Legislative Council

Thursday, 29th November, 1951.

CONTENTS.

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

ASSENT TO BILLS.

Message from the Governor received and read notifying assent to the following Bills:—

1, Agriculture Protection Board Act Amendment.

2, Inspection of Machinery Act Amendment.

3, Companies Act Amendment.

4, Totalisator Duty Act Amendment.

5, Optometrists Act Amendment.

STANDING ORDERS COMMITTEE.

Report Presented.

Hon. J. A. DIMMITT: I have pleasure in presenting the report of the Standing Orders Committee. I have to advise that it met in pursuance of a resolution passed by this House on Tuesday, the 30th October. The committee met on five occasions and discussed primarily Standing Orders Nos. 26 and 27. During the course of the discussions other Standing Orders were considered. These are all covered by the report and certain amendments have been recommended. These are shown, together with the reasons for the recommendations, in a schedule attached to the report. It will be the province of members of this Chamber to accept, reject, or amend any portion of the report. Today it is proposed to deal with it in two motions, the first of which will be that it shall be received and the second will provide that it shall be printed, distributed and a day set aside for its consideration. I move—

That the report of the Standing Orders Committee be received.

Question put and passed.

Hon. J. A. DIMMITT: I move—

That the report be printed and distributed, and its consideration in Committee made an Order of the Day for Thursday, the 6th December.

Question put and passed.

QUESTIONS.

FORESTS.

As to Report of Royal Commission.

Hon. J. MURRAY asked the Minister for Transport:

Will he advise the House when the Government expects to release the report of the Royal Commission dealing with forestry matters?

The MINISTER replied:

The report has not yet been received.

STATE SHIPPING SERVICE.

As to Cargo Carried.

Hon. R. M. FORREST asked the Minister for the North-West:

(1) What is the tonnage of cargo which can be carried on the State ships per trip—

(a) "Dulverton";

(b) "Dorrigo";

(c) "Koolinda";

(d) "Kybra"?

(2) What is the actual tonnage of cargo each of these ships has carried per trip in the past 12 months?

(3) How many trips has each ship made in the past 12 months?

The MINISTER replied:

(1) (a) Approximately 2,200 tons.

(b) Approximately 1,750 tons (cattle season); approximately 1,900 tons (generally).

(c) Approximately 1,400 tons in lower hold. The rest of the space is fitted for cattle, sheep and rams. Owing to this vessel

being our chief cattle carrier, it has to run to a strict schedule and the amount of cargo loaded is often governed by the cattle schedules, tides, time and labour available at Fremantle and coastal ports.

(d) Approximately from 500 to 550 tons.

All the above figures vary considerably in accordance with the various types of cargoes carried.

(2) (a) 17,855 tons on the run north, 10,619 tons on the run south.

(b) 19,051 tons northwards, 7,796 tons southwards, plus 1,417 cattle and 1,167 sheep.

(c) 13,848 tons northwards, plus 6,029 rams and ewes and 377 stock; 4,237 tons southwards, plus 5,153 cattle and 2,090 sheep.

(d) 8,669 tons northwards, plus 10 rams; 6,920 tons southwards.

(3) (a) Eight trips.

(b) Ten trips.

(c) Twelve coastal and one docking.

(d) Fifteen trips.

(Note: The above figures are from November, 1950, to November, 1951.)

AGRICULTURE.

As to Denmark Research Station.

Hon. C. H. HENNING asked the Minister for Agriculture:

(1) Is the Denmark Research Station the only equipped research station in the dairying area?

(2) What is the area of the station?

(3) What is the area laid down in pasture?

(4) What is the number and type of stock carried?

(5) Was a move made recently by the Education Department to take over the station from the Agricultural Department?

(6) If so—

(a) what was his decision; and

(b) will he state the reasons given by the Education Department in its desire to take over the station?

The MINISTER replied:

(1) Yes.

(2) Research station proper, 230 acres. Additional land was acquired in 1950, of which 225 acres was purchased and 541 acres was Crown land.

(3) One hundred and sixty-five acres in research station proper. Further areas are now under preparation.

(4) Horses, two; cattle, 85; pigs, 160; poultry, 1,000.

(5) Yes.

(6) (a) I was definitely opposed to the proposal.

(b) The Education Department suggested that the Department of Agriculture might be prepared to transfer the land occupied by the research station to the Education Department and remove the research station to another location a few miles from Denmark. I did not approve of the suggestion of the Education Department.

The Education Department has no land attached to the Denmark School of Agriculture but uses land belonging to the research station. This restricts the activities of the School of Agriculture in that it can give instruction only in such aspects of agriculture as are conducted on the research station and, in consequence, some activities which the Education Department considers essential in preparation of boys for farming had to be omitted from the course, i.e., sheep husbandry. The Education Department therefore considers the school should have land of its own to carry out its full programme. It consequently put forward proposals to enable it to acquire suitable land conveniently located.

RAILWAYS.

As to Locomotive Spark-Arresters.

Hon. N. E. BAXTER asked the Minister for Railways:

(1) In view of many reports of recent outbreaks of fire caused by railway locomotives, in country districts, would he endeavour to arrange—

(a) for all new imported locomotives to be fitted with efficient spark-arresters;

(b) for train crews to keep a sharp lookout for any fires started by locomotives, and if possible extinguish them before they spread?

(2) Did the Railway Department receive a report on the efficiency of the locomotive spark-arresters invented by Mr. Brew of Northam and tested on a timber line locomotive some time ago?

(3) If so, what was the department's attitude in regard to Mr. Brew's spark-arrester?

The MINISTER replied:

(1) (a) and (b) This is the existing practice.

(2) No report supported by technical data has been received.

(3) The principle of the Brew spark-arrester is well known to the department and there is nothing to indicate that this type of equipment is any way superior to the master mechanics front end spark-arrester, which has been adopted as standard by the W.A.G.R. and Eastern States' railway systems.

I might amplify that reply by saying that I discussed this matter personally with Mr. Brew during a visit I paid to Goomalling; and knowing that railway fires are a serious matter for the State, I took up the subject personally with

the Commissioners to see whether this type of spark-arrester could be utilised and what value it had.

They explained it was very similar to one they had tried out previously; and while it gave good results on low-powered engines, up to 300 h.p., particularly when burning wood as fuel, and had, in fact, been used on wood lines in the timber areas, the performance materially declined when the arrester was applied to higher-powered engines—and most of those to which it would be applied would rate about 900h.p. In that case it reduced the power considerably, was not so very effective, and would prove costly in preventing the emission of sparks.

We realise the danger of sparks, because pastures have improved and become thicker, and the fire risk is consequently greater. Members might be interested in the following answer to a question asked by Mr. Ackland in another place on the 27th November:—

> All practicable precautions are taken. Instructions are repeatedly issued for the information of footplate and supervisory staff to ensure that all spark-arresting equipment is in good working order and that the maximum care is taken in engine management. During the season of fire risk an inspector is specially appointed to supervise the maintenance of spark-arrester equipment and ensure that all possible precautions are taken to minimise fire risks. This officer has the sole use of a motor vehicle which is equipped with a two-way radio set with which close liaison is kept with the Forests Department officials.

In addition, where practicable, engine crews are instructed to put out fires which are noticed while they are travelling. I would suggest that all members interested, including particularly the hon. member who asked the question, might interview the engineering Commissioner, Mr. Clarke, and he will explain what we have done and what we are trying to do to minimise this hazard.

BILL—WHEAT INDUSTRY STABILISATION ACT AMENDMENT.

Standing Orders Suspension.

The MINISTER FOR AGRICULTURE: I move—

> That so much of the Standing Orders be suspended as is necessary to enable the Wheat Industry Stabilisation Act Amendment Bill to pass through all stages at any one sitting.

Hon. G. FRASER: I usually raise an objection to this kind of motion, and I do so on this occasion. I do not intend to oppose it, but there are one or two queries I would like the Minister to answer. Who was responsible for the conference between State and Federal authorities which was held last week, and why was it held so near to the 1st December, which I understand is "D" day so far as this Bill is concerned?

Further, seeing that the conference was held approximately a week ago, why is the Bill being introduced so late in the State Parliament? I understand it is only today making its appearance in another place. The conference was held a week ago, and the measure has to be passed by the 1st December. This is the 29th November, and the very earliest date we can possibly deal with it is the 30th November, the last day on which it is possible for the legislation to be carried.

