

of market gardens. Coming nearer to Fremantle we find an extensive area under produce of one sort or another. Thus South Fremantle is almost on a par with Swan. Going around that district a fortnight ago, I was surprised to see the large number of market gardens, orchards and dairies established there. Then there is Bibra Lake, and a fair number of settlers out towards the Canning River, with a large number in Jandakot. The Swan area should not be included in the agricultural group, but should be grouped with the metropolitan area.

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

Ayes	...	...	...	...	15
Noes	...	...	...	...	16

Majority against ... 1

AYES.

Mr. Angwin	Mr. McCallum
Mr. Chesson	Mr. Munle
Mr. Corboy	Mr. O'Loughlin
Mr. Gibson	Mr. Richardson
Mr. Hughes	Mr. J. M. Smith
Mr. Lambert	Mr. Troy
Mr. Lutey	Mr. Wilcock
Mr. Marshall	

(Teller.)

NOES.

Mr. Angelo	Mr. Plesse
Mr. Carter	Mr. Sampson
Mr. Harrison	Mr. Scaddan
Mr. Hickmott	Mr. J. H. Smith
Mr. Johnston	Mr. A. Thomson
Mr. H. K. Maley	Mr. Underwood
Mr. Mann	Mr. Mullany
Sir James Mitchell	
Mr. Pickering	

(Teller.)

PAIRS:

AYES.	NOES.
Mr. Collier	Mr. Latham
Mr. Heron	Mr. Durack
Mr. Walker	Mr. J. Thomson

Amendment thus negatived.

Schedule put and passed.

Title—agreed to.

Bill reported with amendments.

BILL—LAND TAX AND INCOME TAX ACT (1922, AMENDMENT).

Council's requested amendment.

Message from the Council received and read notifying that it had agreed to the Bill subject to a requested amendment.

RESOLUTION—RAILWAY CONSTRUCTION, DWARDA-NARROGIN.

Message from the Council received and read transmitting the following resolution and requesting the concurrence of the Assembly:—

That this House is of the opinion that the Government should instruct the Railway Advisory Board to furnish an up-to-date report on the advisability of constructing the Dwarda-Narrogin railway, or to recommend alternate routes, for the purpose of shortening the dis-

tance between the Great Southern district and the metropolis, so as to serve the greatest number of people and the best interests of the State as a whole; and also to report where, in their opinion, the line from Dwarda should proceed if not constructed to Narrogin.

Mr. Johnston: What action is being taken regarding this resolution?

Mr. SPEAKER: I have read the message and it is for the House to decide.

Mr. UNDERWOOD: I move—

That the consideration of the message be made an order of the day for the next sitting of the House.

Mr. HARRISON: I second the motion.

Mr. JOHNSTON: I wish to oppose the motion.

Mr. SPEAKER: You cannot oppose a motion for consideration of a message.

Mr. JOHNSTON: Surely I can oppose anything which is about to be put to the House.

Mr. Corboy: Beat it fairly on its merits when it comes before us.

Mr. SPEAKER: The hon. member will realise that this is a formal motion.

Mr. JOHNSTON: It is a fatherless foal.

Question put and passed.

ADJOURNMENT.

After a sitting extending over 29½ hours, the House adjourned at 7.47 p.m. (Friday).

Legislative Council,

Tuesday, 30th January, 1923.

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The PRESIDENT took the Chair at 3 p.m. and read prayers.

BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Referred to Select Committee.

Debate resumed from the 25th January on motion by the Minister for Education—

“That the Committee stage of the Bill be made an order of the day for the next sitting” and on amendment by Hon. A. Lovekin to refer the Bill to a select committee.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [3.4]: I do not intend to detain the House on this matter as, no doubt, hon. members have made up their minds. I wish hon. members to realise, however, that the carrying of the amendment to refer the Bill to a select committee is equivalent to the defeat of the Bill.

Hon. A. Lovekin: Not at all.

The MINISTER FOR EDUCATION: There is no member in the House who has any wish that the Bill should be referred to a select committee. That is not the desire at all.

Hon. A. Lovekin: Yes, it is.

The MINISTER FOR EDUCATION: The hon. member says that it is the desire; I say it is not the desire of any member of this House that the Bill should be referred to a select committee. That is to say, that the select committee should inquire into the merits of the Bill which proposes to appoint a permanent president to the State Arbitration Court.

Hon. A. Lovekin: That is the wish exactly.

The MINISTER FOR EDUCATION: That is not the wish at all! The wish is that a Royal Commission should investigate the whole question of the settlement of industrial disputes—

Hon. J. Cornell: Including the subject matter of the Bill.

The MINISTER FOR EDUCATION: It would be a foolish procedure to refer the Bill to a select committee with the one question which is dealt with in it, because the House, having passed the second reading of the Bill, is quite competent to decide on the details of the question attaching to the appointment of a permanent president of the Arbitration Court. The suggestion for the select committee is not submitted with a view to the committee investigating the proposal to appoint a permanent president, but with the idea that such a decision will be the end of the Bill and that the select committee, which will afterwards be converted into a Royal Commission, will go into the general question regarding industrial disputes.

Hon. A. Lovekin: Yes.

The MINISTER FOR EDUCATION: The hon. member agrees with me now, although he disputed my word a few months ago! I do not deny for one moment that such a Royal Commission may do useful work, nor do I pretend that the Bill is a satisfactory amendment of the Arbitration Act. It was

the intention of the Government to bring down a comprehensive measure next session and no doubt the Royal Commission might furnish a good deal of useful evidence. The purpose of the Bill is that in the immediate future, the Arbitration Court may function. Both parties have expressed a wish to get before the court expeditiously and, although not in agreement as to the details attaching to the appointment of the permanent president, they have urged the Government to appoint a permanent president so that the Arbitration Court may get to work. Some hon. members have urged that it would be better to have wages boards established. The view the Government take is that we should have some satisfactory machinery at hand, and until some better method is determined upon than the present, we should continue with the Arbitration Court.

Hon. J. Duffell: Why was Mr. Justice Draper appointed but to preside at the Arbitration Court?

The MINISTER FOR EDUCATION: He was appointed in exactly the same way as other judges. Three of the present judges were appointed presidents of the Arbitration Court but the position was not satisfactory. I will not argue the merits of the Bill. The question is whether the Bill should be referred to a select committee. I hope the vote of the House will be in the negative, because an affirmative vote will kill the Bill.

Hon. J. CORNELL (South) [3.8]: There is a good deal of camouflage in the way the Minister has put his version of the case. He said that he doubted very much if any member of the House was against the proposals contained in the Bill, and that the reference of the Bill to a select committee would in itself be of little value, inferring that the passing of the Bill as it stands will be of immense value in expediting cases before the court. If one views in retrospect the whole of the industrial machinery, it will be seen that this recognition on the part of the Government has been somewhat tardy, inasmuch as the parent Act was passed in 1912, when an attempt was made to set up a permanent president in the way proposed in the Bill. I have no doubt that if the pages of “Hansard” were searched, it would be found that the Minister himself opposed that proposal. That was 11 years ago. For 20 years the president of the court has been a judge of the Supreme Court. During the whole of that period the court has functioned. I will be honest and give the reasons why I suggested that the Bill should be referred to a select committee. No one will dispute that there was a majority of members against the second reading and that, therefore, the Bill would have been lost had it gone to the vote. In that case, the merits of the Bill would have been dealt with in exactly the same way as was done 11 years ago. Rather than see the Bill jettisoned, I considered it would be infinitely better to send the measure to a select committee comprising

members of both Houses. That committee could inquire not only into the proposals contained in the Bill, but into the whole question of arbitration. If any member disputes the fact that the whole question of compulsory industrial arbitration is overdue for review, that hon. member cannot have followed the trend of arbitration. In fact, he must know nothing about it. I will not debate the merits of the Bill, for the second reading has been agreed to. There are other factors, however, apart from the question of the president of the court, which have tended to militate against the working of arbitration. That being so, the whole question could be dealt with better by a select committee. The Minister has said that it would be preferable to pass the Bill and that it was the Government's intention to bring down a comprehensive amending Bill next session. The Arbitration Act was passed in 1903. No attempt was made until 1911 to bring the industrial machinery, other than the question of permanent president of the court, up to date in the light of the working of the court. The parent Act of to-day was passed in 1912 and the present is the one attempt in 11 years to amend the Act, despite the fact that the necessity for amendments has been pointed out by members of the court. There was an amendment giving power to appoint a commissioner and for the commissioner or the president to refer disputes direct to the court, but that has not been put into operation. There was also the amendment to increase the salaries of lay members of the court. That is the history of legislation dealing with arbitration in this State. There are representatives of the employers, as well as employers themselves, in this Chamber. There are also representatives of the workers. They are all of the opinion that a thorough investigation of the question or arbitration should precede any serious amendment of the Act. The Act of 1912 was viewed by both Houses as a party measure. In the light of the experience of the last 11 years and the fact that the settlement of industrial disputes has become the question of the age, all sections of Parliament are warranted in regarding arbitration in its true perspective. If a committee of inquiry representative of both Houses approached the question from a non-party standpoint, the responsibility in the future would rest, not upon members generally, but on the Government of the day. I voted for the second reading on the distinct understanding that the Bill would be referred to a select committee, preferably a joint select committee, and there are other members who did likewise. In view of that understanding we should not be side-tracked at this stage.

Hon. J. EWING (South-West) [3.17] I intend to vote against referring the Bill to a select committee. The great reason for the introduction of the Bill is that there is great congestion in the business of the court, and it is necessary for the Government to appoint someone to devote the whole of his time to

the work in order that the arrears may be cleared up. The whole question of arbitration and wages boards should be inquired into, but I consider it my duty to support this measure, so that there will be no reason for complaint regarding the continuity of the work of the court. Mr. Cornell said the second reading was carried on the distinct understanding that the Bill would be referred to a select committee. When I voted for the second reading, I had not made up my mind whether I would support an inquiry by select committee. But no member has a right to say that a Bill, having passed the second reading which marks the adoption of the principle contained in the Bill, does not represent the considered opinion of the House.

The Minister for Education: I distinctly stated in my reply that I would oppose the appointment of a select committee.

Hon. J. EWING: On the second reading members affirmed the principle of the Bill, and decided that the measure should become law. Mr. Cornell knows there must be some means for settling industrial disputes.

Hon. J. Cornell: You will set up another set of difficulties and the position then will be worse than at present.

Hon. J. EWING: The Minister made it quite clear that he would oppose the appointment of a select committee and he also said the Government contemplated early next session introducing an amending Bill.

Hon. A. Lovekin: The Government made the same statement with regard to State trading concerns.

Hon. J. EWING: Perhaps so, but I am of opinion that the question of the State trading concerns will be considered by another place before this session is over. We have to accept the Minister's assurance regarding the Government's intention, and that will be the time to consider whether we shall continue compulsory arbitration or adopt the wages board system. Subclause 4 of Clause 2 provides that it shall not be necessary for the president to be or to have the qualifications of a judge of the Supreme Court. I suggest that a judge of the Supreme Court be appointed a permanent president under this measure. The measure does not state that a judge of the Supreme Court shall not be appointed. The Government could appoint a judge of the Supreme Court.

Hon. G. W. Miles: Not under this measure.

Hon. J. EWING: They could. Mr. Justice Draper has been acting as president. He is a judge of the Supreme Court whose services are available for work in the Arbitration Court.

Hon. A. Lovekin: The present Act says the president shall be a judge of the Supreme Court.

Hon. J. EWING: But the object of this measure is to appoint a permanent president. Mr. Justice Draper's services are not always available. If he or any other judge were appointed permanent president, the difficulty would be overcome. The only thing I am

afraid of is that Parliament may change its mind and decide in favour of wages boards as against compulsory arbitration. The appointment of a permanent president would have been made, and the Government would have to find some other position for the president. If he were on the judicial bench, the Government would not be placed in any such quandary. If an outsider, whether a legal man or not, were made president, it might be difficult to find another position for him if the country decided in favour of the wages board system. I suggest this as a way out of the difficulty. If the Government intend to open up the whole question next session, the appointment of Mr. Justice Draper or one of the other judges of the Supreme Court will fill the bill. As I am desirous that all who wish to get before the court shall have ample opportunity to do so, I shall vote against the amendment.

Hon. J. E. DODD (South) [3.23]: I am opposed to the Bill being referred to a select committee. This question has been before the House since the delivery of the Governor's speech and we have been marking time during the session. If it was desired to investigate the whole question of arbitration, the time to suggest that was some months ago, and not at the tail end of the session. The Government have introduced this Bill to give some relief. There are not many issues at stake in the Bill. I agree with those who say that the Act should be amended in many other directions, and I agree that the whole system of arbitration warrants overhauling, but the time for appointing a select committee is past, so why not pass the Bill which will afford help to industrial litigants seeking relief. There are 30 or 40 applicants pending in the court so why not pass this Bill, and refer the bigger question to a Royal Commission. This measure has met with approval and disapproval, but we may very well pass it in order to give the relief sought.

Hon. A. J. H. SAW (Metropolitan-Suburban) [3.25]: I agree with a good deal which has fallen from the lips of Mr. Dodd. I should be inclined to vote against referring the Bill to a select committee were it not that I consider this Bill will have one effect in perpetuating the present system of arbitration.

Hon. F. E. S. Willmott: That is the whole thing.

Hon. A. J. H. SAW: I shall vote in favour of referring the Bill to a select committee. Arbitration in Australia has been a tragic failure and it is all the more tragic because, when arbitration was introduced, we were hopeful that it was going to be the means of stopping industrial strife and the means whereby justice could be done to the employer and the employed. Unfortunately, arbitration has been a failure. We still have the suicidal and homicidal strike. I call it suicidal because a strike, if at all prolonged, in-

juries both participants. I call it homicidal because it also injures an innocent third party, namely, the general public. To what extent the composition of the court may be responsible for the failure of arbitration, I cannot say, but it seems to me that the presence of so called assessors, who are in reality partisans, sitting on either side of the president who is supposed to be impartial, cannot inspire any confidence in the court. It would be better if we had only a president on the bench and preferably that president should be a judge. The assessors should be relegated to their proper place—on the floor of the court as advocates, because that in effect is what they are. The main reason why arbitration has been a failure is because only one side is prepared to accept the decisions of the court when such decisions are unfavourable. The unions accept the decisions of the court only when they are in their favour or when they have gained something. If the decisions are not in their favour, we know perfectly well they resort to the strike. There seems to be no means to compel them to obey an award of the court. You, Sir, will remember that the Romans had a temple of Janus which was opened during the time of war and was closed during peace. I do not know but that the temple of Janus may not be regarded as a symbol of the arbitration court, because it was closed on only two occasions during the whole period of the Roman republic. Consequently it resembles in some respects the arbitration system of to-day. Outside the temple there was a statue of the god Janus, designed with two faces looking in opposite directions. I do not know whether that also could not be considered a symbol of the present arbitration system. If hon. members would not agree to that being regarded as a symbol of the arbitration system, I would suggest that the Government strike another, a coin emblematic of our present system, and that this coin be a double-headed penny. I am speaking not on behalf of the employers or employees, but on behalf of that great class who are not directly concerned in any particular strike, namely the general public. It is the unfortunate general public who always pay. A strike may do harm to both participants if it is long continued, and if the strike be a short one, probably one side will gain more than it loses. Whether the strike be short or long, one section of the community that always pays is the general public. It is because I wish to see this arbitration system overhauled and a better one devised, and because I want to see the general public protected and safeguarded, that I intend to vote for the reference of this Bill to a select committee.

