

# Legislative Council,

Wednesday, 29th September, 1920.

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The PRESIDENT took the Chair at 4.30 p.m., and read prayers.

## QUESTION—MINERS' PHTHISIS.

Hon. J. E. DODD asked the Minister for Education: 1, Has the attention of the Government been directed to the statement of Dr. Mitchell, superintendent of the Wooroloo Sanatorium, in the Press, that the largest percentage of patients who have passed through the sanatorium are miners? 2, Are the provisions of the Mines Regulation Act in relation to ventilation, dust, and prevention of persons suffering from tuberculosis working underground, being enforced? 3, Do the Government know that a large number of miners suffering in the early stages of disease have made good, and recovered their health on the land? 4, Will the Government seek the co-operation of the Federal Government in placing miners, who show signs of becoming incapacitated by disease, on the land on similar terms to those adopted by the Repatriation Department? 5, Have the Government taken into consideration the question of increasing the subsidy to the mine workers' relief funds, or of adopting any other scheme to give relief to those who are suffering by reason of working in the mining industry?

The MINISTER FOR EDUCATION replied: 1, Dr. Mitchell stated that of 1,600 patients treated at Wooroloo, 432 were miners, while many of the remainder had previously followed that occupation. Of 945 patients treated at the Sanatorium when it was at Coolgardie, 212 were designated as miners, while 75 were labourers; probably a proportion of the latter had been miners previously. 2, Yes. 3, Although patients are required by regulation to notify changes of address and in this way enable the health authorities to keep in touch with them, unfortunately many cases are lost sight of, and while with a few individuals the authorities may definitely know the case is entirely arrested, other cases which

may be equally fortunate are lost sight of altogether, so that no definite reply can be given to this inquiry. 4, The matter will be considered. 5, A communication was recently received suggesting that the Government subsidy should be increased, and the matter is now under consideration.

## QUESTION—HOSPITAL FOR THE INSANE.

Hon. J. E. DODD asked the Minister for Education: 1, Have any steps been taken to appoint a board to supervise the administration of the Hospital for the Insane? 2, If so, when is the board likely to commence duties?

The MINISTER FOR EDUCATION replied: A Bill dealing with the future control of the Hospital for the Insane has been prepared and will be introduced tomorrow.

## QUESTION—STATE HOTELS, MANAGERS.

Hon. F. A. BAGLIN asked the Minister for Education: 1, What are the names of the seven managers of the State hotels? 2, What is their respective length of service as managers? 3, What are their respective salaries? 4, What percentage of profit is shown at each hotel? 5, Have any of the present managers been appointed during the past twelve months?

The MINISTER FOR EDUCATION replied: 1, A. Wright, J. Hanley, H. Cavanagh, E. J. Slattery, G. Williams, M. Mannion, and A. E. Buxter. 2, 7 years 9 months, 6 years 3 months, 4 years 3 months, 4 years 1 month, 3 years 10 months, 2 years 6 months, and 2 years. 3, £5 10s. per week, £5 per week, £4 10s. per week, £4 10s. per week, £4 10s. per week, £4 10s. per week, £5 per week (with £1 per week allowance while at Gwalia), £5 10s. per week (with 10s. per week while at Bruce Rock). 4, It has not been the practice of any Government (for business reasons) to disclose the percentage of bar profit of any particular hotel. 5, No.

## QUESTION—HOSPITALS, PERTH AND KALGOORLIE.

Hon. E. H. HARRIS (for Hon. J. Cornell) asked the Minister for Education: 1, How many indoor patients, excepting cases of influenza, received treatment at the Perth Public Hospital during the period from 1st July, 1919, to 30th June, 1920? 2, The total amount of hospital fees collected from such patients during that period? 3, How many indoor patients, excepting cases of influenza, received treatment at the Kalgoorlie Government Hospital during period from 1st July, 1919, to 30th June, 1920? 4, The total amount of

hospital fees collected from such patients during that period?

The MINISTER FOR EDUCATION replied: 1, 4,087 patients. 2, £3,519 17s. 8d. received from patients; plus £993 18s. paid by Public Health Department for maintenance of venereal cases. 3, 1,290 patients. 4, £2,969 4s. 6d. received from patients.

#### LEAVE OF ABSENCE.

On motion by Hon. J. Ewing (for Hon. J. Nicholson) leave of absence for 12 consecutive sittings granted to Hon. A. Lovekin (Metropolitan) on the ground of urgent private business.

On motion by Hon. E. H. Harris (for Hon. J. Cornell) leave of absence for 12 consecutive sittings granted to Hon. R. J. Lynn (West) on the ground of urgent private business.

#### PAPERS—Mr. McGIBBON AND THE WHEAT BOARD.

Order of the Day read for the moving of the following motion by Hon. H. Stewart. "That there be laid on the Table of the House all papers relative to the appointment of Mr. S. J. McGibbon to the Australian Wheat Board and to the dispensing with Mr. McGibbon's services."

Hon. H. STEWART (South-East) [4.36]: I move—

That this motion be postponed.

My explanation is that I should like the Honorary Minister to be present when I move the motion. My remarks will be very brief and I should like the matter finalised on the one day.

Motion put and passed.

#### BILL—LOCAL AUTHORITIES' SINKING FUNDS.

Read a third time and passed.

#### BILL—WESTRALIAN MEAT WORKS.

In Committee.

Resumed from the previous day.

Hon. J. Ewing in the Chair: Hon. J. W. Hickey in charge of the Bill.

Clause 2—Authority for directors to proceed to allotment:

Hon. J. J. HOLMES: The suggestion was thrown out yesterday that the hon. member in charge of the Bill should come along with an amendment to-day. Without the promised amendment I am afraid there will be difficulty over the clause.

Hon. J. W. HICKEY: I accepted the suggestion advanced by hon. members last evening. I intended to get into touch with those interested in the Bill to-day, but it is only within the last few minutes that I have been

able to do so. I am now satisfied that if the number of shares is given at 50,000 instead of 60,000, it will meet with the wishes of the people concerned. I have not yet had an opportunity to draft the necessary amendment.

Hon. J. J. HOLMES: I suggest that the hon. member report progress and bring down his amendment at the next sitting.

The CHAIRMAN: I ask that the hon. member put his amendment on the Notice Paper if possible.

Progress reported.

#### BILL—ROTTNEST ISLAND.

Second Reading.

Debate resumed from the previous day.

Hon. Sir E. H. WITTENOOM (North) [4.43]:—The Bill represents a change of view on the part of the Government. I have always looked upon Rottneest Island as a public resort. In the past it has been used as an aboriginal prison and for other purposes, but the popular idea has always been that it should be made a resort for the public during the summer months. I am entirely in accord with the remarks of Mr. Dodd, who said that our public resorts should be conserved to the use of the public. I am astonished at the proposal to lease out certain portions of the island to private people for 21 years. We shall be giving them a pre-emptive right for that time and put them in the position of being able to fence off certain portions of the island, making them exclusively their own and taking away from the public that very right which they now hold and under which they desire to make the island a public resort. I am opposed to the Bill and will vote against the second reading unless there is an amendment under which nothing shall be established on the island except hotels, or boarding-houses—preferably without a license.

Hon. J. Duffell: Or flats.

Hon. Sir E. H. WITTENOOM: Yes. That would enable people to take rooms and board there during the summer season, or they could lease camping positions from the Government, who should provide the proper sanitary conveniences.

The Minister for Education: That is already done.

Hon. Sir E. H. WITTENOOM: These are the only two conditions under which the island should be worked. It is looked upon by many people as a very valuable popular resort and, to my mind, to let leases to people, who no doubt will take the best areas they can get hold of, with the exclusive right to them for 21 years, is doing away with the rights of the people to have this resort. I am opposed to letting leases for this long term. Mr. Dodd put the case forcibly and ably and I think convincingly when he said that this was one of the resorts of the people which should be kept entirely for them. If we are to hand over a portion of this island for 21 years we shall be doing

away with that right, whereas if we lease the land for boarding-houses or flats, or hotels, for a certain time, or allow people to take their own equipment and erect camps on small areas, and put up their own tents there, I think we shall be carrying out the idea of making the island a popular resort. I am open to conviction on the other side, but my present intention is to vote against the second reading of the Bill.