I am prompted to ask this because this week we have had practically nothing to do and now, in order to rush one Bill through, we are to be asked to have an extra day's sitting. I do not mind sitting an extra day if there is a genuine case for our doing so. I hope the Minister will give a reasonable answer to my queries.

Hon. Sir CHARLES LATHAM: We do not know what will be the size of this Bill. Is the Minister going to ask us to pass the three readings in the one day? I hope he will be able to suspend the discussion until we have had a look at the measure.

Hon. H. HEARN: Is this not another case of the end-of-session rush on important Bills? If it is not, I am not going to raise any objection; but if during the next three or four days, despite the principles involved, we are asked to pass something through the House quickly, I intend to object.

Hon. A. L. LOTON: I raise my objection to the proceedure proposed. I have not seen a copy of the Bill, but I have heard of some of the contents, and I read in the Press about other contents. Some of the provisions are most objectionable, and it is unfair to ask members to pass such a measure hastily when the Bill has not been received in another place, and when it will not arrive here until after the House has adjourned.

The MINISTER FOR AGRICULTURE (in reply): Mr. Fraser asked why this conference was held so near the 1st December. I was most concerned at the delay with regard to the conferences. The first conference on this matter was held in Brisbane last June and there we came to certain decisions which altered the price of stock feed. We had to endeavour to get the wheatgrowers out of the bad bargain that they had voted themselves into, and we knew that would necessitate legislation by the States. Three months elapsed after the Brisbane conference before the next one was called; and that was entirely beyond my control. I thought the next conference would be with the Commonwealth Minister in consultation with the Australian Wheatgrowers' Federation, and I expected to have to return to Canberra in about two weeks' time—

Hon. A. L. Loton: Did you take any steps to try to have that conference called?

The MINISTER FOR AGRICULTURE: No. It was not my business to do so. It was a matter for the Commonwealth and it was out of our hands for the time being because the Commonwealth Minister said he would take the matter up with the Wheatgrowers' Federation. At that time the only proposal before the State Ministers for Agriculture was that the price of stock feed should be raised to 12s. I became impatient at the delay and wired to the East asking when the conferences would be called but, as members know, Mr. McEwen went to England for about three months and much to my surprise, a conference was held in his absence by Mr. McCleay.

Instead of discussing the proposal of the 12s., which we all thought we were to debate at the next conference in Canberra, when we got there we found we were to debate the question of 16s. 1d. as the price of stock feed. The result was that that conference was wasted. My Government told me I could go to Canberra and support the proposal for the 12s., but when I found that the proposal was to be 16s. 1d., that was vastly different. That figure had been put forward by the Australian Wheat Board and was supported by Mr. Menzies with a view to increasing the wheat acreage.

That caused another delay because we could not arrive at a decision without reference to our respective Governments and back we came again. There was another conference in Melbourne which the Minister for Lands attended in my place, and then there was the last one. With regard to the time between that last conference and the present, I would point out that it was not until Wednesday of last week that I knew that the Commonwealth Government had agreed to our proposal. We had reached a general deadlock on the main proposal and a compromise was put up to the Commonwealth, which took 24 hours to consider it. I did not know the decision until last Wednesday, when I was in Sydney, and I hurried home as fast as I could.

I should have been at Newcastle, taking over the "Kabbarli" for the State Government, but instead of that I came home. The other Governments, being on the spot, got the draft more quickly. I went to Canberra again and asked the Commonwealth Draftsman could I have a draft of the uniform legislation; but he could not give it to me and said he would send it over. I came back as quickly as possible but did not get it until last Friday. South Australia, being on the spot, got the draft and introduced its legislation last Thursday or Friday and the same applied to the other States. That explains the delay in the case of Western Australia.

Hon. G. Fraser: You say you got it last Friday.

The MINISTER FOR AGRICULTURE: Yes. I might add that the other States, being on the spot, have all passed their legislation.

Hon. A. L. Loton: When did they get copies of the draft?

The MINISTER FOR AGRICULTURE: I am answering Mr Fraser at present

Hon. A. L. Loton: I, also, am interested in certain questions. When did the Queensland Parliament get a copy of the draft legislation?

The MINISTER FOR AGRICULTURE: I do not know, but they must have got it quickly. These are matters quite beyond my control. The other States got their drafts of the legislation more quickly than we did and have all passed their legislation. I believe a further delay occurred in the Government Printing Office. I believe the Bill was at the Printing Office yesterday but the power went off, and it could not be printed until today, with the result that it has only just reached another place this afternoon. That is the answer to the question with regard to the delay, and I think members will realise that it was beyond my control.

Question put and passed.

MOTION—ADDITIONAL SITTING DAY.

The MINISTER FOR AGRICULTURE: I move—

> That unless otherwise ordered the House shall meet for the despatch of business on Friday, the 30th November at 2.30 p.m.

It is obvious why we want to sit tomorrow. There are a lot of Bills to come forward next week. We will have an opportunity to deal with them, but the most important is the Wheat Industry Stabilisation Act Amendment Bill.

Hon. A. L. LOGAN: What will the position be if the Bill is held over until Tuesday next? How much new season's wheat would be sold before then? If there is no particular hurry, I think the Bill should be dealt with on Tuesday next.

The MINISTER FOR AGRICULTURE: (in reply): All State Ministers for Agriculture have been asked to have this legislation passed by the 1st December and the only way in which we can do that is to sit tomorrow. If the Bill is passed in another place, it is obvious that we must deal with it and pass it tomorrow.

Hon. G. Fraser: Is it doubtful whether another place will pass it?

The MINISTER FOR AGRICULTURE: Everything is doubtful in this life—particularly legislation.

Hon. Sir Charles Latham: This is being done for the convenience of the Commonwealth Government, is it not?

The MINISTER FOR AGRICULTURE: No, for the convenience of the Australian Wheat Board. If any sales of wheat were made, without this legislation being passed, they would have to be made at the old price. As members probably know, the new home consumption price for wheat will be 10s. and unless this legislation is passed any wheat sold between the 1st December and the 7th December—if we passed this legislation on the 7th—would have to be sold under the provisions of the old legislation. It would probably be possible to hold up sales in the interim period. I am prepared to get in touch with the Australian Wheat Board and see what the repercussions will be if the measure is not passed until next Tuesday.

Hon. L. Craig: There may be contracts dating from the 1st December.

The MINISTER FOR AGRICULTURE: That is so, but if it were possible I would be only too happy to postpone dealing with the legislation until next Tuesday. I think, however, that the House would be wise to pass this motion. I assure members that I have no desire to push the Bill through tomorrow and would much prefer to deal with it on Tuesday next.

Question put and passed.

BILL—LIBRARY BOARD OF WESTERN AUSTRALIA.

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to amendments Nos. 1 to 22 and 24 to 29 made by the Council, and had disagreed to No. 23.

BILLS (3)—FIRST READING.

1. Acts Amendment (Fire Brigades Board and Fire Hydrants).
2. Rents and Tenancies Emergency Provisions.
3. Collie-Cardiff Railway.

Received from the Assembly.

BILL—GOVERNMENT RAILWAYS ACT AMENDMENT.

Returned from the Assembly with an amendment.

BILL—TRUSTEES ACT AMENDMENT.

Read a third time and returned to the Assembly with amendments.

BILL—PRICES CONTROL ACT AMENDMENT (No. 2).

Third Reading.

HON. E. H. GRAY (West) [5.4]: I move—

That the Bill be now read a third time.

HON. A. L. LOTON (South) [5.5]: I hope it is not too late for the members of this House to reverse the decision they made the other day. At that time I think there was some confusion over the Bill. Some members, I feel sure, thought that the Bill was a Government measure. When we came hurriedly to the amendment of Subclause (b) of Clause 3, there is no doubt that confusion arose in the minds of certain members. At this juncture I strongly object to the provision to increase the penalties for any breach of price-control. In many cases, butchers seem to be the chief offenders against price-fixing regulations, and with the limits that are placed on butchers, it is impossible for them to purchase and sell the primest cuts of meat at the price fixed.

Hon. E. H. Gray: Is not that proper price-fixing?

Hon. A. L. LOTON: That is proper price-fixing. Now, when a customer wants the choicest cuts of meat, and the butcher supplies them at a profitable price, he is liable to prosecution. Members of another place have now decided to increase the penalties for such offences from £100 to £200 in the first instance, and the members of this House have decided to increase them from £500 to £750 in the second instance. That seems to be rather harsh and not in keeping with the policy of the Government outlined during its election campaign, namely, to do away with the cobwebs of control. To continue with such a principle will make the restrictions more harsh, and increased penalties will not prevent breaches being committed.