Hon. J. W. KIRWAN (South) [3.33]: I would have voted against this proposal, but I thought it was fairly certain from the trend of the debate that the Bill would be referred to a select committee. It is preferable that this should be done rather than that the Bill should be

lost altogether. I confess that when the Bill was introduced I felt a good deal of doubt as to which way to vote, and the trend of the debate rather influenced me. I foresaw a good deal of danger in the appointment of a permanent president who might be a layman, a man not legally trained or accustomed to weigh evidence. I quite agree with what has been said by Dr. Saw, that if the Bill be passed, and a permanent president appointed, whether he be a Supreme Court judge or a layman, it might interfere with those amendments in the arbitration system that everyone, whether favouring the wages board system or not, seems to think desirable. The better course would be to vote in favour of a select committee, which could be converted into a Royal Commission, so that the whole question of arbitration might be gone into. I do not go so far as Dr. Saw and say that arbitration has proved a tragic failure. Many instances may be pointed out where arbitration has done a great deal of harm, and has created many injustices and injured industries but even when one allows for that I do think that more good than harm has been effected. I believe we may improve the system, and I do not despair that some day the hopes of those who originally brought it into operation will be realised. We all know there are many cases awaiting hearing, and we know of the difficulties and hardships due to the pressure of work in the court, but I go so far as to say that if no other alternative can be found it would be better to appoint another Supreme Court judge, if such be absolutely essential, rather than pass this Bill and be saddled with a permanent president of the court who may subsequently be an embarrassment to those who may desire to amend our arbitration legislation. I intend to vote in favour of the reference of the Bill to a select committee.

Hon. H. SEDDON (North-East) [3.40]: I oppose the amendment. We should first of all settle the question of the appointment of a president of the Arbitration Court. We can then go into that of further amending the system of arbitration. The most important question is to deal with those cases already cited before the court. If a permanent president is appointed promptly, these cases could be dealt with and we should do away with the dissatisfaction that exists to-day. Some members have had experience of the working of the court and should be in a position to suggest the amendments that are necessary to this Bill. Seeing that it is our duty to amend the Act, members should make use of their experience and put their views forward in the form of practical amendments. The question of the principle of arbitration can be dealt with at a later stage. We should not be doing our duty if we did not deal with the measures that come before us, and endeavour to amend them to the better advantage of the community and

of the State. I support the question of dealing with the Bill in Committee with a view to amending it along the lines desired.

Hon. F. E. S. WILLMOTT (South-West) [3.42]: I support the proposal to refer the Bill to a select committee for the very reasons set forth by Mr. Seddon. I want to see the report of the select committee on this question before passing the Bill. Contained in this Bill is a question upon which many of us disagree. If we allow it to go into the Committee stage and become law we shall be agreeing to something we disapprove of. The clause read by Mr. Ewing is the most dangerous in the Bill. Under the Act the President of the Arbitration Court must be a judge of the Supreme Court, but under the Bill any other person can be appointed.

Hon. J. Ewing: He can be a judge of the Supreme Court.

Hon. F. E. S. WILLMOTT: That is the most Jesuitical argument I have ever heard in this Chamber. A judge can be appointed under the present Act.

Hon. A. J. H. Saw: This Bill is to relieve the judge.

Hon. F. E. S. WILLMOTT: It affords an opportunity to remove the judge and to appoint a layman in his place.

Hon. J. Ewing: It can be done either way.

Hon. F. E. S. WILLMOTT: And it is also designed to appoint the new president for life. When, however, amendments to the Arbitration Act come to be considered we shall find that the stable door has been opened and the horse let go. If this Bill is passed we shall be nailing up the door for all time, or until legislation is brought down to smash the whole fabric. It is to avoid this error that I am anxious to see the matter referred to a joint select committee. The powers of that committee could be made extremely wide, and when the committee is turned into a Royal Commission its inquiry can be of world wide application. Any little delay in dealing with this legislation will be compensated for by the great good that will result upon the report of the select committee.

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

Ayes	..	..	..	..	16
Noes	..	..	..	..	7
					—
Majority for					9
					—

AYES.

Hon. F. A. Baglin	Hon. J. Mills
Hon. J. Cornall	Hon. J. Nicholson
Hon. J. Duffell	Hon. G. Potter
Hon. V. Hamersley	Hon. A. J. H. Saw
Hon. J. J. Holmes	Hon. H. Stewart
Hon. J. W. Kirwan	Hon. F. E. S. Willmott
Hon. A. Lovekin	Hon. J. A. Greig
Hon. J. M. Macfarlane	(Teller.)
Hon. G. W. Miles	

NOES.

Hon. H. P. Colebatch	Hon. J. W. Hickey
Hon. J. E. Dodd	Hon. H. Seddon
Hon. J. Ewing	Hon. A. Burvill
Hon. E. H. Harris	(Teller.)

Amendment thus passed.

Referred to Select Committee.

Hon. A. LOVEKIN: I move—

That the Committee consist of Hons. J. Cornell, J. W. Hickey, J. M. Macfarlane, F.E.S. Willmott and the mover; have power to call for persons, papers and records, to adjourn from place to place, and to report on the 13th February; and have leave at their discretion to disclose and publish any evidence taken by them before submitting their report.

Hon. J. Ewing: Is this to be a joint committee of both Houses?

Hon. A. LOVEKIN: I think what was in hon. members' minds was that we should appoint a select committee and, when the session closes, ask the Government to appoint a Royal Commission, which could consist of members of both Houses. If we were to send this to another place now it would lapse. I do not think it should be allowed to lapse.

Question put and passed.

BILL—MINER'S PHTHISIS.

Second Reading.

Debate resumed from 25th January.

Hon. J. E. DODD (South) [3.50]: To the mining community this is the most important Bill which has come before the Chamber. I am inclined to think that, for this session at all events, it is the most important of all Bills that have come before the House. Only those who know the disabilities under which miners work can realise all that the Bill means. I congratulate the Minister and the Government on having brought it down. However, the subject requires to be dealt with very much more comprehensively than has been done in the Bill. Mining to-day and mining 40 years ago are two very different propositions. I can remember when boys looked forward to working underground. In those days when first a boy went underground he was regarded by his fellows as a sort of hero. To-day it is very difficult, not only to induce a boy to go underground, but to get him near a mine at all. At one time there was a strong fascination about mining. Even to-day there is a fascination about shallow mining, and mining on new fields, but deep mining seems to affect most of the miners with something in the nature of horror. In the old days, before deep mining, the employment, aided by the old folk lore, and the legends, and the wonderful art of story telling of old Cornish miners took hold of the imagination of most boys and led many of them into the mines. That was before the advent of the machine drill, in the days

of the hammer and drill. Since the coming of the rock drill and of modern mining machinery, mining holds out no inducement to anybody. The advances made in mining machinery have been very much greater than have those made in ameliorative methods of dealing with the pathogenic results of mining. Anybody reading Dr. Simmon's report of 1906 must be struck with the fact that before the advent of the rock drill, about 1880, there was very little miner's complaint in evidence. Of course miner's complaint has always existed to a greater or lesser degree, but never previously to the extent it has reached to-day. Miners were always disposed to chest troubles, but not to anything like the extent they have been since the coming of the rock drill. Every year it is on the increase. We have made wonderful advances in respect of ore extraction and of getting out the stuff more rapidly than ever before; in almost every mechanical appliance in mines the advance made has been little short of wonderful; yet the ameliorating methods have lagged far behind. Machinery has been responsible for a great deal of industrial disease. Almost every class of machinery, whether in mines or in factories, has given rise to industrial diseases. Yet elsewhere than in mines those responsible have always seemed able to combat those diseases. The miners have been a body politic apart from the rest of the community. Broken Hill, Charters Towers, virtually all mining centres are right away in the interior, apart from the rest of the community. Let us consider the machinery of war, with its destructive power and then realise what has been done to beat that destructive power. When we study the effects of the late war we are struck with admiration of the wonderful system of combating destructive influence. There was the Red Cross Society, the hospitals, the surgeons, the nurses, and all the appliances provided to deal with the destructive effects of war. Nothing like it has been even attempted in respect of mining. Some advance has been made in the matter of preventing, or at least reducing, accidents in mines, but little or nothing has been done in respect of combating industrial disease. In this regard I do not know that we are any further advanced to-day than we were 40 years ago, when machines were first introduced. Statements have been made in another place which call for a little review by one who knows something about the question. Deep mining in Western Australia dates back some 30 years. I can remember the miners' union in Coolgardie in 1896 or 1897 taking up the question of miner's complaint. A large number of Bendigo miners were at Coolgardie. They knew what the rock drill was doing in Bendigo, and they were out to see if they could not combat its effects upon the health of the miners in Coolgardie. From its foundation in 1900, the miners' union of Kalgoorlie did all it could to arouse interest in miner's complaint. However, we found great difficulty in this, because at that time the mines were booming

and everybody but the miners were satisfied with the existing conditions. Still, we succeeded in getting a Royal Commission appointed in 1904. The report of that Royal Commission was one of the best ever issued. Mr. Gregory, the then Minister for Mines, was responsible for the appointment of that Commission. If the Commission's recommendations had been carried out we should not have had nearly so much miner's disease as we have to-day. Some eminent men were on that Commission. Amongst other recommendations made was one for the appointment of a mines regulation board. Then there was the recommendation that box rising should be insisted upon. Also they recommended that there should be not more than 15 per cent. of carbonic acid gas in the air in a mine. When in 1906 the Mines Regulation Act was framed, those three recommendations were omitted. There were other useful recommendations to which I cannot now call attention, but which, had they been incorporated in that measure, would have made a very great improvement indeed. Do not think that I am here to blame anyone. The time has gone by for that. What we want to do now is to afford relief in any way we possibly can. Another Royal Commission was appointed in 1921, Dr. Cumpston being entrusted with the work of making this investigation. It was principally in the direction of considering the prevalence of the disease, and he startled the community by the conclusions he arrived at. He stated that 33 per cent. of the men employed in the industry were suffering from miner's disease, and he made only a cursory examination. Some time before that a goldfields committee succeeded in inducing Dr. Ellis to deliver a lecture on tuberculosis. Dr. Ellis in 1904 had denied that the disease existed on the Coolgardie goldfields. Yet in 1910 he said the men employed in the mines were full of it. If that was the position so long ago, what must it be at the present time when the mines are down between 3,000 and 4,000 feet? It is a remarkable thing that nearly every member of the committee who was responsible for the lectures delivered by Dr. Ellis at that time, is now dead, having succumbed to miner's diseases. That will give some idea of the ravages the disease makes on the goldfields. The miners' union in Kalgoorlie set out to try to raise public interest in three matters: ventilation in the mines, compensation for industrial diseases, and the erection of a sanatorium. I am glad to say that the Government propose to do something in regard to industrial diseases. When the Labour Government came into power, they introduced a Bill in 1912 to provide that there should be compensation for industrial diseases. Unfortunately, that Bill did not pass this Chamber, although in England compensation for industrial diseases has been in existence for a considerable time. The Government built a sanatorium at Wooroloo and despite all the criticism against that institution in regard to cost, it has thoroughly

justified its erection and has done an immense amount of good. After the Dr. Cumpston Commission another was appointed by Mr. Gregory when Minister for Mines in 1911. This Commission likewise made valuable suggestions, but they made one against which almost all the mining unions had fought very hard, namely, a contributory form of insurance. The miners' union would not have it at any cost. They said that miner's disease was as much an accident as a broken leg or a broken arm; they held that all industrial diseases, all diseases of occupation, should be assisted by the industry. That was a sound proposition and it may be interesting to say that it has been adopted as such in many parts of the world. When the Labour Government were faced with the problem of declaring what they should do to relieve the miners of Kalgoorlie, they threw the onus upon the miners themselves. The Government said, "If you will draft a reasonable scheme with which the Government can agree, we shall be glad to adopt it." The unions in Kalgoorlie and the Chamber of Mines discussed the matter for several weeks, and eventually agreed upon a scheme, that which is now in existence, the Mine Workers' Relief Fund. That fund has done an immense amount of good and is still doing good. Something like £90,000 has been distributed of which amount one-third was contributed by the men, a third by the Government, and a third by the companies. But what has happened? Instead of the goldfields moving ahead, mining has declined and consequently less is being subscribed to the fund than when it was initiated. We find too that although the fund is not getting subscriptions, it still has big liabilities, and the question now is, how are we going to meet those liabilities. I am glad the Government propose to take the step which has been indicated, for it will meet the position to a partial extent. I hope to make a few suggestions which may be helpful to the Government. The Government should do everything in their power in the direction of getting some relief from the Federal Government. I mentioned this before, and I believe that if the matter were properly represented at the Premiers' conference, some good may follow. There is not the slightest doubt that the decline in mining has to a certain extent been brought about by the alterations in the tariff. The mining industry should claim some relief from the Federal Government because of the terrible exactions made by the Government on behalf of the manufacturers and the secondary industries in Melbourne and Sydney. I understand the Federal Government intend to establish a laboratory in Kalgoorlie. I do not know how far they have gone, but if they do something in that direction, they will help the miners to some extent and assist in the stamping out of the disease. The Bill we have before us is vastly different from many of the measures which are submitted for our consideration. This Bill deals with the life and death of men and conse-

quently is of the utmost importance. I suggest that during the recess the Government should study the different laws that are in operation in various countries on this question and take the best features from those laws and incorporate them in one measure in the hope of providing relief, if not stamping out the disease altogether. I desire to pay a tribute to the work done by Mr. Cornell on this subject. In 1918 I asked whether it might be possible to induce Mr. Heitmann, then member for Kalgoorlie in the Federal Parliament and who was on his way out from England, to break his journey at South Africa in order to investigate the conditions regarding miner's diseases in that country. Unfortunately, an election was about to take place and Mr. Heitmann could not accede to the request. From 1902 to 1911 South Africa was an absolute sink of iniquity in regard to this disease. Those engaged in the mining industry there were dying by the tens of thousands. There was neither ventilation nor sanitation in the mines, and no attempt made to handle the problem. Since 1911, however, the advancement there has been far greater than has been the case in Western Australia. No doubt Mr. Cornell will be able to tell us what he saw and learnt in South Africa. The miner is always in the firing line from the time he leaves the surface until he reaches the surface again. Therefore, we should do everything we possibly can to assist him. We must remember that over 30 millions sterling has been paid by the mining industry in dividends, and that something like 130 millions has been distributed through the gold won in this State. Remembering that, there is one thing more than another about which we may justifiably complain, and it is the indifference which those who have made money out of the industry have shown to it. I have heard the Minister complain that with one or two exceptions nothing has been done by the wealthy men of Western Australia to assist education. The position is even worse in regard to mining. Nothing has been done for those engaged in the industry by the men who have made money out of mining. Indeed, precious little has been done throughout Australia in this direction. In Adelaide there are to be seen some very fine educational establishments built in North-terrace. These have been the gifts of the wealthy men of South Australia. But I do not know of anything that has been done for the miner, although fortunes have been made out of Broken Hill and Wallaroo. The condition of the men engaged in the industry still remains startling. Men go out week by week from miner's disease. It is startling to find the number of men dying from miner's phthisis and the number of those gradually going down from fibrosis or silicosis. I do not intend to go into any of the technical matters as to what miner's complaint is, though I could do so. Miner's complaint has been classified by medical men under 20 or 30 different head-

ings on death certificates. The immediate cause of death was almost invariably described differently. That is also the case on our Eastern Goldfields. But, whatever it was called, the man died by reason of having worked in mines. This Bill affords some relief. It proposes that the tuberculous man shall be taken out of the mines, and that the Government shall compensate him until some other employment is found for him. I regret that the Government have not been able to go into the whole subject, though there is a splendid board, with a very energetic secretary, on the Eastern Goldfields in the Mineworkers' Relief Fund. But something more will have to be done in the near future. I support the Bill, and I do hope that this small measure will not be the last brought forward by the Government, but that they will come to Parliament with a larger scheme, giving that relief which surely the miners deserve.