Hon. F. A. BAGLIN (West) [4.48]: I oppose the second reading of the Bill. The only pleasure resort Fremantle has is Rottnest Island. Perth seems to be well provided for in the matter of health resorts. Although some people may claim that Point Walter is part of Fremantle, I am satisfied that, with the ferry service between that place and Perth, Point Walter is probably more used by Perth people than by Fremantle people. The only outlet for Fremantle residents is Rottnest. We certainly have the South Fremantle beach, but although it may be a pleasure resort it cannot be claimed to be a resort in the same way that Rottnest is. People go to Rottnest for week ends and at other periods for the purpose of recuperating their health. It would be unwise to allow people to take up leases of certain portions of the island for 21 years. It would probably mean that the best spots would be picked out by those who could afford to put up buildings, and those who could not afford to do so would have to be satisfied with a camp or some other cheap means of living there.

Hon. Sir E. H. Wittenoom: I think the Government would provide accommodation where the leases are to be.

Hon. F. A. BAGLIN: The Bill merely gives the board the right to grant leases to people who apply for them, and the Government are going to allow these leases for a period of 21 years. I am opposed to anything of this nature being granted except to persons who would take up leases for business purposes, and to make the necessary provision for the accommodation of visitors and persons who desire to spend their holidays there. I do not see the need for the Bill. From the point of view of the board, no doubt it would be revenue-producing, but I do not see why the people of Fremantle should be denied the use of Rottnest as a health resort.

Hon. J. Duffell: That is a parochial point of view.

Hon. F. A. BAGLIN: Rottnest should be preserved to Fremantle as a holiday resort because it is the only one it has. If this Bill is passed, the next thing that will happen will be that the King's Park board will be wanting to lease King's Park for the same purpose.

Hon. J. E. Dodd: Part of it has already gone.

Hon. F. A. BAGLIN: Later on possibly Point Walter will be leased in the same way. It is creating a bad precedent and I am opposed to it.

Hon. J. EWING (South-West) [4.53]: It is a doubtful business to interfere with Class "A" reserves, but what the Government have in view in this case is that everything on the island may be done in an orderly manner. I have not been to Rottnest for many years, and I believe that the place has wonderfully improved since I was there. There is, in my opinion, a sufficient area of land to afford an opportunity for many persons to lease all the blocks that are required. If all these blocks are accessible to the bathing places and other resorts of the island, I see no objection to people improving the island by taking up blocks, provided there is sufficient land available.

Hon. Sir E. H. Wittenoom: It might be possible for someone to erect a substantial building on a 21 years' lease.

Hon. J. EWING: A man might be able to build in brick, if he had the right of renewal of his lease, in order to provide accommodation for visitors. If a person has done that, and after 21 years desires an extension of the lease, I have no doubt, if everything is satisfactory on his part, the Government would consider the advisability of allowing him to continue the lease.

Hon. Sir E. H. Wittenoom: Then you will be doing that to which we are opposed.

Hon. J. EWING: There is a sufficient area of land there to allow of thousands of blocks being taken up. There are good roads on the island, and it would be more in the interests of the health of the people, and the proper management of the island, if these blocks were made available to everyone. Many years ago things on the island were in a very disorderly state. There was no proper sanitation and nothing else was satisfactory. What the board require is to place everything in a satisfactory condition and allow everyone who desires to take up a block. If these blocks are vacant I have no doubt the board would allow people to have access to them. If no injustice is to be done to anyone, I shall have much pleasure, in the interests of the good government of the island and the settlement of the people there, in giving my support to the second reading of the Bill.

Hon. J. J. HOLMES (North) [4.55]: I support the second reading of the Bill. In my opinion either the Government must build upon the island or else someone else must do so. The Government have their hands full enough already with trading concerns and other things without starting out to build cottages at Rottnest. If the place is to be used as a pleasure resort, either the Government must provide the necessary facilities or leave private enterprise to do so.

Hon. J. Duffell: There is no electric light there.

Hon. J. J. HOLMES: People who go to Rottnest do not want electric light. There are, unfortunately, no regular means of

communication with the shore, and there is no justification for anyone starting a service between Fremantle and Rottnest, but if sufficient people went there facilities would be provided for getting there and back to Fremantle, and when they are provided even the people of Fremantle will avail themselves of the opportunity to go there. I support the second reading of the Bill.

Hon. H. STEWART (South-East) [4.56]: I would rather there was no necessity for the Bill. The Government have launched out already in various directions, such as with the tourists' bureau and the State hotels, a policy with which I do not agree. There are other avenues of expenditure for the Government which are much more important than this. We are face to face with the unfortunate position that although the island is an excellent health resort, and there is a certain amount of accommodation available in the hands of the board under Government control, there are many people who want to go to this island, but who are unable to obtain accommodation. I am not going to support the expenditure of any more money on the part of the Government in extending a special department, when in so many other directions in the State money is necessary for development and the improvement of production. I desire to see these reserves kept for the people. It behoves the Government to see that the board impose such conditions that no vested interest is allowed to be set up, and no undue privileges given to any persons who are sound enough financially not only to acquire the lease of blocks but to build upon them. In my opinion, too, the period of 21 years should be shortened. There should also be a time limit in which lessees of the land should be able to build under certain conditions. I approve of the idea set forward by Sir Edward Wittenoom in the way of houses of accommodation or flats. If some arrangement like this could be made to meet the position it would be a good thing.

Hon. J. Duffell: They would not do that on a 21 years' lease.

Hon. Sir E. H. Wittenoom: I think they would.

Hon. H. STEWART: There is possibly a difficulty in that respect. There may be enterprising people who realise the demand that there is on the part of the public to visit and stay at Rottnest. Such people may seize the opportunity of launching out in this direction. With an assurance from the Minister that this position will be safeguarded, and that there will be a strict time limit in which anyone securing a lease shall erect a suitable building, I am prepared to support the second reading of the Bill.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East—in reply) [5.0]: I am rather surprised at some of the

objections raised by hon. members to this Bill. I join with the last speaker in the wish that a Bill of this kind had not been necessary. I would have liked to see the finances in such a condition that the Government would have been able to do this work directly, or through the present board or some similar organisation, by saying "Here is £5,000 or £10,000 per annum to spend over a period of a few years on Rottnest Island to make it the place it should be in order that the people from Fremantle and elsewhere should have facilities for residence and enjoyment on the Island." Then we would not have bothered about a Bill of this kind. But that is not the position at the present time, and the attitude the Government take up is that although it is highly desirable in the interests of the State, and of the people that the Island should be developed, for the present at all events it will have to be developed out of its own resources. We cannot provide many resources with which to develop the Island, and that being the case the board have to proceed slowly. It is true that last year we made a profit of £800, but as I explained when I moved the second reading of the Bill, this is not really a profit, it is a surplus of revenue over expenditure, arising from the fact that we have to pay no interest on a sum of about £12,000 spent at Rottnest by a preceding Government in the erection of the hostel and providing deep drainage, sanitary and other conveniences. Those works were handed over to the board without obligation or any idea of repayment, and the board therefore were able last year to make a profit of £800. We hope it will be greater in a few years. That profit we are spending in the development of the Island. It is urgent that a considerable amount of money should be spent in the making of roads, and the suggestion that the people of Fremantle and elsewhere are going to be excluded from the Island because of the passing of the Bill, is the most absurd thing I have ever heard. The object of the Bill is solely to enable the board to spend more money on the development of the Island, for the benefit of those who may go there. It has been suggested that the people will fence in their blocks and exclude the public from traversing that part of the Island on which the houses are built. Supposing we had money to spend ourselves. We should exclude the general public in exactly the same way as we do at the present time. We have already erected a number of bungalows and cottages on the Island and those are fenced off to secure the necessary privacy for the occupants.

Hon. H. Stewart: Is the shore fenced off?

The MINISTER FOR EDUCATION: No, and it is not to be fenced off under any conditions. When a cottage or a bungalow is let, the tenants have the same right to it as they would have if it were their own home, and I take it no member would wish it should be otherwise, so that the condition in

regard to these blocks that may be taken up under lease will be exactly the same as the condition that obtains to-day in regard to the whole of the cottages built by the board and which are let during the holiday season to members of the public. The only difference will be that instead of having to wait five or six years before we shall have sufficient accommodation for the people who desire to go to Rottneest Island, we may have that accommodation available in the course of two or three years. It has been suggested that the people will select the most desirable sites. I would point out, however, that no one will be permitted to select a site. All sites will be selected by the board, and they will be the sites which will be suitable for the purpose of building these bungalows and cottages. The Board of Management is appointed under Section 3 of the Parks and Reserves Act, and under that Act also the King's Park Board of Management are appointed.

