it so that it can continue the arrangement that it entered into to give the Esso-B.H.P. interests the whole of the area that they wanted. If one could assume that all the nine blocks in an area would be likely to produce somewhat uniformly, all that Victoria would get—as the Minister said earlier—would be the equivalent of an extra 1 per cent. on the nine blocks.

The Hon. R. J. HAMER.—Victoria is really getting 2 per cent.

The Hon. SAMUEL MERRIFIELD.—The Minister is taking into account the additional 1 per cent. obtained from the Commonwealth. I am speaking of the override royalty of 1 per cent. For this additional 1 per cent. the Government is handing over the remaining four blocks out of the nine. After deduction of the royalty of 11 per cent. in each case, what is left is 356 parts compared to the nine blocks on which the override royalty will be paid. So the ratio is about 1 : 40, and this allows the companies to get the additional four blocks and avoid competition by the State or anyone else. This arrangement is not justified. The companies have taken the cream. The wells will not necessarily be confined to the five blocks that the companies have been able to retain under the original arrangement. They could extend over the other four blocks. The new arrangement means that other interests will be kept out and that Esso-B.H.P. will have a monopoly over the entire nine blocks. The odds are wholly in favour of Esso-B.H.P., which will be able to spread production over nine blocks.

There is a case for retaining some areas in order to force exploration to continue instead of allowing a company to sit on the best part of an area for the time being and exploit it to the full, allowing the people of Victoria to suffer in the future. There is logic in the proposition that some reservoirs should be preserved for posterity. If the State had retained four blocks, something would have been left for the future instead of it all being thrown into the lap of the oil companies, which, under the exploration arrangements, are entitled to exploit the area for 42 years. This goes beyond a fair thing.

Nine blocks represent 400 square miles. Everybody knows that a number of domes, anticlines and folds of strata could occur in 400 square miles. So there would have been

opportunity for others to engage in production in competition with the present monopoly interests. Such competition would have provided better safeguards for Victoria now and in the future. Members of the Australian Labor Party have strong feelings about the Government's handing over the remaining four blocks to Esso-B.H.P. for a paltry extra override royalty of 1 per cent., thereby giving Esso-B.H.P. a monopoly.

The Hon. I. R. CATHIE (South-Eastern Province).—I shall address my remarks to clause 42, Mr. Acting Chairman. A reading of this provision suggests that an agreement entered into between the Commonwealth and the States, and having the full backing of the Attorneys-General and the Ministers administering mining in the Commonwealth and the States, has been completely abrogated by a private agreement between Sir Henry Bolte and Mr. Holt on the one hand, and the oil companies on the other. This arrangement has been made because the original agreement was not in the interests of the oil companies. So it has been repudiated and torn up. Under the original agreement, four-ninths of this potentially vast wealth of gas and oil by right belonged to the State. This clause and the Minister's second-reading speech give no hint that the agreement ever existed. It has now been torn up and the real interests of the Australian people have been thrown overboard.

The Liberal Party attacks public corporations in this State and apparently believes that the State ought to hand over everything to private ownership. It is the traditional attitude of the people of Victoria that natural wealth shall be exploited by public corporations. To ensure that our coal resources would not be exploited by overseas combines and monopolies, the State Electricity Commission was established. Much of the progress and economic development of this State has been due to the vision and enterprise of that magnificent body, and I was dismayed last evening to hear Mr. Hamilton attack the Commission. It may be in the interests of the shareholders of Broken Hill Proprietary Company Limited, and others for whom the Government supporters speak, that this vast natural wealth of gas and oil should be completely sold out to private interests. The interests concerned in this instance are financed to the extent of more than 50 per cent. by foreign capital.

We in Australia have a federation and we have to live with the terms of section 92 of the Commonwealth Constitution. We have no anti-trust legislation, nor a Federal Power Commission, such as exist in the United States of America, to protect the interests of the Australian people against exploitation. Our only protection was in the original agreement, under which four-ninths of the Bass Strait oil and gas field belonged to the State. In this debate we protest at the abandonment of that agreement merely because it was not in the interests of the oil companies. By interjection, I asked the Minister why the original arrangement was abandoned. He answered that this was done on the advice tendered to the Government.

The Hon. R. J. HAMER.—I said nothing of the sort.

The Hon. I. R. CATHIE.—The record is in *Hansard,* and I am prepared to stand by that. The Minister said that this was done on advice tendered to him by the Mines Department.

The Hon. R. J. HAMER.—Keep the record straight. The honorable member asked on whose advice this was done and I said that it was considered more advantageous economically to take a 1 per cent. override royalty and to surrender four-ninths of the area. That is a very different matter.

The Hon. I. R. CATHIE.—In other words, the Minister admits that on advice tendered to him by the Mines

Department, he surrendered the graticular system for a return of 1 per cent. override royalty.

The Hon. R. J. HAMER.—The honorable member has a way of distorting matters.

The Hon. I. R. CATHIE.—I am not distorting them. I am stating plainly what happened in the sequence in which events occurred. One might be inclined to ask what sort of experience the Mines Department had in this field. Let me turn to the only independent authority who has studied this matter. The Minister claims that I am distorting the picture presented by this sorry and sordid story of the betrayal of the Australian people by secret manœuvrings to break the original agreement relating to their natural assets.

I should like to quote from the text of an address delivered by Dr. Alex Hunter, of the Australian National University, in Canberra, to the congress of the Australian and New Zealand Association for the Advancement of Science, held at the University of Melbourne at the beginning of this year. In his view, this Government had not done its homework, and the advice tendered to it was wrong. Dr. Hunter was good enough to send me a roneoed copy of the text of his address. At page 17, there is a reference to the relative bargaining positions of this Government and the Gas and Fuel Corporation of Victoria on the one hand, and the oil industry on the other, in these terms—

> The sole seller in this case is a large international oil company one must assume that the Broken Hill Proprietary Company Limited half of the group is, at this stage of inexperience, a sleeping partner.

In Dr. Hunter's view the negotiations were undertaken purely by the overseas interests in the Esso-B.H.P. partnership. He discussed its attitude, background and experience in negotiations of this kind, and said—

> It is well versed in negotiations with Governments of all sizes, political complexions and national origin.
>
> Further, the company knows from experience and observation how long the local situation permits a period for manœuvre and negotiation before agreeing to a field price less advantageous than can be secured now.

That is a reference to an oil company with many years of experience. It is enormously wealthy and is accustomed to dealing with Governments of many kinds and many political complexions. On the other hand, we have the Victorian Government and the Gas and Fuel Corporation. Of their relative position in these negotiations, Dr. Hunter said—

> The sole buyer is in a less strong position. The Gas & Fuel Corporation is a quasi-government body without, in issues of this kind, sufficient independence.

The Minister, however, produced a report of the Corporation as if it were an independent body not subject to pressure from the Government. Some years ago, when these negotiations were in the offing, the Government had the trade union representative on the Corporation removed lest he should learn too much. The independence of the Corporation in these negotiations is shown by the fact that the Government overrode it and told it what price it had to accept. I somehow suspect that the private opinions of members of the Corporation were different from the opinions published in its report. Dr. Hunter, in his address, went on to state that the Gas and Fuel Corporation had not sufficient independence, whether financial or otherwise, from the State Government and the Premier to go its own way, relying on its own commercial judgment.

The Hon. I. A. SWINBURNE.—It is a bloodless giant.

The Hon. I. R. CATHIE.—In this instance it is. It is time that its interests were protected.

What about the Government's role in the negotiations? How well versed was it in negotiations of this sort? What sort of experience did it have? What sort of homework had it done in trying to work out whether a 1 per cent. overriding royalty would

in fact produce greater benefit for the Victorian people by providing money for schools, hospitals, water supplies and all the other things that are needed? How would the override royalty be better than the graticular system? Dr. Hunter said—

> Moreover, it is a Government at present in financial difficulties—

I think the Government is still in financial difficulties with its stamp tax—

> unable easily to discover further additions to State revenue; and therefore the prospect of early royalty payments is attractive.

The Hon. I. A. SWINBURNE.—You were rather lucky to have that report sent to you.

The Hon. I. R. CATHIE.—After Government supporters informed the House this morning that Victoria had rights beyond the 3-mile limit and could do what it liked as far as 12 miles out—and even 50 miles, I presume—I started to wonder what legal advisers the Government has. Dr. Hunter continued—

> In short, bargaining power is not evenly balanced. We have a seller in a position to wait and sufficiently well versed in negotiation to know the value of doing so; and a buyer, unwilling or too inexperienced to count the cost, in a hurry.

That is the judgment this academic of very high standing passes on the Government. That is his assessment of the Government.

The Hon. H. M. HAMILTON.—Rubbish like that discredits him.

The Hon. I. R. CATHIE.—Apparently it is only rubbish because Dr. Hunter does not agree with the honorable member's defence of the Government. Let us examine the figures once again. It has been estimated—this is not challenged by the Government—that the wealth of the natural gas in the two fields is of the order of $2,500 million, so that when we refer to four-ninths of the total area we are adverting to a reserve of gas valued at over $1,000 million. This means that in return for an extra 1 per cent. royalty, which the Government has accepted in exchange for any rights over those four-ninths of the area, the State will receive, according to the Minister—this has not been contradicted—an amount between $30,000,000 and $50,000,000 over the next 20 or 30 years. This is all the State will receive in return for giving away its rights to take up for production a field valued at over $1,000 million. The additional royalty is "chicken feed", as even Mr. Hamilton would agree, if he did some homework.

Mr. Hamilton mentioned the costs of production that the oil company will incur at this field. Suppose the Government said to the Gas and Fuel Corporation, "You take up that option on that four-ninths of the area. You go into the field and produce from it, and enter into competition with the oil company which has gained a monopoly in respect of heavy industrial fuel oil and is now going to sell natural gas, which is the only competitor fuel. Go into production yourself on the four-ninths or go into partnership with private industry in exploiting it." I am even prepared to allow Mr. Hamilton to nominate one of the companies in which he has shares as a partner! What costs would the Gas and Fuel Corporation be involved in? The Corporation would have to provide a platform on the sea for drilling purposes, which would cost $4,000,000. It would need a pipe-line to the shore, the estimated cost of which is $6,000,000.

One platform to drill eight holes would cost $4,000,000. A processing plant would also be required on shore, but I imagine that some arrangement could be made whereby the one processing plant could be shared by the two enterprises. Adding other costs, including wages and maintenance, the total over twenty years would come to only $50,000,000. So for an outlay of $50,000,000 the State of Victoria could gain wealth valued at $1,000

million. Instead of that, the Government is accepting a return of a meagre $30,000,000 or $50,000,000, which is the value of the overriding royalty of 1 per cent.

The Hon. I. A. SWINBURNE.—Could you give an analysis of the $1,000 million?

The Hon. I. R. CATHIE.—I have already done so. Mr. Swinburne should have listened more attentively to my speech. I do not propose to traverse the ground again. There is one other point I wish to make. Mr. Hamilton made much use of figures relating to Holland. The honorable member should study Dr. Hunter's address. He will find that Holland is a very special case. There are particular reasons why Holland negotiated the high prices applicable in that country. This State has another advantage over most of the overseas illustrations that have been given during debates in that our gas has been discovered close to where it is to be marketed, and our natural gas field is more productive than those discovered overseas. I quote from a report on this aspect—

> In the United States of America, which is the most important and developed gas producer and user in the world, the 1959-64 figures indicated that for every foot drilled in exploration some 95,000 cubic feet of gas was discovered. In Australia the yield has been much higher and on the 1960-65 figures, for every foot drilled a yield of 1,186,000 cubic feet is obtained. Thus the Australian yield in physical terms is at least twelve times as high as the American.

So much for the high costs referred to by Mr. Hamilton and every other Government supporter. In relation to the great wealth involved, the costs are relatively low, while the yield is extraordinarily high.

I do not know how natural gas, at the price which has been arranged under this agreement, is going to penetrate the existing energy market to any great extent. At its present price, industrial fuel oil undercuts the price of natural gas, as do industrial briquettes, which are selling at 7 cents per therm. If the price of natural gas at the city gate is 4 cents per therm, and it has to be distributed from Dandenong to domestic consumers in Melbourne, Geelong, Ballarat and elsewhere, then relatively high distribution costs will have to be added to that price. However, the Committee has not yet heard a word from the Government on what will be the price structure within this industry. We have not heard what price will be set in contracts for the use of natural gas in industry.

If the price is below 4 cents per therm, that can be achieved only by adding tremendously to the price of natural gas used by domestic consumers. This is the only way to cover the losses that would be encountered on the industrial market. What price will the householder be charged? Honorable members have heard a great deal about the benefits to be conferred by this agreement, but they have been given no concrete explanation as to what those benefits will mean to the Australian people. For the reasons I have stated, I oppose the clause.

The Hon. A. J. HUNT (South-Eastern Province).—Only one issue is raised in clause 40, namely, whether one producer should be allowed to work on five or nine blocks. The Minister has given the economic reasons why the Government chose to grant rights covering the whole area. It is a fact that all Governments in Australia, irrespective of their political complexion, have agreed upon this scheme. One is entitled to believe that the proposal is regarded as generally acceptable and beneficial to this country.

Three charges have been levelled at the Government regarding these four blocks. It has been suggested that in allowing a producer, an explorer who intends to become a producer, to retain nine blocks, the Government is selling out, that the Government is inhibiting public enterprise, and is creating an unfavourable situation as compared

with the position in Britain where an explorer must give up half of the area concerned. None of these claims is of any substance. To appreciate the effect of clause 40, it is necessary to refer to clause 21, and there we find that the maximum exploration area for which a permit may be granted is 400 blocks. Under this scheme the explorer is allowed to take up nine blocks out of those 400, so that in fact he gives up 97¾ per cent. of the total area. Certainly an explorer is not required to do that under the English system.

If Mr. Cathie had read the agreement between the Commonwealth and the States, he would have found that the rights of public enterprise to produce natural gas and oil in the future were fully safeguarded in clause 24 of the agreement. I repeat that the producer must give up 97¾ per cent. of the area. On the other hand, in Great Britain—I have here the Statutory Instrument No. 708 of 1964 relating to the position in that country—there is no limitation on the size of an exploration area such as is provided in the Bill. There is no limitation on the size of a production area licence. Members will bear in mind that the maximum production area in Victoria for which a licence may be held will be nine blocks, or approximately 235 square miles.

I have a copy of the report for the year 1965-66 required to be made by the British Commission to the Parliament of Great Britain. It contains figures relating to the sizes of production licences granted during that year. In Britain 37 production licences were granted in off-shore waters. The average size of these production areas was 22 per cent. greater than the maximum allowed under Australian legislation. Despite this, I point out that there is far more water here in which exploration can take place than there is in Great Britain. A quarter of the British licences were for areas more than twice the size of the maximum area which will be permitted under this proposed legislation. Several of them covered areas more than three times the maximum area which will be permitted here, and several of them were almost treble the maximum area that will be permitted here.

Of course, here, in allowing an explorer to develop only nine out of 400 blocks the Government is ensuring that there will be ample room for further exploration and ample room in which public enterprise may work.

We are ensuring that by far the major portion of the area is retained by the State and, as the figures show, the average production area granted is less than the average production area in Great Britain. Far from being unfavourable with Great Britain, the position here is much more favourable.

The Hon. J. M. TRIPOVICH (Doutta Galla Province).—I do not know whether Mr. Hunt has examined the Federal legislation.

The Hon. A. J. HUNT.—I have, and I have also read the debates.

The Hon. J. M. TRIPOVICH.—Sections 20 to 27 of the Federal legislation provide that the maximum area of any permit will be 400 blocks.

The Hon. A. J. HUNT.—That is, exploration permits.

The Hon. J. M. TRIPOVICH.—Yes. This is about 10,000 square miles and is somewhat smaller than many of the off-shore titles currently in existence, but is regarded as a reasonable size and one which should give the companies ample opportunity to explore efficiently. Section 29 of the Federal legislation provides that permits shall be issued for an initial period of six years with rights of renewal for further successive periods of five years each.

The Hon. A. J. HUNT.—All of this is mirrored in our legislation.

The Hon. J. M. TRIPOVICH.—What Mr. Hunt has just told the Committee is in fact not true. The right

of renewal will be subject to the permittee having satisfactorily complied with the conditions of the permit. The reason for the limit of six years is to ensure that an effective effort is made to discover oil. A simplified case was quoted by the Commonwealth authorities that the reduction provision would operate in the following manner in respect of a 400 block permit: At the end of the sixth year the permit area would be reduced to 200 blocks; at the end of the eleventh year to 100 blocks; at the end of the sixteenth year to 50 blocks; and at the end of the twenty-first year to 25 blocks. The purpose of this was to ensure that the oil companies could not do what they did in the past, namely, tie up oil for 30 years because its discovery was not suitable to their economic development plans.

The Government is not particularly hard on these people because, when they do find oil, it could be in any part of the 400 blocks and the parts on which oil are not found remain as exploration areas. However, after discovering oil the permittee will have a preferential right to a production licence in that area covering nine blocks. He does not sacrifice the rest of the 10,000 square miles if he is still holding an exploration right, as Mr. Hunt would have the Committee believe. The nine bolcks are composed of the area around which he has discovered the oil. This is where I think the Government was weak in its administration. The oil companies rightly pointed out their economic disadvantages in relation to this legislation and said that they have to determine the five blocks that they would develop and the four blocks that they would hand back. They said that this could be costly to them because they would have to explore the economic potential of the whole nine blocks in order to make their choice of the five blocks. Would not this have been a lever for the Government to get something better than the 1 per cent? Mr. Cathie mentioned $1,000 million and that figure was ridiculed. That figure may be incorrect because the other four blocks may have no economic value. However, the chances are even that they will have equal or better economic value. Oil and gas were discovered in the Marlin A1 well, but Marlin B1, which is alongside it, was a dry hole. It may be that there could be oil and gas anywhere in the area which is handed over and any well in that area could be as good as a well in the area which has been retained.

The Hon. R. J. HAMER.—Surely the chances are that they will take the area with the better value.

The Hon. J. M. TRIPOVICH.—They will have to hand over four of the nine blocks. Let us assume that there is oil in all of the blocks and that it would be costly to explore all of them. The companies said that rather than bear this cost they would increase the royalty by 1 per cent. The Minister has said that this concession will be worth $33,000,000 over twenty years, which is approximately $1,500,000 a year. That is chicken feed. If it is considered that Mr. Cathie's figure of $1,000 million is too far out, let us consider what the position is in regard to the 10 per cent. and discard the other 90 per cent. The figures would then amount to $100,000,000.