Hon. J. CORNELL (South) [4.18]: I join in my colleague's eulogistic references to the Minister for Mines on his introduction of this measure. The Bill cannot be dealt with in the absence of some reference to the eulogistic observations extended to me regarding my inquiries in South Africa and the report I presented. Personally, I am not deserving of any kudos. There were three parties concerned: The Minister who asked me to make the inquiries, and who authorised the publication of my report; Mr. Montgomery, who tabulated notes on the information I brought from South Africa; and thirdly, there are my own efforts, to which I attribute less importance. I must draw a comparison between the South African people and our own people in connection with this subject. A few years ago the South African mines were in a very bad state, but to-day the treatment of miner's complaint in South Africa is the best to be found in the world. South Africa leads the world in that respect. Strangely enough, miner's phthisis has never been a political question in South Africa. From a national aspect, South Africa cannot be described as a British community. Of the million whites in South Africa a large proportion are of Dutch extraction. Therefore the progress of South Africa is the more surprising. The cost of compensating victims of silicosis and true tuberculosis now involves the Witwaters Rand mining companies in an expenditure of approximately £800,000 annually. Further, they are mulcted in the cost of dust inspections and determination, equal to another quarter of a million annually. It is a testimony to the people who make profit out of those mines, that they spend these sums of money in endeavouring to solve the problems of miners' complaint. Moreover, the Workers' Compensation Act of South Africa provides for compensation in respect of industrial diseases other than miner's complaint. The present Bill does not admit that miner's phthisis exist in our mines. It merely declares inferentially that it does.

Hon. A. J. H. Saw: Why admit the obvious?

Hon. J. CORNELL: I will touch on that aspect later. Mr. Dodd said that two Royal Commissions had inquired into the subject, and that metalliferous mining had existed just on 30 years in Western Australia. Yet the present Bill represents the first tangible attempt to legislate on the subject. Here again, a comparison may usefully be drawn between South Africa and Western Australia, demonstrating why South Africa has arrived at the position described by Mr. Dodd and why we have been so backward in dealing with the question. It is generally accepted that from eight to 16 years' work in a mine is sufficient to bring on silicosis. To an appreciable degree we are realising that fact 10 or 12 years later than South Africa. As our mines become deeper, the conditions will become worse for our miners. Here, as elsewhere, what has drawn attention to miner's complaint is the abnormal percentage of death amongst metalliferous miners. It is regrettable that a highly civilised community should have delayed so long to deal with so vital a question. Responsibility for the neglect has been charged against Governments, and mineowners, and to some degree against the workers themselves. It boils itself down to this salient point, that ignorance of the question is responsible for the position which now presents itself. That ignorance involves the Government no less than the workers. Sir William Dalrymple, of Johannesburg, said during a conversation I had with him, that it was the absence of old miners, through death from phthisis, whom the managements had known in less prosperous times, that had brought the mineowners to a realisation of the need for coping with this disease. The employers in South Africa willingly joined with the Government and the workers to combat the disease. The only highly controversial feature in South Africa is whether tuberculosis uncomplicated by silicosis, should be matter for compensation. This Bill is contingent on something to be done by the Federal Government. The Federal Government are to establish a laboratory at Kalgoorlie, and such a laboratory, to be efficient, must be equipped with the finest X-ray apparatus procurable. If the laboratory is not adequately equipped, we need not look for satisfactory results. The whole matter hinges on the diagnosis, whether the lungs of a miner are affected by dust. If the laboratory is established by the Federal Government, I see no difficulty on the score of dual control. There are three entities concerned in South Africa in this respect. Firstly, there is the laboratory or bureau which makes the medical examination. Then there is a board to whom the bureau passes on those declared to be in certain compensable stages. Thirdly, there is the Mines Department, charged with the enforcement of the special regulations passed for the purpose of minimising dust in suspension, for better ventilation, and generally for preventing the causes of the disease. Our Miners' Relief

Fund would, presumably, take the place of the board in South Africa; and no doubt our Mines Department would perform in this connection the same functions as are performed by the South African Mines Department. In South Africa, the cost of the whole of that somewhat extensive machinery is a charge upon the consolidated funds of the union of South Africa. All the owners have to do is to provide funds necessary for compensation. Should the Federal authorities reject the proposal and fail to equip a laboratory at Kalgoorlie, are we to remain stationary or are we, as a State, to shoulder the responsibilities which are rightly ours? We should not permit these men to fall between two stools. The disease is not intercommunicable until the tubercular conditions supervene. We should recognise, therefore, that it is our duty to go ahead with this work even if the Federal Government do not go any further. I believe there is a much longer period of life before our deep mines on the Golden Mile. From the mines of Kalgoorlie and Boulder, practically 90 per cent. of the cases for treatment will be drawn. Recent developments seem to suggest that this will continue and the deeper the mines go, the harder it is to ventilate them and carry away the dust which is held in the air in suspension. From that basis, therefore, the difficulty regarding miners' complaint will be the greater. Dealing again with my inquiries in South Africa, on the eve of my departure from Johannesburg, Sir Robert Kotze, the Government Mining Engineer, granted me an interview and, in his characteristic way reached quickly my views as to how the information I had gleaned in South Africa would apply to Western Australian conditions. He said:—"During my long career as a civil servant and high official, first of the Transvaal and later of the Union, I have adopted this axiom: Human life must necessarily pay a certain toll in any industry, but it should not be permitted to claim what is preventable." That is the basis on which he has worked and it is the one on which the Federal and State authorities should operate. Research has shown that much of this disease is preventable. Some officials in the Mines Department are desirous of working along these lines, but they cannot do much without the assistance of the Government and the community in general. I am in accord with the proposal to exclude tubercular cases from the mining industry altogether. I will deal with the question of compensation later on. I regret that the Bill is not comprehensive enough, but I will not indulge in carping criticism, because I support it and hope to see it operate. Research, however, shows that the Bill does not go far enough and the sooner a general survey is made of the whole question the better it will be for all concerned. When that survey is made, it will be seen that we must go beyond the exclusion of tubercular men from the mines. There is no provision in the Bill for

the exclusion of such men—I do not say the compulsory exclusion, but provision for advisory action to be taken in the interests of men who have given evidence of the first symptoms of miner's phthisis, so that they may be persuaded to leave the industry even without compensation, for to continue in it will simply mean their death. After seven years' practical experience in South Africa, officials have agreed that tuberculosis is the main factor that brings men suffering from miner's complaint to their death. The generally accepted doctrine in South Africa is that if men are taken from the mines in the early stages of the disease their health is not impaired and they can live to be useful citizens. It is agreed that the explanation of all true cases of miner's phthisis is the superimposing of tuberculosis on fibrosis of the lung, caused by the inhalation of certain fine rock dust. There are several technical terms used in connection with miner's phthisis but the generally accepted term in South Africa and elsewhere is silicosis. Furthermore, it is also accepted that though incapacity may result from pure silicosis it rarely causes death. The fatal termination of a case of miner's phthisis follows the stage of tubercular infection. It is safe to assume that the result of the medical examination will reveal that, as in South Africa, 95 per cent. of the men who are excluded as the result of those examinations, will be taken away from their calling on account of tuberculosis, superimposing upon a fibrotic condition of the lung. Dr. Saw has pointed out that there are many technical terms applied to miner's complaint, but as I have already said, the only term applied in South Africa is silicosis. The following quotation will lend point to the statement by Mr. Dodd that miners are more susceptible to pulmonary diseases than men following any other avocation:—

South African medical research on this question clearly bears out "that in respect to this disease the important point to bear in mind is that it is the initial irritative changes and the fibrosis caused by dust which determine the fact that the proportion of deaths from pulmonary diseases amongst miners is many times greater than amongst the general population. If this factor did not exist, the risk of tubercular infection amongst the former should be practically little greater than amongst the latter. Moreover, it is accepted, practically, that the fibroid condition of the lung is dangerous to life, in that when it has progressed to a certain stage, tuberculosis invariably follows."

This shows that if this legislation does become law, the logical consequence will be the necessity for the removal of the men in the early stages of the disease, thus giving them an opportunity to avoid developing a tubercular condition. During the last week I had a long conversation with Dr. Mitchell, of the Wooroloo Sanatorium, and he agreed with my contentions regarding my investigations

in South Africa. Dr. Mitchell also agreed with my opinion regarding the necessity for the most up-to-date X-ray appliances being installed in a laboratory at Kalgoorlie, without which successful investigations cannot be carried out. Further, he regretted that during the last 14 years during which he had been in charge of the Wooroloo Sanatorium he had not been able to get an X-ray apparatus installed.

Hon. J. W. Kirwan: And he should have it too.

Hon. J. CORNELL: It is regrettable that he has not got it. The natural sequence to commencing a laboratory at Kalgoorlie is to make similar provision at Wooroloo. A great majority of the men affected will drift to Wooroloo. Their records could be transmitted thither and the doctor then could follow the cases. Dr. Mitchell says that these facilities are essential, both in true tubercular cases, and in respect to complicated cases where tuberculosis is superimposed upon miner's complaint. I would absolve the Government from blame for an increase in their deficit this year if they gave Dr. Mitchell what he has so urgently needed at Wooroloo during the last 14 years. It is a question involving the welfare of not only the miners but of other citizens as well. I have said that the inhalation of dust is the chief and probably the sole cause of miner's phthisis. The breathing of fumes also makes a victim susceptible to catarrh and thus further assists to predispose him to tuberculosis. The inorganic dust, which causes the highest mortality amongst miners, is quartz, quartzite, flint, and sandstone. I have heard it argued that none of these classes of dust exists in our mines. Scientifically, I understand, they have never been tested, but I would like to refer to the statement in Dr. Mitchell's report that there is something in the deep mines of Kalgoorlie and Boulder which contributes to a much higher mortality amongst miners than occurs amongst any other section of the community, and it is safe to assume that the inhalation of dust is the chief contributing factor. Dr. Mitchell's records and experience go to show that there is a very high mortality from tuberculosis amongst these men. The great percentage evidently die from tuberculosis, going to show that from the medical side there are factors operating, especially in our deep mines, which predispose the miners to this disease. On my return from South Africa, Mr. Seadon asked me how I had got on and I told him I had arrived at the conclusion that if the mineral dust produced in our mines was conducive to setting up the same disease in our miners as in South African miners, one of two things should happen, either the South African authorities should be indicted for criminal expenditure or we should be indicted for criminal negligence. If it can be demonstrated that the rock dust in our mines does not possess this peculiar feature, it is logical to assume that there would be no cases of miner's phthisis. The Minister quoted at

length from the report of Dr. Lanza, but the quotation was cut too short to do that authority justice. The report said that the size of the dust particle in the phthisical lung rarely, if ever, exceeded 12 microns in size. I have an article by Dr. McCrae on the ash of a silicotic lung and his conclusions were confirmed subsequently by five medical men sitting as a committee. In the analysis 70 per cent. of the whole of the contents of silica found in the lung was less than one micron in size. One micron is one-twenty-five-thousandth part of an inch. The majority were less than one half a micron. The latter determination, he states, opens up a wonderful field for research, inasmuch as at the date of the experiment the minimum range of microscopic visibility was half a micron. Of the 25 per cent., less than one per cent. ranged above two microns, and the remaining 20 per cent. ranged between one and two microns. A red blood corpuscle is about eight times greater than a micron. It has been demonstrated in South Africa that the fine dust is the main factor in producing miner's phthisis. Side by side with any attempt to relieve tubercular miners must be an attempt to improve the conditions in our mines. An inspector of mines has told me that our mines are the best ventilated of any south of the line. If ventilation alone would solve the problem, other parts of the world would not have gone to the enormous expense of providing special wet drills for use in their mines, and the application of water to mining operations. The best way to prevent the disease is to prevent the dust from getting into suspension, and this can be done only by the application of water. We have a type of water-feed machine drill which was introduced into our mines with the best of intentions for the purpose of preventing the dust from getting into suspension, but this type of drill has been condemned in South Africa as one of the most dangerous. We have not even profited in this respect by the experience of other countries. The regulations provide for water jets and the wetting of rock, but no water is properly laid on here as in South Africa for the prevention of dust. There they have a system of water laid on throughout the mines at a given pressure, and water may not be used for the prevention of dust if it contains more than a certain percentage of solids. If such water is used, the danger is that the solids it contains will go into suspension. I have a quotation which will give members an idea of what the South African research has accomplished in connection with the application of water as a preventive of dust—

Hereunder is a table extracted from a publication of the Miner's Phthisis Prevention Committee which gives an idea of the quantity of dust produced in various mining operations, and the result of applying water to allay it; the figures are expressed in number of particles that would be breathed by a man per minute:—

Five minutes after blasting cut in drive;
no water blast—2,450 millions.
After using water blast for 30 minutes—
10 millions.
Dust-laden air entering drive after blast-
in stope—1,770 millions.
Drilling dry—330 millions.
Collaring dry—125 millions.
Drilling wet with jet—12 millions.
Water jet hammer drill—6 millions.
Street air on a dusty day—2 millions.