Hon. J. E. Dodd: The King's Park Board are very sorry that they adopted the same principle.

The MINISTER FOR EDUCATION: I do not see the slightest analogy between the King's Park Board and the Rottneest Island Board. It was never contemplated that people would camp in King's Park or live there. It is contemplated, however, that people shall camp and reside at Rottneest Island. Surely the hon. member realises the difference. We are just making the island serve the purpose for which it was intended. Sir Edward Wittenoom says that we should set apart places where people can take their tents and camp during the holiday season. We have been doing that for years. The hon. member suggests also that we should provide sanitary conveniences. We have been doing that also. It seems to me that a lot of the objections to the Bill come from members who are not familiar with the conditions that exist on the island. Some people may not be satisfied to take a tent over there and camp in it. For people with families a tent is not a suitable residence. We say, "If you want to put up a suitable bungalow similar to the bungalows which the board have erected, we will set apart a little block of land on which you may build and it will be yours for a period of 21 years."

Hon. J. Ewing: It will not interfere with the others.

Hon. Sir E. H. Wittenoom: A good boarding-house would be much better.

The MINISTER FOR EDUCATION: The hon. member is not familiar with the conditions of the island or he would not make a suggestion of that kind. To begin with, the trade for a boarding-house is purely a holiday trade, and the very well conducted boarding-house we have there can cope with the whole of the business ten times over with the exception of a few weeks of the year. During those few weeks I have no doubt two or three more boarding-houses would do well, but we will

not get people to build boarding-houses for the sake of two or three weeks' holiday traffic. We have therefore to consider what the public desire, and although the boarding-house which is there is always filled during the holiday season, it is filled to a large extent by people who cannot get other accommodation. People taking their wives and families to Rottneest very much prefer to live in cottages or bungalows. Moreover it is cheaper because people cannot conduct boarding-houses in places such as Rottneest except by charging a fairly stiff price. For that reason it is much dearer to live in a boarding-house than in a cottage, and people who take their wives and families to a resort like Rottneest find it much more enjoyable to occupy their own home, especially when they have children with them. What the Bill proposes is that the work that the board would do if they had money, should be done by private people. Mr. Duffell has suggested that we should extend the period of the lease to 99 years. I have only to say that if that provision were placed in the Bill I should not proceed with it any further, because I have no intention of permitting anything that is at all suggestive of ownership.

Hon. J. Duffell: You will only get a colony of rookeries under a 21 years' lease.

The MINISTER FOR EDUCATION: I do not know whether the hon. member is familiar with Rottneest Island. I do not know whether he is aware of the class of buildings that the board have put up there already. I do not know whether he would call them rookeries. To my mind, and also in the opinion of dozens of people who have occupied those cottages, they are very comfortable and suitable for a resort of that kind.

Hon. J. Duffell: You would not put up a building of that nature on a 21 years' lease.

The MINISTER FOR EDUCATION: Those places cost only £200 or £300 to build.

Hon. F. A. Baglin: They are beyond the reach of the working man.

The MINISTER FOR EDUCATION: If people are induced to put up place for themselves, we shall have the cottages that already exist available for the working man. For every one of the cottages we have already there are always quite a number of applicants, and if by passing this Bill we can get a considerable proportion of those people who make Rottneest their habitual holiday resort, to put up cottages or bungalows for themselves as they are willing to do, the bungalows and cottages which we have will be available for letting to other people. We do not make any distinction between the working man and anyone else. At the present time only one out of three or four applicants can be accommodated at the island. I assure hon. members there will be no selecting of fancy sites. The board will set apart every lease and the applicants will have to erect the cottages on those. The board must also be satisfied as to the class of building to be erected, always having in mind that the lease will be for a period of 21 years.

Hon. E. H. Harris: Do you intend to permit sub-letting?

The MINISTER FOR EDUCATION: We do not mind what is done with these cottages. If a person should not want to go to Rottneast at a particular period, and he wants to let his cottage to anyone else, what will it matter to us?

Hon. Sir E. H. Wittenoom: You make it a private property.

The MINISTER FOR EDUCATION: It is to all intents and purposes a private property. Mr. Stewart raised the question that the people who hold the leases should be compelled to build within a certain time. That will be provided for in the lease when it is drawn up. But there is not much point in the hon. member's contention, because until such time as the building is erected, the person who holds the lease is not getting any benefit from it.

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

Ayes	10
Noes	8

Majority for .. 2

#### Ayes.

Hon. E. M. Clarke	Hon. A. Sanderson
Hon. H. P. Colebatch	Hon. A. J. H. Saw
Hon. J. Ewing	Hon. H. Stewart
Hon. J. J. Holmes	Hon. J. Duffell
Hon. C. McKenzie	(Teller.)
Hon. E. Rose	

#### Noes.

Hon. R. G. Ardagh	Hon. J. Mills
Hon. F. A. Baglin	Hon. T. Moore
Hon. J. E. Dodd	Hon. Sir E. H. Wittenoom
Hon. E. H. Harris	(Teller.)
Hon. J. W. Hickey	

Question thus passed.

Bill read a second time.

#### In Committee.

Hon. J. Ewing in the Chair; the Minister for Education in charge of the Bill.

Clause 1—agreed to.

Clause 2—Power to lease:

Hon. H. STEWART: It would be preferable if the Government reserved the better positions for themselves and leased the less suitable sites.

Hon. Sir E. H. WITTENOOM: I am quite in accord with the Bill, but it does not go far enough to suit my views. Mr. Holmes interjected that the Government had enough to do at present, but I do not propose that the Government should undertake this work. I am in accord with them granting leases, but private people should not be granted a monopoly for 21 years. Our reserves must be kept entirely for the people. They are very valuable and, if we part with them, we shall regret it in years to come. We should be very jealous of the lands we

hold. We have some beautiful reserves, and I have taken a hand in reserving some of these areas. I was a member of the Government when King's Park was reserved, and also when Point Walter was purchased, and I know the value of these places. I am equally keen on the reserve at Rottneast being retained for the enjoyment of the people. I consider that the Minister is wrong in the view that he takes, and that the board will be doing wrong if they grant leases to private individuals. The leader of the House argued that it would be cheaper and better to have a bungalow than to take rooms at the hostel or to take a flat. I differ from him. If a man takes a lease, he will have to put up a certain class of building and maintain it, whereas he can go to Rottneast for three or four weeks, take rooms, and then go away. Any leases should be granted for the purpose of erecting houses of accommodation or camping grounds, and the rents derived could be devoted to the object suggested by the Minister. I therefore move an amendment—

That at the end of Subclause 1 the following words be added:—"of erecting houses of accommodation or temporary camping homes."

Hon. J. E. DODD: I support the amendment. I have been connected with one or two boards dealing with reserves, and more particularly with the King's Park board. Once we give away a privilege it is very hard to prevent it from being extended. Some years ago the King's Park board gave rights to a bowling club and to another club, and it was a very hard job to get the conditions of those rights carried out. The worst of it was that many other people asked for similar rights. The High School authorities established a school house opposite Parliament House and wanted the park for a recreation ground.

Hon. A. J. H. Saw: They have had it for the last 20 years.

Hon. J. E. DODD: The late Lord Forrest, Sir James Connolly, Mr. R. T. Robinson, and Mr. Lovekin were members of the King's Park board at the time, and I believe every one of them would have cancelled the rights granted if there had been an opportunity to do so. The Government established a reservoir in King's Park. No doubt they had a right to do so on account of that being the highest part of Perth. Later the University authorities came along and wanted the park also. I remember reading in "Hansard" that the Minister for Works had opposed tooth and nail the granting of portions of the Esplanade for use by bowling clubs.

Hon. J. Duffell: He smashed a gate down on one occasion.