HON. SIR CHARLES LATHAM (Central) [5.8]: During the Committee stage of the Bill, I stated that I intended to oppose it at the third reading if the amendment made was not satisfactory. I am not concerned whether the Bill was introduced by a private member or not; that has nothing to do with my views on the legislation itself. Personally, I am of opinion that there is no need to alter the present penalties. Up to this stage, price-fixing has been observed very well, and I think it quite unnecessary to increase the penalties that can be imposed by a judge at this juncture. During the Committee stage I pointed out that minor overcharges have been made, not directly due to the fault of the owner or manager of a business, but to carelessness.

Hon. E. H. Gray: And they have been fined for overcharging.

Hon. Sir CHARLES LATHAM: Yes, some people have been fined for overcharging by ½d. I am not blaming the price-fixing inspectors because they must perform their duty. I have no fault to find with them, but with the law, which is bad. I believe that there are great difficulties in fixing prices for some commodities, particularly meat, as mentioned by Mr. Loton.

It is difficult to determine a price for some cuts of meat, and if there is acceptance by the customer of the article at the blackmarket price, he should be just as liable as the seller. The customer knows that there are limited quantities of choice cuts of meat, and if he is prepared to pay more than the price fixed in order to obtain those cuts, and the law says that that is wrong he should be fined in the same way as the proprietor of the business. We should follow the practice set down in the Licensing Act which provides that where a person under age is found on licensed premises after hours he is equally as liable as the licensee.

I think that in many cases carelessness is the cause of breaches of the price-fixing regulations. With the large number of articles in a grocer's store, the owner or manager must have an excellent memory to remember the prices of all of them. The customers soon note an overcharge when going through their dockets, but they never mention any undercharges if they are discovered. I venture to say that there are just as many undercharges made as there are overcharges. I do not like the penalties being increased, because there is nothing to justify it. I believe that the tradespeople in this city are much more honest in their dealings than are those in more densely populated places. For that reason, I oppose the third reading.

HON. H. C. STRICKLAND (North) [5.13]: I would like to draw the attention of members to the fact that the penalty laid down is not a set one. Only the maximum has been fixed. The minimum can be £1 or any other amount up to the maximum. Although meat has been quoted as a specific item, I should say that if a butcher or any other businessman buys an article that he cannot retail at a profit, he is a bad businessman and should not buy the article.

Hon. A. L. Loton: He buys it on the hoof.

Hon. H. C. STRICKLAND: With the penalties as they are, we have a better chance of the uncontrolled price of meat on the hoof coming down a bit. As long as we are prepared to condone overcharging, where is it going to finish? We must do something. Meat is a commodity that is consumed to a much greater extent than any other because it is eaten at practically every meal in the average Australian home. If we are going to say, "Well, just go ahead, we know you are overcharging. We do not mind," I do not think we will be doing the right thing.

Reference has been made to a butcher's overcharging ½d. a lb. On a 600 lb. bullock, that would represent a substantial amount, especially if the butcher were selling several bullocks a day, as some of them do. The amendments proposed in the Bill should be accepted by the House. They are designed to act as a deterrent, and if only a small maximum fine be prescribed, it will certainly not have that effect.

Hon. H. K. Watson: Do you consider that £500 is a small maximum fine?

Hon. H. C. STRICKLAND: That is the maximum fine, and I should say it would be a very bad case indeed to warrant a fine of that amount for overcharging. When a trader wilfully and knowingly overcharges a customer, he is deliberately robbing that customer, and why should not he be penalised heavily?

Hon. Sir Charles Latham: Do you know any case where the maximum penalty has been imposed?

Hon. H. C. STRICKLAND: I do not.

Hon. Sir Charles Latham: Not one.

Hon. H. C. STRICKLAND: There have been offences for which a maximum fine of £100 has been provided and has been imposed. In one case Magistrate Wallwork regretted that he could not impose a higher penalty. I do not know of one prosecution that was brought before a judge who could have imposed a fine up to £500. I support the third reading.

HON. E. H. GRAY (West—in reply) [5.17]: I was astonished to hear Mr. Loton speak against the third reading of the Bill. He said that some members had not understood the measure and had thought that it was introduced by the Government. That was a very poor reason. This Bill is not aimed especially at butchers who make a mistake by overcharging ½d. per lb. on meat; it is intended to be applied for grave offences. Therefore I do not think it would concern the butchers very much.

My butcher supplies us with the best cuts and my wife watches the price list and we have not known of any instance of being overcharged. This move on the part of Mr. Loton is a trick to mislead the House. As has been mentioned, a magistrate expressed regret that the penalty was not sufficient for the type of offence, and that is one reason why the measure was introduced. It is intended to meet cases where unscrupulous men enter into a conspiracy to rob the public of large amounts. The average businessman in Western Australia is honest and is held in high regard.

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

Ayes	13
Noes	9
Majority for	4

Ayes.

Hon. G. Bennetts	Hon. L. A. Logan
Hon. E. M. Davies	Hon. H. S. W. Parker
Hon. G. Fraser	Hon. C. H. Simpson
Hon. Sir Frank Gibson	Hon. H. C. Strickland
Hon. E. H. Gray	Hon. G. B. Wood
Hon. E. M. Heenan	Hon. L. Craig
Hon. C. H. Henning	*(Teller.)*

Noes.

Hon. J. A. Dimmitt	Hon. J. Murray
Hon. J. G. Hislop	Hon. J. McI. Thomson
Hon. A. R. Jones	Hon. H. K. Watson
Hon. Sir Chas. Latham	Hon. R. M. Forrest
Hon. A. L. Loton	*(Teller.)*

Question thus passed.

Bill read a third time and returned to the Assembly with an amendment.

BILL—ROYAL VISIT, 1952, SPECIAL HOLIDAY.

Second Reading.

THE MINISTER FOR TRANSPORT (Hon. C. H. Simpson—Midland) [5.22] in moving the second reading said: The purpose of this small Bill is to provide a special public holiday during the visit next year to Western Australia of Their Royal Highnesses the Princess Elizabeth and the Duke of Edinburgh. The proposals in the Bill are flexible, inasmuch as they provide that the holiday may be observed throughout the whole State on the one day or that it may be enjoyed in different parts of the State on whatever day might be the most suitable in the particular district. In order to meet any possible change in the plans for the Royal Visit, the Bill provides that the date selected for the holiday may be altered, or, if necessary, cancelled completely.

In the event of the special holiday being proclaimed on a day which already is a public holiday, another day will be appointed for the public holiday. Should the special holiday be proclaimed, as is likely, for the 3rd March, 1952, which is Labour Day, then the latter holiday will be observed on the 24th March, 1952. This has been agreed to by the Employers' Federation and the State Executive of the A.L.P. It is planned that Their Royal Highnesses will arrive at Fremantle on the s.s. "Gothic" on Saturday, the 1st March, 1952, and depart from Kalgoorlie for Adelaide on Friday, the 7th March. During their sojourn here, they will also visit Northam, York and Albany, and probably Busselton.

It is considered that Monday, the 3rd March, would be the most suitable date for the observance of the holiday in the metropolitan area, as it would enable persons coming to Perth from the country to witness the Royal progress on Saturday, the 1st March, stay over the week-end, and participate in the activities and functions on the Monday.

The intention is to write to the municipal council or road board at each town the Royal couple will visit to ascertain what other local authorities will be joining them for the occasion. On receipt of this information, a holiday can be proclaimed covering those municipal and road districts according to the date on which Their Royal Highnesses will be in the vicinity. Those municipalities and road districts which are not included in the itinerary will be asked whether the date of the metropolitan holiday or some other day will be the more suitable for the holiday in their areas.

In conclusion I should like to say that it is the Government's desire that as many as possible of His Majesty's subjects, particularly children, be given the opportunity to see Her Royal Highness and the Duke of Edinburgh, and the tour arrangements in this State have been made with that object in view. The original programme was based on the assumption that we would have the privilege of a visit from His Majesty the King. Although we were aware that His Majesty's movements would have necessarily to be restricted, it was understood that the Queen would deputise for him at certain functions.