This table is a statement of fact expressing the results of actual sampling and the figures have been repeatedly corroborated. That will give members an idea of the value of the application of water in allaying dust. In South Africa men used to go into the ends and faces too soon after firing, but now they cannot go there until after the water blast has been on for a certain period. It is idle to say that there is not a percentage of highly injurious dust in suspension in our mines. South Africa has one of the most up to date ventilating systems in the world. Water is applied in all forms of drilling and for 25ft. around before any dirt is shifted, saturated air goes into the mines and the ventilation is good. There is, in South Africa, an army of inspectors ascertaining and measuring the amount of dust in suspension and recording the results. Our inspectors say that the ventilation in our mines carries away the dust in suspension. I retort that until a proper test is made with instruments designed for that purpose, such statements cannot possibly be made. It is the duty of the Mines Department to see that these things are done. Ventilation theories have undergone a wonderful change. The latest South African Royal Commission's report says that no mine should be without a katathermometer. Our mining inspectors also say so, but there is none available for them. I wish to refer to an incident in the Court of Arbitration in 1919 when a branch of the A.W.U. cited the mining companies to that court. For a day the parties argued as to whether the standard set up under the mining regulations for wet and dry bulb should be altered in the interests of the men in the mines. The advocates before the court decided that scientific thought should be brought to bear on the subject. They accordingly invited Dr. Dale from Perth and an officer from the observatory to give evidence. Another day was devoted to the matter, and eventually the court fell in with the citation and altered the standard. We thus had the spectacle of a wet and dry bulb of a certain standard in one part of the State, and another standard in another part of the State. The Mines Department took no cognisance of what the court had done. Eighteen months after, the case was argued again for a day and a half, but the previous decision of the court was not revoked. The peculiarity of the matter was that although some of the South African mines are down 7,000 feet and the greater

quantity of the air fanned or pumped into them is saturated with water, one can search the South African regulations and find no reference therein to any wet or dry bulb. The equivalent, however, is given there, namely that a specific amount of air per man per minute shall pass through every working place. The State Mining Engineer says that the wet and dry bulb in its application to the mines is not worth considering, but the parties in the Arbitration Court spent three or four days arguing about it. One of the greatest factors that it is considered will eventually be one of the most important determining principles in doing away with phthisis in South Africa is the initial certificate. A man who applies to commence work for the first time must get one of these. About 64 per cent. of applications from men of British origin, and about 54 per cent. of South African born applicants are rejected. The object of the directors of the bureau in commencing with, is to get a type endowed by nature to resist pulmonary diseases. The age if the man is also a great factor. He must be a sound man, but if he is over a certain age it is no use his attempting to commence work. If the authorities permitted a man prone to the disease to go into a mine, it would be a suicidal policy to follow. The question has been raised of South African miners, compensated in their own country, being permitted to work in our mines. I do not see how this Bill will prevent that. Men may come here after having received compensation in South Africa and enter the mines physically better than many of those who have been working here for many years. There are three stages of compensation in South Africa, the first two being voluntary acceptance, and the third compulsory, and when a man is found in the third stage, he must leave the industry. Let us suppose that John Brown had been diagnosed as being in the first or second stages of silicosis. He has been advised of this and decides to withdraw from underground work. He draws his compensation, and comes to Western Australia. On arriving here he is not prevented from working in our mines unless he is affected by tuberculosis. Under our own slipshod system there is no method of preventing that man from entering our mines if he does not show signs of tuberculosis. Every miner in South Africa compensated in the third stage draws a pension for life, paid monthly, for himself and dependants. It is a fairly liberal allowance. If he dies the dependant's allowance continues regarding the children up to the time they reach the age of 16. If a man in receipt of compensation for the third stage leaves South Africa, compensation may be given him to the extent of £750 in a lump sum, but he cannot leave South Africa without the consent of the authorities for if he does he gets nothing. Because a man comes here from South Africa it is not to say that he is suffering from tuberculosis. I now wish to deal with the Mine Workers' Relief Fund.

Hon. G. W. Miles: You want some inspection to avoid the point you raise.

Hon. J. CORNELL: The only inspection is the initial inspection.

Hon. G. W. Miles: But you want inspections here.

Hon. J. CORNELL: No man should commence work for the first time without such inspection.

Hon. J. J. Holmes: We want to deal with those already in our mines.

Hon. J. CORNELL: The standard for these could not be set so high as it is in the case of men who commence work for the first time. One of the greatest weaknesses in connection with our Mine Workers' Relief Fund is that it does not provide for keeping a man out of the industry who, because of lung trouble, has been driven to get relief from the fund. Let us suppose that John Brown is a miner and has worked for some time in the industry. Upon feeling ill he consults his doctor, who tells him that he ought to take a spell from that class of work. The doctor then recommends him to the fund for relief. Wherever possible Dr. Mitchell re-examines the men who are recommended, but he cannot do more than make a visual examination. Brown may be on the fund for six months for silicosis or some other lung trouble peculiar to the mining industry. After he has been away from the mines for a time, he begins to feel better, and the first thing the fund authorities learn is that he is again back in a mine. Once a man has had to draw out of the mines for certain ailments incurred therein, and goes on the fund, it would be better for him never to return to a mine again. If he draws compensation in any of the three stages in South Africa he cannot go back to certain mining work. Our Mine Workers' Relief Fund regulations should be tightened up to provide that once a man is deserving of relief from the fund, because of the condition of his health following upon his occupation, he should be kept on the fund for all time, or compensated and not allowed to return. In Committee I propose to move certain amendments to the Bill. I do not propose to interfere with the principles set forth in it. It should be amended in Clause 4, to provide that every person medically examined and not found to be affected by tuberculosis should get a certificate accordingly, and that certificate should carry him on to re-examination, and on re-examination his certificate should be endorsed if he is suffering from tuberculosis, or withdrawn if he is not. In South Africa no man can work in certain parts of a phthisis mine without a certificate declaring him to be free from tuberculosis and entitled to work underground. Thenceforth when applying for work he is asked for his certificate, which is taken as *prima facie* evidence that he can be employed. We ought to make provision in the Bill for the issue and recognition of such a certificate. Subclause 4 of Clause 8 provides for an appeal against the

finding of the examining authority. I propose to amend that merely by prescribing a period during which the appeal shall be lodged. Sub-clause 3 of the same clause prescribes that the appeal shall be heard by a board consisting of the Principal Medical Officer, or his deputy, and two medical practitioners. I propose, following the example of South Africa, to make it clear that no medical man who adjudicated on the original case, that is whose finding is being appealed against, shall sit on the appeal. I also propose to amend Sub-clause 4 to the extent of providing that the decision shall not be subject to review in any court of law on any question of fact.

Hon. G. W. Miles: Why?

Hon. J. CORNELL: That has been dictated by experience in South Africa. I intend to move to have a clause inserted providing that if any examining authority, as the result of a medical examination, discovers that any person has developed symptoms of miner's phthisis, uncomplicated by tuberculosis, the examining authority shall notify the Minister, who in turn shall notify the person affected, who can then elect to get out of the mine or work on.

The Minister for Education: You mean get out without compensation?

Hon. J. CORNELL: Yes. Let him know the true position, so that he may get out before it is too late. Clause 9 provides that a register shall be kept by the Mine Workers' Relief Fund, and that every person notified by the Minister as having been excluded from working about a mine, shall notify the Mine Workers' Relief Fund. If it be necessary to keep a register outside the Mines Department, it seems to me the onus of supplying the information to the Mine Workers' Relief Fund should be, not on the person affected, but on the Minister. It is proposed to grant compensation to all men declared to be tubercular until such time as suitable employment can be found for them. "Suitable employment" can be interpreted as meaning suitable work in such parts of a mine which do not come under Clause 8. I purpose moving an amendment to provide that the question of suitable work shall not be left with one medical officer, but shall be determined by two medical officers, who shall have mandatory power. I will support the second reading. Any criticism I have made will not, I hope, be taken as derogatory to the attempt made in the Bill to ameliorate the conditions of all those in our mines who are suffering from miner's complaint. As between men left in the mines and those taken out and compensated, it is our duty to see that the scales of justice are evenly held.

On motion by Hon. H. Seddon, debate adjourned.

BILL—ROADS CLOSURE.

Received from the Assembly and read a first time.

BILL—APPROPRIATION.

Second Reading.

Debate resumed from 24th January.

Hon. A. LOVEKIN (Metropolitan) [5.28]: This is a grievance Bill and so, before I proceed to discuss it, I propose to take the opportunity for saying a few words by way of personal explanation. On the second reading of the Arbitration Act Amendment Bill I made some reference to Mr. Justice Draper and other gentlemen. On reflection I think that, perhaps, it is not desirable that reference to individual persons should be made in the House. In order to emphasise the points I had in mind I felt at the time that I had to give some names, otherwise perhaps what I was attempting to show would not have been so fully appreciated. Exception has been taken by three members of the House to the words I employed. I have no complaint to make against the remarks either of Mr. Nicholson or of Mr. Kirwan. Indeed, I am pleased that they drew attention to my remarks and put upon them the right construction, although they pointed out that my words might have fallen under quite another construction. I submit I made no reflection whatever on Mr. Justice Draper or on any of the gentlemen I named, nor did I intend to do so.

The Minister for Education: You said the appointment was in the nature of a job.

Hon. A. LOVEKIN: It is unworthy of any member of this House who is privileged, and cannot be held responsible except to this House for the words he employs, to take advantage of his position to do an injustice to anyone who has not the same right as we have on the floor of this House. To that extent I am sorry if words I may have used caused pain to anyone. But certainly, if you take my words as they were uttered, it will be found that they did not impugn the honour or integrity of any of the gentlemen I named. I thank Mr. Nicholson and Mr. Kirwan for drawing attention to them. I do not so much thank the Minister because he put a motive on the use of the words; he declared them to be spiteful and malicious by reason of the fact, he said, that I had cause for what I said.

The Minister for Education: I said nothing of the kind.

Hon. A. LOVEKIN: The Minister declared that I had a brush with Mr. Justice Draper.

The Minister for Education: I did not say that.

Hon. A. LOVEKIN: I am glad to hear the Minister say so. I will not pursue the matter any further. My object at that time was to refer to acts of jobbery which are from time to time perpetrated by public men in connection with public matters. I am going to emphasise that and will give an instance of what I mean by the term "jobbery." I can use no more apt word than "jobbery." The Prime Minister of the

Commonwealth may lose his position, and it is suggested that a post should be found for him as Ambassador at Washington, with a big charge upon the people. I call that jobbery. In the speech I made I stated that Mr. Justice Draper had appointed himself. That may be or may not be correct. It just depends on how you view it.

Hon. A. J. H. Saw: Is this an apology or a vindication?

The PRESIDENT: You can make only an explanation; you cannot go into the merits of the question again. Either you are right or you are wrong. I think you are going too far into the matter and you are quite out of order.

Hon. A. LOVEKIN: I am entitled to make a personal explanation and the question is whether this is the nature of a personal explanation.

The PRESIDENT: You can make an explanation briefly.

Hon. A. LOVEKIN: I shall be glad to be guided by you.

The PRESIDENT: Well, if you ask me, I think you have said nearly enough.

Hon. A. LOVEKIN: I will accept your ruling as I always do, when it is possible. Coming to the Bill, according to the Budget, there is a gross indebtedness of £54,959,777, and there are other items which are referred to on page 6 of the Auditor General's report which are not taken into account in the gross debt. These amount to £2,242,000, which bring the total indebtedness to £57,200,000. There are debentures outstanding in addition, but I pass those by because there is a corresponding asset. From the 57 millions we have to deduct the sinking fund of £8,470,159, leaving a net indebtedness of £48,829,841. This, on a population of 348,501, works out at £140 per head. If we analyse the figures we find that 46 millions of the 48 million net indebtedness can well be said to be represented by reproductive assets. In the interests of the State, it is important that we should say that. I should also like to say that our indebtedness is largely inflated, because we charge to our national debt the cost of many works which, in other States, is charged up to boards and trusts. Here, for instance, we have electricity supply, trams, State enterprises, etc., all charged up to our national debt, while in the other States similar concerns appear in the balance sheets of trusts and boards. I do not think we should hammer it in day after day that we are in a parlous condition so far as our indebtedness is concerned. But where the indebtedness does concern us is in respect of the payment of interest on our deficit. We pay £60,000 a year in interest on every £1,000,000 of deficit for which we have no asset, and that interest goes on every year as a charge upon the taxpayer, because, as the Attorney General points out, there is no sinking fund for our deficit. I suggest that something be done as soon as possible to stop this deficit, because every

million that we add to it means a burden upon the people of the State of £60,000 a year for ever. The State should no more continue to borrow money to pay its working expenses than should a private concern. That is what we are doing at the present time. Therefore the Government should endeavour to stop the drift. We must remember the axiom that a pound saved is the easiest pound made. If the Government would go on those lines we would not have much difficulty in stemming the tide. But the Government, it seems to me, are inclined to be reckless, financially. For instance, there was provision in a Bill which we have lately disposed of for the salary of an Arbitration Court judge. Then again the Government do not mind appointing Royal Commissions at large expense. All these things are adding to the deficit. There is a Royal Commission on Federation. Already £600 has been spent on that. From what I have seen of the figures supplied to that Commission they are of absolutely no value. If we went to argue before the Federal authorities on figures such as those which have been put up, they would help to undermine our case rather than help it. Then take such an enterprise as the Wyndham Meat Works. Big losses have been sustained there. We have also the State Implement Works, and the shipping service with their losses. These are economies which can well be made, and they would save the deficit. I have worked it out that no less than £1,500,000 represents interest on the deficit. That interest is certainly part and parcel of the deficit, and it is going on for all time adding to the burden of the taxpayer. What are the causes that are bringing about this deficit year after year? I suggest that the first cause is lack of economy. The second is the incubus of the State trading enterprises, and the third is the Federal yoke which is upon us, and which apparently we cannot get rid of. The first two causes we can deal with ourselves and we should pay some heed to them to try to stop the leeway. There is the matter of economy. Take the Loan Estimates. Year after year we find that loan works are proposed and certain administrative costs are charged against them. These costs include salaries. As a matter of fact I am given to understand that departmental salaries are lumped and then divided up amongst the works on the loan schedule. Take the case of the Bunbury harbour works, in connection with which no work at all was done, but to which nevertheless £1,200 has been debited for salaries. On such lines works must prove very costly. There is the over-manning of the departments. I recently referred to a case where some 58 clerks and 30 engineers were employed in a department that had no money to spend. That is not the way one would conduct one's own business. The Auditor General has made references to the question of finance. The Government are paying £7 5s. per cent. for raising money. I am only a minnow, as compared with the Government,

and I would not dream of paying 7 per cent. for money. I could not make a profit on it. But the Government apparently pay $7\frac{1}{4}$ per cent. We see from the Auditor General's report that the cost of floating the loan of three millions was 6.74 per cent., and that the cost of floating the two millions was 6.99 per cent. These percentages refer to flotation expenses. If one went to almost any money-lender and he proposed such a charge as that for floating a loan, one would not accept his services. I cannot understand any Government in their senses floating loans on such terms. Then there is the lack of administration. Take the Herdsman's Lake venture, or the clearing in the South-West. Very properly this House inserted in the Jarnadup-Denmark Railway Bill a clause providing that the whole of the work should be done by contract. If we had had a contract for the Herdsman's Lake undertaking, and for the clearing in the South-West, we should not have been involved to anything like the present extent, and our deficit would not be so great. The State Steamship Service has made a loss of £105,000, to say nothing of the extra capital expenditure, which must in the course of time be written off, or the £200,000 spent at Southampton, for which apparently nobody was responsible. Again, we have the State Implement Works. In connection with their smelting operations, the Government lost £80,000. These losses are due largely to lack of administrative capacity. One item I may refer to specially is the Wyndham Meat Works. Hon. members will recollect that this House appointed a select committee, under the chairmanship of Mr. Holmes, to inquire into the works. The select committee reported with no uncertain voice. They were unanimous on that subject, although they were of different political creeds. The select committee advised the Government not to operate the works this year. We did so because we knew that although there were millions of people in Europe wanting meat, they were without the money to buy it, and that therefore good prices for meat were not to be expected. We realised that what meat was required in Europe could be well supplied by Argentina and the American States, and that there would be no demand for our meat except at a price. In reply to Mr. Holmes, the Minister stated that the balance sheet of the Wyndham Meat Works up to December last was in the hands of the Auditor General and would be available shortly. At his request the Minister promised to lay the unaudited balance sheet on the Table. The hon. gentleman has endeavoured to carry out that undertaking. It appears, however, that he was somewhat mistaken as to the document being a balance sheet. Apparently no balance sheet at all exists up to the present moment, and one cannot be prepared until some time next month, when the accounts sales have arrived from London. But we have here the estimated results of the operations for the year ended on the 31st

December, 1922. The memorandum, which is dated the 22nd January, sets out—

Confirming our accountant's, Mr. Tipping's, intimation to you this morning, in estimating the loss for the year ending December 31, 1922, at £95,500, including interest, but exclusive of depreciation or sinking fund, it is not practicable to put up the final figures for the year until accounts sales of the "Boorara" and "Boekhara" shipments are to hand. They are expected some time next month, and when received the balance sheet will be at once prepared.