The Hon. H. M. HAMILTON.—Based on the other fields, the chances are that the four handed over would not contain oil.

The Hon. J. M. TRIPOVICH.—In that regard Mr. Campbell asked me a question concerning the possibility of oil being found at Lakes Entrance in the Gippsland basin 30 years ago. We are arguing a hypothetical case and the hypothesis that I propose is that we allow for the 10 per cent. of our assumption to be correct and the 90 per cent. to be incorrect—that is not a bad basis to test Mr. Hamilton's argument—and the result would be worth approximately $100,000,000. What would be the cost to the oil companies of

prospecting the whole of their nine blocks? The Government weakened in its arguments in this matter and the oil companies got a particularly good deal.

The statement that Mr. Cathie read to the Committee reminded one of school children dealing with experts. Representatives of the oil companies are the world's greatest monopolists and they recognize no country and have no national loyalties. They are in business to make money. It is ridiculous for the Government to say that it was given certain advice. By whom was it advised? Was it the Mines Department which had no knowledge of economic negotiations concerning the disposal of oil? The Mines Department provided 50 per cent. of the physical advice in relation to the exploration that had taken place because it had great experience on this subject but it has no experience in marketing. It is ridiculous for the Government to say, in view of the fact that millions of dollars have been taken out of the public purse by these private enterprise companies and put into oil discovery and we are to get an average $1,500,000 a year, that it has made a good deal. I do not think it has made a good deal.

There is nothing wrong with saying that the Government has not done a good deal and therefore it deserves to be censured. The Government has no lever with which to control this monopoly. In fact, the proposed legislation will not operate successfully because the States and the Commonwealth will never agree. They will want to conduct their own affairs and will not want to combine against the monopolies if favours are offered to one State above the others. The only lever the Government had to control these monopolies was the provision that four sites which may or may not contain oil had to be handed back, and it gave away that right for $1,500,000 a year. The Government stands condemned. I commend the Federal legislation to honorable members. Mr. Fairbairn, the Federal Minister for National Development, said—

> There is an important feature of the Australian off-shore legislation in that off-shore companies are given exclusive rights to search in specified areas and, in the event of a discovery, have a preferred right to a production title or titles.

They must exercise their right within a reasonable time or forfeit it. That was the basis of the legislation and the Government has thrown it overboard. Therefore, it stands condemned.

The Hon. A. W. KNIGHT (Melbourne West Province).—One should examine the history of the granting of licences to overseas companies. When one examines the history of the North Sea area and realizes the failures that have occurred, one realizes why the licences were granted on the basis they were. In Australia it was well known that gas and oil existed in the Gippsland basin and in the Otway basin. For years gas has been burning in the cavities in the Metung area and one would not need to be a Rhodes scholar to conclude that gas existed in the area. Experience throughout the world has shown that gas and oil have been found under similar circumstances, particularly in the Middle East and the American countries.

This Government has sold out the national rights of this country to overseas companies which are well known for their sharp operations. Even at an early stage of the negotiations, I thought the Government was doing the wrong thing. It amazed me to know that the Government, with its alleged business acumen, had fallen for the shady trick which was put over it by the American companies. Five Liberal Party and Country Party coalition Governments are signatories to the agreement and the other two signatories are Labor Party Governments.

The Hon. A. J. HUNT.—The position is that there are four coalition Governments, one Liberal Government and two Labor Governments.

The Hon. A. W. KNIGHT.—There is a Federal Liberal Government under the leadership of the Prime Minister, Mr. Holt; the New South Wales Liberal Government under the Premier, Mr. Askin; the Victorian Liberal Government under Sir Henry Bolte; the Queensland Government under Mr. Nicklin which is a Country Party-Liberal Party coalition; the South Australian Government under the Labor leadership of Mr. Dunstan; the Western Australian Government under the leadership of Mr. Brand.

The Hon. V. O. DICKIE.—A coalition.

The Hon. A. W. KNIGHT.—Yes, but it has a Liberal Party majority. Then there is the Tasmanian Government under the Labor Premier, Mr. Reece. The Labor Party is outnumbered.

The Hon. A. J. HUNT.—Bad luck!

The Hon. A. W. KNIGHT.—It is bad luck for Australia because our heritage is being sold to overseas monopolists who are exploiting this country. The graticular block system could be adopted for many years; but the Government has erred. Overseas experience has proved that the system suggested by my party is correct. As an American said, "You were taken for a ride on the question of natural gas." Hurried overseas trips by Ministers and heads of Departments have served no useful purpose; there should have been a prolonged stay and a thorough examination of overseas systems. Victoria will regret the day that this Bill was passed.

The Hon. SAMUEL MERRIFIELD (Doutta Galla Province).—In speaking to the motion for the second reading of this Bill, I indicated that as the result of appreciation in value, Broken Hill Proprietary Company Limited shares had soared. Shares that were purchased for $5 some time ago have now risen to $17. The gain to shareholders was something in the vicinity of $2,213 million. The total equity in the shares is now $3,520 million.

The Hon. S. E. GLEESON.—You are assuming that the increase in value is due entirely to the discovery of oil.

The Hon. SAMUEL MERRIFIELD.—The figures I have cited related to oil and gas as a separate calculation.

The Hon. R. J. HAMER.—There are many elements concerned; you have forgotten the iron-ore contracts in Western Australia.

The Hon. SAMUEL MERRIFIELD.—The increased value as the result of the discovery of natural gas and oil was $3,520 million. If one were to assume there was some proportion of value for each block over the nine, the capital value of each block would be $400,000,000. The four additional blocks would be worth approximately $1,600 million. As the result of the extra 1 per cent. override royalty the Premier stated that he would receive between $30,000,000 and $50,000,000 a year to give a monopoly on deposits that are worth $1,600 million. That is a disgrace.

The Hon. R. J. HAMER.—It may mean a loss.

The Hon. SAMUEL MERRIFIELD.—The Minister questions my figures and he said that I have not taken into account the iron-ore contract in Western Australia. I based my calculations on three or four separate considerations and they all agree. The figures are substantially correct as to the potential value of natural oil and gas deposits.

The clause was agreed to, as were the remaining clauses.

The Bill was reported to the House without amendment, and the report was adopted.

The Hon. R. J. HAMER (Minister for Local Government).—I move—

That this Bill be now read a third time.

The House divided on the motion (the Hon. G. J. Nicol in the chair)—

Ayes	.. ..	20
Noes	.. ..	7
Majority for the motion		13

AYES.

Mr. Bradbury	Mr. Houghton
Mr. Byrne	Mr. Hunt
Sir Percy Byrnes	Mr. Mansell
Mr. Campbell	Mr. May
Mr. Dickie	Mr. Swinburne
Mr. Fry	Mr. Thom
Mr. Granter	Mr. Thompson.
Mr. Grimwade	
Mr. Gross	*Tellers:*
Mr. Hamer	Mr. Gleeson
Mr. Hamilton	Mr. Hewson.

NOES.

Mr. Cathie	Mr. Walton.
Mr. Knight	*Tellers:*
Mr. Merrifield	Mr. Elliot
Mr. Tripovich	Mr. Todd

PAIR.

Mr. Chandler	Mr. Galbally.

The Bill was read a third time.

NORTH MELBOURNE LANDS (AMENDMENT) BILL.

This Bill was received from the Assembly.

The ACTING PRESIDENT (the Hon. G. J. Nicol).—I have examined this measure and, in my view, it is a private Bill.

The Hon. G. L. CHANDLER (Minister of Agriculture).—In another place this Bill was also ruled to be a private Bill, but was treated as a public Bill, and I propose that the same procedure be adopted in this House. I therefore move—

That this Bill be dealt with as a public Bill.

The motion was agreed to.

On the motion of the Hon. G. L. CHANDLER (Minister of Agriculture), the Bill was read a first time.

COAL MINES (PENSIONS) BILL.

This Bill was received from the Assembly and, on the motion of the Hon. V. O. DICKIE (Minister of Health), was read a first time.

LICENSING (AMENDMENT) BILL.

This Bill was received from the Assembly and, on the motion of the Hon. V. O. DICKIE (Minister of Health), was read a first time.

MAINTENANCE (AMENDMENT) BILL.

This Bill was received from the Assembly and, on the motion of the Hon. R. J. HAMER (Minister for Local Government), was read a first time.

THE GEELONG GAS COMPANY'S (AMENDMENT) BILL.

This Bill was received from the Assembly.

The ACTING PRESIDENT (the Hon. G. J. Nicol).—I have examined this Bill and, in my view, it is a private Bill.

The Hon. V. O. DICKIE (Minister of Health).—In another place this Bill was also ruled to be a private Bill, but was treated as a public Bill except as to the payment of fees. I propose that a similar procedure be adopted in this House. Therefore, I move—

That this Bill be dealt with as a public Bill except in relation to the payment of fees.

The motion was agreed to.

JUSTICES (AMENDMENT) BILL.

This Bill was received from the Assembly and, on the motion of the Hon. G. L. Chandler (Minister of Agriculture), for the Hon. R. J. HAMER (Minister for Local Government), was read a first time.

The House adjourned at 3.39 *p.m. until Tuesday, November* 28.

Legislative Assembly.

Thursday, November 23, 1967.

The SPEAKER **(the Hon. Vernon Christie)** took the chair at 11.3 a.m., and read the prayer.

NORTH MELBOURNE LANDS (AMENDMENT) BILL.

The debate (adjourned from November 15) on the motion of Sir William McDonald (Minister of Lands) for the second reading of this Bill was resumed.

Mr. CLAREY (Melbourne).—This simple Bill deals with what is known as the North Melbourne recreation reserve, which basically comprises the North Melbourne football ground. This measure is complementary to a Bill which was passed last year in which the boundaries of the area were defined, and which included a number of provisions relating to the appointment of the Melbourne City Council as the committee of management of the reserve. The provisions of this Bill meet with the approval of the Melbourne City Council, the North Melbourne Football Club, and quite a number of persons, including the Hon. A. A. Calwell, Senator McManus and myself, who are members of the social club referred to in the Bill as the proposed lessees.

Clause 6 authorizes the corporation of the City of Melbourne to make a loan of not more than $60,000 to the North Melbourne Social Club to enable it to carry out improvements and erect buildings on the ground. The social club, which is more or less a subsidiary of the football club, will repay the loan to be granted under approved conditions. It is also proposed to take the opportunity to adjust the appointment of the committee of management of the recreation reserve, whereby the council of the City of Melbourne will be replaced by the corporation of the City of Melbourne. Everyone to whom I have spoken is happy with the Bill, and therefore the Opposition wishes it a speedy passage.

The motion was agreed to.

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

COAL MINES (PENSIONS) BILL.

The debate (adjourned from November 15) on the motion of Mr. Balfour (Minister of Mines) for the second reading of this Bill was resumed.

Mr. FENNESSY (Brunswick East).—This Bill amends the Coal Mines Act 1958 in relation to coal miners' pensions. I understand that it will validate what might be termed overpayments of pensions. Previously, when Commonwealth age pensions were increased, miners' pensions were increased by an equivalent amount to retain their margin over the Commonwealth pensions. From 1961, such increases were applied, but it has been found that overpayments have occurred because, in the opinion of the Crown Solicitor, no increase should have been made in miners' pensions in 1963 or 1966, when differential increases were applied to Commonwealth pensions. Unless this Bill is passed, pensioners covered by the coal mine workers' pensions scheme will have to repay the excess amount.

Another important provision in the Bill deals with an increase in the percentage of contributions refundable to contributors to the fund. At present, the refund is 75 per cent. of contributions, but the Bill increases this to 100 per cent. Last Friday, in company with the Leader of the Opposition and the representative of the South-Eastern Province in another place, I visited Wonthaggi and had discussions with members of the committee of the Miners Federation. These gentlemen were aware that this Bill had been introduced and expressed their satisfaction with its provisions. They directed my attention to the fact that, in the near future, it is proposed to close the mine, which will involve the redundancy of the 120 men at present employed there.

Honorable members are aware of the situation concerning the mine at Wonthaggi, and I am sure that they are concerned at this problem of redundancy. An attempt has been made to train some of these employees at the local technical school, so that they may be fitted to undertake work in some other trade. The

difficulty is that there are not sufficient industries in Wonthaggi to employ all of them. I ask the Minister of Mines to indicate the attitude of the Government on this serious matter. Some of the men concerned are too young to come under the provisions of the Coal Mines Pensions Act. My party does not oppose the Bill.

Mr. COCHRANE (Gippsland West). —Over the years, the miners at Wonthaggi have sought the improvements contained in this Bill. As honorable members are aware, it is proposed to close down the mine in the near future, and consequently the number of miners employed there has dwindled. Several years ago, legislation was enacted to permit miners to retire and obtain a pension at the age of 58 years. When the State Electricity Commission took over the Wonthaggi power house, some miners were given the opportunity of transferring their employment to the Commission, and it was also provided that if their services became redundant they would receive 75 per cent. of their contributions to the Coal Mines Pensions Fund.

This Bill provides that the miners will receive a refund of their contributions in full. This is only fair and reasonable because many of the miners have worked at the mine since 1909 and 1910, and they have carried on in a most efficient manner without industrial troubles. There are many anomalies regarding rates of pensions caused by the fact that, when the Commonwealth Government increased age pensions, it meant a reduction in the payments made to the miners. This Bill clears up those anomalies to the satisfaction and contentment of the miners still employed.

I appreciate the attitude of the Minister of Mines in meeting the miners and discussing their problems This Bill is a result of that co-operation, and I thank the honorable gentleman for his efforts. I trust the Bill will have a speedy passage.

The motion was agreed to.

The Bill was read a second time and committed, *pro forma*.

Mr. BALFOUR (Minister of Mines) presented a message from His Excellency the Governor recommending that an appropriation be made from the Consolidated Revenue for the purposes of this Bill.

A resolution in accordance with the recommendation was passed in Committee and adopted by the House.

The House went into Committee for the consideration of this Bill.

Clause 1 was agreed to.

Clause 2 (Repeal of provisions for automatic variation of pension rates).

Mr. BALFOUR (Minister of Mines). —I am pleased to have the assurance of the honorable member for Brunswick East that the coal miners at Wonthaggi are satisfied with the provisions of this Bill. As the honorable member for Gippsland West has stated, I met the miners and endeavoured to understand their problems. This Bill is an attempt to solve those problems. Whilst the provisions of the Bill may not be over-generous, at least they are reasonable.

The honorable member for Brunswick East mentioned the future of the Wonthaggi mine. Whilst the Coal Mines Pensions Fund is under my jurisdiction, the administration of the mine is the responsibility of the Minister of Transport. I regret that I cannot tell the honorable member what may be the future of the mine, but I shall convey his remarks about his concern for the 120 men still employed to the Minister of Transport. It may be recalled that recently legislation was enacted to transfer the employment of some of the staff of the mine to the State Electricity Commission. One provision in this Bill rectifies a fault in the original measure whereby, instead of a miner being paid only 75 per cent. of his contributions to the fund, he will receive the full amount—100 per cent. of his payments into the fund.

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.

LICENSING (AMENDMENT) BILL.

The debate (adjourned from November 16) on the motion of Mr. Manson (Minister of State Development) for the second reading of this Bill was resumed.

Mr. SUTTON (Albert Park).—By section 8 of the Licensing Act, a licensed victualler whose trading hours are from 10 a.m. to 10 p.m. may, on approved application, obtain from the Licensing Court a permit to serve liquor for consumption with or as ancillary to bona fide meals or substantial refreshments from 10 p.m. to 11.30 p.m., plus 30 minutes for the consumption of liquor bought before 10 p.m.

The section also provides for a permit to serve liquor with bona fide meals on Sundays from 12 noon to 2.30 p.m., and from 6 p.m. to 10 p.m., with a period of grace as in the case of week days. That permit costs $5 a year. Throughout the State, not more than 250 licensed victuallers, and probably many fewer, operate it.

By section 9A, licensed *restaurateurs* have their trading hours and extensions of them fixed without the obligation of paying for permits. They are entitled to serve liquor with bona fide meals on Sundays during the same times that permit-holding licensed victuallers may.

In order that next Christmas Eve and next New Year's Eve, which fall on Sundays, may be celebrated in traditional social fashion, the Government proposes that, on both those days, provisions for liquor-with-meal services be extended on the lines of week-day permits for hotels and of the law for licensed restaurants. The Opposition supports that proposal. The privilege will be available to about 15 per cent. of the total number of hotel keepers and to all licensed *restaurateurs*.

The provisions of the Act relating to exempted classes of persons in hotels on Sundays will apply to Christmas Eve and New Year's Eve apart altogether from the effect of the Bill when it is passed into law, as I am sure it will be. The ban on liquor service to bona fide travellers on Sundays has not been lifted. I believe that, in the special circumstances, it should be, but I do not intend to move an amendment in that regard.

Sir HERBERT HYLAND (Gippsland South).—I do not like this measure, because its enactment will mean that the big places in Melbourne will derive an advantage over the smaller hotels in the metropolis and in country districts. There are many such hotels that do not serve bona fide meals. I should have preferred the smaller hotels to be permitted to remain open on Christmas Eve and New Year's Eve, for the purpose of selling liquor up till 11.30 p.m., without having placed upon them the obligation to serve a bona fide meal.

The Country Party will support the measure, but I take this opportunity to express the view that it will not do the fair thing as regards the smaller man. It has obviously been pushed forward by the big people in the city, who want to have the advantage of late night trading on the days in question, and I do not blame them for that. Nevertheless, what is sauce for the goose is sauce for the gander, and I should like to see the smaller hotelkeepers and their customers—the people who keep them going throughout the year—have the same rights in the metropolis and country districts as will be enjoyed by the bigger people in the city.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2, relating to the sale and disposal of liquor with meals in hotels and licensed restaurants on Christmas Eve and New Year's Eve.

Mr. MANSON (Minister of State Development).—I move—

That, after paragraph (*b*), the following paragraph be inserted:—

(c) After sub-section (1) of section 256 there shall be inserted the following sub-section:—

(1A) Notwithstanding anything in sub-section (1) a registered club may sell or dispose of liquor on Christmas Eve and New Year's Eve for consumption on the club premises with or as ancillary to a bona fide meal supplied by the club between six in the evening and midnight.

