

Legislative Assembly.

Tuesday, 22nd September, 1936.

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

BILL—STATE GOVERNMENT INSURANCE OFFICE.

Message.

Message from the Lieut.-Governor received and read recommending appropriation for the purposes of the Bill.

QUESTIONS (2)—DISABILITIES GRANT REDUCTION.

As to State Deficit.

Mr. NORTH asked the Premier: Was any arrangement made at the last meeting of the Loan Council whereby, if our disabilities grant were reduced below last year's amount, the State Treasurer could incur a deficit pro rata?

The DEPUTY PREMIER replied: It is not the practice of the Loan Council to make any such arrangement. A deficit must be financed from the total amount of loan money made available.

As to Claremont Trolley Bus Service.

Mr. NORTH asked the Minister for Railways: 1, Does the prospect of a reduced disabilities grant affect the Government's intention to instal trolley buses on the Claremont route? 2, When are the trolley buses now on order expected to be in service?

The MINISTER FOR RAILWAYS replied: 1, No. 2, About the middle of next year.

QUESTION—COUNTRY WATER SUPPLIES.

Barbalin Reservoir.

Mr. WARNER asked the Minister for Water Supplies: 1, Does he intend to link up the Barbalin rock catchment reservoir with the main Goldfields scheme? 2, If so, is it intended to complete the connection before the end of 1936? 3, If not, what arrangements will be made to avoid a serious water shortage throughout the areas supplied by Barbalin reservoir, and those at Waddouring and Knunagin?

The MINISTER FOR WATER SUPPLIES replied: 1, Yes. 2, It is regretted that the connection cannot be completed before the end of 1936, but the work will be expedited. 3, Answered by No. 1.

QUESTION—RAILWAY SAWMILL.

Use of Tractors.

Miss HOLMAN asked the Minister for Railways: 1, Is it a fact that tractors are to be introduced in the bush at No. 2 Railway Mill, Dwellingup? 2, If so, when? 3, If tractors are to be introduced, will tenders be called? 4, Is it intended to allow every teamster at present in the bush an opportunity to tender? 5, If not, why not? 6, If tenders are not to be called, who is supplying the tractors?

The MINISTER FOR RAILWAYS replied: 1 and 2, The matter is under consideration. 3, Yes. 4, Yes. 5, See answer to No. 4. 6, See answer to No. 3.

BILLS (5)—FIRST READING.

- 1, Land Act Amendment.
Introduced by the Minister for Lands.
- 2, Industrial Arbitration Act Amendment.
- 3, Factories and Shops Act Amendment.
Introduced by the Minister for Employment.
- 4, Rural Relief Fund Act Amendment.
Introduced by Mr. Watts.
- 5, State Transport Co-ordination Act Amendment (No. 2).
Introduced by Mr. Sampson.

BILL—CUE-BIG BELL RAILWAY.*Second Reading.*

THE MINISTER FOR MINES (Hon. S. W. Munsie—Hannans) [4.39] in moving the second reading said: I realise that it is not necessary for me to give many reasons for the introduction of the Bill. Most members are aware of the fact that the Government a considerable time ago agreed, under certain conditions, that a railway should be constructed from Cue to the Big Bell Mine. While I was in England I was interviewed by Mr. Guest, the chief representative of the American Smelting and Refining Co. (Inc.), who, at that time, through the Premier Gold Mines, another company of which he is the chairman of directors, was interested in the Big Bell Mine. He put to me the question whether, if the company exercised their option and were prepared to develop the Big Bell, the Government would agree to put in a spur railway. I told him that all I could say was that if he made the application, I believed it would receive sympathetic consideration. He immediately wired to the general manager for the company in Australia—the general manager of the big mines in Queensland—and also to his representative here, Mr. Dale Pitt, with the result that Mr. Foster and Mr. Pitt interviewed the then Premier and put up their case for the construction of the line. Then negotiations proceeded. The company had not exercised their option at the time, but were simply doing development work. After my return to Australia, they again approached the then Premier and asked whether the Government would agree to construct the line. At that time they had done a considerable amount of development work on the Big Bell. I instructed the State Mining Engineer, Mr. R. C. Wilson, to check the sampling that had been done by the company at the Big Bell. At this stage it might be well to read portion of Mr. Wilson's report on the sampling of the mine. For the information of members I may state that the whole of the State Mining Engineer's report is incorporated in the report of the Department of Mines tabled in this House. The first reference is as follows:—

In addition to these bulk samples, the drives were also sampled by grooves across the back at 10 feet intervals, and the cross-cuts were also sampled again by grooves cut along the sides, using a small machine (popper) to cut the grooves.

The sampling of these drives and cross-cuts may be said to have been most careful and thorough. Nevertheless, for my own satisfaction, I did a certain amount of check sampling as set out hereunder. In order to be in a position to confirm the mine sampling and assaying, I decided to take a number of samples which had also been taken by the company and to compare our results. I accordingly sampled one side of each of the cross-cuts at the 250ft. level in 5ft. sections, and also the back of that level at the cross-cuts.

On the assay plan accompanying this report, the results as received from the Government Mineralogist and Analyst are placed in one column, and the mine results taken from their assay plan are placed in another column alongside them. The result is most remarkable. Individual samples, as is usual in mine sampling, show a considerable variation, but the average value of the 166 samples taken by myself was 3.517 dwts. per ton, whereas the average value of the corresponding mine samples was 3.508 dwts. per ton, a difference of only .009 dwt. This agreement was much closer than we expected to get.

As a result, I have considerable confidence in accepting as correct the balance of the sampling carried out by the company, and I feel that the results obtained by them give us as accurate an estimate of the average value of the ore as it is possible to obtain at the present time.

I wish also to quote the State Mining Engineer's conclusions, as follows:—

The width and value of the ore body as disclosed by the present workings and bore-holes suggest that Mr. Pitt's estimate of two-and-a-half million tons of ore above the 650 feet level will be realised, and that three million tons may reasonably be expected. The assay results obtained, and the treatment experiments carried out at the School of Mines at Kalgoorlie, indicate that the recoverable value will be 3 dwts. per ton. Mr. Pitt anticipates a slightly better value than this—perhaps $\frac{1}{2}$ dwt. higher—but after a careful revision of the assays I do not consider it safe to assume any higher figure. By mining and treating 30,000 tons per month of ore of this grade by modern methods under good economical management a profit of 10s. per ton may be made while gold is worth £8 per ounce. This is rather a narrow margin when an initial outlay of £400,000 to £450,000 has to be made and a further additional expenditure if the capacity of the plant is to be increased, and when it is also borne in mind that gold may fall in price below this figure. In coming to a decision in regard to the railway, it should be remembered that the future of gold mining will depend largely on the successful working of large low-grade propositions of this kind. It is interesting to note that the plant is to be designed for the tonnage of 30,000 per month, which is the same tonnage as the plant at the Wiluna Gold Mines was originally designed to treat. In addition to actually employing about 500 men on the mine, a new

mining township will be started, and the output of the State may be expected to be increased annually by about 54,000 fine ounces of gold worth £432,000 with gold at £8 per ounce. My considered opinion is that the benefit to the State of getting this mine operating on the proposed scale is such as to warrant the construction of this spur line.

And there is more than that. This question, being one of the construction of a new spur line, was submitted to the State Transport Board for consideration, because under the State Transport Co-ordination Act, before building a new railway, the Government must consult that body, which is to use its own judgment as to whether the transport should be by rail or by road. I have here the full report of the board, which I shall lay on the Table, so that hon. members can peruse it for themselves. I have, however, made a few extracts from the report, and these I shall quote. They are as follows:—

The board believes that the full length of line, including the 1½ miles within the boundary of the Big Bell leases, could be constructed at a cost not exceeding £60,000, including the value of the rails and sleepers which have already been purchased by the Government. The board necessarily gave consideration to the possibility of road instead of rail transport. The estimate submitted by the Commissioner of Main Roads for the construction of a bituminous road (distance 18 miles) is £47,500. The board is of the opinion that in all the circumstances the Government is justified in proceeding with the construction of the proposed railway line, and that the work should be proceeded with expeditiously, and if possible completed before the machinery, etc., arrives.

Hon. C. G. Latham: Where do the members of the board obtain the qualifications enabling them to state that the cost will be £60,000? Is one of them a qualified man?

The MINISTER FOR MINES: The board called evidence from the Railway Department, and required the presence of the railway engineers to give the information.

Hon. C. G. Latham: In other words, it is the Railway Department's report.

The MINISTER FOR MINES: Partly the Railway Department's report, and partly the Mines Department's report.

Hon. C. G. Latham: No. It is—

Mr. SPEAKER: Order!

The MINISTER FOR MINES: The hon. member can see the whole of the report and all the evidence obtained by the board.

Mr. Sleeman: Has not a lot of machinery already gone up there?

The MINISTER FOR MINES: Only some very light machinery. I am also laying on the Table a letter dated the 29th July, 1936, from Mr. Pitt in reply to inquiries made by the Transport Board—

The Chairman, Transport Board, Old Barracks, Perth. Dear Sir, This will acknowledge receipt of your telegram of 27th July, as follows:—"When convenient for you meet Transport Board, Perth, reference proposed railway to mine? Necessary board report to Parliament." Upon receipt of your wire we replied as follows:—"Your wire 27th. Could you call me on phone 28th to give me more detail questions to be discussed? I am extremely busy just now and find it difficult get away from mine. We appreciate talking to you on phone before any final arrangement."

I appreciate your having called me on the phone yesterday morning in response to the above wire, and pursuant to our conversation at that time I beg to submit to you the following information concerning the activities at the Big Bell at the present time.

From 1933 until the end of 1935 the Premier Gold Mining Company investigated and closely sampled by diamond drilling and underground work the deposit at Big Bell. As a result of our thorough sampling of this property we exercised our option to acquire the same. This was done as of January 1st, 1936. Simultaneously with our exercise of option the Government signed an agreement with us that a railway would be built from Cue to the Big Bell mine. In this agreement the Premier Gold Mining Company, undertook, first, to organise an Australian company, with a paid-up capital of not less than £400,000; second, to forthwith erect a mill for handling the ore from the Big Bell mine with a rated capacity of not less than 25,000 tons per month; third, to acknowledge ourselves indebted to the Government in the penal sum of £50,000 if we failed to carry out the above two undertakings.

Immediately after the signing of this formal agreement we commenced actively to carry out the further development and opening up of the property, and to design and erect the mill and mining plant which would treat a minimum of 25,000 tons per month.

Early in March active work was commenced on the site, and has been vigorously carried on since that time. The crews have been increased as we provided accommodation to take care of them, until at the present time we have 183 men employed. We contemplate increasing this force materially as accommodations for men are provided and material can be delivered for carrying out the work.

The work now in hand consists of development underground, which is opening up the ore body and completing the necessary haulage ways to a new shaft being sunk from the surface. This shaft is now in course of sinking, and is some 60 feet completed.

Various buildings, such as warehouse, office, and living quarters of various types for staff and employees, along with suitable mess house, are well along in their construction. Founda-

tions for machine shops, power house, and mill buildings are under construction now, and concrete foundations are being laid for several of these buildings.

In short, a very vigorous programme tending towards getting the property in condition for installation of machinery when the same is available from the manufacturers is being carried out and active development work underground is also in progress.

For your information the total expenditure to date as shown by our operating books equals £104,566 0s. 5d. Of this amount £36,031 1s. 9d. has been spent since 1st January, 1936. The average expenditure for the past two months has been £11,400.

All the equipment and structural material for this plant has now been ordered, and delivery of the first of this is now being received. The heavier machinery and supplies are not expected until the first part of December, when we expect the railway to be completed.

We trust that the above information meets with your requirement. If there is any additional detailed information you desire I will be glad to furnish same for you.