The Minister very frankly told us that, notwithstanding the report of that select committee, he took the responsibility of opening the works for this season.

The Minister for Education: The Government did.

Hon. A. LOVEKIN: He is the Minister advising the Government, and I put the responsibility on him. He did so on an estimate which appears in this file, that it was expected to get 5d. per lb. for the meat in London. That seems to me a very optimistic estimate, in view of the state of Europe. At any rate, the Minister took the responsibility. I am not complaining, because we all must take responsibility at times, and occasionally our ventures do not turn out well. But I want hon. members to look at the result. The working loss is £95,500, and it appears that £90,000 worth of meat was made available, and that it took £58,000 to pass the bullocks in at one side and pass them out at the other.

Hon. J. W. Kirwan: What would the loss have been if the works had not operated?

Hon. A. LOVEKIN: About £78,000, exclusive of the expense of a caretaker to look after the place. The loss is estimated on the basis of the two remaining shipments realising 5d. per lb.

The Minister for Education: No.

Hon. A. LOVEKIN: I do not want to make things appear worse than they are, but here we have an estimated loss of £95,500, and I suggest that in fairness to the concern we must add depreciation. In the last year before this one that the works were operated, the depreciation was £52,000. That is 5 per cent. on the buildings, and 10 per cent. on the machinery. In the case of some machinery 10 per cent. is not anything like enough depreciation. For instance, refrigerating machinery the Taxation Department allow to be replaced out of revenue, because its life is so short. Before the select committee we had a gentleman whom the Government have since paid £3,400 for plans of works which are not intended to be carried out at all. I refer to the expert, Mr. Allen, who was brought here by Mr. McGhie, the manager of the works. He gave us this 5 per cent. on the buildings and 10 per cent. on the machinery, a total of £50,000 for depreciation. That makes a loss of £145,500, representing the total loss of operating the works this year. I do not add sinking fund, because in my opinion sinking fund and depreciation ought not to be

charged together. The works dealt with 22,600 odd cattle, and dividing the pounds of the loss by the number of cattle dealt with, it will be seen that the loss per head is about £6 10s. You, Mr. President, I believe said that it would be a good thing for the State if the works were sold for half-a-crown. I am inclined to believe, Sir, that you were not far out, because if we pay the interest on the capital cost of the works, being about £78,000 annually, and do nothing else, we shall be able to give all the pastoralists a couple of pounds for each of their head of cattle and say, "That is a subsidy for you to go and see how you can market your cattle yourselves." I think the pastoralists would jump at such an offer, because one sees from some of the accounts sales which hon. members have had that on the average their return was £2 17s. per head, though they are promised a little more when the accounts sales came out. It seems to me that these works with their maximum capacity of 30,000 head, can never become profitable at their present capitalisation. It would be better for the State that we should dispose of them as soon as we possibly can, if necessary at half their cost, and cut our loss, so that instead of £145,000 being charged to build up a deficit every year, the loss may be reduced to £25,000. If the Government had power to sell those works, a customer could be found for them. If they were operated under private management, they would probably be successful, whereas they can never be successful under Government control.

Hon. J. Duffell: They have not got that power.

Hon. J. J. Holmes: Another place has just refused to give the Government those powers. Members there have agreed to read the Bill this day six months.

Hon. A. LOVEKIN: If another place chooses to jeopardise the interests of the country, it is not our fault. At least, we have done our duty. If the Government were in a position to do as I suggest with the Implement Works, the State steamers and so on and cut their loss, we would find that the deficit would disappear. There is another matter over which we have very little or no control, unless we bestir ourselves and fight. I refer to our position with the Commonwealth. I will not take up the time of the House on the question, because the Minister has so well and ably put the position before us that an attempt to add materially to his exposition would tend to destroy the case he has put up. If we are to attend any convention in the Eastern States, it is material such as the Minister put forward that will give us aid, rather than the academical matter which so far has been advanced to the Royal Commission appointed to deal with this subject. When the Minister was speaking, Mr. Kirwan wanted to know where he got his figures from regarding the payments per head of population since the Braddon section ceased to operate. When that provision ceased to exist, no accounts were kept for the

purpose of ascertaining what each State contributed per head. Those of us who have had some experience in passing customs entries know that since that section ceased to operate, the Customs authorities have insisted upon a fifth entry. Formerly there were four entries. The Customs authorities indicated that the fifth was required for statistical purposes. The particulars therein were sent to Mr. Knibbs at the Commonwealth Statistical Department and it was from those entries that the figures dealing with trade, which appear in the Commonwealth "Year Book" have been compiled.

Hon. J. W. Kirwan: They are not in the "Commonwealth Year Book."

Hon. A. LOVEKIN: I do not know whether they are in the last "Year Book," but the Minister said he took them from the Commonwealth publication.

Hon. J. W. Kirwan: There are no figures shown there.

Hon. A. LOVEKIN: The fifth entry is required by the Customs for statistical purposes.

Hon. J. W. Kirwan: That is no good.

Hon. A. LOVEKIN: That gives the information the hon. member requires.

Hon. J. W. Kirwan: They do not contain the information.

Hon. A. LOVEKIN: They refer to the whole of the imports, no matter where the goods comes from.

Hon. J. W. Kirwan: That is not sufficient. It is the consuming State that counts.

The PRESIDENT: I think Mr. Lovekin should be permitted to state his case.

Hon. A. LOVEKIN: I admit that it is the consuming State that counts, but if we bring goods here and pass them through the Customs surely we are the consuming State, unless we export the goods again. If we do that, we will have to put an entry through as well. If goods were imported to South Australia, or Victoria and they were subsequently re-exported to Western Australia, they would have to make a fifth entry to show where the goods were going so that they would know that we were the consuming State.

Hon. J. W. Kirwan: Commodities are not followed from the contributing State to the consuming State!

Hon. A. LOVEKIN: Surely the hon. member does not suggest that the Minister concocted the figures he dealt with?

Hon. J. W. Kirwan: I suggest nothing of the sort. I say they were wrong.

Hon. A. LOVEKIN: I will be glad to hear the hon. member put right if he is wrong. My figures coincide with those of the Minister and I have taken an interest in this matter for some years past.

Hon. J. W. Kirwan: They are wrong.

The PRESIDENT: I suggest that Mr. Lovekin be allowed to put his own case in his own way, without interference from Mr. Kirwan.

Hon. A. LOVEKIN: I do not mind the interjections.

The PRESIDENT: Perhaps some other members do.

Hon. A. LOVEKIN: The Chamber of Commerce got out similar figures to those quoted by the Minister and, notwithstanding what Mr. Kirwan says, I am perfectly satisfied that the Minister did not invent the figures which he gave to the House.

Hon. J. W. Kirwan: I did not say the Minister invented them.

Hon. A. LOVEKIN: In any case, I will not attempt to add to the Minister's words because he put the case so fairly and strongly. I would draw attention, however, to what the Premier said on the 12th September last. He said—

There are enough people working in Eastern Australia supplying the wants of the people of this State to people a city half the size of Perth. Owing to the fact that we consume more highly dutiable goods than do some of the other States, we have to pay more than our fair share. We should get some consideration for that.

That is the case the Minister put up and most of us who want to be true to Western Australia must endorse it. I want to show how Federation has operated on Western Australia to her detriment. Take the question of income tax. If a man has an income of £1,000, he has to pay in State taxation £30 16s. 8d., while the Federal people take £47 19s. 9d. If he has an income of £400, he has to pay income tax to the State amounting to £6 6s. 8d., while the Federal people make him pay £12 15s. 11d. Besides that, the Federal people take all the Customs taxation and also taxes in connection with amusements, land and probate. Thus the people are double-banked in the matter of taxation. Statistical records show the revenue per head of the population to be £10 1s. This on a population of 340,000 odd represents £3,400,000. There is returned to Western Australia £425,000 and, on account of the special payment to the State which is reduced annually, £156,000, making a total returned to the State of £581,000. That leaves something like three million pounds paid by the people of this State which would go a long way beyond meeting our share of the loss on the Post Office, the Telegraph Department, the Great Western Railway, defence and war expenditure, leaving a large margin for our population. We do not get any benefit from that, however. Whatever our political views may be, we should pull together to find some means of getting a measure of justice for Western Australia from the Commonwealth. While the people on the other side prate largely about a White Australia they are really white-anting Western Australia. I pointed out that we should make an attempt to adjust our finances. The Premier, when discussing this matter, said that there was only one remedy and he pins his faith to the immigration policy. I submit that that policy alone cannot right the position. It can be shown easily that by add-

ing to the existing debt the amount to be borrowed for the immigration and land settlement policies, the indebtedness per head will increase, instead of decrease. I made certain comments when the immigration scheme was before us and when the Premier was discussing this Bill in another place, he said my criticism was "long, involved, inaccurate and an undigested mass of matter." Then he went on to prove his case. He said—

According to one member in another place the cost of the scheme is estimated at 20 millions—

I did not say that—

The sum includes—why I do not know—ordinary loan expenditure for five years amounting to 10 millions. Certainly our ordinary loan expenditure during the last five years apart from land settlement, amounted to £3,750,000.

If hon. members look at return No. 12—it will be found in "Hansard" following the report of the Budget—they will find that it is the reverse. I said in the remarks to which the Premier referred, that the amount spent during the past five years was about 10 million pounds of loan moneys—the actual amount was £9,809,063—and I calculated that we must repeat that expenditure, if not a larger amount, with 75,000 extra people. We must provide more schools, more railways, more police, more hospitals, more magistrates, more civil servants and so on. That must be done if we are to provide for 75,000 extra people. All the capital expenditure involved will increase the interest bill and increase our deficit. I do not think the results so far as we have proceeded, show that I under-estimated the position. Then the Premier quoted what I said regarding the return to the Imperial Government. The Premier stated that I said that the Imperial Government would get £8 per head, representing the trade of 75,000 people which would equal the £600,000 they paid in interest. On the other hand, he said it must be pointed out that the British trader might get £8 per head for goods supplied but the British Government will get no portion of that sum at all. The Minister referred to the same point when I was speaking and I then pointed out that the Government did not receive any money direct from the trade, but only by way of taxation. If we take the amount of £8 per head, which Colonel Amery said it was worth, we find that the trade was worth three millions during five years. That would mean a tax of 2s. 6d. in the pound, a rate at which no company or business concern in England is fortunate enough to get off with. In England the taxation to-day is as much as 12s. in the pound.

The Minister for Education: A payment of 2s. 6d. in the pound is a good deal. They only get taxation on the trade.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. A. LOVEKIN: Before tea I was traversing some of the statements of the Premier

in regard to his immigration scheme, and I want to refer to one or two further points. The Premier says he turned down the Victorian scheme under which the Imperial Government would lend the new settler £300 and share the losses with the State. Under that scheme, say £1,000 was advanced, the State would risk three-quarters and the Imperial Government one-quarter. What do we risk? We risk one-fifth of the six millions of money, that is, £1,200,000 spread over five years during a period when there is practically no risk at all because we shall be spending the capital, but at the end of that time we take over the full risk. Under the Victorian proposal one-fourth of the risk is taken by the Imperial Government for all time and Victoria also for all time pays only three-quarters of the interest, whereas we pay the whole of the interest after five years. Analysing these two schemes, it will be seen that if we make no loss at all, the scheme which our Premier is committed to will be found the better of the two. But the experience of Canada and our own experience is that these advances, made to settlers more or less indiscriminately, will involve a tremendous loss, and the 10 per cent—the £600,000—will not be nearly enough to cover those losses, more especially when we are dealing with people new to Australian conditions as against people under our late schemes who were accustomed to our conditions. The Premier says the reason he did not adopt the Victorian proposal was that it would give others than the State Government the control of the settlement of the country. He added, "This goes beyond unification." I contended that the settlement of these outer dominions was an Empire obligation and duty. It is the duty of the Imperial Government in co-operation with the Federal Government to find the men and the money, and it is the duty of the State to find the land and the organisation. I can see nothing wrong whatever with that point of view. Obviously those who are on the spot must be in control of the settlement, so that there is little in the point made by the Premier. That is the last point he made. Summing up he said—

All the criticism levelled against the scheme was not worth the paper it was written on the four grounds I have now mentioned.

My view is that as time goes on it will be found that this scheme, instead of being of advantage to the State, will be absolutely the reverse.

Hon. J. Ewing: I do not think so.

Hon. A. LOVEKIN: I am quite satisfied of that, looking at it as a business proposition. But because that is my individual opinion, it does not mean that I am going to do anything to oppose the scheme or hamper the Government in carrying it out.

Hon. J. Ewing: The first thing you should do is to see it in operation.

Hon. A. LOVEKIN: I do not know what there is to see at present. Anyhow I am looking at it purely as a financial operation, and as such I am satisfied it will prove to

be absolutely unsound. Although I take that view, it will be my duty as a citizen of Western Australia to do all I can to help on the scheme rather than hinder it, and that is the course I shall adopt. In the Appropriation Bill there is an item for the Industries Assistance Board. A session or so ago an effort was made by the Westralian Farmers Ltd. to induce the Government to pay towards the grain elevator scheme money for shares on behalf of those who were receiving assistance from the I.A.B. This House opposed that and threw the Bill out, because the settlers under the board were owing money to the Government, to merchants and others, and were not paying their way. It was tantamount to the Government finding the money for them to take up shares in the company.

The Minister for Education: That is absolutely wrong. The hon. member is practically stating that this House threw out a proposition under which the Government were to advance certain money. The Government always refused to advance that money and the Bill had nothing to do with the Government making such advances.

Hon. A. LOVEKIN: If I remember rightly two Bills were introduced by the then Honorary Minister, Mr. Baxter, one to authorise the Government to make these advances on account of I.A.B. clients, and this House threw the Bill out. I have here a circular which shows that an attempt is to be made to do practically the same thing with the Woollen Mills Co. I am not saying whether the woollen mills are a good thing or a bad thing. The scheme must rest upon its merits, but here is a letter sent to a settler in the Tammin district—

Arrangements have been made with the I.A.B. by which fully assisted settlers may apply for shares in this company and for which payment will be made by the board and charged to the settler's account. Already many settlers have signified their desire to take up shares if they can do so under these conditions, and it is felt you will appreciate such an opportunity. I enclose an abridged prospectus and application form, and upon receiving the latter back completed, with the exception of the amount payable on application, the same will be submitted to the I.A.B., and, if approved by them, you will be duly notified and the shares placed to your name on the company's register. The value of the shares will be paid in full by the I.A.B. (Sgd.) E. B. Ayres, Organiser Western Australian Worsted and Woollen Mills, Ltd. I should like to know whether it is the intention of the Government to advance to clients of the I.A.B. moneys to take up these shares when they owe moneys not only to the Government for assistance, but many of them very large sums to outside merchants. Is it a right thing that the Government should find money for this purpose?

The Minister for Education: Nothing of the sort is contemplated. It would be ad-

vanced only to clients whose accounts were in order.

Hon. A. LOVEKIN: This letter does not say so.

The Minister for Education: It says "clients approved by the board."

Hon. A. LOVEKIN: Of course they must be approved by the board, but this letter certainly infers that irrespective of whether they owe money to merchants, the I.A.B. will advance money for such shares. It is only right to direct attention to this before the matter goes too far. It may be that the establishment of woollen mills will be of great benefit to this State, but it would be wrong for the Government to find money—if they intend to do so—for the capital of such a concern.

