

Bill again reported without further amendment, and the reports adopted.

### **BILL—GOVERNMENT RAILWAYS ACT AMENDMENT (No. 2).**

#### *Second Reading.*

**HON. A. THOMSON** (South-East): [11.32] in moving the second reading said: The object of the Bill is to so amend the principal Act that Parliament shall have control over fares and freights. We do not want a repetition of what happened recently, when, by means of By-law 55, the Commissioner placed upon the Table of the House a schedule indicating that he proposed to raise certain railway rates. This House disallowed the by-law, and then the Commissioner, or the Government, made use of Section 22, which commences—

The Commissioner may, with the approval of the Minister, from time to time, by notice in the "Government Gazette" fix scales of charges to be paid . . . .

The object of the Bill is to delete the words "by notice in the 'Government Gazette'" and substitute the words "by by-laws made by the Commissioner" in lieu. The Bill also embodies two other small alterations mentioned in paragraphs (b) and (c) of Clause 2. I do not propose at this late hour to indulge in a long speech explaining the object underlying the introduction of the measure. The Bill is quite simple. It is intended that the House shall have control. I have received many letters by way of protest, including the communications from the Brookton Road Board, the Kondinin Road Board and the Narrogin Municipality. I do not propose to quote them at this late hour. I move—

That the Bill be now read a second time.

On motion by the Chief Secretary, debate adjourned.

### **BILL—SUPREME COURT ACT AMENDMENT.**

#### *Second Reading.*

Order of the day read for the resumption from the 8th November of the debate on the second reading.

Question put and passed.

Bill read a second time.

#### *In Committee, etc.*

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

Bill read a third time, and transmitted to the Assembly.

*House adjourned at 11.39 p.m.*

## **Legislative Assembly.**

*Wednesday, 22nd November, 1939.*

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

### **QUESTION—CHILD WELFARE DEPARTMENT.**

#### *Maintenance of Children.*

Mrs. CARDELL-OLIVER asked the Minister for Labour: 1, Is the Government aware that to maintain children at various charitable institutions costs over 14s. per

week per child? 2, What is the amount allowed per child per week for maintenance at the Government receiving depots? 3, What is the amount allowed per child per week to institutions maintaining children? 4, Does the Government consider the amount allowed to such institutions adequate? 5, If not, why cannot the amount that is considered necessary for Government institutions be allowed to both religious and charitable institutions?

The MINISTER FOR LABOUR replied: 1, It is understood the cost varies at the different institutions, being above 14s. per week at some institutions and below that amount at others. 2, Approximately 9s. 6d. per week for food and clothing. 3, Seven shillings weekly where children attend a State School; 8s. weekly where children are educated at the institution; 9s. to 18s. weekly for delinquent children; 15s. to £1 weekly for backward children. 4, The adequacy of the amount depends upon the other sources of income available to the institutions, several of which receive 3s. per child per week from the Lotteries Commission, irrespective of whether a child is a State ward, or not. 5, Religious and charitable institutions undertake these responsibilities of their own volition with the expectation that they have some financial obligations in connection therewith. They are not Government departments nor is the Government entirely responsible for their upkeep. In addition they have sources of income available to them which are not available to the Government, such as—payments from the Lotteries Commission, legacies and private subscriptions.

#### **QUESTION—WHEAT, CO-OPERATIVE BULK HANDLING, LTD.**

##### *Storage at Fremantle.*

Mr. SEWARD asked the Minister for Railways: 1, Is it a fact that Co-operative Bulk Handling, Ltd., approached the Government (or the Commissioner for Railways) with the object of acquiring certain land at Fremantle on which to store wheat (temporarily or otherwise)? 2, If so, what particular piece of land was asked for, and for what purpose has that piece of land been used during the past twelve months? 3, Had the authority approached power to make the land available to the company?

4, Did it make the land available, and, if so, what area was offered, and what conditions (including rent) were specified? 5, Did the company accept the offer? 6, If not, what reasons did the company give for declining it?

The MINISTER FOR RAILWAYS replied: 1, Yes. 2, Land adjoining the northern boundary of the Fremantle Harbour Trust territory on the north wharf. Land has not been used during the past 12 months. 3, Yes. 4, A temporary lease of an area of 60,000 square feet was offered at a rent of £6 per 1,000 square feet per annum. 5, No acceptance or rejection has been received to date. 6, Answered by No. 5.