Yours truly,

(Sgd.) D. L. PITT,

General Manager Big Bell Mines, Ltd.

This small Bill is a measure of four clauses of which three are purely preliminary, being the usual Clauses 1, 2, and 3 of every railway Bill introduced. Clause 4 is the main provision, as it ratifies the agreement, which is contained in the Schedule to the Bill. I have read out Mr. Pitt's letter because at the first onset it was the Premier Gold Mine through which the negotiations were conducted. Later the negotiations were carried on and completed with the American Smelting & Refining Company, Incorporated. I make that explanation because the bond had to be signed by some company. The American Smelting & Refining Company is the premier of the four companies that control the Big Bell mine. Let me say that the public do not hold any shares in the Big Bell mine. No shares have been advertised, none will be advertised, and none will be issued to the public. The four companies in question are taking the total responsibility of providing the capital for the Big Bell mine. They are not asking the public to subscribe a penny piece. The four companies are finding the whole lot. If the venture is a success, they will of course reap the benefit; if it fails, they will lose the £400,000 which they have already posted.

Mr. Sleeman: And the Government will lose their expenditure on the line.

The MINISTER FOR MINES: Not altogether. I will explain that later. The four companies concerned are the American Smelting & Refining Company, Incorporated, the Premier Gold Mines Limited, the Mining Trust Limited and the Terra Nova Proprietary Limited. We wanted to enter into negotiations for some security to the State that if the line was built, there would be more than a mere say-so by the company that they were prepared to carry out their obligations. To get that more than say-so, the Government suggested a bond of £50,000, Australian currency, be posted with the Treasury, as a guarantee that the companies would carry out their obligations. The bond was negotiated with the American Smelting & Refining Company alone, as the premier company concerned.

Hon. C. G. Latham: They are backing the bond?

The MINISTER FOR MINES: Yes.

Hon. C. G. Latham: And that is the only backing you have got?

The MINISTER FOR MINES: That is all. I consider that the Solicitor General has made a pretty good job of obtaining that bond. Clause 4 of the measure ratifies the agreement between the parties. With regard to the agreement, it is necessary to say that there was considerable legal negotiation prior to its drafting and completion. The main provisions of the agreement are that a company is to be formed locally with a share capital of not less than £400,000, which must be totally paid up within two years; and further that the American Smelting and Refining Company, which is the company behind the whole scheme, will give a bond satisfactory to the Government in the sum of £50,000, Australian currency. A company has been formed, namely, Big Bell Mines, Ltd., having its registered office in this State and the capital has now been fully subscribed. The estimated cost of the railway is £60,000. When the negotiations for the building of the line commenced, the Government were asked to take the bond of American Smelting and Refining Company of New Jersey to the effect that the mill, which must be built under the agreement, would be built. It will be noticed on reference to Clause 2, paragraphs (c) and (d), of the agreement in the schedule to the Bill, that it is provided the company must equip a mill having the capacity of treating, for the extraction of

gold, at least 25,000 tons of gold-bearing ore per month. The Government, of course, do not desire to build a line and then find that the company does not honour its obligation to build the mill, hence the provision in regard to the bond. Inquiries with reference to the American Smelting and Refining Company of New Jersey prove that it is a company of very large resources and of undoubted financial stability; and the Government were advised that they could well accept the bond of that company, which is sponsoring this venture. Another question then arose as to whether the company could legally give the bond, and the Crown Solicitor caused inquiries to be made in America in that connection as, of course, the legality of such a bond would be governed by the provisions of the American law where the American Smelting and Refining Company is incorporated. It was found that the company could not give the bond unless it held the majority of the share capital in the company it was sponsoring, and, therefore, the agreement provided that the American Smelting and Refining Company should acquire and hold this interest and then give the bond. The company has acquired a majority interest in the Big Bell Mines, Ltd. In preparing the agreement, the law officers inserted a clause specifying that the courts in this State may be resorted to in any action on the agreement, and the same provision appears in the bond. According to English conceptions of international law, such a clause would be enforceable and in order to make sure that the American courts would recognise a judgment obtained here on such a clause, inquiry was made from Mr. Conboy, the legal representative in America, and he confirmed the fact that it would. It was also provided that if it were necessary to take any action under the bond, service of proceedings might be effected at the office of the local company or at the office of Messrs. Stone, James & Co., who are solicitors in this State for the American Smelting and Refining Company. It will be noticed that the agreement was executed by Mr. Dale Pitt on behalf of the American Smelting and Refining Company of New Jersey and that he acted under the authority of a cabled communication. It was stipulated that the agreement should be ratified by the major company, and this has been done. It appears, therefore, that all formalities are now in order and there is

no legal obstacle to the Bill being passed. The usual plans that are provided for in Section 27 of the Public Works Act, 1927, have been laid on the Table, showing the route of the railway. I do not think there is any necessity for me to say any more in submitting the Bill to the House.

Mr. Sleeman: What is the estimated cost of the line?

The MINISTER FOR MINES: The authorities say £60,000. The hon. member can verify that if he reads the report submitted by the Transport Board, in which he will also see that they claim, as they have nearly all the sleepers and rails that are required, the cost will probably be reduced by £550 per mile. Whether that be so or not I cannot say, but that is the statement in their report; it is not my statement. On the other hand, even if the State has to spend £60,000 on the construction of the line and gold should drop to £4 per ounce and the company decided not to go on with the proposition, Western Australia, although the line had been constructed, would be protected to the extent of £50,000 in Australian currency. That would leave us £10,000 only to find on the value of the rails and sleepers.

Hon. C. G. Latham: I do not think the agreement says that.

The MINISTER FOR MINES: I think it does.

Hon. C. G. Latham: I do not.

Mr. SPEAKER: Order!

The MINISTER FOR MINES: On the other hand, if the company erects a plant and does the developmental work to the satisfaction of the State Mining Engineer, it will, having spent that much money on the undertaking, be entitled to withdraw a given proportion of the bond. That is a fair arrangement. When the plant has been erected and all the developmental work has been carried out to the satisfaction of the State Mining Engineer, the bond will become null and void.

Hon. C. G. Latham: That is so, but the agreement does not specify that the company must continue to operate the mine.

The MINISTER FOR MINES: No, but if the company puts £400,000 into the proposition—

Hon. C. G. Latham: I was referring to your remark that if the price of gold dropped to £4 an ounce, the State would still be protected, whereas we would not be so protected.

The MINISTER FOR MINES: The Leader of the Opposition is wrong. If the Bill is passed—I hope it will be passed by Parliament quickly—and construction work is started, the line ought to be almost completed in December. I hope it will be completed by then, because the country to be traversed is flat and presents no engineering difficulties.

Hon. N. Keenan: Is that £400,000 English currency?

The MINISTER FOR MINES: I take it it is Australian currency, but I am not positive on the point. The company has been formed in Australia and I take it the money will be Australian currency. In addition to that, it is Australian money we shall spend on the construction of the line. Reverting to the interjection by the Leader of the Opposition, I would point out that if the railway were completed by December very little, if any, of the machinery would be on the job. Only a very small proportion would be there. If the price of gold did drop by the end of the year to £4 an ounce, and the company decided not to go on with the proposition, the State would be protected to the extent of £50,000. I think that is a pretty reasonable deal to make on behalf of the State.

Hon. C. G. Latham: Then I do not think you have read the agreement.

The MINISTER FOR MINES: Haven't I? There is more in this proposition than the mere construction by the Government of a spur line from Cue to the Big Bell Mine. I will go so far as to say that if the company can make a success of the proposition, and does what the State Mining Engineer says the company will do, namely, treat 30,000 tons of ore a month for a clear profit of £15,000, the company will have established the fact, despite what all other mining men have said to the contrary, that ore of a value of 3.508 dwts. per ton head values can be mined successfully in Western Australia.

Mr. Sleeman: No other company has done that.

The MINISTER FOR MINES: No. If the company proves that such a big low-grade proposition can be profitably worked, it will have done something of far more value to the State than is represented by the £60,000 to be spent on the spur line to the Big Bell.

Mr. Patrick: I hope you do not intend to take the sleepers and rails from the Dartmoor line.

The MINISTER FOR MINES: We are taking the sleepers and rails from the manganese line. We are not taking the material that is stacked at Yuna, so the member for Greenough (Mr. Patrick) need not be disturbed.

Mr. Stubbs: Does the agreement provide that the company will pay the usual rates of freight charged by the Railway Department?

The MINISTER FOR MINES: Of course they will pay.

Mr. Stubbs: It is not in the agreement.

The MINISTER FOR MINES: No; the company endeavoured to secure a concession from the Commissioner of Railways so as to have the advantage of lower freights, but did not succeed.

Hon. C. G. Latham: The Commissioner of Railways will control the line.

The MINISTER FOR MINES: Yes, and the company will pay the usual railway charges. Members will see in the report of the Transport Board that the estimate given by the Commissioner of Railways of the revenue to be received on the 20 miles of spur line, does not take into consideration the haulage of material over the existing line from Geraldton to Cue, which will be an immense factor. Thousands of tons will have to be hauled.

Mr. Patrick: I hope all will be hauled from Geraldton and not from Fremantle.

The MINISTER FOR MINES: The company will procure machinery overseas and I do not think those concerned would be foolish enough to discharge the consignments at Fremantle, when they could discharge at Geraldton and save 400 miles of extra haulage. If the machinery and other requirements are hauled from Geraldton, the extra revenue from Geraldton to Cue, as well as that derived over the 20 miles of line from Cue to Big Bell, will represent an enormous advantage. I move—

That the Bill be now read a second time.

On motion by Mr. Doney, debate adjourned.

BILL—PETROLEUM.

In Committee.

Mr. Sleeman in the Chair; the Minister for Mines in charge of the Bill.

Clauses 1 to 11—agreed to.

Clause 12—Governor to have right of pre-emption of petroleum:

Mr. McDONALD: Under this clause the Governor shall have the right of pre-emption of all petroleum produced by a lessee from any land held under a petroleum lease, and in the event of the Governor exercising such right, the lessee or owner concerned will take all reasonable steps to facilitate the delivery of the petroleum or products thereof, as the Governor may direct. The price to be paid for petroleum or products thereof purchased by the Governor pursuant to the right of pre-emption shall, failing mutual agreement between the Minister and the vendor, be determined by arbitration under the provisions of the Arbitration Act, 1895. I presume the price would be the market price at the time. The only question I want to raise on this clause is the position that would have to be met in an emergency. Petroleum is of immense importance in world affairs, even in a time of peace, and is of critical importance in time of war, or even under a threat of war. Because of rumours of war the price of petrol might go to a very high figure. I should like the Minister to say whether he thinks some reservations may not be made in regard to an asset of such enormous value. I do not suggest that any harsh or even ungenerous treatment should be meted out to the leaseholders. I should be satisfied with a provision to enable the Governor to take over any lease, and then see to it that the holder was most generously reimbursed, even up to ten or fifteen times the outlay made on the lease. I merely raise the question whether, with an asset of such enormous importance, we might not have some additional safeguards in the event of an emergency, safeguards that would conserve the oil wells, and also protect the people from paying an exorbitant price. I hope if ever there be another war, every country will bring in legislation precluding what was so unpleasant a feature of the last war, namely, profiteering by people who made enormous fortunes out of war materials.

Mr. Fox: Stop profiteering and you will stop war.

Mr. McDONALD: The Minister may say that if an emergency were to arise, the State would bring down special legislation to meet it, and to enable the people to take charge of essential services.

Hon. C. G. Latham: The Federal Government would do that.

Mr. McDONALD: I should like the Minister to say whether he thinks consideration might be given to some further precautions or reservations to meet a state of emergency.