In the unavoidable absence of Their Majesties, Princess Elizabeth will endeavour to meet as many engagements as possible, but it will be realised that her capacity in this regard will have a certain limit. I understand that the programme prepared for Their Royal Highnesses in this State has yet to receive the concurrence of the Royal Controller. I move—

That the Bill be now read a second time.

On motion by Hon. L. A. Logan, debate adjourned.

BILL—FRUIT GROWING INDUSTRY (TRUST FUND) ACT AMENDMENT.

Second Reading.

THE MINISTER FOR AGRICULTURE (Hon. G. B. Wood—Central) [5.27] in moving the second reading said: When the original measure was introduced, it represented the first legislation of the kind passed in this State. Since then we have had two other industry trust fund measures, one dealing with the potato industry and the other with the egg industry.

The intention of this Bill is to increase the maximum rate of contribution to the trust fund from ½d. per bushel to 1d. per bushel. Under the parent Act, a fund was created for the purpose of furthering the interests of the fruit growing industry. Among other things, the fund is required to pay the whole or portion of the costs and expenses of measures taken to prevent or eradicate pests and diseases affecting fruit trees and their fruit. Provision is made for the payment of compensation to growers in respect of the whole or portion of losses suffered as a result of measures taken to prevent or eradicate pests and diseases, and also for financial help to the association and its branches in the carrying out of its activities.

The fund consists of moneys appropriated by Parliament and also contributions by the growers at such rate as may be declared from time to time by the Minister on the recommendation of the committee, provided that the maximum

rate of contribution shall not exceed ½d. per bushel. The Act provides for a committee called "The Fruitgrowing Industry Trust Fund Committee." It consists of two members nominated by the Western Australian Fruitgrowers' Association—Messrs. J. McNeil Martin (President) and Mr. R. C. Owen, M.L.A.—together with a representative of the Department of Agriculture, Mr. H. R. Powell, Superintendent of Horticulture, who is chairman.

The actual levy in 1942 when the Act commenced was ¼d. per bushel. It was subsequently increased to ½d. for 1944-45 and to ¾d. for 1947-48 onwards. The total contributions since 1942 amount to £27,869, which, together with interest on investments of £897, gives a total revenue of £28,766. The total expenditure up to October this year amounted to £17,641, which left a balance of £11,126. For practical purposes, the fund is divided into three sections covering the kind of fruit on which levies are paid. These are apples and pears, citrus, and stone fruits. The main section is apples and pears, and the balance to this section of the fund amounts to £7,531.

The apple and pear section has contributed most to the costs of disease and pest eradication, £1,195 having been received to the end of 1950, and a further payment of £1,000 is contemplated in the near future, bringing the total payments to nearly £2,200. This amount is approximately 11.5 per cent. of the total contributions received, which come to £19,060. Two large scale outbreaks of codlin moth are at present receiving attention, and the estimated cost for 1951-52 is approximately £10,000. As the fund could not carry the burden of dealing with the codlin moth outbreak at Mullalyup and Nannup recently, the Government had no hesitation in devoting £10,000 towards the eradication of the pest. The committee said it would devote £1,000, which was a generous contribution. The trust fund at present cannot make a larger contribution than that.

Hon. E. M. Davies: How much is to be appropriated from revenue.

The MINISTER FOR AGRICULTURE: Approximately £10,000 for these two outbreaks.

Hon. E. M. Davies: How much does the Bill provide?

The MINISTER FOR AGRICULTURE: The Bill does not appropriate anything; it merely increases the levy. I hope the outbreaks will now be under control, but it will be impossible to say for three years, but we think it is under control. Treatment of the present outbreaks will continue for at least another two years at an annual cost of £6,000 to £7,000, and new outbreaks may occur which will need to receive similar treatment.

The proposed increase in the rate of contribution is strongly recommended by the Western Australian Fruitgrowers' Association. It is estimated that the increased rate will bring in an average amount of £5,000 each year, which will permit of more adequate reserves being built up in order to provide, when necessary, some compensation for growers who have been required to bear the costs of disease eradication on their orchards. It is a fine gesture when an industry is prepared to ask Parliament to levy on it in order that it can carry its own burdens instead of going to the Government. We appreciate this point, and it is one reason why I was successful recently in getting £10,000 from the Government. When the Treasurer was informed of the circumstances, he had no hesitation in making that sum available, and rightly so because it would be a bad thing for codlin moth to become widespread throughout the State.

There have, at Collie, been outbreaks of the pest which have been eliminated. I believe the present outbreak at Nannup is under control, but we will not know until next year. The departmental officers did a very fine job and the orchardists allowed their properties to be dealt with, without a murmur, so we are hopeful that the codlin moth will be eliminated from the district. I move—

That the Bill be now read a second time.

On motion by Hon. A. L. Loton, debate adjourned.

BILL—STATE HOUSING ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. SIR CHARLES LATHAM (Central) [5.35]: We should not agree to the clause which will permit the State Housing Commission to obtain further lands because it already holds a very extensive area of country. If a person wants to acquire a block of land today he has great difficulty in getting it, more particularly in the parts of the metropolitan area where land is comparatively cheap. The Commission has thousands of acres of country, and it has not paid for a lot that it has acquired under the Act; yet now it is seeking, by this measure, an extension for another two years. We would be unwise to grant this request until it has used up the land it has already acquired. During his speech, the Minister said that most of the land was for the purpose of making small additions. I do not know how that can apply because the Commission has taken up large areas of land in blocks. The other excuse offered by the Minister was that the land might

be necessary for drainage works. The Public Works Act contains all the power necessary for the formation of roads, and for acquiring land for drainage, sewerage and so on.

I am not agreeable to giving the Commission any further control over land. Today a person has difficulty in buying a block to build on because the State is competing for land. People now have to go some considerable distance from the centre of the metropolitan area in order to buy a block. I am not going to oppose the second reading of the Bill because I think it is very necessary, but I shall later vote against the clause dealing with the matter I refer to.

HON. E. M. DAVIES (West) [5.38]: I support the Bill because I believe it will provide a means by which people will be able, in time, to obtain their own homes, and this is something we should attempt to achieve. Regarding the resumption of land, I take it the Government is desirous of gaining the extension of two years to enable the State Housing Commission to acquire land in districts where it has not already secured some. Simply because it has large tracts in one or two particular areas, is no reason why it should not have the right to acquire land in others.

Some of the land taken up by the State Housing Commission has been held by private people for many years, and they have made no attempt to dispose of it. In some instances transport has been forced to go long distances to provide a service for people because the land adjacent to the town has been locked up. An instance occurred at Fremantle where a large tract of land, served by transport, has been idle for a number of years. The Commission has resumed that land. The only complaint I have is that there are still no buildings on it. I am told the reason is that the availability of loan moneys to the States has been limited.

I am not one of those who believe that we must have brick areas, particularly now with the increased cost of building. Some of the timber-framed and asbestos homes built today are made to look very attractive, and I fail to see why it is necessary to spend large sums of money on brick properties. I would like the Government to consider that aspect because many people who would desire to own a worker's home find that the cost of building in brick is too much.

Numbers of people who have made applications under what was known as the Workers' Homes Act have waited for a long time, but up to now they have not been able to obtain a home under that Act. Many of these people, who have been waiting for a number of years, are now being served with eviction notices, so that they will have to vacate the premises they are renting. The Government should see whether it is possible to build some workers' homes. I support the measure, and although we have been told that loan moneys have been reduced to a certain extent, I hope that in the future the position will be overcome. I ask the Minister to do everything possible to expedite the erection of these homes.

HON. G. BENNETTS (South-East) [5.42]: I support the second reading, but I hope the Housing Commission, when resuming these blocks, will give a little more consideration to the owners than it has in the past. I have previously mentioned that some Goldfields people have held blocks for quite a few years so that when they retired they could come here and build a home. A schoolmate of mine, living in Boulder, held a block in the Belmont area for some time, and it cost him about £190. This block was taken from him after he had levelled it off so that he could build there.

At the present time another house is being erected on the block. He was offered about one-third of what the property cost him, and he refused to take it. He has been offered blocks in other places, but they are not acceptable to him. He is at this stage now that the money is still in the hands of the Housing Commission, and when he decides to come to Perth the Commission will offer him another block in a locality which suits the Commission. That man will not know where his block will be until he gets here.