Sir HERBERT HYLAND (Gippsland South).—This amendment will have the effect of enabling liquor to be disposed of on Christmas Eve and New Year's Eve on the premises of a registered club, but the small man, who is not a member of such a club, will be unable to participate.

Mr. MANSON (Minister of State Development).—I point out to the honorable member for Gippsland South that registered clubs would include bowling clubs, golf clubs and the like, of which a fair proportion of the population would be members.

Sir HERBERT HYLAND.—The amendment does not take into consideration the man in the street, who is not a club member.

Mr. MANSON.—I took careful note of the previous remarks of the honorable member for Gippsland South, and I shall direct the attention of the Chief Secretary to them, so that he may consider the position before this Bill passes to another place.

Sir HERBERT HYLAND.—We have heard that story many times before. It represents an attempt to fob off a member in this place.

Mr. MANSON.—That is not so. The matter will be brought to the attention of the Minister in charge of the measure and, if a correction is necessary, that matter will be attended to in another place, following which the Bill can be brought back to this House in order to ensure that the points at issue have been clarified.

Mr. SUTTON (Albert Park).—It is regrettable that information concerning the intention of the Government to submit this amendment was not previously given to the Opposition. As a matter of fact, I think there are already in the Licensing Act permit provisions to cover this aspect, but the question arises as to who will be served with liquor. Will it be club members, friends of members of a club, or the public generally? As is freely and ruefully known, many registered clubs are now engaged in catering on a pretty wholesale scale. I do not think this amendment is sufficiently precise, but I shall content myself with asking the Minister to bring the matter under the notice of the responsible Minister and accepting his assurance that he will do so.

As to the remarks of the honorable member for Gippsland South, I do not think the populace will be entirely dry on the days in question. Under the host and guest provisions of the Act, a licensee may entertain his friends in a room set aside for the purpose, and so can the licensee's lodgers. I am reminded of the lines of Chesterton—

The kindly hearts of innkeepers incline them now and then
To crack a bottle with a friend or treat unmoneyed men.

Chesterton went on to speak most bitterly about licensed grocers. There is also generous treatment for registered club members in the Act for, apart from the provisions relating to permits for liquor with meals, the Licensing Court may grant two drinking sessions on a Sunday between, speaking from memory, 2 p.m. and 4 p.m. I am not quite sure of these things, but I have them fairly well in mind. They will not be dry and they will not suffer any undue deprivation.

Entirely apart from all these matters, some consideration should be given to the rather excessive privileges enjoyed by resident members of clubs.

Mr. McLAREN (Bennettswood).—I am surprised that this amendment is suggested. I understood that the amending Bill would provide for an extension of a privilege on Christmas eve, when celebrations are a recognized feature of our community life, by applying special provisions to the coming Christmas week-end when Christmas eve falls on a Sunday. That is provided for in the amending Bill. I join with the honorable member for Albert Park in objecting to the extension of these provisions without their effect having been examined. Any extension of the right to distribute liquor should be well considered before it is proposed in this House. Further consideration should be given to the amendments. I hope that the Chief Secretary will look at this matter again, and explain in greater detail to the Committee the reasons for the amendment to this amending Bill.

Mr. RYLAH (Chief Secretary).—The first question raised was that a small country hotel is not catered for by the Bill. I assure the honorable member for Gippsland South that, if a small country hotel applied for a permit for the evening, it would obtain it.

Sir HERBERT HYLAND.—It would have to provide a bona fide meal; that is the trouble.

Mr. RYLAH.—That applies to every hotel in the State. There is no provision for drinking on Sunday except with a bona fide meal. All the Bill does is provide that when Christmas eve and New Year's eve fall on a Sunday, the time of the permit allowing drinking with a bona fide meal may be extended from 10 p.m. to midnight. The reason is quite obvious. People will stay in a hotel on these occasions until midnight. It is not realistic to believe that they will stay there and drink lemonade. If the Act were not amended, many people would probably drink illegally. The Bill will permit them to drink legally, without police breaking into a hotel on these particular Sunday evenings.

Sir HERBERT HYLAND.—Would it not have been better to omit the provisions relating to a bona fide meal?

Mr. RYLAH.—Certainly not. There is no legal drinking on a Sunday except that associated with a meal. The provisions of the Bill will apply only when Christmas eve and New Year's eve fall on a Sunday, as they do this year and will do so again in six year's time. It has been the law in the State, since the bona fide traveller provisions were abolished about ten years ago, that there shall be no drinking in hotels on Sunday, except with a bona fide meal. Quite frankly, the Government would not be prepared to permit otherwise. The Government believes that it is reasonable that, when there is a permit enabling liquor to be served with a meal until 10 p.m. and to be consumed by 10.30 p.m., on the particular days mentioned in the Bill, the time for which the permit applies should be extended to midnight. That is what the Bill does.

On the matter of this privilege being extended to clubs, which was raised by the honorable member for Bennettswood, I can say only that the necessity for the provision was overlooked. The law relating to clubs is complicated. When this Bill was drawn, I believed there was no restriction on drinking with meals in clubs on a Sunday. I was informed by the Leader of the Opposition in another place that that was not so and, on checking the law, I found that it was not so. The proposed amendment to the Bill will allow only what I thought was already allowed.

The same argument applies to a club as applies to a hotel or restaurant. If people have an evening meal, with liquor, on Christmas

eve or New Year's eve when it falls on a Sunday, it is unreasonable to expect their drinking to be cut off at 10.30 p.m. so that, for instance, people cannot see the New Year in.

Mr. McLAREN.—Does the amendment extend the facilities further than on a Sunday, if Christmas Eve and New Year's Eve fall on a different day?

Mr. RYLAH.—No, it does not. There is no restriction on clubs on any day but Sunday. There is no general removal of the Sunday restrictions on drinking. All that is removed is a restriction placed on drinking in clubs on a Sunday when the Sunday happens to be Christmas eve or New Year's eve. That would happen once every six years. The amendment does no more than that.

The amendment was agreed to, as was a verbal amendment, and the clause, as amended, was adopted.

The Bill was reported to the House with amendments, including an amended title, and passed through its remaining stages.

MAINTENANCE (AMENDMENT) BILL.

The debate (adjourned from November 15) on the motion of Mr. G. O. Reid (Attorney-General). for the second reading of this Bill was resumed.

Mr. TURNBULL (Brunswick West). —In 1965, Parliament passed legislation to make it easier for deserted wives to pursue defaulting husbands. Similar legislation has now been enacted throughout Australia, and this Bill will make Victoria's legislation substantially uniform with that operating throughout Australia. I congratulate the Attorney-General on the full explanation he made when introducing the Bill.

The Labor Party can say very little more than the Minister did. The important amendment is that contained in clause 2, which allows defaulting husbands to be released from gaol on giving certain undertakings. In his second-reading speech, the Attorney-General said—

> Prevailing attitudes are that it is much better for the community for defaulters to be earning money than to be languishing in prison.

I congratulate the Minister on his choice of language. The Labor Party supports the Bill.

Mr. ROSS-EDWARDS (Shepparton).—The Maintenance Act of 1965 greatly improved the law relating to this subject, particularly in providing for the enforcement of payments by husbands who had gone interstate or overseas. Clause 6 of the Bill provides that a Victorian order is unenforceable in Victoria when it is enforceable in a reciprocating country, but how does one prove that an order is enforceable in a reciprocating country? The power to release defaulters from prison is a good provision. There comes a point of time when, surely, it is better to have a man employed and keeping himself than to have him kept by the State.

The problem of husbands not paying maintenance when they should be, is world-wide. It has reached immense proportions in the United States of America where tens of thousands of male spouses disappear every year. Perhaps this is a case where the man does not always pay. The Victorian legislation is as effective as this type of legislation can be. The Country Party supports the Bill.

The motion was agreed to.

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

LOCAL GOVERNMENT (MUNICIPALITIES ASSISTANCE FUND) BILL.

The debate (adjourned from November 16) on the motion of Mr. Balfour (Minister for Fuel and Power) for the second reading of this Bill was resumed.

Mr. GINIFER (Deer Park).—Although the Opposition supports the proposals contained in the Bill, I desire to bring to attention the salient comment made by a number of municipalities and the Municipal Association of Victoria that councils are appreciative of the proposed increase in the total allocations from the Municipalities Assistance Fund from $400,000 to $500,000 per annum, but have some misgivings whether the provisions of the Bill go far enough towards assisting rapidly developing municipalities on the fringe of the metropolitan area.

Projects which are eligible for assistance from the fund are mainly of a recreational nature, such as the provision and development of sporting ovals, the provision of public toilets, cycling tracks, and things of that nature. Municipalities think some consideration should be given to the conditions under which grants are made. Cities, boroughs and towns are subsidized on a $1–$1 basis, whilst shires receive the advantage of being subsidized on a $2–$1 basis.

Mr. WHITING.—They are much larger areas.

Mr. GINIFER.—That is so, but the population that is to be catered for should be considered. Shires on the fringe of the metropolitan area receive subsidies from the fund on a $2—$1 basis, whilst comparable rapidly expanding municipalities in the metropolitan area obtain subsidies only on a $1—$1 basis. Rather than have water-tight compartments so that the designation of the municipality dictates whether it will receive a grant on a $2—$1 basis or a $1—$1 basis, in deciding on the basis of allocation, consideration should be given to the requirements of a particular area. Although the Opposition feels that the provisions do not go far enough, it supports the Bill, and it hopes that consideration will be given to the peculiar and particular circumstances of rapidly developing fringe municipalities.

Mr. MITCHELL (Benambra).—The Country Party also supports the Bill, but I should like to make one or two pertinent comments, because, as in the case of most of the so-called legislation introduced by this Government, clarification is required. This Bill has achieved State-wide fame because, for once, the Bolte Government is honouring an election promise.

On the question of clarity, once again this Government, with its nonchalant attitude towards legislation, just slings a Bill containing vague provisions into the House. Of course, the Bill is dressed up in all the paint and gloss to make it appear that this is a wonderful Government, although as everybody knows the Government blatantly sinks to the lowest level. Perhaps the Minister can clear up some of these points when clause 2 is under consideration. During his second-reading explanatory speech, the Minister for Fuel and Power stated—

> Projects which are eligible for assistance from the Fund include the construction of toilet blocks, the provision and development of sporting ovals, tennis courts, basketball courts, the erection of pavilions, kitchens, dressing rooms, and the construction of parking areas, cycle tracks, fire brigade training tracks score boards and similar projects.

I ask the Minister whether the words "similar projects" are intended to apply to the provision of bridges over roads on downhill courses at ski resorts, to gain extra length for the course. I have approached the Minister of Lands in regard to the Varsity downhill course at Hotham, which is of international standard. I have also approached the Minister for Fuel and Power with regard to the provision of a similar bridge over the East Kiewa valley road at Falls Creek. Originally, there was a bridge on the course and the 1961 national championships were held there. The course is aptly named "The Sir Edmund Herring Course" in view of his great encouragement to skiing. The old timber bridge became unsatisfactory and was removed. This cut at least 500 feet off

a very good international-class downhill course. With the short distances in Australia, we cannot afford to cut one inch off a downhill course, let alone 500 vertical feet. In this case, the Minister referred the matter to the committee of management. Of course, this Government is a past-master at passing the buck. In this instance, as was the case with the railway crossing at Wodonga, the Government tried to frighten the local people with astronomical costs. I ask the Minister whether the Shire of Bright can claim assistance from this fund to construct badly needed ski bridges over roads. This is a very pertinent question and I should like an assurance from the Minister that the communities concerned have a reasonable hope of obtaining some assistance.

I also ask whether this assistance applies to toboggan runs, which should be on separate tracks. Fire brigade training tracks and cycle tracks are subsidized from this fund. The same question also applies to ski jumps where it is necessary to construct a tower and a run-in and a run-out. This was done at Falls Creek but, unfortunately, it was not used much this season. I ask the Minister and the Government to consider granting subsidies for these types of works and to inform me whether, under the provisions of this Bill, the committee of management or the local shire can apply for assistance towards the construction of ski jumps.

In the north-eastern part of the State, with go-ahead bodies like the Shire of Towong at Tallangatta and the Shire of Wodonga, there has been a large increase in boating activities in the area, which creates a lot of tourist revenue for this corner of the State. A few years ago, there were only 1,300 boats in Victoria, but now there are 37,000 of them. In the north-eastern area, there has been the co-incident arrival of large inland waters and artificial lakes such as Lake Hume, the Rocky Valley dam, Lake Khancoban, and the inception of family boats on wheels. To-day, boating is not only a sport for the plutocrats of the Liberal Party, but a sport for everyone, including the hard-working honest and less monied country man.

The boats are brought to the lake side. It is not a question of opening a disused road to provide access to a lake; otherwise the result is bogged cars and trailers. The last 3 or 4 feet of the shore along these lakes is only a crust, and cars and boat trailers can get bogged, thus requiring assistance to be pulled out and the probability of mechanical damage occurring. I ask the Minister whether boat-launching ramps are included in the list of facilities which can be subsidized by this fund. The Minister of State Development informs me that there is a Tourist Development Fund. I ask whether boat-launching ramps are subsidized from the Tourist Development Fund or from the Municipalities Assistance Fund. Local authorities need guidance; they want to know whether they apply under the Tourist Development Fund or under this fund. These bodies do not argue with the provisions of this Bill, but they want clarification of the Government's intention; it is doubtful whether the Government knows this.

In his second-reading speech, the Minister also said—

> The Government has also had under consideration the question of special financial assistance for those municipal councils which have large non-rateable areas within their municipal boundaries.
>
> In this regard, I am pleased to inform the House, that, over and above the increased assistance envisaged in this Bill, the Government has approved of a system of special grants to shires in which more than 60 per cent. of their areas are non-rateable.

This is very commendable, but, I should like to know why, at this stage, it is only under consideration. When can the Government be expected to finalize these considerations; and when are the people of this State going to know

something definite? If these questions are not answered, honorable members are justified in concluding that, once again, the Government is just filling up the inadequacies of its Bill with a "pie in the eye" stuffing. I should like to know what the Minister means when he said that some nine shires fall within this category. Do any of the shires in my electorate come within the category to which the honorable gentleman referred? For example, do the shires of Upper Murray, Towong, Wangaratta, Oxley or Beechworth come within it?

The Minister further stated, in his second-reading speech, that an initial allocation of $50,000 is being made available to the Minister for Local Government to be applied, after consideration of requests from the councils concerned, by way of special grants towards the cost of essential municipal works. Does the Government have something specific in view so far as the essential municipal works in question are concerned? The Government should be more specific when supplying information of this type. Is it simply a dragnet clause of the type used by the Army—such as section 40 of the Australian Military Regulations and Orders, concerning good order and military discipline—to cover additional items to the parking areas, cycle tracks and such like to which the Minister referred? The Country Party would like clarification on that point.

Finally, the Minister stated in his second-reading speech—

> The Country Roads Board, gives special consideration to shires with large non-rateable areas in allocating funds for road construction, and the purpose of these special grants is to ease the burden on the municipal revenues of other essential works.

Again, the Country Party is not clear concerning the meaning of these high-sounding words. What is meant by "special consideration?" Does it mean that a sum of $1,000 or of $5,000 will be made available, and how will shires with large non-rateable areas be defined? The Government should be more definite and cite an example of a shire with a large non-rateable area. What type of road construction would qualify for a grant of this type?

I have been highly critical of the Bill, and Government members are looking pretty red and shamefaced about it. However, if there could be some clarification of the matters raised by me and if concrete information was supplied instead of this "airy-fairy Snow White and the Seven Dwarfs" type of legislation, the Country Party would approve of the Bill not only in principle, but also in fact.

Mr. STEPHEN (Ballaarat South).—I wish to commend the Government for honoring, as it always does, a promise which was given at the last State election. This measure is more interesting to members who represent country electorates and municipalities than to their city counterparts. I was amazed to hear the honorable member for Benambra speaking in his usual vein concerning this Bill. On reflection, I am sure the honorable member will realize that it is the Government's intention to make available more money through the Municipalities Assistance Fund, principally for the benefit of those who live in the country areas.

Projects which are eligible for assistance from this fund include the construction of toilet blocks, the provision and development of sporting ovals, tennis courts and basketball courts, the erection of pavilions, kitchens and dressing rooms, the construction of parking areas, cycle tracks, fire brigade training tracks and scoreboards and similar projects. By referring to "similar projects," the Government was endeavouring to embrace within the legislation a multitude of small but worthy projects which are undertaken from time to time but which it would be difficult to enumerate in the Bill.

The honorable member for Deer Park expressed concern that the distribution of this money was not quite

equitable. This is a difficult problem. In the country areas, it is not uncommon for a small shire to have only one major recreation ground within its boundaries, and an adjoining shire, which need not have a much larger area to administer, to have four, five or even six major recreational grounds within its territory. Obviously, the distribution of finance to municipalities in such circumstances may appear to be inequitable, and the problem is difficult to overcome.

I commend the Government for its proposal to increase the amount which may be allocated annually from the Municipalities Assistance Fund. This action is in the interests of all people of the State. I join with the honorable member for Deer Park in hoping that it will not be long before the Government will find it possible to increase still further the amount of money that will be available for distribution through this fund.

Dr. JENKINS (Reservoir).—Probably, honorable members are aware that the Municipalities Assistance Fund has a long history. The fund operated in the early part of the century. For a while, it was suspended and then re-introduced again later. This Bill, which will increase the total annual allocation from the Fund, honours a promise made by the Government during the last State election campaign. The Opposition has no objection to the Government keeping a promise of this type. However, I am concerned with the Minister's statement, in his second-reading speech, to the effect that the Government has also had under consideration the question of special financial assistance for those municipal councils which have large non-rateable areas within their municipal boundaries. Many honorable members would like to know on what criteria this statement is based.

The honorable gentleman indicated that the Government has approved of a system of special grants to shires in which more than 60 per cent. of the total area is non-rateable. The House has not been informed, however, concerning the types of non-rateable properties which have been taken into consideration. Does the Government have in mind properties which are held by the Commonwealth Government, State Government instrumentalities or charitable institutions? The basis on which non-rateable properties are assessed could well lead to different verdicts being given concerning assistance to various municipalities. We do not know whether the special assistance which has been promised will be related to need. The question is whether a well-defined principle will be applied to special grants of this nature.