The MINISTER FOR MINES: This matter has been discussed very fully. The clause provides that if no agreement be arrived at, the compensation to be paid shall be decided by arbitration under the Arbitration Act, 1895. I think all the machinery necessary to satisfactory arbitration is contained in that Act, and personally I do not think we should go any farther than to give the right to the Governor to claim and take possession of the petroleum and its products. It must be remembered that the clause provides a penalty of £1,000 for a recalcitrant lessee or owner. Personally I do not think we ought to go any farther.

Hon. N. Keenan: What would be the price at which you would take over the petroleum?

The MINISTER FOR MINES: You are now asking me what the decision of the Arbitration Court would be.

Hon. N. Keenan: No, but I was wondering what would be the price.

The MINISTER FOR MINES: I should say the market price on the day. It could not be raised in one day. Moreover, if such an attempt were made, the Arbitration Court would not agree. I do not think there is any necessity to go any farther, but if my friend desires that the State should have still greater protection, I have no objection to it.

Clause put and passed.

Clauses 13, 15—agreed to.

Progress reported.

BILL—PEARLING CREWS ACCIDENT ASSURANCE FUND.

Second Reading.

Debate resumed from the 5th September.

HON. C. G. LATHAM (York) [5.22]: I hope members have had opportunity to peruse this piece of legislation, because it is an acceptance of a new policy in insurance. It is proposed that the employee shall make contribution towards an insurance fund, which, of course, is going out of the

ordinary track. It is also proposed to insure those employees only when they are working below high-water mark. I understand there are periods of the year when the luggers are laid up on the shore, and the crews are employed on repairs and that sort of thing. It is not proposed that they shall be covered by insurance during that period. It has been decided that there shall be no insurance for those people at that time. I do not know whether the Minister intends this to apply to Broome, because I notice that in the interpretation clause it is stated that a licensed pearler is a person holding an exclusive license, and I understand there is no exclusive license at all at Broome. If so, of course, this measure will not apply to Broome. Therefore I propose to move an amendment that, if successful, will make it apply to Broome. There are exclusive licenses at Shark Bay, and perhaps also at Onslow, although there is none at Broome, and I was given to understand that the measure was intended to apply to Broome. The Minister said the pearlers had asked him to introduce this legislation. Therefore I am prepared to accept it. It is extraordinary that, last year, the Minister came along and asked for certain powers so as to reduce the license fee for pearlers. Now, this year, the present Minister comes along and proposes to put a tax on the industry. Of course that could not be done without the Minister's authority. So it seems the State is being asked to forego certain license fees with a view to paying into this proposed fund. I ask the Minister what reduction was made under the amendment of last year, and whether it was about equal to the proposal in the Bill, namely, about £10 per lugger. I contend it is a contribution from the State to the industry. The board is to consist of seven members. The Minister has not told us whether those members are to be paid, or if so, how much they shall be paid. The board will possess powers which have never yet been given to anyone else. Members might well take that into consideration, because this is a piece of legislation that might be used in a new way in the future. I suppose the representation on the board is a very fair one; I should think it was, but once the members of that board are appointed, they are appointed for life, and we do not yet know whether they are to be paid, and if so, how much. The chairman, if absent from a meeting, is to nominate a deputy. So we do not

here follow the democratic idea of allowing the board to appoint its own chairman. I notice that although the crews are to be insured no provision is made for the shell-opener. Perhaps the Minister will tell us why he is excluded. Usually he is a white man.

Mr. Coverley: He comes under the Workers' Compensation Act.

Hon. C. G. LATHAM: When on the high seas?

Mr. Coverley: Yes.

Hon. C. G. LATHAM: Very well, I will accept the hon. member as an authority, but I am still afraid the shell-opener is not covered. Most certainly that man, as well as the others, ought to be covered by the policy. I hope the Minister will agree to a few amendments I intend to move when in Committee. It is proposed to obtain the fund by receiving contributions from the divers and other members of the crew. I am going to move that the divers shall pay £2, that the higher-paid members of the crew shall pay £1 each, and that the ordinary seamen shall pay 5s. I understand that the ordinary seaman gets but very small wages; consequently he should not be called upon to pay much. It is proposed to raise £1,500 under this legislation and that in the interim between the passing of the Act and the obtaining of a fund, the board is to have power to insure with any reputable company, including the State Insurance Office. The legislation provides that besides these contributions, many levies may be made. These levies are not to exceed £1,500 during the first three years. After that, however, they can exceed the amount to any extent the board likes. They can be fixed at £1,500 a year or £1,500 every five months. That ought to be provided for by legislation. Accordingly I propose to move that at no time shall they be permitted to exceed £1,500 except as to the contributions set out in the clause of the Bill dealing with that matter. I agree that the fund should go on, but some control should be taken over the levies to be made. I also note that we are setting aside the Truck Act. The Bill gives power to the lugger-owners, the pearlers, to deduct from their crews the money that goes to make up their contributions. If these crews are overdrawn, as is usually the case, where is the money to come from? Does it mean that the pearlers will have to pay? Presumably that is the intention. The most extraordinary thing in the Bill relates to the payment of

claims. We do not know what the claims are going to be, or what amounts will have to be paid. We do not know what money will have to be paid at death; nor do we know whether there is any differentiation between the higher paid men and the lower paid men, nor to whom the money is to be paid. We provide now that in the case of an assured person with dependants, dying, the insurance company only pays the hospital and medical expenses. In this case in the event of the death of a person, we propose to hand over to the Consular representative, or club or association, the compensation money. Who is going to say what will happen to the money? Surely we are not going to pass legislation to pay over certain compensation money to a club or association, whether such club or association is entitled to the money or not. Who is to say that the dependants of the deceased person will get the money? I am waiting for the member for Kimberley (Mr. Coverley), who is greatly interested in these people, to say whether he will agree to the money being paid to some Japanese club or association.

Mr. Coverley: I have more faith in human nature than has the Leader of the Opposition.

Hon. C. G. LATHAM: Then why do we not trust our own white people? Actually the hon. member would be the last to trust our own people, and yet he is prepared to have this money handed over to a foreign element.

Mr. Thorn: A fan tan school.

Hon. C. G. LATHAM: I do not suggest that. The Minister has not even told the House what the compensation is going to be. Suppose something happened such as happened in March, 1935. I am told that at £380 per lugger the amount of compensation involved in 1935 would come to £7,600. I presume it is proposed to pay an equal amount, in the event of a disaster, for every member of the crew, but I do not know if it is proposed to pay more on the death of a diver than on the death of an ordinary seaman. The Minister has given the House very little information. I do not know who drafted this legislation, but I presume the Minister was responsible for it. I know what would have happened if we had brought down this Bill. It is the most autocratic legislation I have ever seen introduced. If there is any dispute, the board is to have the sole say as to how the distribution is to be made,

and there is to be no appeal from the board. The courts are not to be used.

Mr. Sleeman: Too much goes out in legal expenses.

Hon. C. G. LATHAM: The decision of the board is to be final in all cases. It shall not be subject to review, or be liable to be quashed in any court whatsoever. This gives the board such autocratic powers as we have given to no other tribunal yet. Members opposite ought to be strenuously opposing this sort of thing. I presume that everything appertaining to indentured labour comes under Commonwealth rule. There is a proper way in which to do this. We should ascertain before any indentures are entered into whether the persons concerned have dependants, who they are, and where they live. We would then have something to work on. Our own officials could then determine who had to be paid, instead of the money being handed over to an irresponsible board.

Mr. Rodoreda: That is a Commonwealth matter.

Hon. C. G. LATHAM: There would be no trouble in making arrangements with the Commonwealth authorities. In the case of indentured labour, they could ascertain through their agents, or at the source, whether these people have dependants and who they are, so that we could then pay the money over to our representatives in the particular country concerned, and so that we would know that the money was paid in the direction in which it ought to go. At present, there is no means of determining whether there are any dependants. We have no right to give a foreigner something we would not give to our own people, which is what this legislation does. We propose to hand over to the Consular representative, or a club or association, any money the dependants would be entitled to receive on the death of any member of a lugger's crew, irrespective of whether there are any dependants or not. We do not indulge in that sort of thing with our own people, and we should not do it in the case of foreigners. If there are dependants, they should be compensated, but the money should be paid over in the way I have described. No provision has been made for medical or hospital expenses. If any payments are to be made under these headings, they should be made to our own people.

Mr. Coverley: The terms of the indentured labour provide for that.

Hon. C. G. LATHAM: That is what I thought. I could not get any information as to whether any indentures were available in this State. No provision is made in the Schedule of the Act, and I therefore decided that this would be a matter for the Commonwealth authorities. I do not propose to vote against this Bill, for I believe the pearlers have asked for it. As they have asked for it, they had better get it. They are not calling upon the State for any contributions, except the relief they got last year because of the unfinancial position of their industry. From the information I have I gather that the cost will be about £10 per lugger for the pearler, and that the balance will be made up by the crew. As I have indicated, I propose to move an amendment limiting the levies that shall be imposed upon the pearlers to an amount equal to that levied upon the crews. As I have not yet had time in which to draft my amendment, I ask the Minister not to proceed with the Committee stage now. The officer who does the drafting has a lot of other work to do in the Crown Law Department. When a number of Bills are brought down by private members, this officer cannot be expected to do at once all the work required of him. Evidently this Bill is the result of an arrangement between the Minister and the pearlers. The unfortunate crews are probably being forced into this, whether they like it or not.

On motion by Mr. Coverley, debate adjourned.

BILL—TENANTS, PURCHASERS AND MORTGAGORS' RELIEF ACT AMENDMENT.

Second Reading.

Debate resumed from the 8th September.

HON. C. G. LATHAM (York) [5.40]: This Bill contains two provisions, one for the continuance of the Act for another year, and the other to prevent tenants from contracting outside the provisions of the Act. The Minister said the principle had been passed by this House. It has never been passed by this House. If we desire a continuation of this legislation, we must vote for the second reading, but to suggest that we have approved of the principle is to say something that is not true. The Minister knows we cannot vote against the second reading if we desire the Act to be continued.

This is the first piece of legislation introduced as part of the financial emergency legislation. The House might agree to the appointment of a select committee to investigate this piece of legislation, and to ascertain how we could give more relief from the harsh conditions imposed and the extent to which it is necessary to widen the conditions. I do not propose to agree to the second clause of the Bill, as it will defeat the object the Minister has in view. During the past 12 months I understand there have been 12 orders for protection, ranging from seven days to six weeks, an average of one a month. The legislation does not apply to any person who has entered into any contract since the passing of the Act. The most unfair thing in this class of legislation is that we are calling upon the individual to find homes for various people. Surely it is for the State to find the rent for these homes. What right have we to ask an individual who may be dependent upon the income from a house, to find shelter for the person who cannot afford to pay the rent. It is clearly a Government function.

Mr. Sleeman: Have you always thought that?

Hon. C. G. LATHAM: Yes, having regard to the amount of money available. The present Government have plenty of money available.

Mr. Sleeman: Thanks for letting them know.

Hon. C. G. LATHAM: They have any amount of money.

Mr. Withers: For the Fremantle bridge, for instance.

Hon. C. G. LATHAM: They have not attempted to do anything decent yet. They can substitute a trolley bus service for a tramway service at a cost of £84,000, and can do a number of stupid things like that. I am surprised at members agreeing to that kind of thing.

Mr. Sleeman: What kind of thing?

Hon. C. G. LATHAM: The spending of money in that direction.

Mr. Sleeman: In what direction

Hon. C. G. LATHAM: Substituting trolley buses for trams.

Mr. SPEAKER: Order! The hon. member is going outside the scope of the Bill.

Hon. C. G. LATHAM: The Government have plenty of money, and yet are forcing individuals to provide these homes. It ought never to be a duty of the individual.