Hon. J. E. DODD: Whenever a public body or a private person gets a privilege, it is hard to prevent that privilege from being extended. The Government in 20

years' time might be more partial to private individuals and might even go to the extent of permitting leaseholds on Rottneest to be converted into freeholds. We have not too many reserves, and Rottneest is unique in its relation to the mainland as a healthful place of recreation. If we go so far as the amendment suggests, it would be better than giving the board power to grant leases.

Hon. J. J. HOLMES: I oppose the amendment. Sir Edward Wittenoom said he agreed with the clause but that it did not go far enough. The amendment will kill the Bill. If houses of accommodation are built, a large amount of money will have to be expended, and there will be visitors during only a few weeks of the year. It is absurd to say that people of enterprise and capital will expend large sums of money in order to cater for a few visitors at Christmas and Easter time. In King's Park tennis courts, bowling greens, and croquet lawns have been provided in a small corner. These grounds afford enjoyment and recreation to hundreds of people, and the public are not at all inconvenienced.

Hon. A. J. H. SAW: The mover and second of the amendment have achieved the feat of straining at a gnat and swallowing a camel. They object to private individuals having leases for 21 years in order to erect bungalows, but they propose to give the right, I presume, to hotels and boarding houses to take leases. I oppose the amendment.

Hon. J. DUFFELL: I consider that the conditions of the leases should be altered. If this amendment is defeated, shall I be able to move an amendment to an earlier portion of the clause?

The CHAIRMAN: If the mover of the amendment temporarily withdraws his amendment; not otherwise.

Hon. J. DUFFELL: Then I shall oppose the amendment.

The MINISTER FOR EDUCATION: I trust the amendment will not be carried. The first feature of the amendment, the erection of houses of accommodation, would be altogether meaningless and superfluous, because they could be erected under the clause as it stands. But they would not be erected because people could not be induced to build boarding houses and flats when they know very well they would have custom for only a few weeks of the year.

Hon. J. J. Holmes: Would not it be a case of flats erecting boarding houses?

The MINISTER FOR EDUCATION: I do not understand the second portion of the amendment, namely, the erection of temporary camping homes. That is the purpose of the Bill. We cannot expect that the people who build these places will remain there all the year round. The homes they erect will be temporary camping homes. It seems to me that the carrying of the amendment will be of no value whatever.

Hon. Sir E. H. WITTENOOM: It is easy to attempt to ridicule the amendment and to pretend not to understand it. Hon. members understand it perfectly well. The clause proposes to give to individuals the right to certain portions of land for 21 years, which I say should not be done. As one hon. member has said, the right could be extended after the 21 years have elapsed; and Mr. Dodd has expressed the opinion that we might as well give the freehold as give 21 years. What I want is, without giving up the people's patrimony, to afford accommodation to those who visit Rottneest Island. As regards camping homes, people could have a site upon which they could put up a tent.

Hon. A. J. H. SAW: Would you give a lease of 21 years for putting up a tent?

Hon. Sir E. H. WITTENOOM: No; but a camping home would be a different thing altogether from a tent.

Hon. R. G. ARDAGH: I support the amendment. If it is proper to give the right to build for 21 years, it is proper to give that right for all time. Only a section of the community have the means to erect bungalows on Rottneest Island.

Hon. Sir E. H. Wittenoom: That is the point.

Hon. R. G. ARDAGH: Are such people to be allowed to build bungalows for the purpose of letting them to other people, or only for their own occupation?

Hon. J. DUFFELL: What area is proposed to be set apart for the purposes of this clause, and how many blocks is it proposed shall come under the provisions of the Bill? Is it the intention of the board that only one block shall be let to one individual? I want to prevent speculators coming in and taking up large numbers of blocks.

The MINISTER FOR EDUCATION: The Bill provides that the area shall be such as the Government may think fit to set apart. It would be done by the Government on the recommendation of the board. The intention of the board is to set apart in the first instance about 20 blocks. No good purpose would be served by setting apart a larger number than there is a demand for. Subsequently, if it is found desirable, further blocks would be set apart. They would not be all in one area, but they would be in certain portions of land which we intend to use for building and which are only suitable for building.

Hon. Sir E. H. Wittenoom: Would the blocks be close to the shore?

The MINISTER FOR EDUCATION: It depends on what the hon. member means by "close." In an island seven miles long by three miles broad, the blocks cannot in any case be far from the shore. However, there will be no water frontages.

Hon. Sir E. H. Wittenoom: Then the holders of the blocks will not get bathing privileges.

**THE MINISTER FOR EDUCATION:** Certainly. They will only have to walk a few hundred yards for their bathing privileges.

**Hon. J. J. HOLMES:** I am at a loss to understand what the mover of the amendment aims at. The object of this clause is that the Government shall grant building licenses. The amendment proposes that the Government shall grant licenses for boarding houses and campers' homes. That is practically the same thing. I do not think anything would be gained by carrying the amendment, which merely confuses the issue.

**Hon. J. DUFFELL:** It seems to me that the amendment would be desirable if the period of the lease were extended. Then we would have people erecting premises of a more substantial nature, especially when building for the purpose of letting as suggested in the amendment. I cannot conceive of anyone being foolish enough to erect a substantial building with the knowledge that he would have it for only 21 years, after which it would fall into the hands of the board or the Government. I contend that Rottnest Island is a health resort during every month of the year, and that people are likely to come from the Malay States and Java to avail themselves of the privilege of obtaining a residence in such a latitude as this and in such a salubrious locality as Rottnest Island. However, I am very cautious in dealing with a class "A" reserve.

**Hon. J. J. Holmes:** But you want to give 99-years leases.

**Hon. J. DUFFELL:** Exactly. If a thing is worth doing at all, it is worth doing well. I recognise that a 99-years lease amounts to a fee simple. But the area of the island is seven miles by three miles, and it is not going to be fully occupied. Again, the board say they are at a loss for funds to improve the island. Anyone visiting Rottnest will realise the inconveniences now existing. It is not safe for a lady to be out at night, because there is no light in the streets. The lighting of the hostel, too, is very poor indeed. If people are to erect buildings of a substantial nature, and such as will be an ornament to the island, they must have a longer period than 21 years, or else the clause should contain a provision under which, if the conditions of building are fulfilled to the satisfaction of the board, tenants can be granted leases for further periods. Sir Edward Wittenoom is quite right in suggesting that larger buildings should be erected, but people will not erect such buildings if they are to have only a 21-years lease. There should also be provision against blocks being held for speculative purposes. The leader of the House has said that only 20 blocks will be made available in the first instance. If so, there is going to be very keen competition for those blocks. My view is that the area to be leased should be properly surveyed and laid out, and that the blocks should be thoroughly advertised, and that all people should be granted the opportunity of obtain-

ing a block on which to erect a suitable house.

**Hon. Sir E. H. WITTENOOM:** I want to make it clear to Mr. Holmes that what I intend by the amendment is that none but what I may term licensed people shall have the right to take up the land at all. I mean people who run boarding-houses or hotels or establishments of that kind, as distinguished from private people. It is only people with money who can put up bungalows, and therefore the clause limits the right to a certain class. The leasehold should be restricted to people who intend to provide accommodation for others. Then everybody can visit such accommodation houses. The only exceptions would be those who would go in for tents and campers' homes, as many people like to do. I am opposed, however, to giving any rights whatever to individuals for such a term as 21 years or anything like it. I do not agree with members who say that no money can be made in 21 years. I think that instead of the Rottnest season being limited to three or four weeks, people will visit the island as early as November and not cease to do so before April.

**The Minister for Education:** That is the case now.

**Hon. Sir E. H. WITTENOOM:** An hon. member has said that people go to the island for only about three weeks in the year.

**Hon. A. J. H. Saw:** That is the rush period.

**Hon. Sir E. H. WITTENOOM:** If the accommodation were provided the people would go there for much longer periods.

Amendment put and negatived.

Clause put and passed.

Title—agreed to.

Bill reported without amendment.

#### Recommittal.

On motion by Hon. J. Duffell, Bill recommitted for the purpose of further considering considering Clause 2.

**Hon. J. Ewing in the Chair:** the Minister for Education in charge of the Bill.

Clause 2—Power to lease:

**Hon. J. DUFFELL:** I move an amendment—

That in line 5 "twenty-one" be struck out and "fifty" inserted in lieu.