#### **QUESTION—TRAFFIC, MOTOR ACCIDENTS.**

##### *Scott's Railway Crossing.*

Mr. BOYLE asked the Minister for Works: 1, Is he aware that during the past 12 months two fatal accidents and numerous serious mishaps to motorists have occurred at the Great Eastern-highway curve near Kellerberrin, known as Scott's railway crossing? 2, Will he take immediate action to have the road approaches to this crossing made reasonably safe for road users?

The MINISTER FOR WORKS replied: 1, Yes. 2, The situation is being examined with a view to possible improvement.

#### **QUESTION—SUSTENANCE WORKERS.**

##### *Boot Allowance.*

Mrs. CARDELL-OLIVER asked the Minister for Employment: 1, Do the Fremantle sustenance men receive a boot allowance in addition to the usual allowance? 2, If so, why do not Perth sustenance men enjoy a similar privilege?

The MINISTER FOR EMPLOYMENT replied: 1, No. 2, Answered by No. 1.

#### **QUESTION—RAILWAYS, AXLES FOR "S" CLASS ENGINES.**

Mr. STYANTS asked the Minister for Railways: 1, Is it a fact that axles for the new 'S' class engines are being imported into Western Australia? 2, Is it correct that those axles are in a much more completed form than is usually the case? 3, If so, why

is it necessary to have done outside the State work that has previously been done in the Midland Junction workshops?

The MINISTER FOR RAILWAYS replied: 1, The axles are being obtained in the usual manner from Australian manufacturers. 2, No. 3, Answered by No. 2.

### BILLS (3)—FIRST READING.

#### 1. Nurses' Registration Act Amendment.

Introduced by the Minister for Health.

#### 2. Road Closure.

#### 3. Reserves (No. 3).

Introduced by the Minister for Lands.

### BILL—SUNDAY OBSERVANCE.

Report of committee adopted.

#### *Standing Orders Suspension.*

**THE MINISTER FOR LABOUR** (Hon.

A. R. G. Hawke—Northam) [4.35]: I move—

That so much of the Standing Orders be suspended as is necessary to enable the third reading of the Bill to be taken at this sitting.

Question put.

Mr. SPEAKER: I have counted the House, and assured myself that there is an absolute majority of members present. I declare the question duly passed.

Question thus passed.

#### *Third Reading.*

Bill read a third time, and transmitted to the Council.

### BILL—LOAN, £2,137,000.

Read a third time, and transmitted to the Council.

### MOTION—ECONOMIC PROBLEMS.

*Commonwealth Bank and National Credit.*

**MR. MARSHALL** (Murchison) [4.40]: I move—

That in view of the deplorable state of our primary industries and the ever-increasing poverty and unemployment in our midst side by side with ever-increasing taxation, thus strangling the activities of Governments, in-

dustry, and individuals alike, this House is of the opinion that the Commonwealth Bank should be made to function in the interests of the welfare of the people of the Commonwealth by using the national credit of the country debt-free for defence and other national purposes.

I ask members to bear with me while I deal with the motion, because on several previous occasions I have discussed somewhat similar topics. I regard the issues involved as some of the most important submitted for consideration at least during the present session, because the substance carries with it the desire to find some solution of a difficulty that is apparent, not only in Western Australia, but throughout the Commonwealth and practically every other country in the world. I respect the views of other members regarding banking, monetary reform and the financing of government. I believe that each member is conscious of the fact that something materially wrong characterises our present-day financial activities. I think the House is sincere in its desire to relieve the situation and holding that view, I have submitted the motion for members' consideration. One bright light is dawning on the horizon. Over a period of months, constant references have been made in the Press to national credit. I wish members to understand that I in no way advocate the printing of millions of notes as legal tender, to be scattered broadcast. That is not my intention. I never have, nor shall I ever advocate such a course.