The Minister for Education: There is no such intention.

Hon. A. LOVEKIN: I am pleased to hear the Minister say that. I shall support the second reading of the Bill, and in Committee I propose to make a few suggestions which I hope will be sent to another place.

On motion by Hon. J. W. Kirwan, debate adjourned.

BILL—LAND TAX AND INCOME TAX ACT (1922) AMENDMENT.

Assembly's Message.

Message from the Assembly received and read notifying that it had made the amendment requested by the Council.

BILL—JARNADUP-DENMARK RAILWAY.

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to amendments Nos. 1, 3, 4, and 5 made by the Council, and had agreed to amendment No. 2 subject to a modification, in which it desired the concurrence of the Council.

BILL—HOSPITALS.

Second Reading.

Debate resumed from the 25th January.

Hon. J. DUFFELL (Metropolitan-Suburban) [7.43]: I regret that this Bill has come along at this late hour of the session. It is a measure which requires much consideration and which it would be unwise to rush through on the eve of our going into recess. I listened patiently to the Minister for Education when he was moving the second reading of the Bill, and was astonished at the brevity of his speech. He said that the Bill had three main objects—(a) the co-ordination of the diverse hospital authorities in the State, (b) the placing of the hospitals generally on a much better financial footing than could be obtained by their depleted Consolidated Revenue account, and (c) the provision of some

statutory authority in respect to hospitals generally. This session will long be remembered as a session specially set apart for increasing the burdens of taxation upon the people. Scarcely a Bill has come before us that has not had for its object the increasing of the burdens of taxation, either directly or by regulation. It is astonishing how nicely wrapped up and concealed these burdens are. It is only by close inspection that they can be detected. During the last few sessions there has been a general increase in taxation and this session has been no exception to the rule. Taxation has been raised by something like 15 per cent.

The Minister for Education: Raised what to 15 per cent.?

Hon. J. DUFFELL: The general income tax. Although all these forms of taxation have been levied, at the tail end of the session we are brought face to face with what may be called a drag-net. Since the present Government assumed office the burdens of taxation have been gradually but surely increased. We were given to understand in 1916 that men of business acumen were to take charge of the affairs of State. We were going to be relieved to a considerable extent of the burdens then placed upon us. It is true we have had to meet all the conditions set up by the war and the aftermath of the war, but we are going from bad to worse. It is also true that people have so far borne their burdens cheerfully. The Minister for Education, in moving the second reading of the Appropriation Bill, gave us to understand that we had got over the trouble, and that from this on we could expect to be in a very much better position than we find ourselves in to-day.

Hon. J. W. Kirwan: We have heard that before.

Hon. J. DUFFELL: Yes, and we are getting sick of it. The deficit is mounting up and the Government are getting into an even tighter corner. After they have brought in these various forms of increased taxation they now come forward with a Bill to tax every person in the community. It is the duty of the Government to look after the sick and provide accommodation for those who meet with accidents, etc. They have been doing this in the past and have done it fairly well. I find in the Estimates the amount set apart by the Government this year for hospital purposes shows a big drop on anything that has appeared on the Estimates since 1910-11. In 1913-14 the amount set apart by the Government for contingencies for Government hospitals, public hospitals, assisted hospitals, and so forth was £78,000. In 1914-15 it was £79,000; in 1915-16, £92,410; in 1916-17, £74,210; in 1917-18, £80,150; in 1918-19, £88,050; in 1919-20, £84,450; in 1920-21, £82,310; and last year £49,585. It will thus be seen that the Government, when bringing down their Estimates for this year, contemplated that the Hospitals Bill would go through without

much opposition and that something like £113,000 would be realised from the tax. It was expected that the Government would be relieved from paying out of Consolidated Revenue the amount necessary to maintain these institutions. It is somewhat strange that the Government are still further imposing taxes under this guise, notwithstanding the general increase in taxation in other directions. I hope to be able to induce members to vote against the second reading of this Bill. It is the most vexatious measure we have had before us this session. If it should be carried I feel sure it will be the means of bringing about the defeat of the present Government. It will so incense the general community, the workers, that they will bring about a change in politics during the next elections, and the Government will find themselves with very little support.

Hon. J. Cornell: That may not be an unmixed blessing.

Hon. J. DUFFELL: No Government could introduce a more vexatious measure than this one. Members of friendly societies will be the great sufferers under this Bill. The report of the Registrar of Friendly Societies for the year 1921 gives illuminating figures on the work and thriftiness of members of friendly societies. It is set out in that report that the total membership of friendly societies for that year was 18,945. This is a great increase over the previous five years. Friendly societies are exerting themselves. The benefits which they bestow upon the community are being more generally understood, with the result that those members of the community who are joining them are proving to be thinking people, men who can see further than the end of their noses, and are preparing whilst they have health and strength for their hour of need, and for their wives and children should they become disabled. The medical fees paid during 1921 by friendly societies totalled £22,287, and sick pay during that period paid to members amounted to £16,375. It is interesting to note that these societies played a very important and humane part during the great war. The Druids' society can be taken as an example of what was done by the others. This society paid £7,592 by way of contributions to maintain in full pay those of their members who went away on active service. In addition to sick pay they paid to the relatives of these men a sum of £13,624. This shows the confidence which they had in their members. This confidence can only be brought about by fellowship, by members meeting together at periodical intervals. For funeral claims the sum of £14,132 was paid, making a total payment of £35,348. All the other societies paid on the same scale according to their membership. It can thus be seen what a great part these organisations are playing in the community in relieving distress and in building up better citizens, better husbands and better fathers, and in that way preventing many cases from going to public hospitals which

would otherwise become a charge upon the State. In New South Wales the Government recognise the benefit that these friendly societies are to the community. When a member reaches the age of 60, the Government relieve the society of half their liability for sick pay and funeral benefits. When a member reaches the age of 65, the Government assume the whole of the liability, leaving the member merely to pay for medical attention and management dues.

Hon. H. Stewart: They have plenty of money in New South Wales.

Hon. J. DUFFELL: Yes, but they have their liabilities as we have. What is being done there could well be emulated in Western Australia. We all know the great amount of good that these friendly societies are doing. Instead of burdening the members of these organisations with a double tax, the Government should cut down their superfluous expenditure in other directions and pay the money over to a hospital account, so that they may maintain and equip the hospitals for the benefit of the sick poor. If they did this they would be doing much more good for the community than they are likely to do by this tax. The report from which I have already quoted shows that the total membership of the friendly societies is 19,945 and that the medical fees paid for the 12 months amounted to £22,287. Those societies are of great benefit to the community. They provide medical attention for those people who, perhaps, would be disinclined to call upon the State for it, and who by paying quarterly contributions obtain the best of attention. It will be admitted from the figures I have quoted that the societies are doing a good work. Nevertheless they are not receiving the consideration to which they are entitled. The Bill will impose on them a tax of a penny in the pound on top of their voluntary contributions. In another place an amendment was moved relieving members of friendly societies to the extent of 25 per cent. of the hospital fees. However that does not sufficiently meet the case. If the Bill pass the second reading I will, when in Committee, move that members of friendly societies shall be exempt from the tax to an amount equivalent to that which they pay to their societies in medical fees. I hope the Bill will not pass the second reading, but will receive further consideration from the Government with a view to their bringing down next session a Bill more acceptable to members. We have had very short notice of the coming of the Bill, and I have been quite unable to get certain information in respect of it. The Bill, if passed, will do a great deal of harm, and will be the certain forerunner of the end of the Mitchell Government. Since I am desirous that the Government should have a longer life, I will vote against the second reading. If the second reading be rejected it will give the Government an opportunity to mend their ways.

Hon. A. J. R. SAW (Metropolitan-Suburban) [8.4]: My honourable colleague has put up a strong case for the friendly societies. However I cannot follow him to the conclusion that any claim which friendly societies might have to increased consideration would justify us in voting against the second reading. I will support the second reading in the hope that not only will the Bill effect an alteration in the method of financing the hospitals, but also that it will result in an increased efficiency in the treatment of the sick in hospital. That increase in efficiency will result in a diminution of mortality, in the lessening of suffering, and also in a lessening of the economic loss imposed upon the community by reason of ill-health. Because of that I will support the Bill. For the remarks which I am about to make I am entirely responsible. They will not necessarily reflect the opinion of the medical profession or of the British Medical Association which voices the opinion of the medical profession. I have received from the British Medical Association no communication whatever in respect of the Bill, nor have I discussed the Bill with any members of my profession. Consequently the views I am about to enunciate are entirely my own and do not necessarily embrace the opinion of the medical profession. Also any criticism I may make in respect of the conduct of hospitals and their management is not actuated by a carping spirit or any hostility towards those responsible for the efficiency of the hospitals. I have no doubt that various hospital boards, within the limits of their knowledge carry out their duties efficiently; and although I do not think they are always wise or that they as a whole possess the requisite knowledge, still I have no doubt they always act in what they conceive to be the best interests of their institutions and the proper welfare of the sick. I wish to pay a tribute to the good work done in various hospitals by the medical profession, especially by the honorary medical staff. They are on duty all hours of the day and night. Speaking as one who for many years held an honorary appointment in one of the big hospitals, I can say the work entailed on an "honorary" in a big hospital constitutes a very severe demand on one's time, one's strength and one's courage. There is, I suppose, no other profession in the world in which that rare quality of courage known as the "two o'clock in the morning courage" is so insistently required. A man tired out by his duties during the day, after perhaps a few hours sleep, is roused out of a heavy slumber and called to the hospital to decide whether or not an operation should be performed on a person grievously ill. Often the "honorary" has to undertake a most difficult operation at that hour in the morning, when jaded and tired, and perhaps with very little assistance—an operation in which the very life of the patient is at stake. The work of the honorary medical staff in the different hospitals is beyond all praise. I

wish also to say a word on behalf of the nurses, who live extremely strenuous lives. They have long hours, and they carry a good deal of responsibility. Their responsibility, of course, cannot be compared with that of the medical officer in charge of the case; still they have responsibilities of a very real nature. Then again, they require evenness of temper and cheerfulness in dealing with fractious and querulous patients, and often in dealing with anxious relatives whose nerves are on edge. To be an efficient nurse requires very high qualities of both mind and heart, and I am glad to say there are many such. After all, the reward they get is as a rule exceedingly meagre. Consequently they deserve the highest praise for their work. As to the method of financing proposed in the Bill, if one recognises, as I do, that it is the duty of the State to look after those sick people who cannot afford to pay for proper medical attendance or hospital treatment, it is perfectly legitimate for the Government to resort to the principles contained in the Bill, whereby practically everyone who has an income beyond a narrow margin is compelled to pay something towards medical attendance on the sick and their hospital treatment. The small amount which, under the Bill, they will be compelled to pay is not beyond the power of those people. We who have to do with hospitals know there is a very large class of the community who are perfectly able to pay something towards hospital and medical attendance, yet who contribute practically nothing whatever to those objects. Subclause 4 of Clause 32 of the Bill should remedy this evil. To my mind the fact that so many people are able to escape from any payment whatever in this regard constitutes a scandal, and, I think, demoralises and pauperises a large class. Certainly its effect on the community as a whole is a bad one. Under the Bill all the prosperous portion of the community will still have to pay, and pay heavily. The facility with which, under the present system, people are allowed to escape payment is a disgrace. The readiness with which some people evade payment for hospital and medical attendance is equivalent to the want of conscience with which the majority of people defraud the Customs. I am afraid a considerable number of people think that if they can "do" the hospital, well there is no great harm in it. In the Bill as originally introduced there was a proposal to put the hospital trust under the direction of the board. During the passage of the Bill in another place that was altered, and now the trust is to be under the control of the Minister. Certain great advantages would have been derived from having the administration of the trust directed by a board. There are many advantages in a board, particularly if suitable persons are chosen for that board, people interested in hospital administration and the care of the sick, people who do not allow political interests to outweigh the legitimate object of the hospital, namely the care of the sick. The disadvantage to

my mind, of having control by a Minister is that he has multifarious duties to perform, and amongst those the care of a hospital will be a minute one, and the direction of the fund will relapse into the usual bureaucratic groove with the result that we shall have the usual stagnation of a Government department and a hindrance to progress in so far as medical advance at the hospital is concerned. Another harmful result in my opinion is that it will tend to dry up the wells of charity. People will say, "Why should we contribute to these government institutions which are controlled by the Minister? Why should we contribute towards hospital funds?" They use the same arguments, I am sorry to say, in reference to our free university, but I am hoping presently that they will alter. I am perfectly sure they will use that argument with reference to subscribing towards perhaps increased comforts and increased equipment in the hospital. They will say "It is the Government's duty; let them do it," and it will result in harm to the hospitals and harm also to the finer instincts of the community. I should like to read some observations I came across a few days ago by a Belfast surgeon who recently went on a tour of America to inspect hospitals, and who was entertained by surgeons and physicians at many of the large American hospitals. This is an extract from the paper he read to the Ulster Medical Association—

The essential points of difference between the American hospitals and those at Home were the endless wealth that was showered by the rich in the former Continent on the institutions; the readiness to pick up test, and if found useful adopt new ideas and suggestions; the wonderful and very complete general organisation; the provision of special pavilions for the middle classes in connection with the general hospital, so that many surgeons practically spent their whole day at the institution and the patient might have his own medical attendant, the large amount of radium, and the size and completeness of the dental clinics.

Thus Mr. Andrew Fullerton, of Belfast, on the 23rd December last. Hon. members will see that he stresses the endless wealth which is showered by the rich in America on the hospitals; and that is as it should be. The same words that Shakespeare applied to the quality of mercy are just as applicable to the quality of charity—

"The quality of mercy is not strained;
It droppeth as the gentle rain from heaven
upon the earth beneath.

It is twice blessed; it blesseth him that
gives and him that takes.

Remember the old saying, "Faith, Hope and Charity, the greatest if these is Charity." But charity is also the safety valve in our economic life which very often acts harshly in many directions. I believe that the objection entertained in many quarters to a hospital board administering this trust was because there was a clause in it giving representation to the medi-

cal profession. That seems to me one of wisest provisions in the Bill, for without the co-operation of the medical profession the hospitals would not be carried on for a single day. Furthermore, if there is anyone who understands the needs of the hospital is undoubtedly the medical man who undergoes his training in a hospital, and is very often resident in a hospital and subsequently gets on the staff of one of the leading institutions. Consequently he must understand the needs and wants of the hospital system better than anyone else in the community. Not to have him on the hospital trust would be like the play of Hamlet without the Prince of Denmark. At the Perth Hospital there are over 20 honoraries on the staff. They attend at that institution two or three times a week and sometimes oftener. Last year they looked after 4,154 in-patients and performed 2,257 operations. In the out-patients department they dealt with no fewer than 25,000 attendances of patients. Yet it is with the greatest difficulty that the honorary staff recently gained the privilege of securing a seat for one of their number on the board. I make hold to say that if the Government tried to do the work of the Perth Hospital by means of a paid medical whole-time staff, they would not get the same work done as is done to-day by the honoraries for at least £10,000 per annum.

Hon. J. W. Kirwan: Whose fault was it that the difficulty was experienced?