**THE MINISTER FOR EDUCATION:** I certainly could not accept the amendment. It is not intended to give anybody control over a block for anything like so long a period. It is true that for six months in the year Rottnest is as beautiful a place as one could go to for a holiday. But we have now a great deal of accommodation on the island, sufficient for some 700 or 800 people in all. It is not likely that for many years to come more than that number will desire to go there, except during the Christmas and New Year holidays. Of course at that time the accommodation is greatly overtaxed; but anybody thinking of building further accommodation would know that that is the only



period during which he could hope for profitable business. Apart altogether from that, I am opposed to granting a lease for any longer period than that set out in the Bill.

Hon. J. DUFFELL: The remarks of the Minister only serve to convince us of the necessity for granting an extension of the leases. Very few people can afford to pay for accommodation at the hostel, where 12s. 6d. per day is charged. No wonder that it is only for a very short period that the accommodation is taxed. The object of the Bill is to grant residential facilities to people who cannot afford to pay 12s. 6d. a day. No one would erect anything but a shack on a 21 years' leasehold at Rottmest. If the board desire to attract people they should do the thing handsomely and grant leases for reasonable periods.

Amendment put and negatived.

Bill again reported without amendment; the report adopted.

#### BILL—PRICES REGULATION ACT AMENDMENT AND CONTINUANCE.

Second reading.

Debate resumed from the previous day.

Hon. Sir E. H. WITTENOOM (North) [5.55]: I intend to support the second reading, reserving any objection I may have to make for the Committee stage. My chief objection is to Clause 2 and the conditions there set up, one of which is as to the quantity of stuff which anyone can demand at a set price. Another thing is the very great difficulty we shall have, if prices are fixed, in determining what the cost of production may be. The question is whether some consideration should not be given to the fixing of the cost of production, which practically means the fixing of the wages to be paid. The only other objection I have is to Clause 6. The question is as to whether, in determining the cost of production, it shall be in regard to the invoiced cost or the replacement cost. I hope the leader of the House will not fix the Committee stage for too early a date, but will give us time to digest any remarks he may have to make in reply. I will support the second reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East—in reply) [5.56]: To deal first of all with Sir Edward Wittenoom's closing remarks, I am quite willing that the Committee stage should not be taken until Tuesday next, which will give ample time for the consideration of any amendments. It has been contended, by Mr. Nicholson in particular and to some extent, I think, by Mr. Holmes, that the existing Act has failed to accomplish the purpose for which it was introduced. I deny that absolutely, and say that the Act has done all that it was ever suggested it would do. In introducing the Bill last session I was particular in emphasising that it was not expected the Bill would prevent prices increas-

ing, because there were world-wide conditions with which we could not interfere and which would compel prices to increase despite all commissions. But I did contend that the operations of this Commission would prevent unjust increases in prices; and I maintain that the report of the Commission shows that that has been done. It has been argued that every item mentioned in that report has increased in price during the operations of the Commission. I do not even deny that, but I contend that not one of those articles has increased in price nearly so much as it would have done had there been no Commission in operation.

Hon. J. J. Holmes: What about kerosene and benzine?

The MINISTER FOR EDUCATION: I say they have not increased as much in price as they would have done had the Commission not been in operation. However, I will deal more specifically with overseas goods later. Mr. Nicholson has also argued that it was impossible for three men to carry out this work. Had he set up that contention when the Bill was introduced last year, there might have been some force in it; but it is not until after those three men have been doing the work, and doing it well, for nearly 12 months that Mr. Nicholson comes along with that argument. There are two items to which Mr. Nicholson referred. If I place before the House the facts in regard to those two items, it will I think, show the justification there is at the present time for legislation of this kind. Those two items are bread and beer. Mr. Holmes also referred to the question of bread. What has been the result of price fixing and the control of wheat during the last season? When the season opened, wheat was worth approximately 7s. per bushel. As a matter of fact, the wheat sold by the wheat pool up to the end of last year averaged in price 7s. 8d. per bushel. The total amount of Western Australian wheat put into the pool and sold by the pool, or to be sold by the pool, was 9,655,000 bushels. The average f.o.b. price realised for the wheat, and which the farmer will receive, less certain deductions for railage, commission, etc., will be, roughly, 10s. per bushel. That is the point of view of the farmer. He will get nearly 10s. per bushel for practically 10 million bushels of wheat.

Hon. H. Stewart: Does that include the portion sold overseas?

The MINISTER FOR EDUCATION: It is the average for the whole lot of wheat put into the pool. The present estimated f.o.b. price is 9s. 11½d. per bushel, or in round figures, 10s. The consumer obtained some of this wheat at 5s. 6d., some at 6s. 6d., and the great bulk of it at 7s. 8d. per bushel. The average for the whole year will be about 7s. 7d. per bushel. Nearly all the wheat was bought at 7s. 8d., whereas the present price may be fairly stated to be 13s., nearly double the price at the beginning of the season. With wheat opening at between

6s. and 7s. per bushel, and standing now at 13s., the farmer will have obtained an average f.o.b. price of 10s., and the consumer will have got his wheat for the purpose of bread at an average of 7s. 7d. per bushel. What would have happened without this control in the free open market? I know what has happened before. The farmer invariably sold his wheat at the opening price. He had to do so. Only a few farmers could afford to hang on. With wheat opening at between 6s. and 7s., the whole of it would have been sold. It is almost certain that it would have been sold before the end of the year, and sold at 7s. 8d. per bushel. The farmer would then have received 2s. 4d. at least, and probably 3s. per bushel less than he has actually obtained. The difference spread over the 10 million bushels would have amounted to between one million and 1½ million pounds sterling. By this method of control, which we are told interferes so much with the law of supply and demand, competition, and free trade, one million to 1½ million pounds sterling has gone into the farmers' pockets this year, which would not have got there otherwise.

Hon. H. Stewart: That was not due to the price fixing Bill, but to the pool.

The MINISTER FOR EDUCATION: The two schemes are on all fours.

Hon. J. J. Holmes: One is the result of keeping up prices, and the other of keeping them down.

The MINISTER FOR EDUCATION: The other side of the picture is that without any restrictions, and with everything being left to the law of supply and demand, competition, etc., the people who bought the wheat at the beginning of the season at 6s. or 7s. 8d. would have been selling it for local consumption to-day at 13s. per bushel.

Hon. H. Stewart: Quite right!

The MINISTER FOR EDUCATION: There is no doubt about that. The consumer instead of paying 7s. 8d., as he has done, would have paid, at least on the average during the season, because these high prices have obtained for months past, 2s. 6d. more for his wheat than he is paying to-day. The local consumption amounts to 2 million bushels of wheat per annum. At 2s. 6d. per bushel, which is the lowest than can be estimated, it would have meant an extra ¼ million pounds that the consumer would have had to pay for his wheat. Between the producer and the consumer there is 1½ millions to a million and a-half pounds sterling that would have gone astray.

Hon. Sir E. H. Wittenoom: The middlemen would have made a fine lot of money.

The MINISTER FOR EDUCATION: We know who would have got all this money. The speculators in wheat have made fortunes in the past, and no doubt this sort of thing would have happened again if we had been working under the old conditions.

Hon. J. J. Holmes: That has nothing to do with the price fixing Bill.

The MINISTER FOR EDUCATION: It has a great deal to do with it. The hon. member based his argument on the fact that the Honorary Minister was trying to keep the price of wheat up, whilst we were trying to keep down the price of bread. The two things must work in together, that is the commission and the pool. The price of bread is fixed by the commission and the price of wheat by the pool. Because of these two things a million and a quarter of money has gone to the farmer, which would not have gone into his pockets but for the pool, and a ¼ of a million has been saved to the consumer because of this price fixing. If the commission were put out of office to-day, undoubtedly there would be a considerable increase in the price of bread to-morrow. I will now take the question of beer. If it had not been for the nationality of the hon. member I should have thought that he was joking, when in two breaths he spoke of the price of beer and the law of supply and demand, and the regulation of prices by competition. What has the law of supply and demand, or competition, to do with the fixing of the price of beer? It has absolutely nothing to do with it. We know what happens in the course of fixing the price of beer. The dealers in the article come together and fix the price amongst themselves. There is no competition or law of supply and demand. In the present instance, an increase of 1d. per bottle was put on to the excise. The trade met together and said, "We will pass along 2d. to the public," but the commission stepped in and said, "You can only pass along 1d."