These tactics are not fair to individuals. I can also mention another instance at Esperance. A turned-down miner at Kalgoorlie owned a block at Esperance, and it was taken from him. The Commission agreed, by correspondence, to give him another one, so he went to Esperance to select a block, but when he returned to Kalgoorlie he was told that there had been a mistake and he could not have the block he had chosen. This man got sick and tired of writing to the Housing Commission and he accepted £10 or £20 under what could be considered a fair price so that he would not have to be bothered with the Commission any more. That man's health was such that he had to go to Esperance to live.

Only the other day Mr. Heenan received a letter from a person in his territory and I received a letter on the same matter. This person owned two blocks of land which were resumed by the Housing Commission. The lady concerned wanted the blocks returned to her and the Commission agreed, but she had to pay the transfer fees which cost her about £28. That sort of thing is over the odds.

It is all right to resume land from some of the big landowners who have held vacant land for years for speculative purposes, but I do not believe that any person should be prevented from receiving a fair figure for land that has been re-

sumed, especially when it is considered that the person concerned has paid rates and taxes on that land over the years it has been in his possession. Also, most land has now increased in value and some form of compensation should be provided.

I agree with Mr. Davies when he says that we should do away with the idea of brick areas and people should be allowed to build decent weatherboard asbestos houses in the so-called brick areas. Some people are not in a position to obtain materials such as bricks and if they intend to build a reasonably decent house they should be permitted to do so. I support the second reading of the Bill.

On motion by Hon. J. G. Hislop, debate adjourned.

BILL—COAL MINE WORKERS (PENSIONS) ACT AMENDMENT.

Second Reading.

THE MINISTER FOR MINES (Hon. C. H. Simpson—Midland) [5.47] in moving the second reading said: The principal Act which was passed in 1943 provided for the compulsory retirement of coal miners at the age of 60 years and for the payment of pensions on retirement, or in cases of incapacity or death arising out of the miner's employment. The scheme, which commenced as from the 1st July, 1944, is similar to other schemes in operation in the States of New South Wales, Victoria and Queensland.

In 1948, the parent Act was amended to include in the scheme employees of contractors who contract with a coal-mining company to remove overburden or to win coal. These employees are required to contribute towards the scheme on the same basis as other mine workers and they receive similar benefits. The owners' contributions to the scheme are paid by the contractors. I might say that the definition of "mine worker," for the purposes of the principal Act, is extremely wide, including persons employed underground, above ground and about a coal mine, a person employed by the owner to transport coal from the mine, a check weigher, a mine's check inspector, a workmen's inspector, a union official, a superintendent manager, undermanager or a male person engaged full time in clerical work in connection with a coal mine.

A sub-contractor removing overburden or coal is also included in the definition of "mine worker" and must contribute to the fund. If a sub-contractor is an owner-driver he is a "mine worker" and the contractor is responsible for the payment of the "owner" contributions to the fund. There is no specific provision in the principal Act to include an owner-driver who is not a sub-contractor, and the Crown Law Department is of the opinion that such a person cannot qualify for benefits under the Act.

In view of the fact that open-cut mining is a temporary expedient until such time as the full requirements of the State can be met by deep mines, it is possible that little benefit will be obtained by persons employed by contractors on open-cuts or by owner drivers who contract with a company, as many of them could not expect to qualify for a pension prior to the termination of their employment or contracts. Those who would be under 35 years could not obtain a refund of contributions unless they had contributed for at least ten years.

Some, however, might decide to remain in the industry in other types of mining work. However, since an employee of a contractor and an owner-driver under sub-contract have already been included in the scheme, it does not appear equitable that an owner-driver employed by a company should be excluded. These persons come within the New South Wales' scheme and their inclusion under the Western Australian Act has been urged by the combined Collie unions.

There are approximately 30 of these persons under engagement by the companies, of whom 15 were previously employed as owner-drivers by Bell Bros. and other contractors whose contracts have terminated. While employed by these contractors the men were required to contribute to the fund but on their employment ceasing their protection under the scheme ceased, notwithstanding the fact that their work continued in the employment of the mining company instead of the contractor. These owner-drivers are paid per yard of overburden removed and are employed continuously, although the contracts may be terminated on short notice by either party. Only in cases of sickness are relief drivers used. In addition to these men, several contractors who are engaged in carting or excavating, employ approximately 20 men, who, of course, come within the purview of the Act.

Refund of mine workers' contributions to the fund is made in the following circumstances—

(i) A mine worker who was employed prior to the 8th January, 1949, or, who, if employed subsequently is under the age of 35 years is entitled, on resignation before age 60 years, to receive a refund of 75 per cent. of his contributions providing he has made regular contributions for a period of 10 years or more. Actual payment of the refund is deferred for a period of two years after resignation.

If a refund is made and the employee is subsequently re-employed, the previous service is not counted for the purpose of determining eligibility for pension.

(ii) A mine worker who is over age 35 years when first employed, or re-employed subsequent to the 8th January, 1949, is not entitled to a pension on retirement at age 60 but he is entitled to an invalidity pension after contributing for 10 years, or a refund of 100 per cent. of his contributions on termination of his employment, irrespective of the period he has contributed.

No refunds of an owner's contributions are made in any circumstances.

The second proposal in the Bill is in connection with the subsidy of £16,000 which is the maximum annual contribution to the fund by the Government allowed under the parent Act. An exhaustive investigation of the fund was made in 1949 by the Government Actuary, who reported that the fund was not in a satisfactory financial state. In addition, the Government agreed last year to increase pensions to the rates payable in the Eastern States. These increases, which operated from the 2nd November, 1950, increased the weekly pension of a married man from £4 17s. 6d. to £6, a single worker from £2 15s. to £3 7s. 6d. and a widow from £2 5s. to £2 12s. 6d.

In view of these increases and of the report of the actuary a conference between the mine owners, the combined unions and the Government resolved that the contributions to the fund by employees be increased from 4s. 4d. to 5s. per week, and by the owners from 10s. 10d. per week to 15s. for each employee, the new rates to take effect as from July, 1951. The revenue derived from these increases, it has been found, will not place the fund in a solvent position, and for this reason, and on actuarial advice, the Government has agreed to increase its annual contribution of £16,000, which, as I have explained, is the limit allowed under the Act. For this reason, the Bill seeks to increase the Government's subsidy to £24,000 per annum, and to permit of the appropriation by Parliament of any additional sums that may be required from time to time.

This latter provision is advisable as, in view of the recent increase in Commonwealth social benefits, it may be again necessary to increase miners' pensions. If this occurs additional Government subsidy would be required, and this could then be provided without further amendment to the Act. I trust that members will agree to these proposals, the first of which is merely to remove an anomaly in the Act, whereby men in certain work are not included in the pension scheme, while others in similar work but whose system of employment is different, benefit under the scheme. I move—

That the Bill be now read a second time.

On motion by Hon. A. L. Loton, debate adjourned.

BILL—WAR SERVICE LAND SETTLEMENT AGREEMENT.

Second Reading.

Debate resumed from the previous day.

HON. J. McI. THOMSON (South) [5.55]: I agree with previous speakers that this measure is very necessary and that we should enable the State and Commonwealth Governments to validate certain actions they have taken in endeavouring to place ex-servicemen on the land. However, there are one or two points to which I wish to refer.

I consider the scheme demands our utmost commendation because it has been of considerable benefit to this State and to the ex-servicemen concerned; the same, of course, applies to all other States as well. I would like to see a provision in the Bill which will give the men concerned an opportunity to secure the freehold of their properties at an earlier date than that provided in the Bill—namely, 10 years. A man should not be compelled to wait that length of time if, by good farming and with good seasons, he can pay off his property at an earlier date.

The other point I desire to discuss is the question of the basis to be used in arriving at the purchase price of a property when the time arrives for a settler to take over. This is a point that is causing concern among soldier settlers in my province with whom I have discussed the matter. Therefore, I hope that when he replies the Minister will give us some information in that regard. The scheme is affording these men and their families a wonderful opportunity and I am sure all these soldier settlers will make good. However, the points I have raised are of vital importance to them, and I have no doubt they will be to the benefit of the scheme as a whole, and I trust the Minister will give us some information about them.

HON. A. R. JONES (Midland) [5.58]: I rise to support this measure because at long last ex-servicemen who are established upon these farms are to be given an opportunity to purchase their properties and make them freehold. This was promised some time ago, but, like Mr. Thomson, I am a little concerned about certain aspects of the plan.