When the legislation was first passed, many cases came under our notice. In one instance the sole investment of a widow was in a house, and she was entirely dependent upon the rent.

The Minister for Agriculture: What did you do about it?

Hon. C. G. LATHAM: We gave relief wherever it was possible.

Mr. Hegney: These cases are decided by the court.

Hon. C. G. LATHAM: If we pass this legislation, a woman like that would have no opportunity to go to the court. What is going to be the position? Will people say, "You can come into our house"? On the contrary, those who want homes will not be able to get them. To-day most of them are able to secure some home for themselves. So that is one reason I think why the House should agree to the appointment of a select committee, to go into this and to give relief where it is found possible to give it. I notice that when the Minister introduced the Bill, he said he hoped it would be only for a year. If that was so, why was it necessary to put in this second clause? The Minister knows he will be quite prepared to accept the legislation as it was last year. I hope the House will agree to a select committee to investigate all this financial emergency legislation, with a view to seeing how far relief can be given, and that it will not force the second clause, which will not bring about the end the Minister desires.

MR. McDONALD (West Perth) [5.46]: I support the suggestion that all that remains of what we call the financial emergency legislation should go before a select committee. We have already abolished a great part of that legislation and Parliament has considered that the time has arrived when all salaries throughout the Civil Service and Parliament can be restored to pre-depression figures. It therefore becomes an anomaly to find that some people and some classes of people have been relieved of the burden put upon them by this legislation, and others are still left to carry that burden, without any indication as to when it will be lifted. There is some legislation such as the Mortgagees' Rights Restriction Act which it may still be found necessary to keep on the statute-book for a certain time, but even that Act could be recast into a more equitable

form, by which, instead of a person who is entitled to enforce the securities being now compelled to show why he should be able to enforce them, it should be turned round the other way, as it has always been in Victoria, and the person owing the money should have the burden placed upon him of showing the circumstances which entitle him to further protection until he can pay. If we had a select committee, these outstanding pieces of emergency legislation could be considered together, and recommendations made as to the best means Parliament could adopt to deal with them at the present time, and how far we should continue to enforce them. As far as the present legislation is concerned, it has remained in force for some years, but as regards tenancies, it has ceased to have very much practical importance because practically all tenants and landlords have contracted out of the Act. As regards mortgagors owing money under mortgages and purchasers who are buying properties and still owe money under purchase contracts, the Bill still has some force because their contracts, for the most part, being long-dated, still remain in force. Long-dated contracts still remain in operation. By the Act as it was prior to this Bill, any clause in a mortgage or purchase contract made before the 1930 Act was passed, which declared that the contract should not be affected by emergency legislation, was declared to be invalid. The result is that any purchaser or mortgagor under contract made prior to 1930 can, in the case of unemployment, still come before a magistrate and ask for some relief from the conditions created by the unemployment. By this Bill, which abolishes Section 24 of the previous measure, that protection, for what it is worth, is taken away from the purchaser or the mortgagor. As to the main part of the Bill, that is the clause which provides that tenants shall not be able to contract out of the application of this Act, I propose to vote against it. In all our emergency legislation it has been a principle that as to contracts made after the emergency Act was passed, the parties could, if they thought fit, agree that the Act should not apply. As to all contracts which existed on the date the parent Act was passed, people bound under those contracts were entitled to the benefit of the emergency legislation, but if any person chose, after the Act was passed, to contract that the Act should not apply, they were quite at liberty to do so. That provision

still applies and has been in operation in connection with the Mortgagees' Rights Restriction Act for many years. I do not see why we should turn the clock back as regards this particular Bill, and take from the general public the freedom of contract they have enjoyed since 1930. Under this Bill, Clause 2 of which now endeavours to prohibit contracting out, instead of tapering off our emergency legislation, we are going back to the conditions that obtained in 1930. We are taking away the liberty of control which the emergency legislation has given to the public and which they have enjoyed since 1930 or 1931. I do not want to see the clock put back. It has been a principle which this Parliament has adopted that people in any contracts made since the emergency legislation was introduced should have the power to regulate their own affairs, and the present proposal is a reactionary step, by which, when some people are being relieved from the provisions of the emergency legislation, there is being imposed on a certain class not merely a continuance of the present conditions, but worse conditions or greater restrictions than they have had over the past few years.

Mr. Raphael: They are getting twice as much rent.

Mr. McDONALD: The people who own the houses occupied by the unfortunate unemployed are not rich men. The rich man never owns small houses.

Mr. Raphael: Would you not call the member for Swan a rich man?

Mr. McDONALD: I do not know what the member for Swan has to do with it. Generally speaking, the man of means does not own a small house for rental purposes. As a general rule, it is a poor investment and these houses are mostly owned by people who themselves have very small means. They feel very acutely the losses they incur as a result of the prevailing bad times. These folk are mostly working people themselves, who have saved a little money for their old age, and I feel that the sooner we can relieve this class of small landlord of the burden resting on them, which does not rest on the great majority of people, including civil servants and ourselves, the better it will be. I oppose Section 2, which seeks to impose more restrictions than ever by prohibiting contracting out, and I hope there will be an opportunity of all this legislation being considered by a select committee, in order that we may be given some guide as to what to

do this session in regard to these outstanding financial emergency enactments.

THE MINISTER FOR EMPLOYMENT

(Hon. A. R. G. Hawke—Northam—in reply) [5.56]: It is remarkably strange the ideas the Leader of the Opposition develops when out of office. The Government of which he was a member were responsible for the initiation of the legislation we are now discussing, and they placed all the responsibility for loss of rent, where loss of rent occurred, on the shoulders of the landlord. Now when he has no responsibility at all in regard to this legislation, except the responsibility carried by an ordinary member, he develops an idea entirely the reverse of that which he held when a Minister in the previous Government. He suggests now that instead of the responsibility in these cases resting where it has always rested, that the State should come in and assume the whole of the responsibility.

Hon. C. G. Latham: It is less now than it was when we took it on.

THE MINISTER FOR EMPLOYMENT:

It is agreed that the number of cases is far less, but the principle is not different. There are cases of hardship caused by the operation of this legislation, but those cases are less numerous to-day than they were in previous years. Although the Leader of the Opposition suggests that this legislation will probably go on for several years longer, I rather express the opinion that next year may be the last year in which this legislation will be found to be necessary. Regarding the provisions in the Bill to prevent contracting outside of the Act, the member for West Perth suggested that their adoption would mean the taking away from people the liberties previously enjoyed by them under the legislation as it now exists. While the adoption of the proposal might take away the liberty of some, it will at the same time give a liberty to others which they at present do not possess. What liberty has the unemployed man who seeks to obtain a house in which he and his family might live if the landlord can present him with an ultimatum to the effect that he must either sign a contract depriving himself of every particle of protection which the Act would give him, or else be refused the right to occupy the house?

Mr. Cross: That is being done every day.

The MINISTER FOR EMPLOYMENT: It seems clear that the only liberty we pro-

pose to take away is the liberty of landlords to place such an ultimatum before unfortunately-circumstanced people in the community who desire to obtain a place in which to live.

Hon. C. G. Latham: But you also propose to cancel all the contracts which have been made.

The MINISTER FOR EMPLOYMENT: Yes.

Hon. C. G. Latham: That is more than you said you were proposing to do.

The MINISTER FOR EMPLOYMENT: I think a majority of members will agree that while liberty to do that is to be taken away, we are proposing to give to the more unfortunately-situated people a liberty to obtain some shelter for themselves and their families, which liberty they do not possess under the existing Act. On balance, I think it must be agreed that while a certain form of undesirable liberty will be taken from some people, a much more desirable form of liberty will be vouchsafed to others.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Sleeman in the Chair; the Minister for Employment in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 24:

Hon. C. G. LATHAM: The clause provides that every contract or agreement, whether made before or after the commencement of this measure, purporting to abrogate or prejudicially affect the rights of any tenant under the provisions of the measure shall be absolutely void in so far as it abrogates or prejudicially affects such rights. I have already pointed out that we should not agree to the clause. The Minister said that this legislation was introduced by the Government of which I was a member. That is quite true, but the conditions then were totally different. The Government of that time had barely enough money to feed the people, and landlords were required to make some contribution to the sacrifice. There is a great difference between the conditions now as compared with those of 1930. The clause will not do what the Minister desires. Thousands of documents have been signed since the passing of the Act by which tenants have agreed not to avail themselves of the provisions of the Act.

Mr. Cross: Landlords compel people to sign before they will let them go into the houses.

Hon. C. G. LATHAM: It is a condition of nearly all mortgages at present. If we pass the clause, people will not be able to get homes at all. The Minister has pointed out that the conditions of the part-time worker have greatly improved. Why do not the Government build homes to meet the housing difficulty? They have the necessary power under the Workers' Homes Act. They should build cheap homes, not homes costing £500, £600, £700 or £800, of which men desirous of coming under the Act cannot avail themselves.

The CHAIRMAN: There is nothing about workers' homes in this clause.

Hon. C. G. LATHAM: But that subject is closely allied to the question before the Committee. If the Government force the clause through, they will not render a service to the people who have not homes, but will make their position worse. Probably the Minister will contend that by passing the second reading of the Bill, we have accepted the policy contained in the clause, but we had to pass the second reading in order to get the original legislation re-enacted.

Mr. RAPHAEL: I hope the Minister will adhere to the clause. Attempts have been made for a number of years to get a similar provision passed, but unsuccessfully. The conditions of the workers have not improved to such an extent as have those of members of Parliament by the restoration of their salaries. The Government, in conjunction with the Perth City Council and with road boards, have taken action against tenants to recover rates. The Leader of the Opposition said that conditions had improved.

Hon. C. G. Latham: That is according to the Minister.

Mr. RAPHAEL: The Leader of the Opposition said they had improved since 1930.

Mr. Thorn: You know they have.

Mr. RAPHAEL: They have not improved for some of the hon. member's cookies who are being thrown off the land. When the authorities take action to recover rates, threats are made to seize the furniture and effects of tenants, and immediately the tenants arrange to meet the liability, the landlords tell them to get out of the houses. A woman in Victoria Park, who expects to be confined within the next 14 days, has a court order against her requiring her to leave the

house, she having contracted outside the Act. If the clause be passed, such a landlord would not be able to throw a tenant out of her home. There may be something in the suggestion of the Leader of the Opposition that the Government should build homes. This, however, would entail finance, and failing that, the Government have to do the next best thing for the people. A few months ago members opposite were telling the workers what they would do for them if returned to power. Here is an opportunity for the Opposition to help the workers to keep a roof over their heads. It has been said that one section of the community will be penalised in order to protect another. Rents in Victoria Park that two years ago were down to 12s. or 14s. a week are to-day 27s. 6d.

Hon. C. G. Latham: Owing to the prosperity of the Government!

Mr. RAPHAEL: If rents have doubled, landlords are quite able to bear a little of the burden.

Mr. Hughes: If rents have doubled, there is something wrong with the basic wage.

Mr. RAPHAEL: There is evidently something very wrong with the adjustment of the basic wage and I hope the Government will consider the matter. The Leader of the Opposition should appreciate that there are thousands of people still dependent on the Government for protection. The member for Subiaco, after her fine speeches as to what she was going to do for the workers, should support the clause.