Hon. J. Duffell: They are losing 1s. per dozen on every dozen that they are turning out to-day.

The MINISTER FOR EDUCATION: They also decided, not as a result of competition, or the law of supply and demand, that anyone who wanted a whisky should have it measured out to him. When I was in Melbourne some months ago I happened to go into an hotel where this rule did not apply. They passed the bottle and the glass in the same manner that they are passed to the customer here. Knowing that in Melbourne it was usual for the liquor to be measured out, I commented on the fact, and I was told that this was the only house that was independent enough to stand out against the ring and give whisky without a measure. Two or three days later I went into the same hotel and found that there, too, they had the measure. There was no house in Melbourne strong enough to stand against the trade. I mention this to satisfy hon. members that the law of supply and demand, and the fixing of prices by competition, that they talk so much about, has by some means been put out of office for the time being. Exactly the same thing is occurring in connection with the price of tobacco. What competition is there, and what law of supply and demand is there, that will fix the price of tobacco? Mr. Nicholson also

made reference to tea, and spoke of the increase in the price of that commodity. I do not think the hon. member can have read the report of the Commission on this point. The commission points out that shortly after they commenced operations, articles appeared in the daily Press forecasting that tea would reach 5s. per pound retail. We all know that this was the case. There are not many of us whose wives did not ask us to purchase large quantities of tea in the belief that in a very short time it would reach 5s. per pound. On this point, the commission says—

Shortly after the Commission commenced operations articles appeared in the daily press forecasting that tea would reach 5s. per pound retail, the reasons assigned being the failure of the crops in certain countries, the unprecedented demand in the United States of America for tea, and the unfavourable rate of exchange. These articles were evidently inspired with the object of impressing the Commission and the public, and possibly with a view to creating a very large increased demand which would assist in forcing up the price.

I make no comment as to whether that was their object or not, but this was the obvious effect.

Hon. J. Duffell: And they were pretty near the mark, too.

**THE MINISTER FOR EDUCATION:** The Commission's report continues—

A Proclamation was immediately issued calling for a census of all tea stocks held in this State, and this census disclosed that tremendous quantities of tea were being held by merchants and storekeepers. There was never any justification for tea going up to 5s. per pound. The price has gone up a little, but now I think it is 2s. 10d.: that has been fixed for the best grade of tea. Since then there has been a tendency for the price to come down. Most of the report deals almost exclusively with every day items which have to be used in every household. There is not one of these items which has increased in price, which would not have increased a great deal more but for the activities of the Commission. The general result is satisfactory as shown by the report on page 12, as to the increases in different parts of the Commonwealth. In New South Wales the increase was 88.7 per cent., in Victoria 94.2, in Queensland 94.6, in South Australia 79.9, in Tasmania 78, and in Western Australia 56.8, the lowest increase in any State in the Commonwealth.

Hon. J. Duffell: Do not forget to give us some information on Clause 7.

**THE MINISTER FOR EDUCATION:** Mr. Nicholson also made a statement in regard to galvanised iron; but at the time I questioned the accuracy of what he was saying. He said that galvanised iron had gone up to £90 per ton, and that it had now receded to £40 per ton. I made inquiries this morning and found that the price is

now £69 17s. 6d. per ton at Fremantle. One firm claimed that iron had cost them £75 per ton landed, and they were protesting against the fixed price at £69 17s. 6d. If the hon. member knows of iron that can be purchased at £40 per ton, I am sure he will not have much difficulty in finding customers for it. The present price of galvanised iron is, as I have stated, £69 17s. 6d. at Fremantle, to which must be added the cost of the freight to Perth. Mr. Holmes and Mr. Nicholson said that it was impossible to get at the overseas manufacturer. As a matter of fact by co-operation between price fixing Commissioners of the whole of the States, a considerable amount of control over the overseas manufacturer is being exercised. In the case of kerosene, the commission refused to grant a certain increase, with the result that the particular shipment was diverted to another part of the Commonwealth. That was before there was any unanimity of action between the commissions in the other States. That sort of thing cannot happen now. The system now is that the commission in the State that has the best opportunity for inquiry and investigation regarding any particular article, makes such inquiry and investigation, fixes the price, and passes the information on to the various other State commissions. There is no necessity for the other State commissions to act upon such information, but there is an understanding between them, and by means of that understanding it will be impossible for the seller of the article to play off one State against another. No one wishes to deprive the merchant of a reasonable profit, but there is no reason why he should be in a position to get more.

Hon. J. Duffell: Is there any reason why we should not get petrol from Sumatra, where the price is 18s. 6d. per case?

**THE MINISTER FOR EDUCATION:** That is absolutely a matter for the buyers and sellers of the article.

Hon. J. Duffell: I think some arrangement is being made by overseas firms.

*Sitting suspended from 6.15 to 7.30 p.m.*

**THE MINISTER FOR EDUCATION:** Clauses 2 to 5 deal with the one matter and I do not propose to discuss them in detail now. That can be done when the Bill is in Committee. It is only the principle embodied in these clauses that I wish to refer to. It is important to remember that the Federal Commerce Act provides for unrestricted free trade as between the States, and that the Federal statute takes precedence over any State legislation. During the past few months—and the position exists to-day—there has been a very serious shortage of offal in Western Australia, notwithstanding the fact that the mills have run during the past season longer, I suppose, than at any previous time in the history of the State. There has been more wheat milled in Western Australia since last December than in

any corresponding period in the history of Western Australia. Notwithstanding that, there has been a very serious shortage of offal. The reason for that is that a large quantity was exported to the other States at prices ranging up to 50 per cent. in advance of the prices fixed by the Commission. I maintain that is a condition of affairs which should not have been allowed to exist. The wheat from which this offal was produced was put into the pool by the farmers compulsorily. It was then sold to the miller at a fixed price and he took no speculative risk. He did not have to buy large quantities in advance or to lock up capital. The wheat was handed over to him by the pool, and I maintain that out of a controlled article of that kind, there should be no speculative profit made. What happened was that the price was fixed for the flour and a price was fixed for offal, the two combined representing, in the opinion of the Commission, a profit to the miller for the work that he did. So far as flour was concerned that was sold locally, but the offal to a very large extent was sold to the Eastern States for as high as £11 a ton, when the price fixed by the Commission at that time was £7 15s. That to my mind was an illegitimate profit that should not have been made. It was no advantage to the producer of the article, and the people who made the profit were simply dealing in a controlled article. Had the power proposed to be given, been vested in the Commission at that time, the Commission would have been able to see that sufficient of this offal was maintained in Western Australia for the requirements of the State, and we should not have got into the position that the users of it, dairymen and others, find themselves in to-day. With the enormous quantity of wheat milled in Western Australia this year, there should have been more offal available than has been the case in any previous season, and yet we find at the present time an acute shortage, due to the fact that the fixing of the price of offal by the Commission at what they thought gave the millers a fair return and did give the millers a fair return on the cost. The millers exported the offal to the other States where they were able to get a better price. When we start price fixing there are other things that we have to do. We have to compel people to observe the prices that are fixed, and that is the purpose of Clauses 2 to 5. Other instances might be cited where commodities imported into Western Australia for consumption here have been re-exported to the other States at prices in excess of the prices proclaimed by the Commission. In other cases it has happened that articles have been bought at comparatively low prices and brought into this State. Then there seems to have been an indication that the prices were likely to advance. Some traders carried on trading in the ordinary way while others hung back with the goods because they realised that a higher price was coming along on account of something that was going to happen in the Eastern States. When that higher price came along certain traders