While I am pleased with the idea of allowing lessees to carry on as such if they so desire, and others, if they so desire, to become freeholders, I am concerned at the fact that there is little or no information at all as to the purchase prices of the properties when they are eventually taken over. I would like the Minister to give us some information on that point when he replies because it is important and a man should have some knowledge of what he will be asked to pay for his property in 10 years' time. Costs may be

entirely different at that time and the prices received from primary products may be much lower than they are at the moment.

There is one other point that causes me concern. If a man works on his property for any number of years up to 10, he cannot pay anything off the purchase price during that period in an effort to make his property freehold. I believe the Bill should provide that he would be allowed at any time he so desired to pay so much money—even over a period of five years—in order that he might become the freeholder of his property. But of course he would not be allowed to sell unless his health broke down, or unless some other circumstance necessitated his leaving the property, without the Minister giving him permission to do so. I think that is very essential because a farmer, or a lessee, could go on and make quite a fair amount of money and invest it in other things possibly away from the land altogether.

It should be our aim to keep a lessee on the land. I would ask the Minister to give that matter very careful consideration and tell the House if we are wrong in assuming that a lessee is not allowed to pay money when he might have it so that his interest payments will decrease. If he is not allowed to pay anything for ten years, then he is paying a certain amount of money as rent, shall we say. I think he should be allowed to pay off a portion of the principal or all the principal if he is able to do so. But the Minister should be the sole judge as to whether or not he would be allowed to quit his property before the ten-year period has elapsed. With these reservations, I support the second reading.

HON. L. CRAIG (South-West) [6.3]: The establishment of a scheme for settling soldiers on the land was by agreement between the Commonwealth and the State. If I remember aright, the Commonwealth insisted that all soldier settlement properties purchased should be on a leasehold basis, and the original intention was that the ex-servicemen should never be able to buy their farms.

Hon. L. A. Logan: That is what we object to.

Hon. L. CRAIG: Wisely so, too. I believe the States wanted the soldiers to have the right to buy their farms, but the Commonwealth, which was providing the money, said "No." I think it was Victoria that said, "We will not have your scheme unless we can buy our farms." Thus, that State dispensed with finance from the Commonwealth, and provided its own funds. The result is the soldiers in Victoria are now able to buy their farms.

Nobody dreamed that the farms which soldiers were allotted would rise to such an extent in capital value or that the incomes derived from them would be so high. So the original provision for soldiers to hold their farms for some years before making a capital reduction was a wise one, because it was believed at the time that they would not be able to make that capital reduction. It was for the purpose of assisting soldiers.

Hon. R. M. Forrest: Was it not the idea that they would become capitalists?

Hon. L. CRAIG: The original intention was that it would take the soldier some years to establish himself and his property, and that he would not be burdened with the responsibility of paying off any of his debt while doing so. At the time it was sound. But now some of them have enough income to buy their properties if they know what the cost is. If soldier settlers were given the right to buy their properties at any time, I am afraid that with the high prices of land it would immediately lead to trafficking.

Hon. L. A. Logan: Then, not now.

Hon. L. CRAIG: Even now, if the soldier is debited with the estimated cost of his farm and not the real cost. Many farms are being valued at the estimated value at the time and not on the real capital cost.

Hon. A. L. Loton: Only on terms of leasehold.

Hon. L. CRAIG: I know, but at the same time they have to find the capital value. Unless a time were stipulated before which a settler could sell his farm, there would be tremendous trafficking, because the cost of a farm allotted to the soldier at the time has now doubled or trebled and many soldiers could get out with profits of £5,000 to £10,000. The temptation would be too great for some to resist. The object of the scheme was to settle the soldiers on the land and for them to remain there. That was the whole purpose of the scheme. It was not instituted to allow a soldier to go on to the land for a year and then walk out with £5,000 and allow somebody else who was not a soldier to go on to it.

The object was a good one, and in my opinion should be maintained. If a soldier wants to leave the land, then he should not make any great capital profit out of it. After a period of 10 years, however, we could say that if he was no good after 10 years, he would be no good at any time and he would be better off away from the land. But the scheme does ensure that a man and his family will become agriculturally minded, and that they will get used to living on the land and get established and efficient on it. I know the provision is going to create some hardship but a man who has a lot of money—

Hon. R. M. Forrest: Ten years is a long time.

Hon. L. CRAIG: —and who has a wool clip of £7,000 or £8,000 would say to himself—or his wife would say to him—"Why

do not we pay off this farm?" If we made it a general rule, I am afraid there would be trafficking.

Hon. A. R. Jones: We should allow them to pay it off and make it freehold.

Hon. L. CRAIG: But the land is his to do with as he likes, and the scheme can operate only if the Minister for Lands is the controlling factor.

Hon. G. Fraser: You cannot place a contingency like that on it.

Hon. Sir Charles Latham: You can by Act of Parliament.

Hon. L. CRAIG: I am sure we cannot stop it. That is the point I am making.

Hon. Sir Charles Latham: You permit him to pay his debt off in the meantime.

Hon. L. CRAIG: Are we not going to give him a title to the land?

Hon. Sir Charles Latham: Not for 10 years.

Hon. L. CRAIG: Oh, boy!

Hon. Sir Charles Latham: He has a title.

Hon. L. CRAIG: What title?

Hon. Sir Charles Latham: A leasehold title.

Hon. L. CRAIG: The Government of the day has to be given some consideration; it is putting many people on the land who in several cases were untrained and did not have two bob; the Government is doing a great service in return for that which the servicemen rendered to the nation. I think the intention regarding the 10-year period is a good one. We say, "We will help you all we can to remain on the land for 10 years, and after that you can do what you like." Incomes from farms have increased so much, and the grant has increased so much, that in the circumstances I do believe that the settler should be expected to pay the full cost of the farm today.

The Commonwealth and the States are going to lose in many cases hundreds of thousands of pounds because farms are to be given to soldiers well under their cost. These same men have in the bank anything up to £20,000. I think it is stupid. If conditions turn out such that the price is high, they should carry the full cost. It was never believed that prices would be what they are and the taxpayer should not be asked to make the sacrifice to have these men established. I think we should say to every settler, "Your farm has cost us £7,000; in 10 years' time you will be able to buy that farm at £7,000." I believe that if we allowed men to buy their farms today, many of them would sell out tomorrow and take £7,000 or £8,000 by way of profit and be gone.

Hon. H. K. Watson: Like the occupants of rental homes?

Hon. L. CRAIG: The whole purpose of the soldier settlement scheme would be defeated. The intention was to establish people in the rural industry and not to allow them to sell out. I support the second reading.

HON. SIR CHARLES LATHAM (Central) [6.12]: I do not propose to oppose this Bill. At the same time I do not think we should expect a soldier who has got the money to leave it idle in a bank without earning any interest and at the same time that he should pay interest that is accruing.

The Minister for Agriculture: He can invest his money in something else. He could get 3½ per cent.

Hon. Sir CHARLES LATHAM: I would like the Minister to tell me what investment he could make without being taxed. Mr. Craig has suggested that it would be unconstitutional and so on, but he knows that there is no limit to what this Parliament can do apart from the conditions imposed by the Commonwealth. The powers of course, are limited because we cannot impose any Act upon the people which might supersede the Federal authority. But so far as we are concerned we could say, "There will be no transfers of land for ten years but you can make what demands you like". We know that under the Land Act a person who selects Crown land under normal conditions cannot transfer that land for five years; but it does not say he shall not freehold it. He cannot transfer it for five years without the authority of the Minister for Lands.

Hon. L. Craig: They do not know the price of these places.

Hon. Sir CHARLES LATHAM: They could determine the price. There is no great difficulty about that, provided, of course, the soldier is satisfied. If a soldier's capital at the present moment enables him to clear his debts, we should not prevent him from doing so. I do not propose to oppose the Bill for that reason. I think there will come a time when the man on the land will wish that he had the authority to pay off his debts when he had the cash. That land was purchased when the value of money was different from what it is today. If anyone wants to pay off a debt, the best time for him to do so would be during a period of inflation.

Sitting suspended from 6.15 to 7.30 p.m.

HON. H. C. STRICKLAND (North) [7.30]: I support the second reading of the Bill. I was very pleased to note the progress under the scheme when we were taken over the blocks a little while ago. All the men I met seemed to be very happy about their position, except that they did not know what they would have to pay. It is important that they should have that information as soon as possible.

I would like the Minister to enlighten me, if he can, regarding a Press report that appeared a few days ago dealing with a conference held at Canberra. The report stated—

> A conference in Canberra today discussed the possibility of allocating additional land to settle ex-servicemen from these campaigns.