Mr. CROSS: I hope the clause will be retained. If an amendment of any Act is urgently required, it is this one. I admit that conditions have improved considerably since 1933.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. CROSS: I agree with the Leader of the Opposition that conditions have improved since 1933, notwithstanding which a certain section of the community is still unable to meet its rental obligations. It is not true that the Bill places on the landlord the onus of finding a house for unemployed tenants. The parent Act places a definite onus on the tenant, as members will see if they read Section 4. I have on numerous occasions gone before the magistrate with respect to protection cases, and, after he has satisfied himself as to the bona fides of the applicant, he has generally made a satis-

factory adjustment. This clause is very necessary for the protection of people who have contracted themselves outside the Act. Only yesterday I learned of a man who had been called upon suddenly to find £10 for arrears of rent. He had fallen into arrears owing to the sickness of some of his children. Through me he offered to pay the landlord so much in cash, and half-a-crown a week off the arrears, but the landlord refused the offer on the ground that the man had sufficient furniture to make up the amount owing. Ultimately, however, he agreed to accept 5s. a week off the arrears. This unfortunate tenant can get no relief from the court because he has contracted himself out of the Act. Only the most difficult cases, and those affecting the most unscrupulous landlords, ever come before the court.

Mr. Thorn: Are there no unscrupulous tenants?

Mr. CROSS: I do not claim that every tenant is above suspicion. The fair landlord has nothing to fear from this clause, but it will undoubtedly afford protection to people who at present have nothing on which to fall back. At present it is possible for a bailiff to seize from a man the whole of his furniture, leaving him without any possession whatever. In making their inventories bailiffs are also apt to include many more goods and chattels than they are entitled to.

Mr. NORTH: I am afraid this clause is likely to penalise an unemployed tenant so that he will never get any house in which to place his family. Landlords are chary about letting their houses to tenants who have no means of support. Why should landlords subsidise unemployed people any more than the grocer or butcher should subsidise them? The trades people do get something from the unemployment grants, but the landlord gets nothing. A far better arrangement would be for the Marquis-street authorities themselves to find the rent in cases of this kind. What the clause proposes is merely "passing the buck." Those who have followed the case of the smaller landlord during the depression know that his ownership has been highly precarious, and that he has perhaps lost as much as any other section of the community.

Mr. HUGHES: The clause raises the broader question whether there should not be a general law to prevent contracting out of any legislation enacted for people's protection. The Interpretation Act should

include a general provision that any contracting out of any statute is void.

Hon. W. D. JOHNSON: Is punishable. We should punish the man who attempts to secure contracting out.

Mr. HUGHES: Under stress of circumstances protection is frequently renounced. If the clause is passed, landlords would not let premises to a sustenance or relief worker unless some private person guaranteed payment of the rent. The clause, as it stands, merely represents kite-flying. Another place will promptly reject it, and experience shows that this place will do nothing further about the matter. The general intention of the amendment is sound.

Hon. W. D. JOHNSON: Contracting out represents defiance of Parliament.

Mr. HUGHES: Yes, defeating the object of Parliament. I prefer a general enactment such as I have suggested. The member for Canning pointed out the root of the trouble in his reference to bailiffs. A creditor such as a baker or a butcher, in contradistinction to a landlord, must proceed through the courts, which provide various safeguards for the debtor. The landlord, on the other hand, can step in straight away. On the whole, however, landlords have been fair to relief and sustenance workers. In East Perth the landlords have carried their share of the depression very well. Occasionally, of course, one encounters the landlord who wants his pound of flesh.

Mr. Cross: That is the landlord we must legislate for.

Mr. HUGHES: Yes. If a landlord lets a house and goes without his rent for a long time, he bears an undue share of the depression burden. Under the parent Act, however, there is provision for application to a magistrate, who decides such a case on equitable principles. I do not believe there is one member of the Chamber who expects this clause to become law. If it did, the average landlord would insist on an independent guarantor for payment of the rent, failing which the landlord, especially the rich landlord, would allow the premises to stand empty. No member would support a proposal compelling landlords to let idle premises to any tenant coming along. The only real remedy is to fix rents by law. We can do this locally, as 95 per cent. of our building materials are

produced locally. Thus we could overcome the housing shortage, and so obviate the need for this provision. I support the clause as part of a general principle to be adopted as early as possible, preventing people from contracting themselves out of any law passed by Parliament for their protection.

Hon. W. D. JOHNSON: Unless we pass the clause, the Bill itself is useless. What is the good of conveying to the public that Parliament seriously passes a measure to secure certain ends and then for us to accept the assurance of the Leader of the Opposition that the clause under discussion will not apply because of contracting out?

Hon. C. G. Latham: It would leave the position just as it has been for the past six years.

Hon. W. D. JOHNSON: If contracting out has become more extensive, it is merely because it is tolerated. I am astonished that the Leader of the Opposition should seriously announce that he would support the second reading of the Bill, but he was opposed to the clause because of the number of instances of contracting out.

Hon. C. G. Latham: I said the clause would not achieve the purpose of the Minister.

Hon. W. D. JOHNSON: The hon. member said the clause would not apply in a number of instances because of contracting out, and I could only assume from his remarks that he agreed with the practice that has grown up. I submit that he must have been a hypocrite when he introduced such legislation.

Hon. C. G. Latham: I did not introduce it.

Hon. W. D. JOHNSON: The hon. member's Government did. Evidently they did not seriously intend to protect tenants against unfair action by landlords.

Hon. C. G. Latham: If you read Section 24 of the Act you will see that special provision was made that it would apply only to instances to that date.

Hon. W. D. JOHNSON: Since then the practice of contracting out has been permitted to grow up. Are the people to take Parliament seriously? Do we not intend to enforce legislation that we pass? Are we merely to pass legislation setting out that we desire to protect some people and then allow contracting out? Are we to mislead the people into believing that such legislation is effective and will not permit land-

lords to do such things as were detailed by the member for Canning? Surely it is not necessary for us after passing legislation, to introduce a further measure with the same object in view and setting out that on this occasion we really mean it and do not intend to allow the law to be evaded.

Mr. Hughes: I can cite many Acts out of which people contract themselves.

Hon. C. G. LATHAM: Including some that the member for Guildford-Midland introduced.

Hon. W. D. JOHNSON: If the member for East Perth knows of such legislation, he should tell the Committee the facts. What is the good of passing a law when people can contract themselves out of it? It has been suggested that unless we adopt certain steps, the sustenance workers and the poorer classes will be unable to obtain homes. I am not alarmed about that. We should not pass the Bill without the inclusion of the clause under discussion, and if, as a result, the sustenance workers cannot secure homes, it will be for Parliament to provide them with homes on a wholesale scale. The landlords have not suffered special penalties as the result of the period of depression; every section of the community had to carry the burden of the depression. If the clause is not to be included, let us abandon the legislation altogether.

Hon. C. G. LATHAM: If the member for Guildford-Midland had any memory at all, he would appreciate the fact that the Act passed in 1930 for the relief of tenants, purchasers and mortgagors was emergency legislation, introduced at the same time as we dealt with interest, rents, mortgagees' restrictions and so on. That legislation applied only to that period. We afforded protection to all those people who found themselves in difficulties at that time.

Mr. Cross: The part-time workers are still in difficulties.

Hon. C. G. LATHAM: That problem will solve itself next month. The Minister for Employment said that everything would be all right with the part-time workers in October.

Mr. Wilson: He did not.

Hon. C. G. LATHAM: He said there would be full-time work in October.

The Minister for Mines: That is just the same sort of exaggeration that you are always making use of. He did not say anything of the sort.

The Minister for Employment: It was not an exaggeration, but merely an untruth.

Hon. C. G. LATHAM: We will refer to "Hansard."

The Minister for Mines: Refer to what you like; you will not find that statement.

The CHAIRMAN: Order! I must ask the Leader of the Opposition to confine his remarks to the clause.

Hon. C. G. LATHAM: We are going to find homes for the people and the reason we are doing that is because they cannot afford to pay rent. The statement made the other night when a certain amendment was moved to the motion for the adoption of the Address-in-reply was that the Government were going to do something in October, presumably when the Government—

The CHAIRMAN: That has nothing to do with the clause. I must ask the Leader of the Opposition to keep somewhere near the clause.

Hon. C. G. LATHAM: I am doing so in pointing out that the Government's action will obviate the necessity for this legislation. Section 24 of the parent Act of 1930, which is to be repealed by Clause 2, reads as follows:—

The parties to any contract made or entered into after the date of the commencement of this Act may exclude the operation thereof as between themselves; but this Act shall be operative and have effect notwithstanding the terms of any contract made or entered into before such date.

That was purposely put into the Act so that people who entered into a contract would enter into it with a full knowledge that it was to meet the emergency that existed at the time. Now, six years afterwards, the Minister wants us to cancel all those contracts that we by Act of Parliament permitted those persons to make; while we gave them power under Section 24 of the Act to contract themselves out, the member for Guildford-Midland now tells us this is something new. It is not new at all.

Mr. Cross: We made a mistake when we assisted in having that put in.

Hon. C. G. LATHAM: Certainly the hon. member supported the second reading, but I do not think that clause was raised until a year or two afterwards. All the members of the House were anxious to support that legislation, because it was quite new at the time. But today members opposite say there is still a necessity for this legislation. There

may be still some necessity, but it is very much less than it was in 1930.

Mr. Cross: This does not actually protect them, for they have to go before a magistrate. Read Section 24.

Hon. C. G. LATHAM: I do not wish to read any of those sections. We are now on Clause 2, which reads—

Every contract or agreement, whether made before or after the commencement of this Act, which purports to abrogate or prejudicially affect the rights of any tenant under the provisions of this Act, shall be absolutely void insofar as it abrogates or prejudicially affects such rights.

And the hon. member speaks on this clause for ten or 15 minutes and says it has some reference to repudiation! No wonder misunderstandings arise in this Committee. I am surprised that the member for Guildford-Midland should make out that this is something new. The unfairness of it is to ask an individual to assume responsibility for providing homes for people who cannot afford to pay rent. I say if we have reached that stage, let the State do it. There cannot be many cases, for the Minister said there were only 12, or one a month, granted last year.

The Minister for Mines: Many more would have been granted if they had not signed that agreement.

Hon. C. G. LATHAM: I do not know whether the Minister is in order in pretending that he knows what was in the mind of the magistrate who tried the cases. Has the Minister no confidence in the magistrate?

The Minister for Employment: The Minister for Mines is only suggesting that he knows what is in the agreements.

Hon. C. G. LATHAM: I know that in every mortgage there is a provision that persons shall not avail themselves of transferring to the mortgagors' relief fund. Every one of them carries that red herring, and it applies to all leases and even to weekly tenancies. But if we are going to put this through, what are we to do if people say they will not provide homes for sustenance workers? Are we going to introduce legislation to make them take in the sustenance workers? It is only fair to ask the Committee what we are going to do if those people refuse to be benefactors to the part-time workers.

The Minister for Employment: Did you have the same difficulty?

Hon. C. G. LATHAM: Conditions are totally different now. At that time it was costing us a large sum of money to feed the unemployed.

The Minister for Employment: It has cost us more than it cost you to find work for them.

Hon. C. G. LATHAM: If the Minister had found himself in our position, he would have been far less successful. It is all very well for the present Government to talk, when they have three millions more per annum to spend than we had.

The Minister for Mines: Now make it three times more!

Hon. C. G. LATHAM: The revenue for last year was over ten millions.

The CHAIRMAN: The hon. member must get back to the clause.

Hon. C. G. LATHAM: Am I not on the clause? It is a question of providing homes for people without homes.

The CHAIRMAN: There is nothing here about £3,000,000. I have given the Leader of the Opposition a good deal of latitude.

Hon. C. G. LATHAM: If we pass this legislation and then find there are no homes for the workers—

Mr. Cross: We shall have to build some then.

Hon. C. G. LATHAM: If I could get that from the Minister, it would satisfy me. I am afraid we are not going to do what we want to do, and we are certainly not going to make it any easier for those unfortunate people. I move an amendment—

That in line 1 of proposed Section 24 "whether" be struck out, and in line 2 the words "or after" be struck out.

This will not interfere with past contracts: it will affect only future contracts.