had disposed of all their stocks, while other traders had stocks in hand. The latter had been endeavouring to defeat the purpose of the Prices Regulation Act by obtaining profits in excess of those obtained by competitors in the same trade. Then the Commission found themselves against this proposition; that they either had to allow an increased price which would apply to the man who had to buy at an increased price, and also to the man who had bought at a lower price, or else say to the trade generally, "We have taken a census and we know there is enough stuff in Western Australia in this line to last two or three months. Therefore we will not grant an increase for that period," in which case the trader who had been legitimately observing the letter and spirit of the Act had to go on the market to buy at a considerably higher rate and then was only allowed to charge at the lower rate. The action of the Commission throughout the whole time it has been in existence is sufficient guarantee to the House, the public and the traders that they are not going to do anything unfair. In the discussion which took place at the meeting of the Perth Chamber of Commerce last evening, the Chamber though in opposition to the principle of price fixing, offered practically no opposition to the re-enactment of the existing Statutes. As a matter of fact they spoke in terms of commendation of the work done by the Commission, and when one sees how unpopular that work must be amongst traders, I think what was said at the meeting of the Chamber last night, and by members who have spoken in this House, is a tribute to the way in which the Commission have performed their duties. So far as Clause 6 is concerned, I see no objection to it. The Commission recommend to the Government the fixing of certain prices for certain articles. Clause 6 simply gives the Commission the widest possible power to ascertain all the points at issue in order that they may make a proper recommendation. What is there wrong in that? Why should not the Commission in making their recommendation to the Government say, "We have made this recommendation because we find that the landed cost is so much." The clause does not say that the Government shall pass the recommendation, but it enumerates points on which the recommendation of the Government may be based. Clause 7 was referred to by Mr. Duffell. That relates to the posting of prices. The hon. members seemed to think that it would cause great inconvenience to traders. As a matter of fact this provision in regard to the posting of prices obtains at the present time, but it applies only to goods that have been proclaimed. No complaint has ever been made that the posting of these prices has caused inconvenience or trouble to merchants. All that the clause does is to say that when instead of proclaiming articles the Commission will enter into an understanding with the trader that certain prices shall apply, those prices shall be posted on the goods in exactly the same way as if

the particular article had been proclaimed. It is not the desire of the Commission to proclaim goods unnecessarily. They want to carry on business with as little interference as possible with the ordinary course of trade, because they realise that any undue interference would prejudice the public. The Commission fully recognise that and therefore they avoid making a proclamation wherever they can, and by agreement with the traders a great many matters have been fixed up. All that Clause 7 does is to provide that where an agreement of this kind is entered into, instead of a proclamation being made, the same conditions in regard to posting the price of the article shall be applied.

Hon. J. Duffell: What about the printed list?

The MINISTER FOR EDUCATION: That applies in regard to proclaimed articles.

Hon. J. Duffell: Nobody knows better than the Prices Regulation Commission that it is impossible to print a price list when prices are fluctuating as at present.

The MINISTER FOR EDUCATION: This is only done when the Commission require it to be done. If we struck out that clause all that we would do would be to make it more difficult for the Commission to do this work by agreement with the traders, and we might force the Commission to deal with the matter by proclamation instead of dealing with it as they and the trading community, I think desire, by agreement. It was said by Mr. Nicholson yesterday that the New South Wales Government were repealing the Act in that State and the hon. member seemed to suggest that we should not continue price fixing. In this morning's newspaper, although it is not set out in detail what the New South Wales Government propose to introduce as an alternative, it is shown that the commercial community in Sydney are up in arms against the new proposal, simply bearing out what I said by way of interjection last night, that if the New South Wales Government are repealing their present legislation or are not continuing it, they propose to substitute something which will be much more drastic. This morning's newspaper also contains useful information in regard to the price of iron, showing again that under present conditions the old law of supply and demand is not allowed to operate, that there is no competition, that there are agreements or honourable understandings by which the price of articles to the community is fixed. It is always contended by large firms and combinations which join in these honourable understandings, that those understandings are for the public good. I am not going to dispute that. That may or may not be so, but it is not an unnatural attitude for the public to take up to say that if the old method of competition is not going to operate any longer, if by those agreements or honourable understandings we are putting out of office the old law of supply and demand, you cannot expect us to take your word that these

understandings will be in the interests of the public. The public should have some say in the matter and that is what the present prices regulation does, if it is properly carried out. It is ridiculous for those people, who know as well as I know that prices are fixed by combination and honourable understandings to oppose a Bill of this kind and say, "Let the old law of supply and demand and free competition fix these matters." They know very well that these laws do not obtain under present conditions. Any further comment on this Bill I shall reserve for the Committee stage.

Question put and passed.

Bill read a second time.

## BILL—HIGH SCHOOL ACT AMENDMENT.

Assembly's Amendment.

Amendment made by the Legislative Assembly now considered.

In Committee.

Hon. J. Ewing in the Chair; the Minister for Education in charge of the Bill.

Clause 2, Subclause 2, line 1: Strike out the word "shall" and insert "may" in lieu:

The MINISTER FOR EDUCATION: I move—

That the amendment be agreed to.

It will not make very much difference. Subclause 2 reads—

The three additional members shall be appointed by the Governor on the nomination in the prescribed manner of the High School Old Boys' Association, and any vacancy caused by the retirement, death, resignation, or absence of a member so appointed shall, subject as hereinafter prescribed, be filled by an appointment by the Governor on the like nomination.

The effect will be that, in the first instance under the authority of this measure, the Governor may or may not appoint representatives of the High School Old Boys' Association, but having made the appointments, when any vacancy occurs, the clause is mandatory that the vacancy shall be filled. I do not know whether the Assembly intended the clause to have this effect.

Hon. Sir E. H. Wittenoom: I believe they intended to make the clause permissive in both instances.

The MINISTER FOR EDUCATION.: That is not a matter for us to decide.

Hon. Sir E. H. WITTENOOM: The High School is in need of large additions in the way of class rooms, and the idea was that the old boys would find the money and, therefore, should have some say in the government of the school. There have been six governors of the High School, of which I am one and Dr. Saw is another, and they have carried on the duties of the school as well as they

could. They recognise that if this additional money is found by the old boys, it is only reasonable that the old boys should have some say in the management of the school. A good many of the boys consider they have more modern ideas of scholastic government than have the present governors, and it was agreed that, in consideration of their doing their best in this direction, they should have representation. The substitution of the word "may" for "shall" is rather important, although the Government may be trusted to carry out the desires of the Bill and of its promoters. In the circumstances I do not propose to take any exception to the amendment.

Hon. A. J. H. SAW: I do not intend to offer any opposition to the amendment. We all realise that the school owes a great deal to the action of the Government under the present constitution and the position will not be altered under the constitution of the board of management as it will be if this Bill becomes law. Without doubt the school will be controlled by the Government, and the substitution of the word "may" for "shall" will not make any material difference.

Hon. E. H. HARRIS: While Subclause 1 makes it clear that there shall be nine governors, Subclause 2 as amended will make it optional whether the number appointed is nine or fewer. I think the word "shall" is necessary.

The MINISTER FOR EDUCATION: There need be no fear of that result. If the Bill is passed, the Governor will appoint the three extra governors. If any vacancy occurs, the clause is mandatory that the vacancy shall be filled.

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

Resolution reported, the report adopted and a Message accordingly returned to the Assembly.

#### RESOLUTION—COMMISSIONER OF RAILWAYS.

Appointment of Lieut.-Colonel Pope, C.B.

Message from the Assembly now considered requesting concurrence in the following resolution—

That the appointment by His Excellency the Governor of Lieutenant-Colonel Harold Pope, C.B., as Commissioner of Railways, at a salary of £2,000 a year, in the terms of the Executive Council minute laid on the Table of the Legislative Assembly on the 25th August, 1920, be approved.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [7.55] 1 move—

That this House concurs in the resolution transmitted from the Legislative Assembly.

I do not propose to debate the motion, because I quite realise that while we might enter into a debate on the whole question of railway administration, it would be quite unsuitable to choose an opportunity of this kind. The position is simply that Lieut.-Colonel Pope has been appointed by the Government. He was appointed Acting Commissioner and, the period of the acting appointment having expired the Government were satisfied that he was a suitable man to be appointed as Commissioner, and the appointment was made accordingly. The Railways Act provides that the appointment must be confirmed by both Houses of Parliament. The resolution has been carried by the Assembly, and our concurrence is now desired.

Hon. Sir E. H. WITTENOOM (North) [7.56]: I have pleasure in supporting the remarks which have fallen from the leader of the House, and I must say that Lieutenant-Colonel Pope has my deepest and entire sympathy. A man who takes on the position of Commissioner of Railways at the present time, when the railways are losing money and when boards are increasing the employees' wages and thus placing him in a position where he has to make two ends meet, a position, in fact, which means that we are really burning the candle at both ends, that man deserves the sympathy of the whole House. While I agree that the appointment is a good one, Lieutenant-Colonel Pope has my sympathy and my best wishes, and I hope he will make a success of the business he has undertaken.