Hon. A. J. H. SAW: I know that the staff of the hospital had the greatest difficulty in getting representation on the board, and that finally, about three months ago, success was attained by getting one representative when the request had been made for two. If there were a whole-time staff the work would not be done as efficiently as it is done at present. My objection to Ministerial control is, as I said before, that this will be one of the Minister's multifarious duties and consequently he will be dependent entirely on the advice of the principal medical officer. Any remarks I may make about this officer will not be made in a personal spirit towards the present occupant of the position. My remarks must apply to any principal medical officer, no matter who he may be. The principal medical officer is a non-practising physician or surgeon. He is an expert in the administration of hospitals and in public health. As a rule after he leaves hospital he has no direct experience in the curative side of medicine and surgery, and that, I consider, constitutes a serious blemish where it is proposed to put him, as the only medical man administering the hospitals, behind the throne administering the hospital trust. And the worst of it is that those qualities which are inherent in the position of medical officer, become worse the longer the man is in occupancy of that position, and the more he is out of touch with the various advances taking place in the medical world with the direct treatment of the patient. I am going to give a concrete instance of this in connection with a matter that I brought

up on the Address-in-reply. I mentioned the advisability of the Government providing a sum of money with which to obtain what is known as the deep therapy treatment, a system of X-rays for the treatment of certain forms of cancer. The Leader of the House, with his usual courtesy, asked me to see him afterwards, and I had an interview with him, as a result of which I put up a memorandum which the hon. gentleman was good enough to submit to Cabinet, pressing on them the advisability of obtaining this plant. It certainly was an expensive matter, but the expenditure was warranted. My opinion was supported by the whole of the senior surgical staff at the Perth Hospital, and also by the Council of the British Medical Association, who made direct representations to the Government in this particular. Of course, the Government referred the matter to their principal medical adviser, and I was very grieved to hear, as the result of a question I asked in the House six weeks ago, that on the advice of the P.M.O. the Government had turned down the proposition, at any rate for the present, on the ground that the treatment was still in the experimental stage. It has been in vogue in Germany for six years. It is now installed in many hospitals in England and Scotland and in America, and also in various other countries, and extremely satisfactory results are being obtained. But it was considered here that as this matter was in the experimental stage, the Medical Department were not justified in advising the installation of the plant at the Perth Hospital, although, as I said, the treatment of certain forms of internal cancer in Germany by means of this method had been very successful. I had hoped that we in Western Australia would have been the first in Australia to instal this method of treatment. Unfortunately, we will not be in that proud position no matter what decision the Government may now arrive at, because about a month ago I learnt that the Government of New South Wales, in reply to a question asked by Dr. Arthur, stated that they would put a considerable sum of money on the Estimates to permit of the purchase of this apparatus for the Sydney Hospital. I am informed from Melbourne that it is proposed to instal the apparatus at the Melbourne Hospital at even an increased cost for the treatments of two patients at a time, and I have private advice from Adelaide to the effect that a movement is on foot to get the same apparatus for that city. Candidly, I think, the medical advisers of the Government lost a great opportunity when they turned down this proposal which had the support of the senior staff of the hospital and the Council of the British Medical Association.

Hon. J. Ewing: It is not too late now.

Hon. A. J. H. SAW: But many valuable months have been allowed to go by.

Hon. H. Stewart: If we had been first, we would have had a number of people from the Eastern States to treat.

Hon. A. J. H. SAW: Unfortunately, we would have quite enough of our own.

Hon. J. W. Kirwan: What would be the cost?

Hon. A. J. H. SAW: Between £2,000 and £3,000, and there would probably be the cost of maintenance amounting to perhaps £1,000 a year, because when you get an apparatus of this kind you must have someone efficient in X-ray work to devote the whole or the greater part of his time to the treatment of the patient. The cost, I will admit, is fairly large, but in view of the advantages to be derived, it is as nothing. I regard the Perth hospital as the pivot of our hospital system in this State. It is only in the large cities that we can get adequate specialisation. I suppose everyone knows that the ground covered by medical and surgical knowledge in special departments is so enormous as to render it practically impossible for any one man, even if gifted with the mental capacity of a Napoleon, to acquire the best knowledge in every department. Consequently specialisation is a necessity, and of course it can only be carried out in the large cities. I maintain that the Perth hospital should be regarded, not as the hospital for Perth, but as the hospital for the whole State, and that every person, in any portion of the State, who requires special services should be able to come to Perth and get them in the Perth hospital, providing he possesses the other qualifications. Consequently the Perth hospital should provide as many special departments as the medical talent available in the city can staff. Unfortunately that has not been the policy of those controlling the Perth hospital. I have no doubt that it is partly through their want of means, but it is also largely through their want of knowledge. Ever since I came back from the war, I have been pressing on the Perth Hospital Committee to get four things: an increased X-ray apparatus, which they have done in part; a medical electrical therapeutic massage system, which they have not at the present moment; and the services of a paid pathologist, who should co-operate with the work of the medical staff. One of the most important things in a hospital is a proper pathological, scientific branch. Another thing the Perth hospital should establish is an orthopaedist department for the treatment of deformities, especially those resulting from injuries. We are fortunate in having in Perth a gentleman who has very considerable knowledge in that particular line. Unfortunately, however, his services are not availed of by the Perth hospital. Take such a simple thing as fractures. In relation to what I suggested as to patients from all over the State being sent to the Perth hospital for proper attendance by specialists there, let me remark that the majority of people think a fracture is a very simple thing and easy to deal with. I can assure them that in many cases it is not so. Very frequently a severe fracture results in very considerable deformity at the time, requiring very special anatomical knowledge and manipulative skill,

and requiring, above all, that the patient shall have the advantage of being submitted to X-ray examination in order that the exact position of the bones can be determined. As we know, in the back blocks this cannot be done. The treatment of these difficult cases does require a very special amount of manipulative skill and anatomical knowledge, and it is not to be expected that the ordinary practitioner, who may see a complicated fracture rarely, has either the knowledge or the ability to deal most successfully with this class of cases. And again, as we all know, such cases require very special care by massage and electrical treatment during the period of convalescence if they are to be restored to the community as wage earners quickly. A very large number of fractures of the lower limb do result in permanent lameness, and that could undoubtedly in a great measure be obviated if such cases had the advantage of better skill at the time of the fracture, and of better treatment afterwards, and particularly of diagnosis by means of X-rays and, if necessary, open operation. The result of not having these things is that numbers of wage earners are crippled and that their economic life is very seriously impaired because of these fractures, sustained during the course of their work. I maintain that it would be wise for the Perth hospital to have a fully equipped orthopaedic department, and to maintain a special surgeon to deal with complicated fractures. I believe that in the long run this would repay a hundredfold the cost of the increased accommodation required. Another matter which struck me in Mr. Fullerton's remarks was the reference to a large and complete dental clinic. Candidly, I think that is a branch which the Perth hospital should enlarge. The importance of decayed teeth and disease of teeth in causing very serious ill-health—in fact, causing fatal maladies—is more and more recognised every day. The poorer class of our community are unable to get that attendance which other people secure, and which is just as important as attendance in an attack of typhoid fever, for instance. I earnestly hope that this Bill will be the means of putting increased funds at the disposal of the hospital authorities, and that thus there may be an all-round increase in the efficiency with which those institutions are run. I support the second reading.

Question put and 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.

Hon. J. DUFFELL: I ask the Minister to report progress. We have not had time to consider the clauses.

Progress reported.

BILL — GENERAL LOAN AND INSCRIBED STOCK ACT AMENDMENT.

Second Reading

Debate resumed from the 23rd January.

Hon. J. W. KIRWAN (South) [8.40]: This is a Bill which has come before us annually for several years. Since war conditions have caused the interest price of loans to exceed 4 per cent., which is the rate provided for in the original Act, these Bills have been brought before us to increase the rate of interest for which the parent measure provides. There was one feature upon the inclusion of which this House always insisted, and that was a clause fixing the duration of the measure as 12 months. Last year the Bill very nearly got through without its operation being limited. It is rather fortunate that the omission was observed, seeing that the measure provided for 6½ per cent. The present Bill provides for 6 per cent., showing the necessity for having a measure of this kind brought before us annually, as the interest price of loan money varies. On the present occasion the Government have included a provision limiting the operation of the measure to the end of 1923, not leaving it for this Chamber to amend the Bill in that direction. As I have pointed out on two or three occasions already, to some extent the Bill is futile. It is futile because the Government seem in the matter of loans, as well as in most other matters, to be somewhat indifferent regarding the authority of Parliament. The Bill is supposed to give Parliament some voice regarding the price of loans. However, from the Auditor General's report I find that the Government, without any statutory authority whatever, borrowed money to the extent of £400,000 from the Australian Wheat Board. The reference will be found on page 5 of the Auditor General's report. I do not object to the borrowing of that money, inasmuch as it was borrowed at the low rate of 3¼ per cent. What I object to is the fact of the Government having borrowed the money without statutory authority. The Auditor General points out—

There is no statutory authority for borrowing money in this way. The cash was not credited to any particular fund. It was merely placed to the credit of the State's general account at the Commonwealth Bank.

I think that some explanation from the Leader of the House on the point is desirable. The Bill is futile in several other respects as well. The purport of the Bill is to give Parliament a voice in the interest rate to be paid for borrowed money. It recognises in that way the right of Parliament to prevent exorbitant rates of interest being paid. To achieve the evident purport of the Bill, it would be necessary for the inclusion of something more than the mere rate of interest. When considering whether a loan is dear or cheap, it is not only the rate of interest that has to be taken into account

but also the issue price. In some cases loans are issued at par, sometimes at £98 or £95, and even as low as £90. There are other very important considerations too. For instance, there is the question of flotation expenses which have an important bearing on the price of the loan. According to the Auditor General's report, the flotation expenses on some of the loans recently issued seem to be exceptionally high. Hon. members have the report before them, and it is only necessary to point out one or two samples to show the flotation charges on recent loans in London. There were issued in London in July, 1921, Treasury Bills to an amount representing £2,000,000, bearing the signatures of the Agent General and the accountant of the London agency in lieu of the signatures of the Colonial Treasurer and the Under Treasurer. Advice was received towards the end of July, 1921, to the effect that Bills for the amount I have mentioned had been issued at a discount of $5\frac{1}{2}$ per cent. per annum with a currency of six months. The issue resulted as follows:—Discount for 184 days at $5\frac{1}{2}$ per cent. per annum totalled £55,452. There were various other charges such as commission and brokerage, stamp duties on bills, and so on, and the result was that the actual cash received for the disposal of two million pounds worth of Treasury Bills was £1,941,537. In order to meet those bills when that loan matured, a further loan of £3,000,000 was floated at a high price. The loan was repayable in 1930-40 and carried interest at 6 per cent. per annum. That loan was issued in London during November, 1921, at a discount of £4 10s. per cent. The issue resulted as follows:—The nominal value of the stock was £3,000,000; the discount under the prospectus, plus the discount on prepaid instalments, totalled £141,048; the underwriting commission totalled £35,625, while the interest for the period prior to date of issue, charged to loan proceeds, was £8,039. In addition to that there was bank commission, brokerage, advertising, printing, and so forth, bringing the total discount and commission to £202,361. The actual cash for the £3,000,000 loan was therefore £2,797,638. The cash received from the loan was applied towards the redemption of £2,000,000 worth of London Treasury bills, to which I have already referred, and local inscribed stock. Then there was a further loan of £2,000,000 repayable in 1935, carrying interest at 5 per cent. per annum. That loan was issued in April, 1922, at a discount of £4 per cent. The final details were not available to the Auditor General at the close of the year but the approximate result of the issue, according to cable advices from London, was as follows:—Nominal value of stock £2,000,000; discount, £33,587; flotation expenses, the details of which are not available, £35,348; interest for period prior to date of issue, charged to loan proceeds, £3,704; further cash to be received from investors in loan,

£17,064, and so on. The actual cash brought to account at the 30th June, 1922, for that loan was £1,860,002.

The Minister for Education: That loan would work out at less than the authorised rate of interest.

Hon. J. W. KIRWAN: I am referring to the question of flotation expenses in connection with loans in London, and the amount we have to pay for them. There are further references to Australian loans, but what I have quoted serves to draw attention to the large percentage which we have to pay on account of flotation expenses. Thus it will be seen that when a Bill like the one under discussion comes before us, purporting to give Parliament control over the rate of interest at which loans should be floated, something more than the mere power to control the interest should be given to us if the Government desire us to deal with these matters properly. It is not only the rate of interest that has to be considered, for much depends upon the issue price, flotation expenses, and so forth. Another rather important point is the duration of the loan. If I had confidence in the Government I would be inclined to give them full control. Unfortunately, there are not many Governments that the majority of the people would agree to trust with the full control of loan flotation matters, but Parliament would prefer to have some voice in determining whether a loan to be floated in London was at a reasonable price, in accordance with all the circumstances.

Hon. A. J. H. Saw: Are you a supporter of the statements of Sir Walter James?

Hon. J. W. KIRWAN: I do not know what utterances the hon. member refers to.

Hon. A. J. H. Saw: To those referring to the financial discredit of the Government.

Hon. J. W. KIRWAN: All I know about the observations of Sir Walter James is that the Leader of the House referred to a statement said to have been made by Sir Walter James in connection with the financial management of the Government here, as compared with the financial position of Victoria. I did not read the comments to which the Leader of the House referred, but it would seem to me that Sir Walter James referred disparagingly to this Government's financial administration in comparison with that obtaining in Victoria. What I can say about Sir Walter James is that the Leader of the House in referring to what was an adverse criticism of the Government's financial methods, with that cleverness for which he is noted, inferred that the criticism of the Government's methods was disloyalty on the part of Sir Walter James to Western Australia. Sir Walter was merely referring to the financial indifference—I use a mild term—of this Government. I would remind the Leader of the House, and Dr. Saw too, that if there is any man who is loyal to Western Australia it is Sir Walter James, who was born here and who over and over again has given evidence of his intense loyalty to his State.

There is no one to whom criticism of disloyalty to the State can be less justly applied than to Sir Walter James. I would remind the Leader of the House and Dr. Saw too, if he sympathises with the Leader of the House, that adverse criticism of the financial administration of the Government is not disloyalty to Western Australia. If we think the Government are doing the State an injury and we remain silent, that is disloyalty to the State.

Hon. A. J. H. Saw: You say you distrust the Government in its financial methods?

Hon. J. W. KIRWAN: On many occasions I have said that I feel a want of confidence in the Government's sense of financial responsibility. That practically means the same thing. The present Government found fault with the Scaddan administration of the finances. The Scaddan Government had a higher sense of responsibility regarding the financial position, although it was not as high as it ought to have been, than various Governments who have succeeded them. That is proved by the state of the finances, and that is why I have no confidence in the present Government's sense of financial responsibility. When we go into Committee we may be able to achieve something in making the scope of the Bill more extensive. We cannot provide, perhaps, that Parliament shall have a full voice in the flotation of a loan, or as to the particular amount that it will cost, but we should have some control over the issue price. For that purpose I will endeavour in Committee to secure the passing of an amendment I have had drafted which will provide that interest on inscribed stock shall not exceed 6 per cent. per annum of the issue price thereof. That is, when the issue price is taken into account, the loan shall not exceed the 6 per cent. The Government may say that is likely to embarrass them; but if my amendment is included, there will still be a very wide margin as compared with the prices of loans which have been issued lately. It would cause no embarrassment whatsoever, but would give some sort of extension of the power of Parliament over the issue of loans. We do not know how long the Government may be in power. All Governments are creatures of the day, and perhaps next week or next month there may be a Government whom Dr. Saw may regard as the acme of all that is awful in financial matters. In such an event he would no doubt be glad to have an amendment of this kind in the measure. The mere fact of one having confidence in the Government should not necessarily prevent his supporting an amendment of this character. It is to provide not merely for the present Government but for any possible contingencies which may arise. My amendment will not in any way embarrass the Government, as it will still leave a large margin for them to get whatever money they may require. In a cablegram published in the daily Press on the 18th

January it is recorded that the New South Wales 5 per cent. loan of four millions, issued at 95½ and redeemable from 1932 to 1942, has been underwritten. This shows that my amendment would give a very big margin indeed for the Government to secure what loans they required at the rate of 6 per cent.