That refers to the campaigns in Korea and Malaya.

> The Minister for the Interior (Mr. Kent Hughes), who presided, said tonight that the conference had included the Western Australian Minister for Lands (Mr. Thorn), South Australian Minister for Lands (Mr. Hincks), and representatives of the Tasmanian Government.
>
> Mr. Hughes said that surplus farms in Western Australia, South Australia and Tasmania would be offered to soldier settlers in other States and then to British ex-servicemen and perhaps migrants.

The point to which I desire to draw the Minister's attention is the necessity for the Government to at least consider the position of many people who were not able to serve abroad. After we exhaust ex-servicemen applicants for blocks, I hope alien migrants will not be given preference over some of our own descendants of soldiers or men who were—

Hon. G. Fraser: Manpowered!

Hon. H. C. STRICKLAND: Yes, and, in addition, members of the Police Force and others who are unable to participate in schemes of this nature.

THE MINISTER FOR AGRICULTURE (Hon. G. B. Wood—Central—in reply) [7.34]: I am pleased with the reception the Bill has had. In connection with a measure like this, which deals with the vital principle of freehold, one can hardly expect all the details to be agreed to without some differences arising. Generally speaking, most members have accepted the principles embodied in the Bill.

As to the query by Mr. Strickland, I cannot give any definite information now, but I take it upon myself to say that I do not think what he envisages could possibly happen. Only about half the soldier settler applicants have been settled to date, and it will take a long time to deal with the remaining 50 per cent. I certainly do not think any aliens will be granted blocks in preference to our own people; in fact, I feel I can give an undertaking that nothing of the sort will happen.

In replying to the debate, I would like to say that the Bill is primarily to validate the existing agreement between the Commonwealth and the State, and also to make retrospective, actions which have been taken both by the Commonwealth and the State under the legislation which has become invalid owing to a High Court decision. It is not proposed in any way to alter the basic principles upon which the agreement has been, and is still, operating. Certain amendments, however, have been found desirable, and the Commonwealth view is that it is not necessary for any Federal legislation to be passed in order that the Commonwealth may make moneys available for land settlement. This can be done under powers which the Commonwealth already possesses in the Re-establishment and Employment Act.

The amendments which have been discussed—both the Commonwealth authorities and the Minister for Lands agree they are necessary—are concerned with administration rather than with the principles of the agreement. For instance, they deal with the extension of the scheme to the ex-servicemen of the Korea and Malayan campaigns; the safeguarding of the ex-serviceman's widow in the event of his death during the first five years of the lease, and the alteration of wording whereby it is made clear that the acquisition of land for the scheme is carried out by the State although the money is provided by the Commonwealth.

The only amendment that involves a matter of principle, is the right of freehold, and, as this is a basic principle, this provision has been included in the Bill. Mr. Craig, in the course of his speech, made my reply for me with regard to the freehold phase, and I agree entirely with what he said. In the circumstances, I shall not repeat what he said beyond intimating that I believe the 10-year period is definitely to prevent trafficking. If a man remains on his property sufficiently long to convert his leasehold into freehold, even supposing he makes some money, he can put it in the bank and by that means it can be invested. Some member mentioned taxation. The one point will balance the other, because he will pay his rent as a lessee.

The intention is not to delay the valuation of farms until the end of the 10-year period. The policy of the Government is to advise the lessee of his final value as soon as the improvements to bring any property to a reasonable standard of development have been completed. It is obvious that until developmental works have been completed, a final valuation cannot be effected. A number of properties have been already finally valued, and, at the end of the 10-year period, this final value, when determined, would be the basis upon which freehold would be granted. Any improvements on any fertility built up by the lessee would not affect the amount paid by him when the period for freeholding has terminated. That is a very important point.

Although the Bill mentions that the Minister fixes the price for freeholding a property, it should be remembered that such price must conform to the policy and conditions determined by both the Commonwealth and the State; and, furthermore, the Commonwealth is the major financial partner in the determination. That is worthy of note. Some member mentioned, in the course of his remarks, that the Minister could make an advantageous recommendation or valuation of a property because the lessee happened to be his friend. I do not think any Minister would do anything of the sort. I understand it is the desire of some members that the Committee stage should be taken next Tuesday, and I have no objection to offer to that.

Question put and passed.

Bill read a second time.

BILL—THE PERPETUAL EXECUTORS, TRUSTEES AND AGENCY COMPANY (W.A.) LIMITED ACT AMENDMENT (PRIVATE).

Second Reading.

HON. H. K. WATSON (Metropolitan) [7.40] in moving the second reading said: In this State there are two limited companies carrying on business as executors and trustees; the West Australian Trustee Company and the Perpetual Trustee Company, to refer to them by their short titles. The law in this State, in most of the Australian States and, indeed, throughout the British Empire, is that limited companies cannot discharge the duties of executors and trustees except by special authority under an Act of Parliament.

Accordingly, many years ago an Act was passed giving the West Australian Trustee Company power to carry on business as executor and trustee. Some years later, legislation was agreed empowering the Perpetual Trustee Company to carry on similar business. Those Acts lay down the rights and privileges, duties and obligations of the respective trustee companies. The Acts are framed, to a great extent, in similar terms and under them the duties of the trustees are not only defined but their rights of remuneration are also set forth.

The Bill now before the House dealing with the Perpetual Trustee Company is designed to amend the original Act. Being a private Bill, it was, in accordance with the Standing Orders of another place, referred to a Select Committee, which consisted of Mr. Totterdell, Mr. Bovell, Mr. Hearman, Hon. E. Nulsen and Hon. J. B. Sleeman. The report of the Select Committee has been circulated amongst members and is in these terms—

> Your Committee, after taking evidence from a representative of the agents for the Bill, a representative of the Perpetual Executors, Trustees and Agency Company (W.A.) Limited, and the Public Trustee, has agreed to a private Bill for "An Act to amend The Perpetual Executors, Trustees and Agency Company (W.A.) Limited Act," with an amendment.

I may explain that the amendment was simply to deal with a typographical error.

The Bill has been brought before Parliament in the light of many years' experience of working under the old Act, and particularly on account of changed conditions in recent years when costs have risen in every direction. In consequence of that situation, the trustee companies find that the remuneration they are permitted to charge under their Acts at present—2½ per cent. on capital, or corpus, as the lawyers like to describe it, and 5 per cent on income—is in many cases inadequate to cover the detailed amount of work that has grown up over the years. The provision of 2½ per cent. on capital and 5 per cent. on income is intended to be a charge for taking the responsibility of administering an estate and not of running the whole thing from beginning to end.

Over the years, what with the requirements under various Acts of Parliament, the trustee companies have found that an enormous amount of work of a detailed nature has banked up in the offices in connection with estates; and while in the old days they were able to carry the cost themselves, they do feel that the time has arrived when they should have permission to charge a reasonable extra fee for any extra or special work involved in the administration of an estate. Particularly is that so in the case of preparation of income tax and land tax returns and, where the estate consists of a business, of keeping books and preparing balance sheets in connection with that business—that is to say, keeping the books of the business as distinct from the actual accounts of the estate.

At the moment, the position is that the trustee companies are empowered in connection with the preparation of income tax or land tax returns, to send the work out to a professional accountant or taxation agent and to pay him a fee. That is quite permissible under the law as it stands, and in many cases that has been done. The taxation returns, or the books of account, as the case may be, are placed in the hands of a professional man and a fee is charged, and paid by the estate. The trustee companies over the years have built up specialist departments with very competent officers to deal with taxation matters and qualified accountants to keep books of the business of the trust estates for which the trustee companies are responsible.

It is therefore felt that, as a matter of efficient, competent and effective administration, it is much more desirable that the work should be done by the trustee companies themselves in every case rather than that they should have the work some of the time and send the work out some of the time. Inasmuch as the expert officers the trustees employ of necessity merit reasonable salaries—which, by the way, have virtually doubled during the last 10 years—it is felt that where a trustee company prepares the income and land tax returns and keeps the books of account of an estate, it should have the right to charge a fee for doing that work according to the value of the task performed.

Hon. A. R. Jones: How would it be assessed?

Hon. H. K. WATSON: I imagine it would be on a time basis: that is the customary method of assessment and the method employed by the average professional man. It certainly would not be a uniform fee, because I imagine the returns of some trust estates, even though all are fairly complicated, would be much more involved than those of others.