It is interesting to note that the Statute Law Revision Committee is currently investigating the question of properties which are exempt from municipal rating. The committee has been considering this question for the past two years, and I trust that it will shortly submit a report on the subject. However, without waiting for the committee's report, the Government has given a clear decision concerning its attitude to the question of non-rateable properties. In the circumstances, it appears that there is no value in the committee continuing with its examination of the problem.

Mr. WHITING (Mildura).—As has already been mentioned during the debate, the Municipalities Assistance Fund was established many years ago, that for a time it lapsed, but was later re-introduced. It is interesting to note that the fund was re-established by the McDonald Country Party Government during the 1950–52 era. It might surprise honorable members to know that, even at that stage, an amount of $200,000 a year was available for this purpose. The annual allocation from the Fund has gradually increased to an amount of $400,000, and this Bill will increase it further to $500,000.

It is interesting to examine the source from which the fund is derived. The majority of it—60 per

cent. I understand—comes from the levy on motor drivers' licences throughout the State. Prior to 1964, under section 250 of the Local Government Act, there was paid to the credit of the fund one-half of the amount of all motor car drivers' licence fees, less cost of collection. By an amending measure in 1964, the proportion of one-half was reduced to one-quarter. One could assume that there was a considerable amount of money in the fund that necessitated this reduction.

It appears to me that there is always a large number of projects on waiting lists in country municipalities which are submitted for approval before money is allocated to them from this fund. Sub-section (4) of section 50 of the principal Act provides that, in the event of the amount standing to the credit of the fund at any time being insufficient to meet the sums and contributions authorized to be paid out of the fund, money may from time to time be issued and applied out of Consolidated Revenue to meet such insufficiency. In a year such as this, when every means must be examined with a view to providing work, through municipal councils and State authorities, for those who are unemployed because of drought conditions, this sub-section should be implemented. I ask the Minister to examine this suggestion.

The honorable member for Reservoir referred to the statement in the Minister's second-reading speech that the Government has had under consideration the question of special financial assistance for those municipalities which have large non-rateable areas within their municipal boundaries. It is surprising that the Minister should say this when an all-party committee of this Parliament is at present examining this question. By interjection, the honorable member for Ballaarat South said that the large areas of non-rateable land consisted primarily of forests.

As honorable members are aware, a number of metropolitan municipalities, such as Williamstown, have large areas of properties which are exempt from municipal rating. In Williamstown, the Commonwealth's rifle range occupies a large tract of land, and other non-rateable areas are under the control of State instrumentalities, such as the Railway Department and the State Electricity Commission. This is an interesting point. If a special fund is to be set up to provide special assistance for municipalities, possibly consideration should be extended to those municipalities that also require assistance but do not come within this category.

I fail to see what this has to do with the Bill. As the honorable member for Benambra suggested, the Minister is flying a kite in relation to this special fund. It is interesting to see how the situation is developing. The Country Party supports the increase of $100,000 in the sum that will be available to municipalities annually. Many councils have long waiting lists of works for which financial assistance is needed, and these are in the categories mentioned by the Minister. We trust that a further increase in the limit will occur in the near future. It will be needed if municipalities are to develop as they have developed in the past and if the list of projects for which funds are still needed is to be appreciably reduced.

Mr. LOVEGROVE (Sunshine).—I join with the honorable member for Deer Park, who is in charge of this Bill on behalf of the Opposition, and with other Labor speakers, in questioning the adequacy of the increase in the amount of the annual allocation from the Municipalities Assistance Fund from $400,000 to $500,000. In his Budget speech, the Premier and Treasurer stated that in Canberra he had succeeded in obtaining a revision of some of the financial measuring rods used by the Commonwealth, some of which were 30 years old. With respect to borrowing programmes for

the works of semi-public utilities and local government authorities, the honorable gentleman claimed that some of these measuring rods had been brought up to date. This may be so, but certainly it is not reflected in the increase in the fund provided for in this Bill.

I ask the Government to take special measures to assist the municipalities of Sunshine, Footscray and Altona—particularly the latter—to meet the heavy expenses that they are incurring because of the construction of the freeway leading from the Lower Yarra Crossing to the Geelong-road. Although the Lower Yarra Crossing Authority has been constituted to construct the bridge over the Lower Yarra, the construction of the freeway is the responsibility of the Country Roads Board, and therefore the situation in relation to this freeway is the same as in relation to any other. The construction of such major thoroughfares always creates fresh problems for the municipalities through which they pass.

In the three municipalities that I have mentioned, streets will have to be closed, new traffic patterns will have to be established, and in some instances the whole environment of areas that are at present zoned as good residential districts will have to be completely changed. All this will put the municipalities concerned to great additional expense. At this stage and during the construction of the freeway, the Minister of State Development should give special consideration to the problems of these municipalities. They should be assisted in whatever way is necessary in the reconstruction of adjacent roads and any other works that have to be undertaken. Problems will arise, first, from the construction of the freeway itself and, secondly, from the need to remove a large number of residences that stand in its path.

Now, I wish to make special reference to a sentiment about Sunshine that was expressed by the Premier last week when opening a new foundry for Massey-Ferguson (Australia) Limited at a cost of many thousands of dollars. Sunshine is of historic significance industrially, as it became the cradle of Australian manufacturing industry when H. V. McKay began manufacturing agricultural implements there.

The SPEAKER (the Hon. Vernon Christie). — Order! In discussing industry, the honorable member is going beyond the scope of the Bill.

Mr. LOVEGROVE.—I accept your view, Sir, but I would be most reluctant to refrain from the small meed of praise that I was about to bestow on the Premier.

The SPEAKER.—I am not concerned about that. I am concerned only about the honorable member's keeping within the scope of the Bill.

Mr. LOVEGROVE.—The Premier said that Sunshine was the most industrialized part of Victoria, with more than 400 factories. He described it as the Birmingham of Victoria. I agree with him, and therefore I ask the Minister of State Development and the Government to assist this sprawling, highly industrialized area on the western fringe of Melbourne in dealing with the problems caused by its rapid growth. The municipality of Sunshine covers some 30 square miles and its population of 60,000 or 70,000 persons is rapidly growing. As one moves about the municipality, one is struck by the sheer rapidity and immensity of industrial growth, which brings with it all kinds of special problems for the local municipal council. I suggest that the Municipalities Assistance Fund, and any other fund that the Government can use, should be taken advantage of to provide financial assistance to meet the great expenditures and responsibilities brought by the new and growing obligations being imposed on the municipal authorities in Sunshine, the Birmingham of Victoria, as the Premier has described it.

Mr. WHEELER (Essendon).—This Bill has been introduced to honour a promise that was made by the Premier and Treasurer in his policy speech during the last general election campaign. The honorable gentleman undertook that, if returned to office, he would increase the amount available annually from the Municipalities Assistance Fund by $100,000. In this debate, we have heard something of the history of the principal Act. It was introduced originally by a Country Party—I think in 1952—and the Country Party made sure that it got the benefit of it.

The SPEAKER (the Hon. Vernon Christie).—The honorable member should confine his remarks to a passing reference to those matters, as they do not come within the scope of the Bill.

Mr. WHEELER.—Certainly, Sir. This fund is made up by contributions from motor drivers' licence fees and motor driving instructors' fees. These come from all over Victoria. The present rivalry between city and country cannot continue if the State is to prosper. Much of the assistance provided from this fund goes to the municipal authorities in towns of reasonable size. Until a few years ago, a visitor to such towns could hardly find decent and respectable toilet facilities for travellers. These facilities have now been improved and in some instances, new and modern ones have been constructed. However, some of these places are not cleaned or properly looked after. When municipalities get something for nothing by way of assistance from this fund, they should look after the facilities that the assistance enables them to provide.

The honorable member for Sunshine has mentioned the development that is going on in Sunshine. Many of the municipal councils on the perimeter of Melbourne cannot cope with the need for additional recreation reserves and buildings of the kind mentioned by the Minister for Fuel and Power in his second-reading speech. These include dressing rooms, parking areas and cycle tracks, all of which are needed for young people in their various activities. For this reason, I believe that municipalities are entitled to assistance from the Municipalities Assistance Fund, but the benefits of this fund at present go almost entirely to country areas.

Mr. WHITING.—Any municipality can benefit.

Mr. WHEELER.—Allocations are made from this fund almost entirely to municipalities outside the metropolitan area. This is very disturbing, since the great majority of motor drivers, who pay the money which goes into this fund, are in the metropolitan area.

Running through my electorate is the Tullamarine Freeway. Its construction meant the destruction of some recreation reserves. To some extent these have been replaced or will be replaced by the Country Roads Board and the Melbourne and Metropolitan Board of Works. They will then have to be surfaced and cricket pitches and other recreational facilities will have to be provided, to say nothing of dressing sheds and many other things. The provision of these facilities will impose a heavy burden on the municipalities concerned in the next few years, especially if they are to be of proper standard. The Government should consider assisting these municipalities in this task.

The honorable member for Benambra, as usual, raved on at great length. Among other things, he wanted moneys allocated out of the Municipalities Assistance Fund for the construction of boat ramps at weirs in country areas. The fund should not be used for this purpose. Country people benefit from the influx of tourists, and I cannot understand why they would be happy about whittling away the powers of municipalities and giving them to other organizations. I believe that the very essence of municipality government is that municipalities should be

able to stand on their own and look after themselves. If they are to encourage tourists, surely it is up to them to provide the boat ramps, and the like, that are necessary. I hope that the Minister of State Development will consider what assistance can be given to municipalities in their attempts to re-establish some of the recreation reserves that they have lost due to continuing development.

Sir HERBERT HYLAND (Gippsland South).—I should like the Minister of State Development to advise the House of the present state of the fund. The other day I received a letter from the Local Government Department concerning an application for renovations to a hall. It was intimated that it would be two or three years before the application could be considered. Is this fund already committed as far ahead as that? If the state of the fund is such that there is a waiting list for the granting of applications which is two years in arrears the increase of $100,000, will not be of much use.

Shires receive $3,000 and cities receive $2,000 per annum. The country municipalities receive those grants to encourage people to hold their sports meetings there.

Mention has been made of boat launching ramps. Money is made available for this purpose by the Tourist Development Authority, but that Authority does not make the whole amount available. Local people have to find a certain proportion of the cost, and it is not a small amount. Probably the basis of the grant varies from $3 to $1, to $1 to $1; but the local people have to provide their share. I also ask the Minister to advise whether it is proposed to increase the amounts of $3,000 and $2,000 on a flat basis, or whether this $100,000 is earmarked for some years ahead. Can the municipalities expect to receive any more during this period? I emphasize that the money is not made available as a free gift. A local contribution must be made.

Reference has been made to municipalities on the outer perimeter of Melbourne. It was stated that they deserved assistance. This seems to be so, but why should such grants be taken from this particular fund? What area would be involved? What would be the boundary of the metropolitan area? Would certain shires be selected, and would political influence play a part in their selection? As the fund is administered to-day, no political influence is exerted. If a municipality puts in an application soundly based for $3,000 the application is granted. It is not enough merely to say: "It is fine to-day, so we want $2,000". A list of proposed works must be submitted and those works must be approved. There are certain types of work for which moneys from this fund cannot be used. It may be that such works should be subsidized by the Country Roads Board or the Tourist Development Authority. If the proposed works are considered to be worthwhile and meet the requirements, the money will be made available to the municipality concerned from the Municipalities Assistance Fund

I am sure all honorable members would like to know the state of the fund at present, so that they can advise the municipalities within their electorates whether or not they may expect to receive more assistance from it.

Mr. WILKES (Northcote).—I want to make two points. First it has been made clear that the Opposition raises no objection to the proposed increase to $500,000 of the maximum amount that may be paid out of the Municipal Assistance Fund in one financial year. I do not want to raise the argument of the city versus the country, but it has been established that 40 per cent. of reimbursements received by Victoria under the Commonwealth Aid Roads Agreement is spent on country

roads. That money is provided by the motorists of this State the majority of whom are in the metropolitan area. Contributions to the Municipalities Assistance Fund are provided by the same motorists, but the money is distributed only in country areas. The people in the metropolitan area miss out under both funds.

These grants are spent in a multiplicity of ways in the country. Provision is made for the development of tennis courts, basketball courts, parking areas, cycle tracks, fire brigade training tracks, and similar projects. It would be a very good thing if metropolitan municipalities, particularly those on the outer fringe, were able to receive the same kind of assistance, but they do not participate in the scheme and have to tax their ratepayers accordingly. I think that everyone was amazed to hear that the Government also had under consideration the question of special assistance for these municipal councils. I presume this concerns municipal councils outside the metropolitan area, because they are the only ones to which this fund is applicable.

In his second-reading speech, the Minister for Fuel and Power suggested that some form of financial assistance could be made available to shires and country municipalities in which there are areas of non-rateable property. I should like to make it clear that an investigation carried out by the Statute Law Revision Committee has revealed that the majority of non-rateable properties are in the city area. At least the value of non-rateable property in any one city municipality is equal to that of any one country municipality. In my view, if the Government is contemplating giving assistance of this nature it would be unfortunate if metropolitan municipalities in which there are large areas of non-rateable properties were not treated similarly. One such area is the electorate of the Chief Secretary, Kew, which has a substantial number of non-rateable properties within its boundaries. Williamstown and some other municipalities are in a similar position.

Mr. PHELAN.—What are the percentages?

Mr. WILKES.—I am sure that the Statute Law Revision Committee will be only too pleased to let the honorable member for Kara Kara have the percentages. Surely the Government is not going to dangle a carrot on a string before country interests in respect of non-rateable properties, under the auspices of this legislation. If it is good enough to submit an argument for providing assistance to country municipalities, it is good enough to put one in respect of metropolitan municipalities. The Opposition is prepared to accept that money out of the Municipalities Assistance Fund should be spent in this way, but I should have thought that, if the Government is considering granting assistance in respect of non-rateable properties, it should have regard to the inquiries of the Statute Law Revision Committee in this direction. I urge the Minister of State Development to give serious consideration to referring this aspect to the Statute Law Revision Committee so that it may make a recommendation to Parliament, before any move is made to grant assistance to one area of the State in preference to another.

Mr. MANSON (Minister of State Development).—Honorable members have raised many interesting points this morning, some of which cannot be answered immediately, as they require some research. Therefore, I move—

That the debate be now adjourned.

The motion was agreed to, and the debate was adjourned until later this day.

The sitting was suspended from 12.58 *p.m. until* 2.10 *p.m.*

THE GEELONG GAS COMPANY'S (AMENDMENT) BILL.

The debate (adjourned from November 14) on the motion of Mr. Balfour (Minister for Fuel and Power) for the second reading of this Bill was resumed.

Mr. TREZISE (Geelong North).—The purpose of this Bill, which the Labor Party does not oppose, is to amend The Geelong Gas Company's Act 1858. It provides a modern code for the company to work under, in order that it may cater for the natural gas era. The measure has three main objectives: First, it repeals outdated sections of the present Act, which have little reference to the present age. Secondly, it clarifies doubts that exist because of a conflict between the present Act and the Companies Act, particularly in relation to procedures at meetings. Thirdly, it extends the boundaries within which the Geelong Gas Company will have a franchise to distribute gas.

Since 1858, the Geelong Gas Company, unlike many other private companies in Victoria, has given service and satisfaction to the Geelong community. Last week, when I was perusing volumes of *Hansard* of some years ago, I was interested to note that a petition was presented to the House on behalf of the people of Geelong calling on the Government to introduce legislation to make provision for a gas supply for Geelong. Many of the sections of the Act that was subsequently passed have now become outmoded and approximately 35 of them are now to be repealed. Those sections are set out in the First Schedule and their repeal is provided for in clause 3 of the Bill.

I shall not weary the House with details of every clause to be repealed, but one or two of them are of interest. For example, the provisions of section 30 permit the Geelong Gas Company to operate and construct a sewer through the streets of Geelong at any time for the purpose of dumping refuse into the waters of Corio Bay. As other members representing the area know, this is an important issue in Geelong at present, and if the Geelong Gas Company dumped refuse into the Bay the waters would become polluted and there would be serious complaints, particularly from the fishermen. In fact, the complaints could lead to a civil war, so to speak.

Section 66 of the original Act gives the Geelong City Council power to take over the Geelong Gas Company. Whilst this is unthinkable, naturally it is dead wood in the Act. For some time, the Geelong Gas Company has been in doubt as to validity of its procedures. Clause 4 concerns the memorandum and articles of association, and clarifies the position of the company in relation to the Companies Act. Paragraph (*e*) of clause 6 prevents the takeover, without the approval of the Minister, of the Geelong Gas Company by outside bodies. In the past, it has not been necessary for the Minister to so approve, and as the restriction is in the interests of the consumer, my party approves of the principle involved in this amendment. The company was notified of acquisition by the Gas and Fuel Corporation eighteen months ago, but for some reason the Corporation did not proceed with its notice. The amendment contained in clause 9 extends the franchise area of the company. Prior to 1925, the principal Act stated that the company could deal in gas to the town limits. After 1925, the radius was altered to a 10-mile limit from the city hall. Since that date great development has taken place, and it is now proposed that the radius should be extended.

The Labor Party believes that the reticulation of gas, water and electricity supplies is fundamental to the life of a community and should be in the hands of a public authority. However, in this case at this stage my party is not objecting to the Geelong Gas Company as a private organization because it has given satisfaction over the years and no

public authority is apparently prepared to take over the facilities. However, the Australian Labor Party has often expressed the view that where there is a clash of public as against private interests, the interests of the public must prevail.

The new boundaries for the franchise of the Geelong Gas Company will extend to Portarlington, St. Leonards, Indented Heads, Torquay and Ocean Grove. Leopold, which has also developed in recent years, is within this ambit. Queenscliff and Point Lonsdale have their own independent supplies under the Queenscliff Gas Company. It is necessary to make provision regarding these boundaries with the proposed introduction of natural gas in late 1969 or early 1970. I digress to hope that, when natural gas is piped to our area, the supply will be the equal of that provided in the metropolitan area. The progressive Geelong Gas Company is preparing for the changeover, and from discussions I have had with its manager, I understand that this work will cost between $3,000,000 and $4,000,000, depending on the negotiations now taking place between the company and Geelong industries. It is estimated that 23,000 appliances will need to be converted at an average of $60 each. As an offset, the cost of distribution of natural gas is expected to be cheaper because of its high pressure and the smaller diameter of the pipes required. I hope that the cost to the consumer of natural gas will be lower than the present supply, and the consuming public of Geelong are waiting to know what that reduction will be. The people of Geelong are in agreement with the Bill because it will assist the district. As it is a preparatory step to the natural gas era, the Opposition supports the Bill and wishes it a speedy passage.