Mr. McDONALD: I, like others, am anxious to see something done to assist those who, through no fault of their own, are in difficulties with their rent. If the Minister would bring down a proposal to liberalise the relief funds, in order to enable the Government to make some grants in aid to tenants who are temporarily in difficulties with their rent, I would support any such proposal. But what is now being proposed under both the clause and the amendment of the Leader of the Opposition is to bring the landlords as a class back to the position they occupied in 1930. The Act stated that landlords, in respect of any contract of tenancy made

after 1930, would have a free hand. They could provide that the restrictive conditions of the Act should not apply. The same principle was observed in all our emergency legislation under the Mortgagees' Rights Restriction Act. The parties had complete freedom to make their contract without being subject to the restrictions of the parent Act. The same thing applied under the Financial Emergency Act which reduced the rate of interest by 22½ per cent. Any person making a contract regarding property after 1931 when the parent Act was passed could stipulate any rate of interest he liked. In other words with regard to our emergency legislation, Parliament told the people that the restrictions would apply to all existing contracts, but that in future there would be freedom of contract, because it is contended, rightly or wrongly by some people, that freedom of contract is ultimately for the benefit of the community, and undue restrictions of contracts are ultimately to the prejudice of the people. Last year one piece of legislation passed out of existence—that relating to reduction of rents, together with other legislation reducing salaries and wages. If we are to be consistent and pass this clause we must abrogate all the contracts made with regard to sales of land and houses and mortgages since 1931 which do not comply with the Mortgagees' Rights Restriction Act; we should provide that contracts made by people involving more interest than was originally allowed should be subject to revision; we should re-enact the Reduction of Rents Act; and we should re-enact legislation providing for cuts in Civil Service salaries, Parliamentary allowances and wages. We cannot bring back one class of people to the emergency legislation restrictions unless we bring the whole lot back. After telling the people for six years that they were free to make contracts for the letting of houses without being subject to this legislation, we are now invalidating all the contracts that we told them they could lawfully make. We are dealing now with something more than this Bill: we are dealing with a principle, and if we are to impose restrictive conditions on one class of people, to be logical we must impose them on all classes. In reply to the member for Victoria Park who said that rents had risen from 14s. to 27s. or 28s.—

Mr. Raphael: 27s. 6d. I said.

Mr. McDONALD: The "Official Year Book" for 1935 at page 54 gives the aver-

age weekly rent for four and five-roomed houses in Perth. It states that in 1930 the average rent was 19s. 7d., and by the middle of 1935 it had fallen to 15s. 9d.

Mr. Cross: You should see the hovels you get for that amount.

Mr. Raphael: The City Council has condemned those 15s. 9d. houses. Why don't you go into practical matters?

The CHAIRMAN: Order! The member for Victoria Park must keep order.

Mr. Raphael: I want the truth to be told.

Mr. McDONALD: The hon. member can deal with that under the motion for a housing commission.

Mr. CROSS: I hope that members will retain the clause. There is a certain element of truth in a number of the statements made by the member for West Perth.

Hon. C. G. Latham: A certain element? It is all truth.

Mr. CROSS: But what we are actually seeking in this Bill is protection for those people who are in a most invidious position. The landlord is still getting the protection which has come to him from the Middle Ages under the bailiff law, under which he can take his pound of flesh without any order from the court. All we seek is sufficient protection for the tenant so that the matter may be referred to a magistrate for his decision. The landlords are raising their rents, and then putting in bailiffs to collect the increased amount. The Leader of the Opposition does not know what is happening. If he had seen what I have seen, he would not hesitate to support the clause. One matter to which we shall have to give consideration is the power of a landlord to distrain for rent.

Mr. RAPHAEL: The member for West Perth has quoted figures from a publication 12 months old. Twelve months ago the Labour Bureau was inundated with applications for work from carpenters, bricklayers, joiners and painters, but today it is impossible to pick up one artisan there. In the stressful years gone by, men were working for lower wages than they are receiving today. For the hon. member to suggest that a four or five-roomed house may be obtained in Perth for 15s. 9d. a week is ridiculous. A two-roomed cottage in the bush at Victoria Park, one of the worst hovels, costs about 12s. a week, and in the better areas a five-roomed brick house costs 25s., 27s. 6d. or 30s. a week. In bad times landlords were glad enough to allow men on part-time work to

occupy houses for 12s. or 14s. a week. The member for West Perth suggested that landlords in Perth, rather than reduce shop rents, would keep them empty, but depreciation occurs when premises are vacant. Parliament should at once consider the power given to landlords to distrain on a tenant's furniture and effects.

The MINISTER FOR EMPLOYMENT: The amendment admits that the practice of contracting outside the Act is wrong in principle. If it is sufficiently wrong to justify our preventing it in future, then we are justified in providing that the unfair agreements made during the last six years should have no effect. Because Parliament did something wrong in principle six years ago is no reason why we should allow it to continue. If we are going to correct the matter for the future we should also correct it in regard to the unjust agreements forced upon people during the last six years. Another argument against the amendment is that opportunity would be afforded for a number of dangerous practices that could not be controlled. Because the amendment would be difficult to enforce, it is deserving of little consideration. The member for West Perth suggested that the adoption of either the clause or the amendment would restore the position that existed in 1930. The defeat of the amendment and the adoption of the clause would take us back to pre-depression days, because it would place all landlords and tenants on an equal footing. In pre-depression days all landlords had to take the same measure of risk regarding tenants. The only protection was to refuse tenancy if the landlord thought the conditions warranted that action. Landlords have that protection today. It has been said that if we release people from being forced into signing contracting-out agreements, every tenant will immediately be able to take advantage of it and refuse to pay rent without risk of suffering any penalty. The member for Canning emphasised that if every tenant were able to take advantage of the Act, no one would be able to get protection unless he first proved his case before a magistrate.

Mr. Cross: And that is only common justice.

The MINISTER FOR EMPLOYMENT: Therefore the landlord is well protected. When a tenant applies for protection, the magistrate always takes cognisance of the

landlord's position. If the magistrate is satisfied that the granting of protection to a tenant would inflict hardship on the landlord, no protection is given.

Hon. C. G. Latham: That has nothing to do with the setting aside of contracts.

The MINISTER FOR EMPLOYMENT: I have already dealt with that. There are some landlords who refuse to take advantage of the contracting-out provisions of the law, and have no desire to subject their tenants to that indignity. It is not the wealthy landlord who in many cases declines to take advantage of the situation, but those who frequently use the contracting-out provisions are amongst the more fortunately placed individuals. Parliament should see that the landlords are all put on the same footing. If we deprive them of the right to compel tenants to contract themselves out of the Act, and provide that all people who have done so during the last six years are no longer tied down to that agreement, automatically all landlords will be on the same basis. The owners of property may still decline to accept as a tenant this, that or the other person, and the tenant who wishes to get protection will still have the court to go to. The Leader of the Opposition says that the Committee should not be forced by me to pass this clause. I have no power to force it upon any member of the Chamber, and can only rely upon the sound judgment and fairmindedness of the Committee to adopt the clause.

Hon. C. G. LATHAM: The member for Canning suggested that the improved position of landlords was such as to justify the passing of this clause. According to the "Statistical Abstract" for the quarter ended the 30th September, 1929, the average rental for a four-roomed wooden house in the metropolitan area was 16s. a week and of a brick house 19s. 8d., and for the quarter ended 31st December of that year the figures were 16s. and 19s. 11d. For the quarter ended the 30th June, 1936, the average rental of a four-roomed wooden house in the metropolitan area was 14s. 4d., a rise of 1d. compared with the last quarter; and in the case of brick houses the rental for the June quarter was 17s. 5d. and for the March quarter 17s. 4d.

Mr. Raphael: You are reading a lot of trash and tommy-rot.

Hon. C. G. LATHAM: These figures are prepared by the Government Statistician,

who should have more accurate information than is possessed by the hon. member. As the Minister will not accept the compromise suggested in my amendment, it is evident that with the members behind him he intends to force this clause through.

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

Ayes	..	..	..	..	16
Noes	..	..	..	..	23

Majority against 7

AYES.

Mr. Boyle	Mr. Sampson
Mr. Brockman	Mr. Shearn
Mrs. Cardell-Oliver	Mr. J. M. Smith
Mr. Hill	Mr. Thorn
Mr. Keenan	Mr. Warner
Mr. Latham	Mr. Watts
Mr. McDonald	Mr. Welsh
Mr. McLarty	Mr. Doney

(Teller.)

NOES.

Mr. Coverley	Mr. Munsie
Mr. Cross	Mr. Needham
Mr. Doust	Mr. Nulsen
Mr. Fox	Mr. Raphael
Mr. Hawke	Mr. Rodoreda
Mr. Hegney	Mr. F. C. L. Smith
Miss Holman	Mr. Tonkin
Mr. Hughes	Mr. Troy
Mr. Jonsson	Mr. Wise
Mr. Lambert	Mr. Withers
Mr. Marshall	Mr. Wilson
Mr. Millington	

(Teller.)

PAIRS.

AYES.		NOES.
Mr. Patrick	Mr. Wilcock	
Mr. North	Mr. Collier	

Amendment thus negatived.

Clause put and passed.

Clause 3, Title—agreed to.

Bill reported without amendment, and the report adopted.

BILL—TRADE DESCRIPTIONS AND FALSE ADVERTISEMENTS.

In Committee.

Mr. Sleeman in the Chair: the Minister for Employment in charge of the Bill.

Clause 1—agreed to.

Clause 2—Definitions:

Mr. WATTS: I move an amendment—

That in the definition of "Goods" the word "proclamation" be struck out, and "regulation" inserted in lieu.

In my view, government by proclamation is not to be encouraged. A regulation is all that is needed for altering the Schedule when the Bill has become law. Regula-

tions are subject to the discretion of either Chamber to allow or disallow, but there is no such power as to proclamations. Once a proclamation has been issued, it becomes the law of the land, and neither this Chamber nor another place can do anything in the matter.

The MINISTER FOR EMPLOYMENT: If this were a regulating measure, I would probably consider the amendment favourably. But the Bill is in the nature of a policing measure. The powers contained in the Bill are complete and extensive, and all that can be done by proclamation is to increase the number and variety of goods to which the provisions of the measure may be applied. Therefore the proposal to have whatever alterations may be found necessary made by proclamation is perfectly safe. I suggest that the member for Katanning withdraw the amendment.

Hon. C. G. LATHAM: During the last session of the previous Parliament a new principle was introduced, and it is being given effect to in the Bill. The new principle is that when Parliament has passed an Act, the Governor-in-Council may amend it. On the other hand, the long-established principle is that Parliament alone shall establish or amend legislation. By proclamation any goods whatever that the Minister chooses to include in the Schedule shall be subject to the measure. What the member for Katanning seeks is perfectly proper. Under it, Parliament would retain control, because no regulation has the power of law if it is disallowed by either Chamber. What the clause proposes is not democracy, but the worst form of autocracy. I protested against the principle last year, and shall protest against it whenever it is proposed.

Mr. Withers: You also protested against regulations.

Hon. C. G. LATHAM: And quite rightly too.

The Minister for Agriculture: You said earlier to-night that another Bill was autocratic.

Hon. C. G. LATHAM: So it was, if you take away the right of appeal. I again object to regulations. Parliament should accept the responsibility of passing legislation in a form that will enable the people to know what is intended. By regulations, which have the force of law, we vary legislation so that it is difficult for people to know whether

they are violating the law or not. That is bad enough, but the provision in the Bill is absolutely autocratic, and Parliament will have no control over the position at all, except by way of the introduction of a Bill to amend the Act to delete this power. The principle of amendment by proclamation is wrong; I do not think we have the power to do it. I cannot understand members opposite, who profess to be the stalwarts of democracy, agreeing to such a proposal. In fact, I believe the Opposition represent the democratic party. I warn Government members that they will live to regret the day they agreed to such legislation as that under discussion. There will not always be a Labour Government in power, and the day is very close when the present Government will not be in office.