A further proposal in the Bill is that the trustee companies shall have the right of charging a fee of one-half of one per cent. on the book value of any assets of a business—I emphasise the word business—which is being carried on by the trustee company. The reason is that not infrequently it happens that the trustee, whose remuneration is governed purely on a percentage basis, will have conducted the business at a loss and therefore will have received no remuneration at all. That has happened frequently in years gone by, particularly with regard to pastoral and farming properties, and it has occurred no matter how well managed the business has been.

It is felt that in cases like that, and to cover contingencies of that nature, the trustee company should have the right to that nominal fee of one-half of one per cent. on the book value of the assets. That is also desirable in the case of a business because, whether it be a farm or a couple of hotels or country stores, the properties require inspection from time to time, in order to see that they are in good condition. That means sending out a qualified valuator, which involves time and money. The companies feel that, with all the added duties and expenses which have grown during the past 10 years, they are entitled to make this extra charge.

After all, the trustee companies are in business to make a reasonable income. Yet the records show that for many years the net return to trustee companies on shareholders' funds has been in the vicinity of only three per cent. Stock Exchange records show that while the shares of most public companies have greatly increased during the past 10 to 20 years—some of them have doubled, others trebled and others quadrupled—the shares of trustee companies throughout Australia have remained virtually unaltered; and the experience of the two trustee companies in Western Australia has been no exception to the general rule. Although the fees are to be charged according to the value of the work done they are, like all the fees chargeable by the trustee companies, subject to examination by the court. In every case the court has the right to say whether the fee which has been levied for the work done is reasonable and proper in the circumstances.

The next point which the Bill deals with is the institution of what is known as a common fund. At the moment, the trustee companies cannot mix their trust funds. That is to say, if they are trustees for A, B and C, they must keep the funds invested in entirely separate securities and in an entirely separate manner. Recently, in various States, the trustee companies have been given the right to have a common fund. That is a right which is now enjoyed by the Public Trustee in this State under the Public Trustee Act. Already he has the right to have a common fund, and the provision in this Bill empowering the two trustee companies to have a common fund will simply bring their powers into line with those of the Public Trustee in Western Australia.

The idea is that if a trustee company has £300 in one estate, £300 in another, and £400 in a third, it is difficult for it to find a reasonable and satisfactory investment for those comparatively small amounts. Yet the whole aim and object of the trustee is to see that his funds are never lying idle but that they are earning income and interest for the beneficiaries. If the three amounts I have mentioned were in a common fund and someone applied to the trustee company for an amount of £1,000, the company could take those three amounts and make one mortgage of £1,000, which would immediately commence to bring in income.

Similarly, with respect to city property. So far as the trustee companies are concerned, one of their most usual and remunerative forms of investment within the scope of trustee investments is the making of loans on mortgage. That serves a double purpose. It provides the trust estate with a reasonable income and it also assists in the building and provision of homes. So far as city properties are concerned, there is no safer security for the investment of trust funds. But today, when we speak of city properties, it is not unusual to talk of mortgages and the raising of finance to the tune of £50,000, £100,000, or even £200,000.

Not too many estates have £50,000 or £100,000 available for investment at one particular time. But although there may not be one estate of £50,000 it is con-

ceivable that there would be 10 with £5,000; and if the trustee company had a common fund, that would permit it to make a loan of £50,000 on a single city property from those 10 £5,000 estates. That is the essence of what is known as a common fund.

The only other point of interest in the Bill is the provision designed to reduce the cost to beneficiaries when a change takes place in the appointment of a trustee from an individual trustee to a trustee company. At the moment, if an individual is appointed an executor or trustee under a will and on being acquainted with the fact does not desire to execute or discharge the trust, or if after having taken it on desires to pass it over to a trustee company, numerous advertisements have to be published indicating the fact that the individual trustee proposes to transfer the trust to a trustee company. Then the application has to come before the judge in open court, involving all the apparatus of counsel, assisting counsel, instructing solicitor and so on.

The Bill proposes to dispense with the necessity for advertising the proposed change and the necessity for going to the judge in open court, the idea being that the application may be made to a judge in chambers. The rights of the beneficiaries are fully protected under the proposed amendment and, of course, the beneficiaries and any other person the judge thinks should be notified have to be communicated with. The trustee company is still under the complete jurisdiction of the judge who handles the application in chambers, and that is all that is necessary.

It is of little interest to anyone else whether the executor of a particular estate wishes to transfer his charge as executor to a trustee company or not. It is essentially a private matter between the executor, the beneficiaries and the proposed new executor in the shape of the trustee company. The measure will mean a considerable saving to the beneficiaries of estates because, as things are at present, the cost of changing the trust from an individual executor to a trustee company is in the vicinity of £60 to £70, whereas under the proposed new method, the cost would be something under £10. They are the principal points of this Bill. I move—

That the Bill be now read a second time.

HON. L. CRAIG (South-West) [8.2]: I shall not weary the House by a repetition of the case so ably put forward by Mr. Watson, but would point out that if any member has questions in mind, he will find them answered in the report of the evidence before the Select Committee, and they can be dealt with when the Bill is in Committee. In the days when the original Act was passed taxation was not an important factor, whereas today probably the most expensive department of a trustee company is the taxation branch, and in that regard the company receives no remuneration whatever. Were a private trustee appointed instead, he would send all the taxation work out and the estate would have to pay a special fee for it.

Another important clause in the Bill is that providing for a common fund. Trustee companies throughout Australia have large sums of money pending distribution or held for the payment of probate or other purposes and they amount, in the aggregate, to a great deal. Even in this State those moneys would total well over £1,000,000, and at present all those funds are held on fixed deposit and earn about 1 per cent., because they cannot be grouped for investment.

There is difficulty today in obtaining trust investments for small sums of money, but there is a great demand for large sums. The Bill seeks to give the company power to aggregate the small moneys in various estates and invest the total in large amounts where suitable investments are available. If that is done, each estate will be credited with its correct proportion of the return and instead of receiving 1 per cent. the beneficiaries will receive not less than 4½ per cent. That is a provision sought by all the trustee companies in the Commonwealth.

I believe many or all of the trustee companies in the Commonwealth would be better off if they went into liquidation as they have considerable reserves in the form of city property, which is very valuable, whereas their earnings today, apart from returns from buildings, in many cases are not sufficient to pay dividends. Shares of such companies are of lower value now than they were 10 or 15 years ago, due to the altered outlook of those who make wills.

It is a common and sound practice today for a testator to provide that the income from his estate shall go to his wife during her lifetime and that on her death the estate shall be distributed among his children. The main purpose of that is to avoid paying probate twice—on his death and on that of his wife. Testators with young children now often follow that course, and in that way the wife is not permitted to fritter away the estate nor can it pass into other hands through her remarriage. All this, however, involves extra work on the part of the trustee companies as many testators provide that they want their businesses to be carried on until their children are old enough to take over. The business may be a shop, a hotel, a farm or pastoral property and under the Act there is no provision for payment to the trustee company for the great amount of work involved in carrying the business on. It will be clear to members that the officers of trustee companies must be highly trained and competent men, yet there is no provision for adequate remuneration for the service rendered. The Bill seeks to make that provision.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment and the report adopted.

BILL—WEST AUSTRALIAN TRUSTEE, EXECUTOR AND AGENCY COMPANY LIMITED ACT AMENDMENT (PRIVATE).

Second Reading.

HON. H. K. WATSON (Metropolitan) [8.13] in moving the second reading said: This Bill is in terms similar to those of that which has just been dealt with, and its objects are precisely the same. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment and the report adopted.

House adjourned at 8.15 p.m.

Legislative Assembly

Thursday, 29th November, 1951.

CONTENTS.

The SPEAKER took the Chair at 3.30 p.m. and read prayers.

QUESTIONS.

JUNIOR CERTIFICATE EXAMINATION.

As to History Paper.

Mr. GRAHAM asked the Minister for Education:

(1) Who set the history paper for the Junior certificate examination this year?

(2) Are the persons Australian?

(3) Are they paid from moneys raised in Australia?

(4) Are they aware that this year there is being celebrated the 50th anniversary of the Commonwealth of Australia?

(5) Are they aware that this State is part of Australia?

(6) Is he aware that the history paper contains two compulsory sections relating to the Middle Ages in England, South Africa, Canada, Russia and Japan?

(7) Is he aware, further, that there are three optional sections of which only one relates to Australia?