Mr. BIRRELL (Geelong).—Because of the size and importance of the Geelong district, a number of public authorities have been established to provide service for the people. I refer to the Geelong Harbor Trust, the Geelong Waterworks and Sewerage Trust and the Geelong Gas Company. This became necessary over the years when, because of a large population, it was thought desirable that public facilities should be operated under local administration. I emphasize as strongly as I can, as member for the area, that I shall always fight to ensure that local direction of affairs will continue. Some twelve or eighteen months ago I was alarmed to learn that the Gas and Fuel Corporation had served a notice of acquisition on the Geelong Gas Company. This was an attempt to take an efficient facility out of the hands of the local community, and it was strongly resisted. The Geelong community has been successful in retaining the gas company, which has provided an efficient service for its franchise area.

Historically, the Geelong Gas Company was incorporated by Act of Parliament on 4th June, 1858. A local group of citizens petitioned the Parliament to permit them to establish a gasworks and gas reticulation system in the town of Geelong and the municipal district of Newtown and Chilwell. Basically, the company has operated under that original Act, with only minor amendments since that date. This Bill represents the only major change in the organization of the company in 109 years.

From the point of view of the Geelong Gas Company and the local community, this is an important occasion. The honorable member for Geelong North adequately covered the provisions of the Bill which, basically is one to incorporate in the old Act a modern format and to eradicate the dead wood to bring the legislation more in line with modern company legislation. The Parliamentary Draftsman believed that the form of this Bill is the most practical and satisfactory way of achieving this end, and consequently I support the measure in principle and in detail.

Apart from the prime object of placing in the Bill a restrictive procedure to prevent takeover without the approval of the Minister, there is also the secondary, but still important factor, of extending the franchise area of the company by 2½ miles. This may not be necessary at the moment, but with the general growth of the district the time has now arrived to extend the franchise area from a 10-mile to a 12½-mile radius. The Geelong Gas Company can now look forward with confidence to a planned programme to prepare for the introduction of natural gas, and in so doing it is appropriate that the Act should be amended to bring it up to date. There is a vast period of expansion ahead for the Geelong Gas Company as a purveyor of gas. Undoubtedly there will be some difficulties to be overcome, because a new product is to be dealt with and the old patterns of administration, manufacture and supply will have to go by the board. At present, Geelong obtains most of its gas as a by-product from the Shell oil company's refinery, but the new gas is a differently constituted product, and so a transformation in the matter of mechanical adaptors will have to take place. This is an expensive procedure which will take some time to accomplish.

Mr. WILKES.—How is Alcoa going?

Mr. BIRRELL.—Alcoa is a major user of gas in the State of Victoria. That company uses gas as well as electricity in its industrial processes. Indeed, it uses much more electricity than the rest of Geelong put together.

One point worthy of mention is that, around the district of Geelong, there are many industries which traditionally use a tremendous amount of power in their manufacturing processes. Two cement companies fall within that category, and they would use exceedingly large quantities of natural gas if they were enabled to receive it. This aspect involves a battle with other power sources, but it affords an indication of what the district of Geelong might be using in the form of natural gas if that commodity were available. I am of the opinion that the two cement companies to which I have referred would use a larger volume of gas than the whole of Melbourne is using at present. Those are staggering statistics. So the Geelong Gas Company is not merely another small offshoot of Victorian industry; it is a major industry in its own right, and in the future it will no doubt become much greater than it is now.

The Geelong Gas Company is regarded as being one of the soundest companies involved in the purveying of gas, and it is often spoken of as the "blue-chip" company of the industry. Its administration has always been conservative, and a dividend of 8 per cent. per annum has been maintained. It is worthy of note also that the company has showed extreme generosity, and on the occasion of its 100th birthday it declared a bonus of an additional 1 per cent., making a total dividend of 9 per cent. for the year.

I am forced to follow the fortunes and fluctuations of an industry such as this, because it is one of Geelong's principal public services. The Geelong Gas Company is acting efficiently and economically and, with the passing of this Bill, I believe it will continue to serve the people of Geelong faithfully and well.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1—

This Act may be cited as The Geelong Gas Company's (Amendment) Act 1967 and shall be read and construed as one with The Geelong Gas Company's Act 1858 (hereinafter called the Principal Act) and the Acts amending the same which Acts and this Act may be cited together as The Geelong Gas Company's Acts.

Mr. BALFOUR (Minister for Fuel and Power).—I move—

That the following sub-clause be added to the clause:—

( ) This Act shall come into operation on a day to be fixed by proclamation of the Governor in Council published in the *Government Gazette.*

This is quite a normal inclusion in Bills of this character. The reason for it is to make doubly sure that the Geelong Gas Company and its shareholders are aware of what the Government has done. Following the passing of the Bill by both Houses, a meeting of shareholders will be called, and they will be acquainted with the provisions of the measure. When the Government has been informed that it is acceptable both to the company and to the shareholders, the necessary action will be taken to have the Act proclaimed by the Governor in Council and published in the *Government Gazette*.

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

The Bill was reported to the House with an amendment, and passed through its remaining stages.

JUSTICES (AMENDMENT) BILL.

The debate (adjourned from November 16) on the motion of Mr. G. O. Reid (Attorney-General) for the second reading of this Bill was resumed.

Mr. TURNBULL (Brunswick West). —In explaining this Bill to amend the Justices Act, the Attorney-General stated—

> The object of the Bill is to make three amendments to the Justices Act 1958. Members of this House who are legally qualified—

there are now a few of those—

> know that the Justices Act is the basic statute which deals with the procedure of our local courts and of justices.

Last week, the honorable member for Gisborne made a splendid speech on the jury system of this State, and I have no doubt that he would make some of those remarks apply to justices, whether they are stipendiary magistrates or honorary justices. The Attorney-General is one of the great advocates of the dispensing of justice by justices, so I am somewhat amazed that, in this Bill, he wants Courts of General Sessions to have the power to review sentences imposed by Courts of Petty Sessions. In this matter, it is necessary to speak with one voice. The honorable gentleman cannot talk on two planes. I believe he is wrong in asking Parliament to empower Courts of General Sessions to increase penalties imposed by a lower court. The Minister explained the provisions relating to joint torts and action detinue excellently when he said—

> Under Rules of Court relating to what is known as third-party procedure, a defendant may give to any other defendant or to a third person not yet a party to the proceedings a notice claiming contribution, and where this is done the extent of the liability of each defendant or third party may be determined in the same proceedings.

This procedure is carried out in the County Court, which is an inferior court, as are the Courts of Petty Sessions, and also in " running down " cases in the Supreme Court. When the common law jurisdiction was conferred on Courts of Petty Sessions, this was overlooked, and the Bill will allow third-party proceedings to be heard in those courts. The Labor Party agrees with the provision.

Courts of Petty Sessions may now deal with a number of crimes for which, previously, an accused person had to stand trial before a Judge and jury. Apparently, there are two types of offences which are akin to those already mentioned in section 102A of the principal Act. They must have had some special quality to be separated from ordinary larceny. They will now be dealt with in the same way as crimes already mentioned in section 102A. After all, stealing from a ship or the wharf is just another type of larceny. The Labor Party does not object to that provision.

I have praised the Attorney-General, but now I must criticize him. Clause 4 of the Bill represents a running away from the basic right of justice for the common man as

administered in the Courts of Petty Sessions. It provides—

In section 142 of the Principal Act—

(i) in paragraph (7) for the word "mitigate" there shall be substituted the word "vary"; and

(ii) after paragraph (7) there shall be inserted the following paragraph:—

"(7A) In varying pursuant to paragraph (7) the decision of the court of petty sessions, the court of general sessions may substitute for any sentence penalty or order passed imposed or made by the court of petty sessions any other sentence penalty or order warranted in law (whether more or less severe) which it thinks ought to have been passed imposed or made."

The Labor Party believes it is wrong that the court of appeal should be able to increase penalties imposed by Courts of Petty Sessions. In support of this proposal, the Attorney-General said—

There is another aspect of the matter. At the present time, persons who are convicted by Courts of Petty Sessions know that if they appeal they cannot be worse off while there is always the possibility that the higher court may alleviate the penalty imposed on them. A person who is in gaol also has a day out on the hearing of the appeal.

A man is taken from Pentridge in a prison van to Hawthorn, or wherever the Court of General Sessions may be sitting, and then locked away from the public. His handcuffs are removed, he is taken into the court and he says to the Judge, "I think that six months was a little severe in the circumstances." That would be a queer sort of a day out. For years, I prosecuted such cases. Quite often, the persons concerned have prior convictions and in many cases the sentences are confirmed. But, although the Attorney-General wants us to believe that frivolous appeals are made, in many cases the sentences are reduced.

Men from grocers' shops or blacksmiths' shops often take their place on the bench in Courts of Petty Sessions. In adjudicating on questions of fact or law, or a mixture of both, or in considering sentences, they are likely to make mistakes. The purpose of allowing appeals to a Court of General Sessions is to allow a review to be made of what are often hasty decisions.

Mr. TEMPLETON.—No.

Mr. CAMPBELL TURNBULL.—Some courts operate like a human sausage machine. Accused persons are rushed into the dock and rushed out again. It is obvious that most honorable members on the Government side of the House have not been to the "drunks" court at Fitzroy at 9 a.m.

Mr. BILLING.—Why don't you see the court at Dandenong?

Mr. TURNBULL.—There may be more dignity there, but the honorable member for Heatherton should go to the "drunks" court at Fitzroy and see how people are dealt with. In that type of court, mistakes are possible. The whole basis of the appeal system is to allow decisions to be reviewed quietly by a Judge, and it would be wrong for Parliament to change the present provisions in the Justices Act relating to appeals.

Mr. ROSS-EDWARDS (Shepparton).—The provision of the Bill which will allow embezzlement, obtaining money by false pretences, and larceny cases, involving amounts of less than $1,000, to be dealt with in a Court of Petty Sessions is a good one. Previously, persons accused of these offences have had to stand trial. Often, the incident is an isolated one in the life of the individual concerned, he pleads guilty, and the quicker he is dealt with the better.

The amendment relating to stealing from ships and wharves is also sensible. Seamen who are in port for only a few days are often charged, and it is better to deal with them straightway so that they can leave with their ships. Otherwise, the State may have the doubtful privilege of having them within its jurisdiction for some time. In relation to paragraph (i) of clause 4, which provides that the word "vary" shall

be substituted for the word "mitigate", in one way I agree with the honorable member for Brunswick West. I agree also with the Attorney-General that many frivolous appeals clutter up the courts, which have enough work without them. This is a practical problem which relates to human nature. Honorable members engaged in the legal profession know that lawyers sitting at the bar table discuss among themselves whether a Judge will award a sentence of three months, four months or six months. The sentences vary, depending on who the Judge is and the circumstances. This is not meant as criticism—it is a fact.

A man may lodge a genuine appeal after being advised to do so but, under clause 4 of the Bill, his sentence could be increased. Despite the criticism levelled at lawyers, they are sympathetic to people who get themselves into trouble. I agree with the honorable member for Brunswick West regarding this clause. The Country Party is doubtful whether it will make a good amendment to the Act.

The motion was agreed to.

The Bill was read a second time and committed.

Clauses 1 to 3 were agreed to.

Clause 4 (Amendment of No. 6282).

Mr. TURNBULL (Brunswick West). —I invite honorable members to vote against this clause. Both the honorable member for Shepparton and I have intimated that in our opinion it would be wrong for Parliament to grant to the Court of General Sessions the right to increase a sentence imposed by a Court of Petty Sessions. In supporting this clause, the Attorney-General said—

> There are, however, many cases in which it would be difficult to say with any confidence that a particular penalty was more or less severe. Let us compare a sentence to a term of imprisonment with a sentence for the same term, but fixing a minimum period to be served by the offender before he is eligible for parole.

If that is the Minister's only dilemma, it would be simple to amend the Justices Act to provide that, if a Court of General Sessions so desired, it could vary a sentence by fixing a minimum. The Opposition would agree with such an amendment. I do not agree with the Minister's other statement, in support of the inclusion of this clause, regarding "old lags" having a day out.

Mr. G. O. REID.—I did not use those words.

Mr. TURNBULL.—As the principal legal officer in the State of Victoria, the Minister would not use such undignified language, but I refer to them as the dear old lags who spend most of their lives at Pentridge. In most cases drink has been their downfall.

On many occasions so-called frivolous appeals to Courts of General Sessions have been successful. In one case in which I was the prosecutor, an old Aborigine had been charged with begging alms. To attract customers in Swanston-street he played a tune on a gum leaf. He had prior convictions and the late Judge Stretton, who heard the appeal, was horrified to think that an Aborigine was not permitted to play a tune on a gum leaf. His Honor varied the sentence and imprisoned the Aborigine until the rising of the court. He immediately closed the court and the Aborigine was free to go. His Honor sent for me and suggested that we should each contribute $2 and ask the police sergeant at the Law Courts to give it to the Aborigine so that he could return to Healesville, which he had promised His Honor he would do. Next morning, the sergeant told me that during the previous evening the Aborigine had been locked up at the Flinders-street police station. The Judge and I had done our best to assist this unfortunate person who, apparently, was unable to resist the desire for liquor.

Many sentences imposed by Courts of Petty Sessions are too severe and, although it is proper that there should be a right of appeal to a Court of General Sessions, it should not be possible for that court to increase the sentence. In the matter of sentence, the Crown should not be allowed to have two bites of the cherry. The Labor Party opposes this clause.

The clause was agreed to.

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

RAILWAY LOAN APPLICATION BILL.

The debate (adjourned from the previous day) on the motion of Mr. Wilcox (Minister of Transport) for the second reading of this Bill was resumed.

Mr. WILTON (Broadmeadows).—I regret that the debate on this Bill is being resumed in the absence of the Minister of Transport. However, the Minister of Housing, who is at the table and is a former Minister of Transport, will possibly know more about that Department than does the present Minister.

In leading the debate for the Opposition on this Bill, the honorable member for Williamstown criticized the Government regarding the general welfare of the Victorian railways. I believe the criticism was justified because one has only to travel through the State of Victoria by rail to see ample evidence of the neglect and decay that is occurring within this instrumentality.

Recently the Thomastown railway station was destroyed by fire, and I understand that plans are being prepared for its reconstruction. Meanwhile, the make-shift accommodation in which the staff is forced to work is totally inadequate. The revenue received at the station is increasing, and the monthly takings at present are of the order of $9,000 or $10,000. The Opposition would be grateful if an immediate start could be made on the reconstruction of the station because the temporary accommodation is inadequate for the job that the staff is required to do.

I believe the Government is following a deliberate policy of strangling the railways by starving the Department of loan funds. This year's Railway Loan Application Bill provides for an allocation of $24,000,000, which is the same as for each of the past three years. Despite cost increases, the Government is repeatedly failing to increase the loan allocation, and as a result the Railways Commissioners cannot maintain their rate of development in comparison with the development of the rest of the community. When the Government fails to provide adequate loan funds for three years, how does it expect the Commissioners to discharge their responsibilities? On present day costs, the allocation of $24,000,000 is totally inadequate.

The Government, which has been in power for twelve years, has failed to maintain the rate of loan allocations that was established by previous Administrations. In 1954, the loan allocation to the railways was $25,000,000, and to-day, it is $24,000,000. If the Government wanted to maintain the rate of development that was evident in 1954, the amount provided under the loan application Bill for this year, having regard to increased costs, should have been at least $33,350,000. However, an amount of only $24,000,000 will be provided under this Bill, which is less than the amount of loan funds allocated to the Railway Department by the Labor Government in 1954.

The fact that the shortage of finance has become a major problem for the Railways Commissioners is evidenced by the remarks of the chairman of Commissioners, Mr. G. F. Brown, when addressing Geelong Legacy. The chairman's remarks are reported in the Victorian Railways *News Letter* of October, 1967. In an excellent address, Mr. Brown

dealt with a number of subjects, including the question of loan funds provided by this Government to the Railway Department. He referred to the comparison which I have just made between the amount of loan funds made available to the Department in 1954 and the allocation in this Bill. The chairman stated that, in 1954, the railways were receiving 20 per cent. of loan funds allotted by the Government whereas, last year—that would be 1965-66—the proportion had fallen to 12.4 per cent.

In addition to Mr. Brown's criticism of the allocation of loan funds, the all-party Committee of Public Accounts dealt with this question at page 28 of its report, dated 8th December, 1964, for the year 1964-65. The committee stated that the Railways Commissioners appeared to have made the best use of the financial resources available to them, but that, because a decreasing percentage of the State loan funds was being allocated to the Department, together with the reducing value of money, it has been impossible for the railways to maintain even the minimum desirable quota of normal conversion to bogie stock. At page 29 of that report, the committee stated—

> Your committee recommends that increased loan moneys be made available over a planned period of 5 to 10 years for the modernization of rolling stock, acquisition of more diesel locomotives, and the re-laying of all lines that have an inherent or potential derailment condition. It is vital and important that planning and action be initiated at an early date.

Of course, the committee's report, which was prepared in December, 1964, related to derailments on the Victorian railway system. This committee would have submitted its recommendation only after giving long and serious consideration to the question of derailments, which were plaguing the Railway Department prior to publication of its report. As all members of Parliamentary committees would know, before submitting its recommendation, the committee would have heard expert evidence, which it would have had every opportunity to assess and evaluate.

The committee's report provides justification for the Opposition's criticism of the Government's policy of financially strangling the Railway Department. The Government is not interested in seeing that this great public utility is developed to its maximum capacity. On many occasions during debates in this House, the question of the proposed underground railway for Melbourne has been raised. The former Minister of Transport, who now holds the Housing portfolio, is on record as saying that it must be provided. The present Minister of Transport is likewise on record as saying that he is in favour of the underground railway and that it is essential. As recently as last night, the honorable member for Hawthorn followed in the footsteps of the two Ministers and made a plea for an early start on the underground railway. For some reason, there seems to be disagreement within the Government concerning the underground railway. The Premier is not the least interested in it.

I believe the people of Melbourne ought to be told whether an underground railway system will be provided for Melbourne. Only when this information is available, will the transport authorities of the State be able to get down to the task of planning for the huge population increase which Victoria will experience in the future. It has been said, both in and outside Parliament, that, by the year 2000, which is only 33 years ahead, Melbourne's population will have increased to 5,000,000. I shudder to think of how these people will get from one place to another within the city, unless there is a fully developed modern transport system. What possible hope have the Railways Commissioners and railway engineers, whose responsibility it is to plan and develop this public transport system, of achieving their targets? Financially speaking, the Commissioners are being throttled by the Government's penny-pinching attitude in regard to railway loan allocations.