We have before us too many examples of the reckless printing of paper money by various nations and of the consequences of uncontrolled currency. I trust members will bear with me for a few moments while I ask them to consider what is necessary to afford some genuine relief to the community, and what methods are required to achieve that objective. I respectfully suggest that when credit is spoken of in the ordinary way, people immediately jump to the conclusion that the parties discussing the issue refer to money. If that were so, probably their idea regarding such advocacy would be correct, but we must endeavour to solve the problem of what national credit really means, how it is made up, to what use it is being put, who actually uses it and, further, who really owns it. If we can solve that comprehensive problem, we may be able to achieve something of real benefit to the community. I

suggest that the real credit of the nation depends on several factors. In the first place there is the nation's capacity to produce goods and services. Secondly, we must depend upon an intelligent and industrious community. Thirdly, the maintenance of good order and good government is essential. If we agree that those three factors are necessary for the production of goods and services, then it will not be long before we shall be forced to realise that the issue is a national matter, seeing that the whole of the community is involved in the process of production.

Further, we must not overlook, as is so often the case, that we can arrive accurately at the value of all that has been produced. That has been made clear to us by means of the several investigations regarding the production of wheat. As a result, we have ascertained the actual cost of producing a bushel of wheat. In like manner we can determine the actual cost of producing other commodities, measured in money values. What we have to arrive at, therefore, is: Who is it that produces this real wealth, and who uses credit for the community's benefit? If we can agree that the people are in the main responsible for the production of the real wealth upon which credit is always based, then we must accept credit as a national concern inasmuch as it affects all the people of the State. Certainly in the main we have overlooked the other side of production, namely, that unless commodities when produced can be consumed, such production is of little value. I think it was Ruskin who wrote in one of his works that "production was for consumption," or words to that effect. He pointed clearly to the fact that unless goods were consumed when produced, little value attached to such production. That vital point is often overlooked and in consequence we have found that all Governments, including our own, do not seem to value that phase, but pay most attention to the production of goods. The productive capacity of the country is at the moment—we can agree upon the assertion for the sake of argument—quite unlimited. Having regard to the application of scientific principles to production, we are able to manufacture goods without the aid of man-power out of all proportion to the production of similar goods in years gone by when manual labour was necessary for the task. I am doubtful if the actual quantity

of goods that can be supplied with the aid of science, can be calculated in a fertile, industrious State like Western Australia. Therefore, if there is nothing wrong with the production side—and members will agree with me that we can produce unlimited quantities of goods and services—we must look to the other side to see why it is that instead of continuing to produce unlimited quantities, a halt has been called, and in our midst stalks starvation. I do not use the word "starvation" in the crude sense, but would convey that a big percentage of our people suffer from malnutrition. They may not be hungry, but they are ill-fed, ill-clad and ill-housed. I suggest that it is a waste of capital production when goods are produced and are not consumed. This is the basis of the issuing of real credit. All credits are issued against the capacity of a country to produce and consume goods and services. I think all hon. members will agree with that. I know of none that disputes it. No matter what political banner a member travels under—whether he be a Labour, Country Party or National Party member—he will agree that if a country could not produce goods and services, there would be no wealth in that country. There would be no community; it would be a wilderness. So it is the fertility of the soil, plus the other factors I have mentioned, that creates the basis for the issuing of financial credit. Before I depart from that point I wish to emphasise that an article produced that is not in demand is quite valueless.

We therefore come to the point that if people were able to consume all the goods and services they require, we could afford a very high standard of existence in Western Australia; but the fact remains that we cannot consume all that we are capable of producing, even now, and, as I have already pointed out, we can produce a lot more. But we cannot consume what we are producing, and we find that over a period of years, instead of the standard of existence having risen with the capacity to produce, it has materially declined. Having regard to that fact, we must ascertain the cause. I suggest the cause is a chronic shortage of financial credit, and in the financial credit, just as in the national credit, all cost of production appears in that charge. Financial credit has a value only as a medium of exchange. It has no other value for, as I pointed out last evening, a £1 note possesses

little or no intrinsic value, but only an exchange value. Therefore, if prospective consumers are kept short of this vital necessity, they cannot consume that which it is quite possible to produce. Hon. members will thus realise that the issuing of financial credit based upon national credit—the capacity of the country to produce and consume goods—becomes a national matter and, if it is a national matter, having regard to the fact that the welfare of the people of the nation depends solely upon their purchasing or consuming power, if it becomes a national proposition—and I think all will agree that it is—who, outside of the nation, should have control of that purchasing or financial power?