The Minister for Agriculture: Let us into the secret.

Hon. C. G. LATHAM: You will know soon enough. If an anti-Labour Government were in power and legislation were introduced embodying this particular autocratic power that the Government desire to be placed in the hands of the Executive Council, those who are now sitting on the Treasury Bench would be the first to object.

The Minister for Agriculture: But that could never happen, because you say you would not introduce such a proposal.

Hon. C. G. LATHAM: Am I to live forever?

Mr. Nulsen: Let us hope not.

Hon. C. G. LATHAM: I am opposed to this method of usurping Parliamentary authority.

Mr. WATTS: Were the Bill not what the Minister described as a policing measure, I would not be in favour of agreeing to regulations in lieu of the proclamation. I realise that the Minister must have some control, and I am prepared to compromise by asking the Committee to agree to the provision for regulations. If the clause be agreed to in its present form, the Government will have the right to issue a proclamation and add to the number of articles at present enumerated in the Schedule. It might be found that the Government had included many items that Parliament considered should not be covered by the measure. Everything the Government desire to do can be achieved by way of regulation, and Parliament will then have some control.

The MINISTER FOR EMPLOYMENT: This type of legislation is new to Western Australia and, therefore, we have included in the Schedule a small number of articles only, the idea being that we shall be guided by our experience in administering the Act as to what additional articles shall be added to the Schedule. The power we propose to use by way of proclamation will not amend the legislation, but merely extend its provisions to goods other than those at present mentioned in the Schedule.

Mr. Watts: And that is a most important power.

Hon. C. G. Latham: But even that represents amending the legislation.

The MINISTER FOR EMPLOYMENT: I prefer to agree to differ from the Leader of the Opposition's point of view. The legislation provides certain power to deal with goods not truthfully described. If members of the Committee believe there are types of goods that should not be brought under the scope of the Bill, let them take the initiative now and say that those goods shall be entirely exempt from the application of the provisions of the Bill. That is the logical course to adopt. If Parliament passes the Bill, then Parliament agrees that, should it be found necessary to apply the legislation to goods not mentioned in the Schedule, there shall be no doubt about action being taken as speedily as possible.

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

Ayes	..	..	..	..	17
Noes	..	..	..	..	20

Majority against 3

AYES.	
Mr. Boyle	Mr. McLarty
Mr. Brockman	Mr. Sampson
Mrs. Cardell-Oliver	Mr. J. M. Smith
Mr. Doust	Mr. Thorn
Mr. Hill	Mr. Warner
Mr. Hughes	Mr. Watts
Mr. Keenan	Mr. Welsh
Mr. Latham	Mr. Doney
Mr. McDonald	(Teller.)
NOES.	
Mr. Coverley	Mr. Needham
Mr. Cross	Mr. Nulsen
Mr. Fox	Mr. Raphael
Mr. Hawke	Mr. Rodoreda
Mr. Hegney	Mr. F. C. L. Smith
Miss Holman	Mr. Tonkin
Mr. Johnson	Mr. Troy
Mr. Marshall	Mr. Wise
Mr. Millington	Mr. Withers
Mr. Munsie	Mr. Wilson
	(Teller.)
PAIRS.	
AYES.	NOES.
Mr. Patrick	Mr. Willcock
Mr. North	Mr. Collier

Amendment thus negatived.

Clause put and passed.

Clauses 3, 4—agreed to.

Clause 5—Trade descriptions:

The MINISTER FOR EMPLOYMENT:

I move an amendment—

That after "thereto," in line 2, the following words be inserted:—"or to any covering, label, reel, container, or thing used in connection therewith."

The wording of the clause might easily be interpreted to mean that a trader would be compelled to place a trade description on each article in his shop if the article were included in the schedule or brought under the schedule by proclamation. There is no desire to force traders to do what Clause 5 at present provides for in regard to every article in the shop. There is no desire to make a trader conspicuously attach to each article the full name and complete address of the manufacturer and a trade description of the goods. Obviously, that would become impracticable. It would mean that each pair of socks, each pair of braces, each necktie, each singlet, would have to be treated separately. So we propose that, instead of that being forced upon any trader, it shall be sufficient if the name and complete address of the manufacturer, and the trade description, is applied to any covering, label, reel, or container, used in connection with the article.

Hon. C. G. LATHAM: Are these amendments moved by the Minister on the Notice Paper? I cannot find them. It would be of assistance if the Minister would put his amendments on the Notice Paper.

Hon. N. KEENAN: Before the Minister moved his amendment—which I have not been able to follow—I was resolved to point out the dangerous character of this clause and the harassing use that it would be put to. In the case of a number of small shopkeepers it would be impossible for them to carry out the provisions of the clause. Under this provision nothing could be offered for sale by a small shopkeeper except the full name and complete address of the manufacturer, and a trade description of the goods, were attached. And in a subsequent clause severe penalties are provided for a breach of that condition. Every member knows that numbers of small shops offer articles for sale which may have been manufactured in the neighbourhood, especially small goods such as children's frocks, and

things of that kind. Is the trader to put on each such article the name and the complete address of the manufacturer, together with a trade description of the goods? I have not fully grasped the amendment, but I heard enough of it to convince me that it will not meet my objection in the least. I ask the Minister to allow this clause to stand over until we can fully grasp its meaning and consider what will be its effect. The clause could be made one of a most harassing character. Nobody imagines that small shopkeepers could comply with these conditions, yet we demand that they shall do so under fear of a severe penalty. All this is to be done, simply because we are rushing legislation through the House. I hope the Minister will allow the clause to stand over until we can consider what its effect will be on a large section of the community. The amendment, as I read it, will not have any effect at all on this offensive provision.

Mr. McDONALD: Every member will be willing to support the Bill with the intention of ensuring truthful advertising and making certain that the customer gets what he pays for. The general public also would gladly support this legislation. Nevertheless I join with the member for Nedlands (Hon. N. Keenan) in saying that Clause 5 is most alarming. When this Bill was read a second time I spoke to people I considered to be representative of the retail traders of the State, and while I found them all behind the Minister in his endeavour to ensure that the customer was protected and that representations concerning goods offered for sale were truthful, they were alarmed at the difficulties and the expense which might be involved by this clause, an expense which would ultimately be borne by the consumer. The Minister, in moving his amendment, acknowledged, in effect, that the clause as originally drawn would have been largely impracticable and unworkable. The amendment requires still more consideration and will not meet the case at all. Every time a person sells, say, half a yard of calico, there must be attached to that, under the conditions of the Bill, some sort of ticket setting out the name and full address of the manufacturer and a trade description of the goods. The amendment states that instead of this representation being attached to the goods, it may be attached to the container, but that merely transfers the ticket from one article to an-

other. If a man buys a variety of articles and they are wrapped in the one parcel, a number of tickets will have to be attached to the outside of the parcel, describing the goods within.

The Minister for Employment: No.

Mr. McDONALD: The Bill provides that names and addresses and trade descriptions of all the articles in the package would have to be given. If there were ten articles, there would have to be ten tickets on the parcel. As a matter of fact, it is often very hard to say who is the manufacturer of, say, a piece of cloth. Various manufacturers are often engaged in the production of one commodity. The wool and cotton in one piece of cloth would be produced by different manufacturers, a third would do the assembling, a fourth the dyeing, and a fifth the finishing. Finally, it would go to some wholesale firm in London who would supply the trade here. Who, in that case, would be the manufacturer? Furthermore, I am informed that many people of undoubted integrity who import goods do not know the manufacturers. They receive goods with a certain trade name through a certain source of supply, but do not know the manufacturers. The Bill provides that a trade description shall be deemed to be applied to goods if it is used, amongst other things, in a catalogue. Traders have prepared at considerable expense, catalogues containing lists of goods, and those catalogues are sent throughout the country. They will have to be scrapped. Traders will not be able to operate on them until they know the regulations made under this measure. Many of the catalogues are prepared in England by the people who send goods here. The catalogues will have to be sent back to England and rewritten and reprinted to comply with the conditions of this measure. To carry out the proposed requirements a large firm in the metropolis would need to circulate thousands of tickets every day. I hope the Minister will consent to postpone the clause. We want to get a workable measure which will not entail unnecessary expense, because such expense must be passed on to consumers. The trade should have an opportunity to present their views in order to avoid a dislocation of trade.

The MINISTER FOR EMPLOYMENT: The object is to police the description applied to goods, and to protect the public against false descriptions and false advertisements, and it is essential that the provi-

sions should be sufficiently wide to make the measure effective. It is easy to conjure up all sorts of difficult and dangerous situations that might arise. I think I could more than equal the efforts of members who have spoken in pointing out possible dangers and elaborating the many serious difficulties which might be imposed upon traders; but I emphasise that we must take complete powers, or we might as well leave the matter alone entirely. An existing Act provides for the protection of the public against false descriptions, but because the powers are inadequate, the measure has had very little effect. The member for West Perth drew some very strange deductions from my amendment. He suggested that it would impose on a trader the obligation to put labels on a parcel containing an assortment of articles after it been tied up by the shop assistant. My interpretation is that the description would apply to the boxes containing, say, five dozen singlets, or to a roll of calico on the shelf, not to separate half-yards sold to individual customers. I have no objection to postponing the clause in order that the position may be further investigated, but exception could be taken to the statement of the member for Nedlands to the effect that this legislation is being rushed through without giving members or traders likely to be affected any opportunity to study its provisions.

Hon. N. Keenan: Why did not you put your amendment on the notice paper?

Hon. C. G. Latham: It is unusual for a Minister to bring down an amendment without doing so.

The MINISTER FOR EMPLOYMENT: I can explain that. If the hon. member consults with the member for West Perth, he will ascertain that this legislation has not been rushed but rather has been delayed.

Hon. N. Keenan: I find that is so.

The MINISTER FOR EMPLOYMENT: I accept the apology. With a view to postponing further consideration, I ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

On motion by the Minister for Employment, further consideration of the clause postponed.

Clauses 6 and 7—agreed to.

Clause 8—False advertisements:

Hon. C. G. LATHAM: According to Sub-clause 2, a statement shall be deemed to be published if it is inserted in a newspaper or

publicly exhibited in, on, over, or under any building, vehicle or place, or in the air in view of persons passing in any public place. Much of the advertising today is broadcast over the air, and more harm might be done from that source than from any other. I ask the Minister to consider the point with a view to providing a suitable amendment.

Hon. N. KEENAN: Sub-clause 1 appears to be very far-reaching. It deals with any person who publishes any statement intended to promote the sale or disposal of any real or personal property, which would cover anything, or any services.

Mr. Hughes: It might apply to members of Parliament.

Hon. N. KEENAN: I understood we were setting out to protect the public principally from traders who pass on to the public goods under a false description, or obtain from the public money for the purchase of goods under a false description. Services, however, must mean personal services, contracts for work.

The Minister for Employment: Only when they are falsely advertised.

Hon. N. KEENAN: Suppose a man advertised himself as being capable of painting a house.

Mr. Hegney: He might pose as a solicitor.

Hon. N. KEENAN: Quite so. The law to-day is able to deal with all these supposititious cases. The Bill goes to extraordinary lengths. It is certainly our duty to protect the public in every manner that is wise, but we shall be going the wrong way about it if we put upon the Statute Book legislation of this character. I notice that this has been taken from the legislation of Victoria, the most backward State in Australia. I hope the Committee will not indulge in reckless legislation to accomplish what is admittedly a good object. The clause, as it is, is likely to cause grave injustice.