In his second-reading speech, on 31st October, of this year, the Minister of Transport stated, and I quote from page 1491 of *Hansard*—

> I must confess that the oldest of the swingdoor carriages was built in 1888. Considerable progress has been made in this direction in spite of the limited funds available.

Of course, the honorable gentleman was referring to the replacement of the old sliding door cars with the new Harris-type trains. An examination of the loan fund allocations since this Government has been in office emphasizes the hopeless task with which the Railways Commissioners have been confronted. To-day, railway carriages that are almost 100 years old are being used.

Mr. WILKES.—There are two holes for the underground!

Mr. WILTON.—When the Minister spoke of the proposed underground railway, he referred to the fact that the Government had made available the magnificent sum of $350,000 for this purpose. He stated, and I quote from page 1492 of *Hansard*—

> It is clear that the information obtained from the tests means that work could proceed immediately a decision on the provision of finance was made.

Of course, the honorable gentleman was referring to the exploration work—the test boring and so on—which has been going on now for some time, and he believes that the stage has now been reached when the underground could proceed immediately. This will depend, of course, on when the Government will make a decision on the question of finance.

In the *Age* of 2nd March of this year, there appeared an interesting article entitled, "Bolte dashes hopes on underground." It states—

> The Premier (Sir Henry Bolte) yesterday dismissed any hope of an early start on Melbourne's long-awaited underground railway.

In the *Sun News-Pictorial* of 25th September of this year, in an article entitled, "Wilcox: City tube must for us," the Minister of Transport is reported as having said that he regarded a city underground railway as top priority for Melbourne. The report proceeds—

> Mr. Wilcox said he favoured an underground railway before he went overseas.
>
> What he saw in other countries confirmed his view.
>
> Practically every city he visited which had an underground was busy extending it.

Obviously, there is a great division of opinion within the Government concerning Melbourne's proposed underground railway. The people in Melbourne are entitled to something better than that. If the Ministers find themselves out of step with the Premier on this issue, they should combine their energies to reach an agreement on the question, so that a firm declaration which the Government is prepared to honour will be made and everyone will know exactly what the position is.

Further to the financial position of the railways, I was interested to read the answer to a question asked on notice by the Deputy Leader of the Opposition on 1st November of this year. In relation to oncost charges in the various Government Departments, my colleague asked, *inter alia*—

> What is the percentage level of "oncost" charges in the . . . . Railway Department?

In reply, and I shall read only the portion of the answer which relates to the Railway Department, the Premier and Treasurer stated—

> There are two groups of work bearing oncost charges each of which is based on a different method of assessment.
>
> (i) In respect of departmental works carried out in workshops, each production centre in a workshop carries an overhead rating which is added to the direct labour cost in that centre. The overhead rating varies considerably between individual production centres. In regard to works carried out in workshops on behalf of outside bodies, the same principles apply with the addition of a further 15½ per cent. on direct labour and 4 per cent. on the total cost of the work.

Of course, the oncost charges in respect of departmental works go up to 28½ per cent. on direct labor costs in some instances. Ultimately, this will strangle the Railway Department. This becomes obvious when honorable members take into consideration that, in 1954—only thirteen years ago—when the purchasing power of money was much more than it is to-day, the Labor Government provided $25,000,000 in the loan application Bill which was presented to Parliament by the then Minister of Education, the late Mr. Ernie Shepherd. The Labor Government was defeated at the next election and the people of Victoria entrusted the conduct of the affairs of this State to the present Government. In respect of the railways at least, it has not honored its trust. The people of the State should be made aware of this.

The issue of the Victorian Railways *News Letter* that I mentioned earlier contains a summary of an address given by Mr. Brown, the chairman of the Railways Commissioners, in Geelong. Naturally, in that address, he dealt with the service to Geelong. Among other things, he said this—

> As far as Geelong is concerned, railway executives would be very happy to see:
>
> an early duplication of the Geelong line;
>
> an over-pass at North Shore;
>
> the elimination of the Victoria-street bottleneck;
>
> flashing lights at all level crossings; and
>
> provision of a better quality passenger carriage on the Geelong line.
>
> But all this depends on the amount of loan money made available to the railways. And whatever money is received must be spread over the many railway works that are being done.

What hope have the Commissioners of coping with these demands and making worth-while inroads on the backlog of work when they are given a loan allocation of only $24,000,000?

For one thing, I should like the Broadmeadows railway station in my electorate to be reconstructed. I raised this matter on previous occasions when the present Minister of Housing was Minister of Transport and I understand that plans were about to be prepared. This station is one of the oldest in the system and the volume of traffic and goods that it handles has grown out of all proportion to the size of the station, which is now about 90 years old and is totally inadequate.

I should like also a safer kind of crossing to be provided there than the present crib type, which apparently the Minister of Transport considers is safe. In certain circumstances it may be, but where there is a volume of passenger traffic like that at Broadmeadows, such a crossing is not safe. This view is shared by many people, including members of the Police Force, who voiced the same opinion when an unfortunate fatal accident occurred at the crossing.

I am sure that the Commissioners would dearly love to give the travelling public of Victoria improved services and facilities, but their hands are tied because the Government refuses to increase financial allocations in keeping with rising costs and the shrinking purchasing power of the dollar. While this attitude prevails, no advancement can be expected. Stagnation will become more prevalent as the years go by.

Yesterday, I heard the honorable member for Mildura make a plea for improved services on the Mildura express. The situation at Ballarat station, which handles both the Adelaide *Overland* and the Mildura express, is shocking. The Mildura express leaves Ballarat at about 11.20 p.m. and the *Overland* some twenty minutes earlier. The railway refreshment rooms there are closed as soon as the *Overland* departs and the only facilities available twenty minutes later to passengers on the Mildura express are provided at a small bookstall at which a girl serves through a single window, tea or coffee from urns in paper cups with a few dry sandwiches.

The SPEAKER (the Hon. Vernon Christie).—Order! I suggest to the honorable member that when discussing a loan Bill dealing with financial provision for capital works he should not devote his remarks to the operation of the railways.

Mr. WILTON.—The railways are a business. I am leading up to the point that if adequate funds were to be provided under the terms of this measure, the Commissioners could improve the facilities provided for the travelling public. If it is uneconomic to keep the railway refreshment rooms at Ballarat open for about an additional twenty minutes to serve passengers on the Mildura express, a buffet car ought to be attached to the train. This would have the additional advantage that passengers requiring refreshments would not have to leave their warm, air-conditioned carriages. A buffet car could be provided only if adequate loan funds were made available to the railways. However, the Government is not interested in this sort of problem.

Ballarat is not an isolated case. The same sort of thing is happening all over the railways system, which is virtually being let die on its feet, though it could be one of the strongest and most virile public utilities in the State if the Commissioners were given the wherewithal to provide the necessary services and facilities. Unenlightened people often publicly ridicule the railways and say that private transport could do the job better than they can do it, but that is not true. I maintain that if the railways were given adequate finance, they would be able to match anything that private enterprise can do. Indeed, they could do the job much better.

The great problem is the skinflint attitude of the Government towards the allocation of loan funds to the railways. Unless it is prepared to increase these allocations substantially in the immediate future, problems of the kind that I have discussed will remain with us. Only yesterday, the honorable member for Brunswick West complained on behalf of his constituents about inadequate suburban services, particularly at peak periods.

A number of trains have been discontinued and others do not go as far as they used to go. All this means that passengers are being packed in like sardines in tins or animals in stock trains. This is particularly evident on the Broadmeadows line at peak periods in the mornings and the evenings. Some trains go only as far as Essendon. The honorable member for Essendon has complained about this and asked the Government to effect some improvement. Conditions such as these do not encourage the public to use the railways. People will not put up with conditions like this but will turn elsewhere for a means of transport. The logical alternative is the acquisition of a car. This, however, only further chokes our roads. They may not be able to afford it, but they will make the effort in order to get to and from their place of business or employment in comfort.

I do not know whether the Government believes that the Railways Commissioners are magicians and can stretch $24,000,000 to $33,000,000, but that is impossible. To be comparable with the loan funds made available in 1954, this year's allocation should be $33,350,000, so that $1,000,000 more would be needed. The situation is ridiculous. A comparison between the numbers of persons travelling in 1954 and in 1967 would clearly show that the Government is deliberately following a policy of financial strangulation of the railways. I hope the Government will recognize the position and take steps to rectify it.

Within the Railway Department are some of the most talented officers in the Victorian public service. If they had the opportunity and scope, they could develop the railway system to equal any other in the world. However, they have the misfortune to be under the direction of

a Government which does not have the slightest interest in this public utility and which is content to let things drift. I admit that the former Minister of Transport—the present Minister of Housing—put up an energetic fight to have the Melbourne underground railway built, but he did not win. The man who had the numbers won, and honorable members saw that when the new portfolios were announced. Unfortunately, the situation remains as it was. I do not know whether the present Minister of Transport will take heed of what happened to his colleague; unless he can obtain the numbers, he will not win, either. Honorable members may see yet another Minister of Transport in this House.

Mr. WILKES.—Yes, the honorable member for Williamstown.

Mr. WILTON.—I am inclined to think that that is the only hope for the Victorian Railways. The Labor Party will work to attain that end in the not too distant future.

Mr. TREWIN (Benalla).—A small boy was once asked, "What are the railways?" He answered, "Bands of steel that bind the nation." After listening to the honorable member for Broadmeadows, I think the nation needs binding together, but I do not know whether the Victorian railways system is strong enough to bind Victoria. I am not as pessimistic about the railways as the honorable member. Victoria has a wonderful railway system which, fortunately, covers the whole State. Possibly, the metropolitan area is not served as well as it might be, and other parts of the State may not have as good a service as they need but, particularly in comparison with that in other States of the Commonwealth, the railway system of Victoria is in fairly good shape.

Mr. DIVERS.—You did not say that to the Committee of Public Accounts.

Mr. TREWIN.—The report of the Committee of Public Accounts dealt with a particular period when the railways were experiencing some difficulty. I am glad to say that, over the past couple of years, there have been very few derailments. Many tracks have been relaid; some new rolling-stock has been obtained; many old railway stations have been repaired or painted; and, although a few stations may have been closed, the railways present a better appearance than they did.

Mr. DIVERS.—But you still agree that they should get more money, do you not?

Mr. TREWIN.—I still agree that more money should be made available to the Department, even if it is to be spent on building an underground system in Melbourne. I do not oppose this project, even if my party does, in principle. If that system were constructed, less money would need to be spent on freeways, over-passes and parking areas. This would result in better progress and swifter development of the State.

The area in which I live, in the north-east of Victoria, is well served by trains. The main line between Sydney and Melbourne passes through the area, and the New South Wales and Victorian railways provide a service between these two great capital cities that is equal to any other in the Commonwealth. People in the north-east of Victoria are, to a great degree, able to use that service. The *Spirit of Progress* now stops at Benalla every morning and evening. The service provided for passengers who want a sleeping compartment on the journey from Benalla to Sydney or from Sydney to Benalla could be improved. At present the train stops twice at the platform so that the passengers occupying sleeping compartments can also entrain or detrain. Usually the carriage available to sitting passengers travelling within the State is placed at the front of the train, while the sleeping car for intra-state passengers is placed at the rear.

The SPEAKER (the Hon. Vernon Christie).—I draw the honorable member's attention to the fact that what he is discussing is related to the

operation of the railways whereas the Bill relates to the issue and application of loan funds.

Mr. TREWIN.—I realize that, Mr. Speaker, but the expenditure of loan funds in past years has made it possible for the railways to do this by building a siding at Wangaratta and Benalla stations. The development of the service attracts the public and thus improves general revenue, which, in turn, must be reflected in the loan programme——

The SPEAKER.—If that argument is carried far enough, it will be possible to discuss anything. I merely want to guide the House in debating things logically. I repeat that this is a loan fund Bill.

Mr. TREWIN.—Thank you for your guidance, Mr. Speaker. With the future in mind, the Railway Department has done quite a lot of maintenance on its capital installations, and I should like to draw attention to the fact that at Seymour, which is more or less the nerve centre of the north-eastern-Goulburn Valley district, railway employees are required to work under unfavourable conditions. I have suggested, and I wish to carry it further, that some sections of the staff who at present are based at Seymour but whose work is on the north-eastern line could be transferred to Benalla.

The SPEAKER (the Hon. Vernon Christie).—Order! For the guidance of the House, this is a question of logic, argument and debate. The House is debating a loan application Bill, which deals with loan funds and capital works. Honorable members know very well that matters concerned with the operating of the railways can be discussed under the various headings during the debate on the Estimates. This is a question for this House. It is argued that because money is involved honorable members can talk about anything. If that is the type of debate the House wishes to participate in, I submit to the House that it does not quite understand what it is debating. This is a loan application Bill, which is not concerned with the operation of the railways. The question is one of the issue and application of loan funds and the carrying out of capital works. The question whether certain maintenance gangs should be based at Benalla, Wangaratta or anywhere else is a matter affecting operating procedures and does not relate to loan funds. I ask honorable members to debate the subject before them logically. It must be clear to everyone that the method of debating in this House should be sensibly and logically related to the Bill. There is ample opportunity to discuss the operating of the railways under the Estimates, as honorable members well know.

Mr. TREWIN. — Mr. Speaker, I have been looking at sub-item (101) of item No. 1, from which I understood I would be able to discuss these matters. However, I am quite happy to abide by your ruling, Sir. I think all honorable members are pleased that Portland is mentioned in this Bill. Certain funds are to be allocated for expenditure in this area, and the Portland Harbor Trust will be accepting a measure of responsibility in connexion with the repayment of the loan moneys to be expended on the re-arrangement and improvement of the facilities at Portland. Sub-item 303 relates to expenditure on other lines the construction of which has been, or may be, authorized by Parliament. This is good to see, because in recent years various small sections of railway line have been removed. Of course, new lines are necessary to cater for the future development of the State. Naturally, members of the Country Party are interested in the extension of railway lines into new areas. We trust that the metropolitan system, too, can be developed to bring about a wider coverage, and that the moneys allocated for this purpose will be spent wisely in the interests of the community.

My last comment relates to the rolling-stock that is now available for the haulage of grain. There are

already 100 grain wagons in operation on our system, and I understand that another 100 are to be purchased from a Sydney firm, which builds wagons of this type for the railways and other instrumentalities. Together with our normal rolling-stock, these wagons will cater for the grain growers of this State who, in my view, are the greatest revenue producers for the railways. My party is pleased to see this development, and its members feel sure that this particular allocation of funds will be a wise investment on behalf of the Railways Commissioners.

Mr. STEPHEN (Ballaarat South). —Whilst I represent a provincial electorate with many country areas within it, I am in no way opposed to the proposed application of money for further investigations to be made into the possibility of constructing an underground railway in Melbourne, because it is necessary. I ask the Government to consider also future planning for some of the major country lines and I shall be pleased if some money is allocated for this purpose in the next loan application Bill. With regard to decentralization, one can well imagine what the provision of the modern trains like those which operate in some other countries and travel at speeds in excess of 100 miles per hour, would mean to a city such as Ballarat. The population of such provincial cities as Ballarat could be increased considerably if people were able to commute daily to Melbourne with a travelling time of, say three-quarters of an hour in each direction.

I think that there is something wrong with the railways in this State. Whilst I am an admirer of the railways and lend the Department support whenever possible, I consider that railway employees have lost their former status. I do not know the reason for this, but I believe this Government and the Parliament should endeavour to raise the status of raiway employees so that in the interests of the Railway Department, better services could be provided for the public.

The SPEAKER (The Hon. Vernon Christie).—The honorable member is discussing railway operation. I have already pointed out the distinction between railway operations and the expenditure of loan funds.

Mr. STEPHEN.—I am coming to the question of vandalism, which I think is embraced by sub-item 203 of item No. 2, relating to country carriages. I maintain that if we can increase the status of railway employees and induce them to take more interest in their work, make them more aware of the way in which they can best serve this community, the railways will not suffer so much vandalism.

The SPEAKER.—That is entirely a matter of operating.

Mr. STEPHEN.—I think this would protect——

The SPEAKER.—Order! I am trying to help and guide the House in debating the measure, and I hope honorable members will see the wisdom of debating the subject before the House. That subject is loan funds. The question of vandalism and the protection of property from vandalism is a matter of operation and there is ample opportunity to discuss it under the debate on the Estimates. I ask the honorable member not to continue in this vein but to discuss loan funds and the Bill.

Mr. STEPHEN.—I thank you for your guidance, Mr. Speaker. I commend the Railway Department for increasing its expenditure with a view to introducing centralized traffic control on the Warrenheip–Geelong section of the Geelong–Ballarat railway line. I envisage an upsurge of traffic to Geelong through this medium. I am sure that the relaying of this line that is now being carried out will be in the best interests of Geelong and the producers of grain and other products from the hinterland.

I commend the railways for the general work they are doing for the public, much of which is not appreciated as it should be. Whilst

you have allowed me to make some comments, Mr. Speaker, I would not like it to be inferred from my speech that I was over-critical of railway employees. I had intended to pay a compliment to their efforts, particularly under the drought conditions that exist in Victoria. These conditions have placed a great deal of responsibility on their shoulders and the Ballarat railway station staff has given much co-operation to everyone. I pay a compliment to the employees for their efforts.

Mr. WILKES (Northcote). — This Railway Loan Application Bill is similar to the measure presented last year by the former Minister of Transport—the present Minister of Housing. In the past ten years, three Ministers of Transport have presented loan application Bills to Parliament. One of the significant features of those Bills is that from 1952 until 1956, the total amount that the Department received was 18.7 per cent. of the loan funds allocated to this State. In the past ten years that proportion has dropped to 13.6 per cent. This decline in the allocation of loan funds to the Railway Department has had wide ramifications. I do not intend to transgress your ruling, Mr. Speaker, but suffice to say that because of the insufficiency of loan funds the railways have been unable to compete with other forms of transport and more particularly with other forms of public transport in the metropolitan area.

Mr. WILTSHIRE.—It would not be possible to get more people on the trains at some hours.