I do not wish to imply that banks are an evil in our midst. I have often made the statement in this Chamber that the commercial life of this country could not exist without them. They are of national importance, in one sense. As repositories for the people's savings, and for the facilitating of the distribution and exchange of goods, they are indispensable assets to the commercial life of the community. To that degree I take no exception to banks as institutions. What I do object to is that they have usurped the power of the Crown and taken out of the hands of Governments—the people's representatives—the right to issue financial credit. A few hundred years ago, in older countries, anyone who was caught issuing currency outside of the Crown or the Royal Mint, was boiled in oil for the offence, with such importance was the right to control this medium regarded. But by a gradual process of manoeuvres, the power to control money, currency or credit has been taken away from the Crown and has been used by financial institutions for their express benefit and for the creation of profits and dividends for the shareholders. If we are prepared to allow this process to continue, we shall find that although our position may be accepted as most deplorable today, it must of necessity be a thousand times worse as time goes on. Banking institutions that have a monopoly of the issue of money today are no more than trading concerns similar to butchers' or bakers' establishments, and they operate with the same purpose in view, namely to make profits; with this distinction, that in the case of the banker or the banking in-

vestor, he not only makes huge profits out of the process but has considerable power and influence over the destinies of the people of the country. That is the criminal result of Governments having permitted the right to control currency and credit to pass out of their hands. I have quoted in this Chamber over a period of years many authorities upon this subject, and quoted them so often that I think members must almost know them by heart. I have never quoted one authority that could be accused of having any axe to grind, or of being in any way associated with socialist, or communistic or Labour movements. I have quoted Reginald McKenna. No one would suspect him of being other than a rank Conservative. He is a man who has had long experience of banking in England and is now, I believe, chairman of the Midland Bank of England.

Mr. Doney: He is a Liberal, not a Conservative.

Mr. MARSHALL: That does not matter; I am not speaking in the political sense. As a cousin Jack might say, if there is any difference, there would be none at all. Certainly he has never embraced Labour ideals or advocated the nationalisation of anything. He has often reminded those interested in the subject that the people who control money hold in the hollow of their hands the destiny of the country. I have quoted Professor Soddy, Kitson, McLeod and other authorities on the subject so often that I do not intend to repeat their views. This reminds me of a great man, one time President of the United States of America, who endeavoured to monetise the credit of the country in order to finance the American Civil War. I refer to Abraham Lincoln. When he endeavoured to do what this country ought to be doing, and what the Commonwealth Bank should have done throughout its existence, he found that he had enemies on both fronts. He referred to two enemies, one at his back and the other facing his armies, and he said to the people of America, "I fear most of all the enemy at my back." He was referring to the banks. This great man persevered in his endeavour to retain for the nation the right to control money and credit, and strange to relate he was assassinated.

I have a quotation on the subject by Mr. Gladstone. No one will dispute his integrity as a Britisher. When he became Prime Min-

ister of England he very soon discovered that, between the Crown and the people, the Government was playing little part in actually controlling the country, due to the grip that money power then had. Obviously, that authority is not a recent one. Extracts can be found along the same lines in books in the Parliamentary Library, books that are provided free for members. Those books contain letters written by bankers of America and England instructing subsidiary and branch banks what to do and how to do it in the matter of calling up overdrafts and credit issues. By inflation first of all and then by deflation, they increased the prices of all the commodities required by the people. For what they bought the maximum was charged; for what they had to sell, the minimum was paid. This applies to the farming community of Western Australia today. Owing to the mechanism of the private ownership of public credit, we find our farmers in the deplorable condition of being mere serfs, our woolgrowers mere shepherds, and our industrialists mere slaves, all Governments subservient and obliged to plead for the right to use the public credit in the public interest.

If members are well satisfied with the social and economic life of this State at present, they need not support my motion. If they are of opinion that the farmer is enjoying prosperity, that the industrialist has a fair standard of living, and that the community, generally speaking, is in a state of even partial affluence, they need not vote for the motion. On the other hand, if they agree with me that the deplorable position of our social and economic life is such as to warrant some change, I respectfully suggest that they support the motion. A similar motion has been passed in the Parliament of South Australia. Recently the Parliament of Tasmania, at the instance of the Premier, passed a like motion by a two to one majority. So at least there is a disillusionment, an awakening to the criminal effect of the nation's having parted with the very basic essential upon which it exists. An endeavour is being made to restore that authority to the Crown and permit Governments to function for the welfare of the community rather than in the interests of a few individuals. What we have to decide—and this motion gives members an opportunity to express their opinions—is whether we are going to permit the bankers

to rule the nation or whether the people's representatives in this Parliament shall collectively be the rulers. A great writer once said that finance was government and government was finance. If the Government has no control over finance, how can it possibly govern?