Hon. J. DUFFELL (Metropolitan-Suburban) [7.57]: While I am in accord with the appointment of Lieutenant-Colonel Pope, I consider this is an occasion when reference might be made to the working of the railways under the present regime.

The PRESIDENT: The hon. member will be out of order in alluding to anything except the appointment or non-appointment of Lieutenant-Colonel Harold Pope.

Hon. J. DUFFELL: Very well, Sir.

Question put and passed.

#### BILL—CARRIERS.

Second Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [7.58] in moving the second reading said: I understand that this Bill is almost, if not exactly, a reprint of the existing law in England and in every other State of the Commonwealth. I believe the law was passed in England about six months after the Constitution was granted to Western Australia. Had it been passed earlier it would have been included in our legislation adopted from the Imperial Parliament. The object of the Bill is to limit the liability of common carriers. No carrier can be held liable for the loss of

any parcel exceeding in value £10 unless the value above that amount has been declared. Members will notice that if a person wishes to send a parcel by a common carrier, he must declare the value if it exceeds £10, and must pay the charges imposed according to the increased value.

Hon. J. Duffell: This includes the Railway Department?

The MINISTER FOR EDUCATION: There is a clause dealing with the Railway Department. The Bill also provides that, in the event of a parcel being lost, the value of the parcel may be recovered, but it will be necessary for the sender of the parcel to prove its value. The Bill does not apply to the Railway Department. I move—

That the Bill be now read a second time.

On motion by Hon. Sir E. H. Wittenoom, debate adjourned.

### BILL—BUILDING SOCIETIES.

#### Second reading.

The MINISTER FOR EDUCATION: (Hon. H. P. Colebatch—East) [8.2] in moving the second reading said: This Bill is required in order to bring our legislation in connection with building societies up to date. The legislation in force in Western Australia with regard to building societies dates back to 1863. In the other Australian States, and in England, a great deal of legislation has been passed which has been found to be necessary in order to secure the operations of building societies, and to protect those people who invest money in building societies. The investors in those societies are mostly people of moderate means, and I think it will be agreed that they should have every possible safeguard and protection. The conditions in Western Australia since 1863 have altered so very considerably that it is easy to recognise the necessity for this amending legislation. The object of building societies is shown shortly in Clause 4 of the Bill. The position may be explained in a very few words, namely, the raising of a fund by the payments, subscriptions, or contributions of the members of a building society, and the receipt of deposits and loans, as provided for and safeguarded in the Bill, and the application of the fund so formed in assisting the members of the society to obtain freehold or leasehold property upon which they may build, or in the making of loans or advances to members of the society or other persons upon the security of freehold or leasehold property. Members of building societies are of two kinds: those who buy a share maturing at some future date after payment by instalments of the value of the share—and these people may be regarded as investors in building societies—and those others who borrow from a society to repay by instalments the money which they borrow, and thereby acquire a share in the society. A building society cannot advance money

on any security; it is usually restricted to advancing on first mortgages on land. It is also necessary that the societies should keep strict accounts, which must be properly audited. Any society which desires to be registered or incorporated must comply with its rules with the requirements of this measure. The Bill requires that the rules must also contain certain specified restrictions and safeguards. Frauds have been committed in the past in connection with building societies which have rendered these provisions necessary. Hon. members will no doubt recollect the huge Balfour frauds in England in the early nineties, and no doubt those frauds were responsible for certain amendments in the building societies law of the Old Country. In Victoria, during the period of the land boom, there were building society frauds which I have no doubt were responsible for amending legislation in that State. A boom in land is very likely to affect building societies to a large extent, and it is therefore necessary that advances for speculative purposes should be put out of the power of any building society. In view of the fact that in Western Australia at the present time there are very few building societies, and also of the fact that it may reasonably be expected that building operations in Western Australia will go ahead much more rapidly in the future than they have done in the past, and will probably to a large extent be encouraged by the building society method, it is beyond question that the present is a very suitable opportunity for placing our building society legislation on an up to date footing. Building societies, as most members probably know, are of two kinds—the permanent society and the terminating society. In Australia most of the societies are permanent; the Australian people do not appear to go in so much for the terminating society as people in the Old Country do. A building society is different from a joint stock company in that it has no fixed capital and that its shares are issued from time to time, whereas the capital of a joint stock company is fixed and limited by its memorandum of association. The liability of members of a building society is also very different from the liability of members of a joint stock company. For instance, the liability of a member of a building society who has received an advance is limited to the amount actually paid by him on his share. If, on the other hand, an advance has been made to such a member, then his liability is limited to the amount of the advance he has obtained. This is set out in Clause 17 of the Bill. Under the present Act building societies are not incorporated, but under the Bill those societies which exist in the State to-day can obtain incorporation, while as regards societies which may be established here in the future, they must, before they can be registered, satisfy the registrar that their rules comply with this measure. The requirements of the Bill as regards rules are set out in Clause 9. Subclause 9 of that clause provides that the

rules of every building society established under the measure shall set forth various formal matters, as for instance the terms upon which subscription shares are to be issued, and the manner in which contributions are to be paid to the society, and the withdrawals by members, with tables showing the amount due to the society for principal and interest. Another important point is that the rules must show the purpose to which the funds of the society are to be applied, and the manner in which they are to be invested. Subclause 8 of Clause 9 provides that the rules must show the manner in which advances are to be made and repaid, the deductions, if any, for premiums, and the conditions upon which the borrower can redeem the amount due from him before the expiration of the period for which the advance was made. Another important provision is that the rules must provide for an annual or a more frequent audit of accounts, and an inspection by the auditors of the mortgages and other securities belonging to the society. That is a similar provision to one which this House a week or two ago inserted—and, as I think, very properly—in the measure relating to friendly societies. Clause 52 is outside general provisions. It permits of an infant becoming a member of a building society—a very desirable provision in connection with matters of this kind. Clause 90, dealing with investments, provides that a society shall not advance money on the security of any freehold or leasehold property which is subject to a prior mortgage, unless the prior mortgage is in favour of the society making the advance. If any advance is made contrary to that provision, then the members of the committee or the management of the society who authorised that advance become jointly and severally liable for any loss on the advance occasioned to the society. When the Bill was before the Legislative Assembly, the position of the Perth Building Society was brought forward, and it was pointed out that certain business which the Perth Building Society had been in the habit of doing would be affected by this new provision; and consequently an amendment was inserted in the Bill protecting the Perth Building Society. I understand that that society has done good work, which it is far from the desire of the Government to embarrass in any way; and I also understand that the society is quite satisfied with the amendment which has been made. There is a provision as regards advances upon second mortgages which is confined entirely to those societies which at the commencement of the operation of this measure were authorised by their rules to make advances on second mortgages. The general intention is that building societies shall be restricted to advances on first mortgage; and I think that is a thoroughly sound principle to apply. So far as the societies already in operation are concerned, it is not intended to do anything that will in any way prejudice their position or interfere with

their operations. Clause 21 provides restrictions upon the amount which a building society may receive by way of loan or deposit from its members. The object is to prevent the society from becoming too heavily indebted to its members. Under Clause 25 the officers of a society are compelled to give security for the fidelity of their conduct. An annual accounting is also required by the Bill, and, in addition, the registrar is entitled to compel the inspection of the books of any society. In the event of the registrar refusing to register a building society, provision is made for an appeal to the Supreme Court against the decision of the registrar. The Bill is essentially one for consideration and discussion in Committee. Its sole object is to encourage and assist the building society method by making it a safe method in which people can invest their money and acquire homes for themselves. I move—

That the Bill be now read a second time.

On motion by Hon. J. Duffell, debate adjourned.

*House adjourned at 8.10 p.m.*

## Legislative Assembly,

*Wednesday, 29th September, 1920.*

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The SPEAKER took the Chair at 4.30 p.m., and read prayers.

### QUESTION—KEROSENE, PRICE.

Mr. GRIFFITHS asked the Premier: Is he aware that kerosene is being sold in Singapore at 7s. a case, and can he explain the enormous difference in the price charged in Western Australia?