Mr. WILKES.—If more trains were provided, there would be fewer passengers on each train and their journeys would be more comfortable. In addition, if fares were cheaper there would be an inducement for people to use the trains. The honorable member for Williamstown referred to the action taken by a Province in Canada to make its railway system pay and to exist under conditions which were not conducive to public transport. This was a satisfactory scheme, and there is no reason why the same planning and skill could not be applied in Victoria.

No one could be critical of the Railways Commissioners who have done a tremendous job, but proportionately they are getting less loan funds each year from the Government and, because of increased costs, they are unable to carry out the same amount of work each year. The railways are the largest public enterprise in Victoria. They employ about 30,000 people and have an annual revenue of approximately $100,000,000. Their capital investment is nearly $300,000,000. The efforts of the Department over past years have been largely responsible for the development of this State and, if it had not been for the railways, Victoria would not have developed at the rate it did. This strangulation policy by the Government and the Treasurer has been a serious embarrassment to every Minister of Transport. Nobody worked harder for the railways than the former Minister of Transport—the present Minister of Housing—and members of the Opposition were always conscious of his efforts. However, his attempts to improve the facilities were frustrated by the lack of loan funds.

One would have expected the Treasurer to take cognizance of the need to increase loan allocations to the railways to permit them to keep pace with rising costs. They were able to show a operating profit last year, but this was absorbed by increases in wages and salaries, and none of it could be used for developing further capital works. It is obvious that the railways have to keep pace with modern time in so far as the provision of capital works is concerned. I am not suggesting that consideration has not been given to this fact in relation to interstate lines, but it is not sufficient to concentrate on interstate passenger services at the expense of intra-state services. Some of the intra-state services are wanting in many regards. The honorable member for Broadmeadows

referred to a situation in Ballarat and there are many similar cases, all of which are aggravated by the shortage of loan funds. If the Minister was given sufficient funds, I have no doubt that he could produce the results.

The suburban system has deteriorated because of a reduction in services and because some rolling-stock is nearly 100 years old. The attempts by the Commissioners to replace it as quickly as possible with Harris trains—they are doing a better than reasonable job under the circumstances—are somewhat frustrated. They know that it will take at least ten years before they can achieve any tangible result. The Minister of Transport knows more about the administration of his Department than does the Treasurer, but apparently the Treasurer will not heed the advice of his colleague. Parliamentary committees have made recommendations to the Government and to the Treasurer, but these recommendations have depended on the allocation of increased loan funds, and the Treasurer has not accepted these recommendations. He has turned a deaf ear to the appeals from the Minister, the Opposition and Parliamentary committees. I am sure that if additional loan funds had been made available the underground railway in the metropolitan area would be operating to-day.

A doubt is created in my mind whether, as a result of advice that an underground is not warranted, or that the cost of construction compared with the estimated financial return is uneconomic, the Government intends to proceed with the underground project. If it is not proposed to go on with the project, or if it is only a question of available loan funds, then the Treasurer or the Minister of Transport should inform the House to this effect.

The Minister of Transport has not said whether he is happy with the expenditure of $350,000 for tests and investigations. It is of no use this State spending an additional $50,000 each year to sink a couple of bores and then forgetting about the project for another twelve months. If the Government is sincere in wanting an underground railway in this State, it should inform the House of the reasons for the delay in commencing the project. If the cause is shortage of money, the Opposition will be satisfied with that explanation. If it is not practical to construct an underground, the House should be informed. The Minister of Housing should ask the Minister of Transport whether he is prepared to inform Parliament on these matters during this debate, or at some other time. The House cannot be sure of the Government's attitude in this matter. Many people, as well as the Melbourne City Council and other municipal councils, are interested in the project. The Opposition has every right to ask the Government to indicate whether an underground will be constructed in this city.

It has been pointed out that other cities depend on underground railways. Last night the honorable member for Hawthorn clearly summed up the equation between the money required to construct an underground railway and for the construction of freeways. Whilst people are moving away from public transport, obviously additional money will be required for the construction of freeways. The Government is not the only contributor to the cost of freeways; ratepayers, taxpayers through loan funds, and motorists through petrol tax also contribute.

The development in the outer suburbs leads one to assume that it would be cheaper and more efficient for residents in those areas to travel to the city by train, if their place of employment is within the city, than to drive on choked roads morning and night. This could be achieved only by providing a better railway service and improving rolling-stock. I do not suggest that this State is behind the other States, but little headway is being made

in Victoria. The New South Wales Railway Department has introduced double-decker carriages and has increased the number of trains running on certain lines. This must have increased the number of passengers carried on the New South Wales system over the past twelve months.

If people are to be induced to return to train travel, the Treasurer must listen to the pleas of his Minister, and seriously consider whether he will allot additional loan money. There is no reason why people will not travel by train if sufficient and attractive facilities are provided.

Last night, the Minister in charge of drought relief in this State said that the railways would not lift more than about 20,000,000 bushels of wheat this year. Previously, the Premier said that the railways had based their economy on lifting about 70,000,000 bushels of wheat. If, because of the drought, the lift will be considerably less, the railways will be in financial difficulties before the end of this financial year. In these circumstances, the Treasurer should take into account the problems confronting the Railways Commissioners and undertake a re-appraisal of this year's loan allocation to the railways.

I do not wish to deal with the financial affairs of the railways because you have suggested, Mr. Speaker, that this matter can be discussed during the debate on the Estimates, provided that it relates to a matter of administration. When you were Chairman of Committees, that was your firm ruling. I accept that ruling, but it surprises me that the Commissioners have been able to do as well as they have done over the past twelve months. However, they could not possibly hope to do any better, and in fact more trains may have to be cancelled, as was suggested by the honorable member for Williamstown, because of the effect of the drought on the railway lift of wheat and other products from country areas. The Treasurer should consider these matters and supplement the railways to the extent that they should normally be supplemented under a Railway Loan Application Bill.

We regret that over the past nine or ten years, the average loan allocation to the railways has been $15,540,000, and that there has been no appreciable increase under this Government. Unless the Treasurer reconsiders this backward thinking and planning, additional money will have to be spent on freeways. If the honorable gentleman is not prepared to undertake a re-appraisal of the loan fund picture in respect of the railways, and at least make money available to cover their ordinary operating expenses, the railways will be unable to operate as they have over the years.

Mr. DOYLE (Gisborne).—I desire to bring to the attention of the House and the Government a matter of grave concern to country residents. In order to validate my remarks, I shall refer to two items in the schedule to the Bill. It is unnecessary to stress that the country areas of the State are in dire straits because of drought conditions. I submit these comments on behalf of persons within my electorate and, although the Railway Department may question their veracity, for the purpose of my remarks, I accept the allegations as true.

Every summer, fires occur along railway tracks. The Department has been endeavouring to deal with the situation and to allocate funds towards this end. I have received first-class co-operation from the Minister of Transport, and particularly from the Fire Prevention Committee within the Railway Department. The chief of that committee visited Gisborne and explained to the rural fire brigade group the steps taken by the railways to cope with the problem. In a letter from the chairman of the Fire Prevention Committee, addressed to the Acting Chief Officer of the Country Fire Authority, Mr.

Taylor, it was stated that for the purpose of firebreaks, burning off and stump removal it cost the Railway Department $500,000 per annum, of which $13,000 went to the Country Fire Authority for assistance.

The SPEAKER (the Hon. Vernon Christie).—The honorable member for Gisborne should relate his remarks to loan funds and the need for equipment rather than the operating expenses of doing the job.

Mr. DOYLE.—I wished to refer specifically to two items in order to give a little of the background and to indicate that the Department is spending money on a problem which is of grave concern to country people. I understand that certain operating conditions relating to diesel locomotives can cause a fire hazard. If the dry conditions continue, Victoria will be in a great deal of trouble and tragedy could arise not only in loss of stock and fodder but in lives and property.

I relate my remarks to sub-item 101 of item 1 which provides an expenditure of $750,000 for, *inter alia,* safety appliances. I was staggered to learn that, because of the complexity of the machinery of diesel locomotives, their engines are allowed to run for days at a time. This is necessary because, at country stations, there is no one qualified to re-start the engines, or there is no equipment available for this to be done. One does not need more than the average mechanical knowledge to realize that carbon deposits will build up and that when the motor resumes its normal operation, a cloud of sparks will issue forth in a flaming mass. Some consideration should be given to the provision of spark arrester devices. Surely this problem has been solved in other countries and, if it cannot be met by the Department, there must be something wrong with its research facilities.

Sub-item 112 of item No. 1 provides an expenditure of $750,000 for, *inter alia,* mechanical equipment for repair gangs. The Railway Department is endeavouring to prevent a fire hazard by chipping the railway rights-of-way. In this provision, I hope sufficient money will be made available for the purchase of rotary hoes and other equipment necessary to enable the railway rights-of-way to be properly cleared of grass and weeds which, at this time, is tinder dry. If something is not done to eliminate these risks, tragic circumstances can ensue.

Mr. MUTTON (Coburg).—I support the remarks of the Opposition that the provision of funds in this Bill is totally inadequate, particularly the sum allotted for the underground railway. From June, 1960, until 23rd September of this year, a sum of only $355,306 was spent on this project. Not only the members of the Opposition, but also other sections of the community are critical of the Government for its failure to provide an adequate underground service. The honorable member for Hawthorn cited figures which left honorable members in no doubt that this project should be given a high priority.

Melbourne's transport system is totally inadequate to meet the needs of an expanding community. Honorable members should take a lesson from the efficient underground system provided in Sydney to transport the people of a densely populated metropolis, and it makes one wonder why a niggardly sum of only $48,000 has been made available in this Bill for exploration work in connexion with the Melbourne underground system. The growth of Melbourne's population should provide a challenge to the Government. The time is rapidly approaching when, to avoid congestion of the city streets, it will be necessary to legislate to keep private motor vehicles out of the city proper. When that is done, it will be necessary to provide an efficient alternative system which

can be provided only by an underground railway. It should not be beyond the resources of the Government to provide a system which has operated efficiently, not only in Sydney, but in other parts of the world.

I now relate my remarks to the sum of $300,000 to be expended on safety devices, boom barriers and so on. Many of these projects need to be urgently developed, and the paltry sum allocated for this purpose will not allow progress to be made. On several occasions I have written to the Minister of Transport, citing several danger areas along the Coburg-Somerton railway line, but have received a reply to the effect that everything was satisfactory. I do not wish to elaborate on this subject other than to issue a warning to the Government that unless the level crossings at Bakers-road, Shorts-road and Boundary-road are improved, fatalities will occur.

Both the honorable member for Northcote and the honorable member for Williamstown submitted reasons why the Victorian Railways incurred frequent losses. In a constructive speech concerning this aspect, the honorable member for Williamstown referred to the railways system in Canada where every effort has been made to bolster the morale of the staff, improve railway services and restore the rapidly-depleting financial resources. Instead of fares on the railway system in Canada being increased, they were reduced, with almost fantastic results. A good deal of patronage was attracted to the railway system. I believe that similar methods would prove successful in Victoria.

The SPEAKER (the Hon. Vernon Christie).—The honorable member for Coburg is now dealing with railway operations. I invite him to relate his remarks to the loan application Bill.

Mr. MUTTON.—By way of explanation, Mr. Speaker, I point out that I was stressing the fact that the successful experiment which had been tried in Canada would, if adopted here, assist the Railway Department's finances. The Government should study the problems which confront the Department with a view to improving the service for the benefit of the taxpayers. For too long, the Government has made excuses why the railways do not pay. Admittedly, they are not meant to pay, but to provide service to the people.

The SPEAKER.—The honorable member for Coburg is still speaking about railway operations. I invite him to return to the Bill.

Mr. MUTTON.—With respect, Mr. Speaker, in view of the latitude that was allowed to certain honorable members, particularly the honorable member for Hawthorn, I thought I might be permitted to deal with these important aspects of railway operation. The amount of finance that has been provided for the purpose of improving the railway system has been completely inadequate. The Government should be prepared to adopt a more adventurous outlook, with a view to improving the existing service and thereby reducing the railway deficits.

Construction of the proposed underground railway would prove beneficial to the people of Victoria, and particularly to the people of Melbourne. The population of this city is increasing by 50,000 a year. I hope the Government will take into consideration the urgent need for expediting the underground project. It should also, at an early date, provide additional funds on the Estimates or by means of loan application Bills, in order that the railway service might be improved for the benefit of the State.

Mr. SCANLAN (Oakleigh).—I have been provoked into participating in the debate on this Bill because of the remarks of the honorable member for Northcote, who accused the Treasurer of financially strangling the railways. This charge should be denied emphatically by all Government members. Throughout the

debate, Opposition members have done nothing but criticize the administration of the Department and blame the Government for the present state of the railway system.

I should like to examine some of the statements of Opposition members. First, they accused the Government of decreasing allocations of loan funds to the Railway Department. There has also been criticism of the rolling-stock, some of which is 100 year's old. The honorable member for Northcote criticized the Government because of the old suburban rolling-stock which, he said, had been supplemented only partially by the introduction of Harris trains. If there is one achievement of which the Liberal Party can be proud it is its progressive, dynamic record in regard to transport. I invite honorable members to examine that record. Not one Opposition member has given the Government credit for one tangible improvement to our transport system.

As a result of successive railway loan application Bills, considerable improvements have been effected to the railway system. The honorable member for Northcote referred to the fact that there had been only three occupants of the transport portfolio during the past ten years, but I remind him that four distinguished gentlemen have held this position and I should like to examine briefly the ministries of each of those capable men. First, I shall deal with the late Sir Arthur Warner, under whose leadership the railways entered into "Operation Phoenix", under which the Harris train programme was inaugurated. The new Harris trains are replacing the old swingdoor type carriages.

Mr. FLOYD.—There are still "dog-boxes" in use.

Mr. SCANLAN.—They are being used in decreasing numbers. It is strange that for 100 years successive Labor Governments and Country Party Governments put up with carriages of this type, but now members of those parties are critical of the Government for doing nothing to improve the comfort of rail passengers. Moreover, during this Government's period of office, steam locomotives have been replaced by diesels and, in fact, there has been dieselization of the whole of the Victorian Railways system.

Mr. FLOYD.—They are doing that in the Congo.

The SPEAKER (the Hon. Vernon Christie).—I invite the honorable member for Williamstown not to interject.

Mr. SCANLAN.—The Government has replaced the old steam trains with this modern concept of traction. With the passing of the steam trains, we have been witnesses to the end of an historic era in Victoria's development, and this Government has brought this progress to the railway system. Honorable members will recall only a few years ago the ramshackle Spencer-street station building at the far end of Bourke-street. To-day, a magnificent new station building has been provided, which is a credit to our community. This would never have been done by a Labor Government.

Mr. FLOYD (Williamstown).—I rise to a point or order. Is the honorable member for Oakleigh in order in conjecturing that the Labor Party Government would not have taken certain action if it had been in office?

Mr. DUNSTAN (Dromana).—Speaking to the point of order, I believe that the honorable member for Williamstown has never been in a train in his life.

The SPEAKER.—The honorable member for Dromana has not raised a point of order. So far as the point of order raised by the honorable member for Williamstown is concerned, the honorable member for Oakleigh, when speaking to the Bill, may express an opinion.

Mr. SCANLAN (Oakleigh).—The magnificent edifice that now graces Flinders-street—I refer to the Princes Gate project, which replaces the old Princes Bridge station—is another

achievement of the Government. These are but a few of the projects which have been carried out by the Government as a result of finance made available under railway loan application Bills. There has been progressive installation of electrical signalling on the suburban railway system. The *Southern Aurora* has come into operation. The standardization of the line between Melbourne and Sydney to correct an historical disability which confronted New South Wales and Victoria for over a century was an achievement of this Liberal Government. Spencer-street station has been rebuilt. Hopper trucks have been introduced. Rolling-stock has been improved in many ways. All these things have been done with money provided under successive loan application Bills introduced by this Government, which can take a great deal of pride on the way in which it has set out to improve transport facilities in Victoria, particularly railway facilities.

Even without the underground railway system, which has been mentioned many times in this debate, the railway network in Melbourne is, without doubt, the envy of most cities in the United States and Canada, and of many cities in Europe as well. It is a well laid out electric train network, with 16 routes and 231 miles of track. The Government can pride itself on its progressive administration which has brought great benefits and advantages to the journeyer in Victoria.

The motion was agreed to.

The Bill was read a second time and committed.

Clauses 1 to 6 were agreed to.

Schedule.

Mr. FLOYD (Williamstown).—Mr. Acting Chairman, I ask for your ruling on whether the schedule is to be dealt with *in globo* or whether the items are to be dealt with separately.

The ACTING CHAIRMAN (Mr. Wheeler).—The schedule is one item which should be dealt with *in globo*.

Mr. FLOYD.—Thank you, Sir. Sub-item 303 relates to expenditure on other lines which may have been or may be authorized by Parliament for construction, and the estimated expenditure during the currency of the Bill is $175,000. Even the explanatory paper provided with the measure does not give sufficient detail for honorable members to know how that amount of money will be used. I know that I cannot allude to other legislation before the House, but there is a proposition that a certain railway might be constructed in the near future. I have asked questions about it, and I understand that it will cost $135,000 of the $175,000 allocated for construction purposes by this Bill. That leaves only $40,000 for expenditure on any other lines which have been or may be authorized by Parliament for construction.

There is a continuing proposition before Parliament, although no action has yet been taken on it. The Public Works Committee has recommended the extension of the Altona railway line to a new station to be named Westona. In the near future, in its benevolence, the Government may authorize the construction of that extension to the Altona line. The work recommended by the Public Works Committee was estimated to cost about $296,000. I ask the Minister of Transport to inform the Committee whether consideration can be given to the construction of the Westona line. The population in the area is growing quickly; it has already risen to 26,000. It seems incongruous that the Government is to spend $135,000 on a railway line which is the subject of a Bill before Parliament, but is taking no action on the recommendation made by the Public Works Committee in 1963. It is obvious that, as the total allocation made by this Bill for the construction of railway lines is only $175,000, the extension of the Altona line to Westona is being pushed into

the background. There should be a balanced development of the railway system. The Public Works Committee spent a great deal of time and effort in hearing evidence and compiling its report on the extension to Westona, and the Government should seriously consider implementing the report.