Mr. McDONALD: In British law a man is assumed to be innocent until he is proved to be guilty. By this clause, however, as soon as it is shown that a person has published a false statement he is liable to be put in gaol unless he can satisfy the court that he is not guilty of the offences set out in the clause. The principle is an important one, and the Committee should consider carefully before endorsing it. Actually the Criminal Code provides practically all the means necessary for dealing with the offences detailed in the clause.

Mr. SAMPSON: The type of person described as a "go-getter" should be brought within the provisions of this clause. Many persons will sell land or worthless documents by means of oral persuasion, and it is difficult to convict them of the offence because there is nothing in writing. I know of two people who put over £2,000 into some worthless shares, and they do not seem able to recover a single penny. They invested the money on the word of a man. I move an amendment—

That in subclause 2 a new paragraph to stand as paragraph (d) be added as follows:—"Made verbally to any person."

Mr. WATTS: I cannot share the objections voiced by the members for Nedlands and West Perth against this clause. Verbal statements which are false, and can be shown to be false, in a material particular warrant the accused being asked to show he had grounds to believe they were true. In my experience, verbal statements are the worst means that can be used to induce ill-educated and non-commercial persons to indulge in speculation which is extremely bad for them. Verbal statements are probably worse than anything one reads in the Press or hears over the radio. They are made recklessly, and when the maker of them "gets away with it" somebody suffers.

Amendment put and passed.

Mr. HUGHES: An objectionable part of the clause is the tenderness towards newspapers displayed in Subclause 4. Why this tenderness? If a newspaper transgresses the measure, it stands in exactly the same position as an ordinary individual under Subclause 3, which gives to the newspaper the same protection as to any person in the State. The private citizen who offends against the measure can be criminally prosecuted by any person. A person might take criminal proceedings with a view to civil proceedings. For such criminal proceedings no official consent is required, though that consent is needed for the prosecution of any newspaper. I would feel sympathy for the Minister if he had to sanction the prosecution of a capitalistic journal supporting the Government. If there were no safeguards, it could be urged that a newspaper might be landed in a prosecution by publishing an advertisement accepted in good faith and without any knowledge of its falsity. The newspaper is amply protected under

Subclause 3 because the very essence of the prosecution is that the party publishing the statement must have knowledge of its falsity. If the party can show that he acted in good faith, he has a complete defence; and that would be open to a marked degree to newspaper proprietors, because no court would expect the newspaper to be aware of the accuracy of all advertisements submitted. So that there shall be no discrimination on behalf of the powerful newspapers or of any other section of the community, and so that everyone shall be placed on the same footing, I move an amendment—

That Subclauses 4 and 5 be struck out.

THE MINISTER FOR EMPLOYMENT: It is quite obvious that the newspaper, which is merely the medium for the publication of the advertisement, is on a different basis from the individual who causes the advertisement to be published. The individual is the originator of the false statement; the newspaper merely publishes it. If the amendment be agreed to, not only will the older established newspapers of Western Australia find it impossible to carry on, but the proposed development, on bigger and better lines, of "The Groper" newspaper will be made impossible, too. If newspapers are to be made to accept complete responsibility for the absolute truth of every advertisement they receive before they publish it, it seems to me they will be forced into not publishing any advertisements at all. They could not afford to take the risk. It could easily happen that half their advertisements might be false in some particular. In those circumstances it is necessary to differentiate between newspapers that merely publish advertisements that are prepared by other parties, and the parties who actually originate the false advertisements. I would be willing to meet the wishes of the member for East Perth by deleting paragraph (c) of Subclause 4 because if the proprietors of a newspaper have been warned as to the falsity of an advertisement that has already been published, that should be sufficient. If, in face of that warning, they should continue to publish the false statement, there should be no further protection given to them, but immediate steps should be taken against them.

Mr. Raphael: How will the racing tipsters get on?

THE MINISTER FOR EMPLOYMENT: It seems utterly impracticable to say that a newspaper proprietor should be held responsible for every false advertisement or for any advertisement part of which may be false, before he has had an opportunity to ascertain the correctness or otherwise of the advertisement. I do not know a great deal about the actual working of a newspaper office with regard to advertisements, but I imagine that frequently they are received at a late hour and have to be rushed through as quickly as possible in order that they may appear in the next day's issue.

Hon. C. G. Latham: They have to be careful that news for publication is not libellous.

THE MINISTER FOR EMPLOYMENT: That is so.

Hon. C. G. Latham: Why should not the same apply to advertisements?

THE MINISTER FOR EMPLOYMENT: I suggest it would be impracticable for the newspaper authorities to scan the whole of their advertisements to ascertain if they were wholly, or in part, false. The Committee would be acting more fairly if they permitted the provision to remain so that after the newspaper proprietor had received warning and continued to publish the false advertisement, the full force of law should be thrown against him.

Mr. HUGHES: The Minister has missed the point. Let me cite the position of the individual who is in just as bad a position as the newspaper. The opening words of the clause refer to any person who publishes or causes to be published. That is quite wise. The person who causes the false statement to be published should be saddled with the full responsibility, for he should be responsible for vouching for its accuracy. The clause could be amended to differentiate between the person who causes publication and the person who actually publishes. I do not profess to know very much about newspapers. I once became involved with a printing office and nearly lost the best part of £1,000. I was held up to odium because I attempted to recover the money that had been stolen from me.

The Minister for Employment: That is an interesting story, and you may hear more about it.

Mr. HUGHES: Yes. A newspaper must accept responsibility for advertisements in so far as they may be libellous. But it would be imposing an impossible task on the newspaper if we required it to examine every advertisement to ascertain the accuracy of the information contained in it. A printer is in exactly the same position. A job printer prints whatever comes his way. It would be practically impossible for him to carry on if he had to stop and make a detailed examination of all matters submitted to him for printing. He is in the unfortunate position that, after doing the job, he sends out thousands of copies with no intention of repeating the order. Should there be some inaccuracy in the publication, he has to put up his defence. So if we should give this first warning to the newspaper, we should give it also to every person who causes the publication. If the Minister will have the clause redrafted to provide for a warning being given to the person who caused the publication, I shall be satisfied.

The MINISTER FOR EMPLOYMENT: The ordinary printer who publishes a dodger setting out an advertisement, should be placed in the same position as a newspaper, because at least they are both in similar positions. I move an amendment—

That after "printer" in line 2 of Subclause 4 the word "or" be inserted.

The CHAIRMAN: Already we have an amendment that Subclause 4 be deleted.

Mr. Hughes: I will withdraw that amendment.

Amendment, by leave, withdrawn.

Amendment (that "or" be inserted after "printer" in line 2 of the subclause) put and passed.

The MINISTER FOR EMPLOYMENT: It will be necessary to add to my amendment that after "publisher" in line 2 of the subclause the words "of any statement" be inserted.

Mr. McDONALD: I suggest to the Minister that he postpone further consideration of this clause. It requires a little more attention, for Subclause 4 is now somewhat in conflict with Subclause 1, which provides that a person may be said to be the publisher of a statement, whereas Subclause 4, together with the proposed amendment, says the same thing and makes a further provision. More careful examination should be given to this.

The MINISTER FOR EMPLOYMENT: I move an amendment—

That after "publisher" in line 2 of Subclause 4 the words "of any statement" be inserted.

Mr. HUGHES: If the words "printer or publisher" be not repeated, the effect of the amendment will not be what the Minister desires.

The MINISTER FOR EMPLOYMENT: I agree that those words could very well be repeated.

Mr. WATTS: I trust the Minister will allow us to consider these amendments a little further. A while ago we had a reference to the publication of verbal statements being made an offence, and now it is to be provided that the publisher of a verbal statement must be given a warning before being prosecuted. So, in effect, that offender will have to make a false statement twice before he commits an offence. It seems to me that is not what is intended. The proposed amendment is to put a newspaper proprietor and publisher on the same footing as ordinary offenders; but the effect of the amendments will be to put the publisher of a verbal statement in a better position than it was intended he should be in.

The MINISTER FOR EMPLOYMENT: To protect the point raised by the member for Katanning I ask leave to amend my proposed amendment by inserting the word "printed" between the words "any statement."

Mr. McDONALD: I think we have got into a fog. We have now transferred to the fourth sub-clause all the persons aimed at by the third sub-clause.

Mr. RODOREDA: It is hard to follow all these amendments. I would like the Minister to report progress.

Hon. C. G. LATHAM: It is difficult to follow the amendments. I see now that we have changed from one part of the clause to another, and we cannot tell what the effect will be.

Progress reported.

BILL—FREMANTLE LITERARY INSTITUTE MORTGAGE.

Second Reading.

THE DEPUTY PREMIER (Hon. M. F. Troy—Mt. Magnet) [10.12] in moving the second reading said: This is a small mea-

sure, and I will not delay the House very long. Fremantle lot 871 is held by the Fremantle Literary Institute Inc. solely for the purpose of a literary institute, and is subject to mortgages to the A.M.P. Society and the Commonwealth Bank. The institute wishes to borrow £2,000 from the W.A. Trustee Company, partly to pay off the amounts under the existing mortgages, and to apply the balance to repairs and renovations. As the trustee company, however, will not accept the mortgage subject to the trust, it is desired that a Bill be passed by Parliament to enable the mortgagee, in the event of foreclosure, to take over the land freed from the trust. Members will recall that similar legislation to this has been passed by this Parliament from time to time in respect of other institutions. The Bill will give the institute power to borrow money on mortgage in accordance with its rules, subject to the consent in writing from the Governor for the following purposes:—Repayment of money previously borrowed and payment of interest thereon, and the payment of the cost of maintaining, renovating, altering, enlarging, rebuilding or re-placing of any of the buildings, and the purchase of furniture, fittings, books, etc. The Bill sets out the powers and provisions in the mortgage, including power to the mortgagee to sell or lease the mortgage lands or any part thereof in case of default. It also provides that any such purchaser or lessee shall hold the land free and absolutely discharged from any trusts. There is a further provision that the onus of ascertaining that the provisions of this Act or the rules of the institute have been complied with in regard to any mortgage over the lands shall not rest on the mortgagee. The provisions of the measure apply to moneys borrowed before the commencement of the measure. No borrower would lend money unless the property were free of the trust so that action could be taken in the event of foreclosure. Therefore it is necessary that the premises should be freed from the trust in the event of their having to be disposed of. I move—

That the Bill be now read a second time.

On motion by Mr. Sleeman, debate adjourned.

House adjourned at 10.17 p.m.

Legislative Council,

Wednesday, 23rd September, 1936.

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DEPUTY PRESIDENT—ELECTION OF HON. J. CORNELL.

The CLERK: It is my duty to announce that the President of the Council, Sir John Kirwan, is absent from Perth on public business, and it is therefore necessary for you to elect one of your number to fill the office, perform the duties and exercise the authority of the President during such absence.

The CHIEF SECRETARY (Hon. W. H. Kitson—West): I move—

That the Hon. J. Cornell be elected to fill the office, perform the duties, and exercise the authority of the President during the absence of Sir John Kirwan.

Question put and passed.

[The Deputy Speaker took the Chair.]

QUESTION—PASTORAL AREAS, DROUGHT.

Merino Ewes for Breeding.

Hon. E. H. ANGELO asked the Chief Secretary: In view of the serious losses of stock in the pastoral areas, caused by drought, and the consequent difficulties that will be experienced in stocking up when it breaks, will the Government consider the advisability of taking steps to discourage or even prohibit the slaughtering of merino ewes of ages suitable for breeding?

The CHIEF SECRETARY replied: The Government are particularly concerned about the inevitable dislocation which will take place in the pastoral industry consequent upon heavy losses of Merino ewes during the present unprecedented drought. The Government will do everything in their power to discourage the unnecessary slaughtering of suitable breeding stock but practical difficulties prevent prohibition.