Hon. A. LOVEKIN (Metropolitan) [9.3]: I am glad Mr. Kirwan has directed attention to this Bill because, on looking at it, I cannot see any use whatever for it. It simply prescribes that instead of the interest rate being 4 per cent., as provided in the principal Act, it is to be raised to 6 per cent. The rate of interest does not matter at all. Money has a parity price. The Commonwealth 6 per cent. loan to-day is quoted at £108. Four per cent. stock in parity is about £72, which shows that there is a parity price. The Government, according to the Auditor General's report, page 7, borrowed three millions of money on which they have accepted a discount of £4 10s. per cent. and on which they have paid £202,361 for flotation expenses, which works out at 6.74 per cent. If we take the £4 10s. off the par price per £100, and the £6 15s. expenses, it means that we receive £88 15s. for a 6 per cent. loan.

The Minister for Education: Is not the discount included in the flotation charges?

Hon. A. LOVEKIN: On looking at again, apparently it is.

The Minister for Education: The hon. member will manufacture a case out of any figures put before him.

Hon. A. LOVEKIN: That is not fair. In this instance the Minister is right.

Hon. J. W. Kirwan: He is sometimes right.

Hon. A. LOVEKIN: Very often.

Hon. A. J. H. Saw: Is there any bottom left in your argument now?

Hon. A. LOVEKIN: I think there is. We are getting only £93 5s. for every £100 of stock, which represents an enormous discount. It is not £4 10s. discount but £6 15s. discount. I cannot see the use of this clause at all. We are limiting the interest rate and not the issue price. If we limit the issue price as well as the interest rate, there will be the flotation and other expenses which we cannot regulate at all.

The Minister for Education: You would simply take away the freedom to negotiate which the Government ought to have.

Hon. A. LOVEKIN: That is what I was about to suggest. Therefore I cannot see any use at all for the measure. Why is it placed before us?

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East—in reply) [9.8]: If the hon. member will reflect for a moment, he will see that there is a need for the measure. Without it we can issue our loans at only 4 per cent. I quite agree it would be possible to issue at 4 per cent. by offering a loan at

75 or 75, or something of that sort, but I think it will be agreed that this would be highly objectionable and would be setting a most unnecessary limit upon the freedom to negotiate that the Government ought to have in financing their loans. It is necessary that a sum of interest should be offered which will justify subscribers to the loan in paying something near par for the loan. Mr. Kirwan made reference to the New South Wales loan of 5 per cent. at a discount of $4\frac{1}{2}$, and he spoke of that as a very satisfactory rate. Probably it is, but on the same page of the Auditor General's report, to which so much reference has been made, we find that Western Australia, in April, 1922, floated a loan at 5 per cent. at £96, or half a point better than the loan of New South Wales. Mr. Kirwan's first complaint was that we had borrowed £400,000 from the Australian Wheat Board under a special method of borrowing for which there was no authority. I wonder what would have been said of the Government if it had been discovered that we had had an opportunity to borrow £400,000 at $3\frac{3}{4}$ per cent. and had not taken it, because there was not technical provision for precisely this kind of loan, which provision could not have been made because the possibility of raising money in that way had never been contemplated.

Hon. J. W. Kirwan: Therefore you do not want statutory authority at all?

The MINISTER FOR EDUCATION: We had plenty of authority to raise the money. We could have gone on the London market and borrowed at 5 per cent., or we could have issued Treasury bills locally at $5\frac{1}{2}$ per cent. There were a dozen different ways in which we could have obtained any money we wanted at probably 5 or $5\frac{1}{2}$ per cent.

Hon. J. W. Kirwan: You had not statutory authority.

The MINISTER FOR EDUCATION: We had statutory authority to raise all the money we wanted.

Hon. J. W. Kirwan: The Auditor General said otherwise.

The MINISTER FOR EDUCATION: The Auditor General said we had not authority to borrow this money at short date from the Australian Wheat Board. We had ample authority to borrow any money we required. But it happened that the Australian Wheat Board, which was handling the money of the farmers, had a large sum which it desired to put out at interest in Australia, and it offered that money to the whole of the Governments at a very cheap rate of interest. All the Governments took their proportion of it, and it was an entirely proper thing to do both from the point of view of the Australian Wheat Board and the point of view of the Governments. I do not know whether it is suggested that we should have refused this money because of the lack of this technical authority, and so compelled the board to give private people the advantage of this cheap money. That may or may not be the contention.

Hon. J. W. Kirwan: That means that in some cases you recognise statutory authority, and in other cases you do not.

The MINISTER FOR EDUCATION: It does not mean any ignoring of statutory authority. The Government had ample authority to borrow money, but what the Auditor General points out is that no Act had been passed whereby we could borrow money from the Australian Wheat Board at a short date to be repaid on certain notice. No provision could be made, because a loan of that sort was never contemplated. But no possible harm was done to anybody. In fact, the transaction was advantageous to everybody, and more particularly to this State and the taxpayers. Mr. Kirwan has also made reference to the loans referred to in the Auditor General's report. At the time that we raised those loans, we had authority to raise money at $6\frac{1}{2}$ per cent. Very often we are told that we ought to be guided by financial experts. The Government never take a single step in regard to borrowing money in London except on the advice of their financial experts. Advice is given to us with the best intentions and is closely scrutinised, and I think it would be very dangerous to ignore such advice. We may be advised to borrow money at $6\frac{1}{2}$ per cent. and asked a small premium, or we may be advised to borrow at par, or we may be advised that a loan will be more attractive if we make the rate of interest 6 per cent., as was done in this case—it must be remembered that this was a time when money was very dear—or that a loan might be more likely to appeal to the public at a discount of £4 10s. That is why we want authority to borrow up to 6 per cent.

Hon. G. W. Miles: Is it necessary when you can borrow at five?

The MINISTER FOR EDUCATION: The chances are that it will be borrowed at 5 or $5\frac{1}{2}$ per cent. The New South Wales loan was at 5 per cent.

Hon. G. W. Miles: Your last loan was 5 per cent.

The MINISTER FOR EDUCATION: The fact of this percentage being prescribed in the Act will not induce the Government to pay 6d. more than is necessary. We shall take the best advice available as to the terms on which our loans should be issued. Mr. Kirwan referred to two million pounds worth of Treasury bills. That was cheap money. The rate of interest was upwards of six per cent. and the cost of the money to the State for the six months was £55,000, which was approximately $5\frac{1}{4}$ per cent. I do not know what objection there could be to these Treasury bills. It would have been a good deal for the Government if they could have raised money again by means of Treasury bills instead of going on the loan market when we did.

Hon. J. W. Kirwan: The subsequent loan to meet the bills was high.

The MINISTER FOR EDUCATION: Yes, but had we gone on the money market at the time we should have had to pay a higher rate of interest. The price of money

did not come down quickly. This was in November, 1921. A few months later in April, money had decreased in price and we were able to get our loans at five per cent. It would never do for Western Australia to go on the London market with a limit of four per cent. interest and be obliged to offer very large discounts.

Hon. A. Lovekin: If you could have a free hand, what would be the use of the Bill?

The MINISTER FOR EDUCATION: If the Bill is thrown out, we shall not have a free hand. We shall be tied down to the four per cent. If it is carried we shall have a free hand, because six per cent. is in excess of the rate at which we shall need to borrow.

Hon. J. W. Kirwan: Why limit the interest price and not the issue price?

The MINISTER FOR EDUCATION: We must have freedom of negotiations, and be able to act in accordance with the advice of our London financial experts. If we cut down the rate of interest and fix a limit upon the issue price, it would only mean greatly increasing the flotation expenses.

Hon. J. Nicholson: And it would have the effect of tying the Government in a knot.

The MINISTER FOR EDUCATION: Yes. I hope the House will pass the Bill.

Question put and 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—Amendment of Section 18:

Hon. A. LOVEKIN: On matters of finance the Government ought to have a free hand. If we delete this clause we shall revert to the principal Act. Why cannot we repeal Subsection (a) of Section 18 and leave the Government a free hand? I cannot see any reason for tying their hands in a matter of this sort. It would be as well if the Minister reported progress, when we might consider whether we could not take the course I suggest. The clause as provided here would be disastrous to any Government that wanted to conduct their own financial affairs.

Hon. J. W. KIRWAN: The Minister was clever in his reply to Mr. Lovekin and myself. He said it was essential that the Bill should be introduced, because in the original Act the rate of interest was four per cent. and it was desirable the Government should be allowed to borrow at a higher rate than that. The particular point raised by us was that if it was necessary to fix the rate of interest, implying that Parliament was to be given a voice in the price of the loan, why should it not also be necessary to make provision as to the issue price of the loan? That is different from what the Minister with his usual cleverness replied to. What is the use of fixing the rate of interest unless we also limit the issue price of money? I, too, would like progress to be reported.

The MINISTER FOR EDUCATION: One member wants the matter postponed in order to bring down an amendment to give the Government absolute freedom, and the other in order to bring forward an amendment to tie the hands of the Government. I the hope that these members might fight the matter out between themselves and come to the conclusion that the Government attitude of not desiring unbounded freedom and at the same time not desiring to be tied in the matter, is a right one, I do not mind giving them time in which to do so.

Progress reported.

BILL.—WORKERS' COMPENSATION ACT AMENDMENT.

Second reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [9.23] in moving the second reading said: This is a short but a important Bill. There is no reason why should attempt to disguise from the House the reason for the introduction of this piece of legislation. It arises out of a certain case tried in the courts under the Workers' Compensation Act. Clause 2 contains these words:—"That the term 'worker' save a aforesaid includes." This refers to the preceding words in the interpretation of workers in Section 4 of the Act of 1912. That definition provides that worker does not include any person whose remuneration exceeds £40 a year (£400 having been substituted for £300 by the Act of 1920) or a person whose employment is of a casual nature, and who is employed otherwise than for the purposes of the employer's trade or business. This exemption will still apply. No person obtaining £400 a year or whose employment is of a casual nature, or who is employed otherwise than for the purpose of the employer's trade or business, will be brought under the provisions of the Workers' Compensation Act by this clause. Subject to these provisions the term "worker" shall include (a) any person to whose service any industrial award or agreement applies. I do not know that the paragraph is of great importance. It can well be contended that any person to whom an industrial award or agreement applies is a worker, and will come under the provisions of the Workers' Compensation Act, unless otherwise disqualified. The following paragraph (b) and (c) are the essential paragraphs of the Bill. By paragraph (b) it is intended to remove any doubt between contracts of service and contracts for service to be rendered. The amendment, however, is limited to the timber industry. It will be remembered that it was in the timber industry that this particular case arose. The principal Act does not apply to the relation of employer and contractor as distinguished from that of master and servant. A contractor is to be regarded as a person carrying on an independent business. To distinguish between an independent contractor and servant the test is whether or not the employer re

tains the power, not only of directing what work is to be done, but of controlling the manner of doing the work. If a person can be overlooked and directed in regard to the manner of doing his work, such person is not a contractor but a worker within the meaning of the Act, and it makes no difference that his work is piece work. A mining case was tried some time ago. Some contractor for the delivery of firewood to the mine made a claim under the Workers' Compensation Act. In that case it was ruled, and there can be no question about it, that he had no claim whatever. In that case it was a contractor having his own horses, carts, and a timber hewer's license, going into the forest under the authority of his license, cutting wood, bringing it in, and delivering it to the mine at so much a load. There it would be entirely wrong to suggest that the relations of master and servant existed or that the mining company, buying the firewood on contract, was liable under the Workers' Compensation Act.

Hon. A. Lovekin: What is the name of the case?

The MINISTER FOR EDUCATION: I think it was the case of the Potosi Mine. That is not the case we had in mind in the Bill, nor is a case of that sort likely to be affected by the Bill. It will not be brought under the provisions of the Workers' Compensation Act.

Hon. J. Nicholson: The other case was that of Lewis and Reid.

The MINISTER FOR EDUCATION: Yes, in that case the men were employed by Lewis and Reid to cut Lewis and Reid's timber, not under a permit to go out and get timber, but to go out and cut timber on Lewis and Reid's concession.

Hon. H. Stewart: This is a fine distinction.

The MINISTER FOR EDUCATION: It is a wide distinction. One set up a condition of affairs which practically amounted to a contract of service, and in the other case it was work done under the employer's supervision. If these people were cutting Lewis and Reid's timber on Lewis and Reid's land, it had to be done in the manner set out by Lewis and Reid. The same sort of thing is done in the case of other timber companies. They recognise it is a proper responsibility and insure the employees accordingly. The object of paragraph (b.) is to remove this distinction of contracts of service or contracts for service, where persons are employed in the timber industry, and the remuneration is in substance a return for manual labour bestowed by the employee on the work on which he is engaged. The paragraph reads as follows:—

Any person working in connection with the felling, hauling, carriage, sawing or milling of timber for another person who is engaged in the timber industry, for the purposes of such other person's trade or business under a contract for service, the remuneration of the person so working

being in substance a return for manual labour bestowed by him upon the work in which he is engaged.

This is a proper amendment. It is in accordance with the spirit and intentions of the Act. It was never intended that a person, merely by letting his work out as piece work, should be able to protect himself against his obligations under the Workers' Compensation Act. It must be agreed that it is desirable, not only in the interests of the worker, but of the general community that all workers should be protected in this way. There is no great hardship on an employer who insures. I do think it is contrary to public policy that any employer should be able, by letting his own work out on piece work, simply to save himself from possibly a small amount for insurance, to allow a person to become injured and have no redress whatever.

Hon. G. W. Miles: But that is not the prime reason for piece work.

The MINISTER FOR EDUCATION: Oh, no. I do not suggest it. An employer lets out piece work because it is more advantageous to him. But the mere fact that he finds it advantageous, should not relieve him of his proper obligation to his employees. The effect of the clause will be that the question of liability will not depend upon the question of how far the employee is overlooked and directed in his work; if he is engaged by an employer in the timber industry under contract of service and paid for manual labour bestowed on the work he will be deemed a worker. The court decided in a contrary direction, with the result that these employees, although practically wages men, were deprived of the advantages of the Workers' Compensation Act. The Act will come into operation on a day to be fixed by proclamation. Due notice will be given of that day, and so employers will have an opportunity to adjust their insurance. Provision is made that any person engaged in manual labour on a group settlement shall be brought under the Bill. At present those persons cannot be treated as workers. The Government do not wish that there should be no provision for them, and so it is provided that they shall be deemed workers within the meaning of the Act. Further, the cost of the insurance is to be charged against the group settlement.

Hon. J. Mills: Another form of tax.

The MINISTER FOR EDUCATION: If you like, yes, but without any revenue derived. I move—

That the Bill be now read a second time.

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

House adjourned at 9.35 p.m.