Quite rightly, the Bill places emphasis on the development of the railways in the eastern and south eastern suburbs of Melbourne, with the provision of better signalling facilities and the laying of a third line. Sub-item 114 in the schedule refers to the provision of additional track on the Camberwell-Mont Albert line, and sub-item 116 refers to the duplication of the line between Melbourne and East Camberwell. The provision of a third track will necessitate a complex system of electrical signalling because, I assume, the third track will be used for traffic travelling both ways—not simultaneously, I hope. The Opposition agrees that better facilities should be provided for the fast developing suburbs, but I suggest that the allocation in future railway loan application Bills, for the construction of other lines which may be authorized by Parliament, must be more than $175,000. Even in the remainder of its term, the Government may have a change of heart and decide to extend the railway from Altona to Westona, but there is not enough money allocated by this Bill to allow that to be done.

I have probably missed the opportunity to reply to the criticism levelled at the Opposition when it accused the Premier of strangling the railways, so I shall content myself by saying that the Opposition agrees with everything in the schedule. All the works included in it are necessary, but some must take priority over others. Item 117 relates to the duplication of the Newport-Geelong line, including the acquisition of land. This work is long overdue, and honorable members generally will agree that the two biggest cities in Victoria should have been connected by a duplicated line years ago. I do not think any particular Government can be blamed because the duplication was not undertaken earlier, but the Opposition accepts no responsibility for it. However, the allocation for this year of $750,000 of the estimated total cost of $4,500,000 is acceptable.

The duplication of the line between Newport and Geelong is connected with the with the possibility of the Newport loop line being duplicated. Newport and the western suburbs area generally will develop rapidly because we will not always be able to look to Frankston and the hills area for future development. Werribee and Laverton will become important centres in the future.

In my opinion, in the years ahead increased expenditure should be allocated for other lines which have been or may be authorized by Parliament for construction. Greater provision under this heading would give more flexibility and would permit the Government to implement some of the recommendations contained in the many excellent reports brought down by the Public Works Committee.

During the debate on this Bill the democratic process has operated, and members of the Opposition have been permitted to point out faults in the Bill. The main fault is that more loan money is required, and we know the origin of this fault. We would like Victoria to be allocated additional money under the formula that operates between the Commonwealth and the States.

Mr. WILKES (Northcote).—If the honorable member for Oakleigh was less articulate and more logical, we would be prepared to debate the schedule to the Bill with him step by step. I ask the Minister to make a statement on the Government's policy in regard to the underground railway. We want to know whether the Government has been advised not to go ahead with the project, whether the work at present being done is complementary and will not be taken into consideration, or whether it will

be used for another purpose. In short, we want to know whether the Government intends to proceed with the project. It is important to the Parliament, to the people of Victoria and to the many people who were asked to contribute towards its cost to know whether or not the Government has been advised against the feasibility, practicability or desirability of the underground railway. I ask the Minister to inform the Committee on this matter.

Mr. WILTON (Broadmeadows).—I am concerned about the level crossing situated between the Lalor and Thomastown railway stations, where a fatality occurred recently. Many of my constituents have directed my attention to the level crossing, which is situated in such a way that traffic leaving a busy road, which runs along the eastern side of the railway line, crosses the line and goes into the busy shopping area at Lalor. The feeling in the area is that a more suitable type of warning device is urgently needed. I ask the Minister to examine the position.

During the second-reading debate, I pointed out that the Opposition's criticism of this Bill was that the loan funds provided were inadequate.

The ACTING CHAIRMAN (Mr. Wheeler).—Order! The clauses have been dealt with and the Committee is now debating the schedule. In order to pursue his argument the honorable member must relate his remarks to the schedule.

Mr. WILTON.—The sum of $24,000,000 is allocated for various items enumerated in the schedule and I merely want to say, in reply to a point made by the honorable member for Oakleigh that certain things would not have happened if the Labor Party had been in office——

The ACTING CHAIRMAN.—Order! I have already given a ruling and made a suggestion to the honorable member. If he wishes to pursue this argument he must relate his remarks to the items contained in the schedule.

Mr. WILTON.—I accept your ruling Mr. Acting Chairman. Possibly I shall have an opportunity to make my point during the third-reading debate.

Mr. EDMUNDS (Moonee Ponds).—I direct the attention of the Minister to the level crossing at Puckle-street, Moonee Ponds, at which the first traffic count was taken in 1964. I should like the honorable gentleman to inspect the crossing during the peak traffic period to see the confusion and congestion at this intersection. If he made such an inspection, I am certain that he would convince the Government of the need for urgent action. Agitation has come from the municipal council, the traders in Puckle-street and members representing the area, who want the old type gates removed and replaced by a new boom crossing so that this excellent shopping centre will not stagnate. I urge the Minister to take early action on this matter.

Mr. MEAGHER (Minister of Housing).—I would not presume to attempt to answer the queries raised by honorable members. However, I shall ensure that all the matters raised are referred to the Minister of Transport for his consideration, and that in due course the honorable members concerned will be advised.

The schedule was agreed to.

Th Bill was reported to the House without amendment, and the report was adopted.

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

That this Bill be now read a third time.

Mr. WILTON (Broadmeadows).—During the second-reading debate, the honorable member for Oakleigh contended that, in his opinion, certain works which had been undertaken by this Government would not have been carried out under a Labor Government. The Opposition's principal criticism of this Bill has related to the inadequacy of the finance provided for works of the nature included in the schedule. The record shows that when a Labor Government was in office more loan

funds were provided to the railways than are being allocated under this Bill. In 1954, a Labor Government allocated $25,000,000 and this year the Government is providing only $24,000,000.

The motion was agreed to, and the Bill was read a third time.

FISHERIES (AMENDMENT) BILL.

Mr. RYLAH (Chief Secretary).—I move—

That this Bill be now read a second time.

The development of the fishing industry in Victoria has four outstanding characteristics. First, there is a considerable difference in the intensity in fishing in various areas of the State. In some parts the fisheries are over-exploited, whilst in other parts they are under-exploited despite the fact that ample resources exist.

Secondly, there is a wide variation in the efficiency of fishermen, their methods of fishing and the equipment used by them. This is very often due to lack of knowledge of modern techniques. Inefficiency often results from the fact that a person enters the industry without previous experience.

Thirdly, potentially marketable fish are not harvested. For instance, jack mackerel, striped tuna, anchovy and pilchard exist in abundance in various areas along the Victorian coastline, but as yet these fisheries are not developed. In addition a large variety of fish which are caught are not marketed. Fourthly, in recent years there has been a rapid development on the export market for abalone, scallops and crayfish.

Having regard to these characteristics, which point to major problems in the industry, the Government desires to provide for more effective management of the fishing industry by—

(*a*) the introduction of a system of licensing to enable fit and proper persons to fish generally, or to fish particularly in the barracouta or abalone fisheries or to take fishing bait for sale ;

(*b*) introducing a licensing system whereby boats registered under the Fisheries Act 1958 may be employed to take crayfish or to dredge for and take scallops in Port Phillip Bay ;

(*c*) the establishment of a fund to be administered by the Minister and to be applied towards scientific, sociological, technological and economic research upon Victoria's fisheries and adjacent fisheries ;

(*d*) enabling the Minister to limit the number of persons who may be licensed to fish in any particular fishery and, in the case of crayfish and scallop fisheries, to limit the number of boats which may engage in the fishery, but in each case to give those persons already in the industry an entitlement to obtain a licence ;

(*e*) enabling the Minister to issue future licences having regard to the welfare of the fishery concerned and of the persons engaged in the industry.

This is important because if a particular fishery is overcrowded, nobody benefits;

(*f*) providing for a reciprocal recognition of persons and boats licensed in other States.

To give honorable members some appreciation of the climate in which this Bill is introduced, I refer to the successful fishing industry conference held in Canberra in February of this year. This was the most representative meeting ever held in Australia on the subject. All phases of the industry were discussed and there was a wide Government representation present. This conference was followed by a meeting of the fisheries Ministers in

Perth in September of this year, and, at my suggestion, by a meeting of officers in Melbourne less than a month later.

Some of the recommendations arising out of those conferences are highly relevant to the present Bill. One other recommendation was that a special fund should be established in each State for fisheries research, education, extension and development and that the money to be paid into that fund should be raised from the industry by the most suitable means available.

Another significant result of the conference was an announcement by the Commonwealth Minister for Primary Production that if the States proceeded with the setting up of these special funds, they could anticipate that the Commonwealth would set up its own trust fund and would pay into that fund an annual amount equal to the total amount raised by the various States. The Commonwealth fund is to be spent in any part of the Commonwealth, according to the recommendations of a committee to be established and upon which there will be State representation. It could well be that the total amount raised by the States will be of the order of $800,000 to $1,000,000 per annum, which means that the undertaking of the Commonwealth will be a very significant factor in the future development of Australian fisheries.

Accordingly, the Government now seeks to carry out the recommendation of the conference that a fund should be created, and at the same time to remedy some of the difficulties which are an obstacle to the effective management of some of the important fisheries of this State.

Proposed new section 5c, which is to be inserted into the Fisheries Act 1958 by clause 2, sets down the relevant fees to be paid for licences under this Act. The proposed new section 5F provides that all fees received by the issue of licences under this Bill shall be paid into the fund and that the moneys in that fund shall be applied for or towards the costs of scientific, sociological, technological and economic research upon Victorian and adjacent fisheries and upon the investigation and development of such fisheries. The fund may also be expended on meeting the costs of providing extension services and education for fishermen. The costs of administration shall be an annual charge on the fund and shall be paid to Consolidated Revenue, but such cost cannot exceed more than 10 per cent. of the amount paid annually into the fund.

I now refer to the licensing provisions of the Bill. It has long been advocated by the Commercial Fisheries Council established under the Fisheries Act that there should be recognition of those fishermen who have a substantial equity in the industry, either by being the owners of fishing boats or by being the skippers of boats and who have considerable skills in the art of fishing. The Bill furnishes this need by creating a master fisherman's licence. This licence will enable the holder, while in charge of a registered fishing boat, to take for sale any species of fish other than abalone and to be in charge of a crew of not more than the number of persons specified in the licence.

The fee to be paid for such a licence will be $25 per annum together with an additional fee of $5 for each of the persons the number of whom is specified in the licence as the authorized crew of the master fisherman. Many persons currently required to hold professional fishing licences are in fact crew members, deck hands and assistants, and many of these persons move from port to port and from boat to boat. The Bill provides a desirable distinction between skilled and unskilled fishermen.

The barracouta fishery is a seasonal fishery where the operatives, although basically fishermen, are forced to take other employment during the off season. Many of these persons have never completely fitted in with the

provisions of the regulations which require a professional fisherman to earn a substantial portion of his income from fishing. This is a fishery with considerable potential and should be suitably developed. The Bill enables a licence to be issued to a fit and proper person to enable him to take barracouta only for sale, notwithstanding that he is not the holder of a master fisherman's licence. The fee for such a licence is to be $20.

The supply of bait for recreational fishing is a rapidly growing business and neither the existing professional fishing licence nor the proposed master's fisherman's licence fully provides for this fishery. As with barracouta, some bait fishing is seasonal, and the fisherman must seek other employment. For this reason the master fisherman generally does not participate in this fishery. The Bill provides for the issue of a licence which will entitle the holder to take for sale as bait the fish specified in sub-section (4) of new section 5A, and such other aquatic animals as may be declared by the Governor in Council by notification in the *Government Gazette*.

Abalone, scallop and crayfish are generally regarded as luxury marine products for which there is a rapidly growing demand, both here and overseas. These three products demand a high price for which the export market is primarily responsible. The resultant high demand has led to the growth of the three fisheries. We are now concerned with a situation of heavy exploitation and the resulting need for management.

The abalone fishery differs from every other fishery in that the catch is harvested by divers. The development of this fishery during the past twelve months, particularly along the coast in the vicinity of Mallacoota, has been spectacular. The major abalone fishery is located to the east of Lakes Entrance where the majority of fishermen are grouped at Mallacoota. These fishermen have formed themselves into an association and have appointed representatives who have approached both the Commercial Fisheries Council and the Fisheries and Wildlife Department with the request that urgent management measures be implemented in the interests of the welfare of the fishery.

The Bill enables the Minister to issue a licence to a fit and proper person to take abalone for sale whether he takes that fish from a registered fishing boat or otherwise. The fee for such a licence will be $200.00 per annum. Management of the crayfish and scallop fisheries can be most effectively achieved by exercising some control over the fishing unit. The size of the boat and gear it is capable of using are all important. It is therefore proposed that the boat should be licensed to participate in the crayfish industry or the Port Phillip Bay scallop fishery.

The Bill enables the Minister to licence any registered fishing boat for the taking of crayfish, and the holder of the licence may employ that boat for that purpose, but his equipment may not exceed the number of crayfish pots which are specified in his licence. The number of crayfish pots which a registered boat may be licensed to carry will depend on the size of the boat. The fee for such a licence will be $5.00 for each pot specified in the licence. Only under exceptional circumstances will any Victorian boat be licensed to carry more than 40 pots.

The Bill also enables the Minister to license any registered fishing boat to be used for dredging or taking of scallops in Port Phillip Bay. The fee for this licence is $200.00 per annum. The Bill enables any person engaged in the industry at the time of the passing of this Bill to obtain a master fisherman's licence, a barracoota licence, a bait licence or an abalone licence.

In the case of crayfish boats, and boats being used in the Port Phillip scallop fishery, the Bill gives to the owner of those boats which are engaged in those fisheries at the

passing of the Bill, an entitlement to obtain a crayfish boat licence or a scallop boat licence for that boat. Since this Bill was drafted, it has come to my notice that there are a few persons with boats under construction which are nearing completion, and who have a bona fide intention to enter the scallop or crayfish fishery. If these owners will establish their claim within seven days from the passing of this Bill, I give my personal undertaking as the Minister in charge of the Bill, that I will favourably exercise my discretionary powers in the consideration of their application for a licence.

In considering whether or not further licences should be issued in any of the categories I have mentioned, the Minister shall have regard to the welfare of the fishery concerned and of the persons engaged in the industry. This will allow the Minister to take into consideration such factors as the proper management of the fish stocks to ensure the continued productivity of the resources, the good of the persons engaged in the industry with particular reference to the man who carries out the harvesting and also to all other persons engaged in the various phases of the industry from the wharfside to the consumer.

The present professional fishing licences will expire on 31st December of this year. It is unlikely that the Fisheries and Wildlife Department will be in a position to issue licences required by this Bill before that date. It has been necessary, therefore, to continue licences already in existence until the commencement of licences issued under this Bill. It is important that persons who, under the provisions of this Bill become automatically entitled to a licence should not be penalized by being required to pay two distinct licensing fees, and that the industry should not be disrupted in the changeover period. This is a transitory provision and is contained in clause 4. In future all professional fishing licences will remain in force for a period of twelve months from the date of issue.

The new clause 5E substantially increases the penalties for fishing without a licence. The maximum penalty for this offence under the Act is $100.00. This penalty is increased to a fine of not more than $500.00 or to not more than imprisonment for a period of six months or both. The maximum penalty for contravention of any condition, limitation or restriction on a licence will be $250.00. These penalties may appear to be high, but it is contended that they are reasonable having regard to the licence fees proposed by this Bill.

The new section 5G provides for reciprocal recognition of persons and boats licensed in other States. This provision is inserted in the Bill as a result of recommendations arising from the Minister's conference to which I have already referred. That conference also set up a committee of officers of all States, Territories and the Commonwealth for the purpose of examining and making recommendations in detail in relation to reciprocity. I commend the Bill to the House.

On the motion of Mr. WILTON (Broadmeadows), the debate was adjourned.

It was ordered that the debate be adjourned until Wednesday, November 29.

ADJOURNMENT.

BUSINESS OF THE HOUSE: HOUR OF SITTING—SPRINGVALE NECROPOLIS TRUST: LETTERS OF ACCOUNT.

Mr. RYLAH (Chief Secretary).—I move—

> That the House, at its rising, adjourn until Tuesday next, at a quarter to Two o'clock.

For the information of honorable members it is probable that the House will sit at 11 a.m. on Wednesday next.

The motion was agreed to.

Mr. RYLAH (Chief Secretary).—I move—

That the House do now adjourn.

Mr. DOYLE (Gisborne).—I ask the Minister of State Development to bring to the notice of the Minister of Health a letter which came into my hands recently from the bereaved relatives of a person who was cremated at the Springvale Crematorium. The letter from the Necropolis Trust was over the signature of a person described as the assistant secretary. I am told that the procedure followed by the Trust is that a first account is rendered but thereafter no further accounts are sent. The final paragraph of this form letter reads—

Your decision and remittance within thirty days is requested, failing which we must assume you have no further interest and accordingly will scatter the cremated remains.

This is a disgraceful letter. As the trustees are appointed by the Ministry of Health, I therefore wrote a letter to the chairman of trustees, the last paragraph of which states—

In matters of such delicacy it is incredible to me that any person would make use of the form letter which you are pleased to use. The wording of the letter is a disgrace to your Trust and to the person over whose signature it appears.

I forwarded that letter on information from two funeral houses who indicated that bereaved relatives had been caused undue distress by receiving such letters, and they stated that they would be grateful if something could be done.

Mr. MANSON (Minister of State Development).—On behalf of my colleague, the Minister of Health, I am glad that the honorable member for Gisborne raised this matter publicly, and I shall certainly ask the Minister to look into it and do something about it.

The motion was agreed to.

The House adjourned at 5.20 *p.m. until Tuesday, November* 28.

Legislative Council.

Tuesday, November 28, 1967.

The ACTING PRESIDENT **(the Hon. G. J. Nicol)** took the chair at 4.28 p.m., and read the prayer.

ABSENCE OF THE PRESIDENT.

The Hon. G. L. CHANDLER (Minister of Agriculture).—By leave, I move—

That the Hon. W. R. Garrett be chosen in the place of the Hon. G. J. Nicol to fill temporarily the office and perform all the duties of the President during the continued absence of the President.

The Hon. J. W. GALBALLY (Melbourne North Province).—I have much pleasure in seconding the motion.

The motion was agreed to.

RAILWAY LOAN APPLICATION 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.

ROADS (SPECIAL PROJECTS) ACT.

COLLECTIONS: PROJECTS: COSTS: COMMENCEMENT DATES.

The Hon. J. M. WALTON (Melbourne North Province) asked the Minister for Local Government—

(*a*) What were the gross amounts collected under the Roads (Special Projects) Act 1965 each year since its inception, and what amounts have been deducted for administration purposes?

(*b*) Will he give a list in order of priority of the estimated total cost, the amount spent to date, and the approximate commencement date of each scheme either under construction or proposed under this legislation?