I have repeatedly pointed out, but the fact cannot be stressed too often, that it is of no use our complaining, as we constantly do, particularly during the discussion of the Estimates, about the state of the people's assets when the Government of the day has no control over the finances of the country, and when money is doled out piecemeal at the will of high finance. Baron Rothschild, many years ago, said, "Give me the right to control the money of the nation and I care not who makes its laws". How true that is today! This is due to Parliaments in the past not having been watchful of what was happening. With the introduction of the cheque system, which I unhesitatingly admit facilitates the distribution and exchange of goods, banks have now the right to create and destroy money at will. All that we as the governing authorities are doing is to bring down gradually the standard of living by submitting to this sort of thing. I venture to suggest to members opposite, who I believe are sincere in the desire to benefit those they represent, that never in the history of our farming community has the standard of existence in the industry been at so low a level.

The other evening I heard a member say that a farmer was living on boiled wheat. This farmer is a man responsible as a unit of the community for the production and creation of national credit. The farming community has been referred to as the salt of the earth. Why have the farmers fallen so low in their standard of existence? Is it not due to the fact that their propositions are over-capitalised? Members opposite will not deny that statement because they have repeatedly requested the Government to write down the capitalisation of farming properties. What has brought about this over-capitalisation? A reduction in the value of the commodity they produce. Who functions in this direction? Who controls world prices today? Governments? Of course not. The price value is based upon the amount of currency put into circulation by the issuing of credits. This has been

the prerogative of private institutions in late years and, if they control credits, they control prices. The deplorable state of our farmers is due entirely to the operation of the principle of private ownership by the issuing of public credit.

One other point I desire to touch upon. A large section of the community believes that the currency of the country has a gold reserve by way of backing. True, even today Australian currency has a backing of 15 per cent. The backing is sterling now; it used to be gold. However, what it happens to be matters not. It has no effect on the internal mechanism of money. Sterling is merely British parity in liquid form. Gold is parity in the form of probably as useless a metal as the planet contains—outside purposes of an ornamental character. No other purpose is served by gold. The fact that it is excavated today at the cost of terrible sacrifices by miners, merely to be stored away in boxes, shows how utterly valueless gold really is. Take America, for instance. The United States has nearly two-thirds of the world's gold production in its vaults. Therefore, if the metal had value as regards currency, that country should be experiencing a high degree of prosperity; the purchasing power of the community of the United States should be very great indeed. But gold has never produced such an effect. The belief that it can do so is a fallacy; and the sooner people grasp that, the better. The gold or sterling backing of Australian currency is brought about by statute. That backing we limit by law to 15 per cent. That is how the position really stands. Such a law is just as artificial as, to quote a recent writer, the painted roses on the flapper's table.

The point I wish to emphasise is that even under these artificial restrictions and limitations, it is possible for man to make amendments. In other words, man can alter the laws made by his forefathers. And if he can, why have we these restrictions so embarrassing and hampering as to bring about that chronic shortage of purchasing power which has resulted in the present deplorable state of Western Australian industries? I respectfully suggest that the true basis of national credit is limited only by the capacity of a country to produce goods and render services. I do not by any means argue that unlimited money should be issued.

However, until we make financially possible what is physically possible—that is, until we bring about a real equation between money, or purchasing power, and the capacity to produce—the people will never have the funds needed to buy that which is produced, and thus we may have poverty in our midst for all time. And even a greater anomaly appears. Under our present system of private ownership of public credit, the nation has to borrow from private individuals its own property for the purpose of utilisation, and has to give a guarantee to return in full the amount it borrows. In the meantime the Government must impose additional taxation—thus again reducing the purchasing power of the people—in order to service debt. What appears to be real or natural credit, after it goes in at the front door of a banking institution comes out at the back door as national debt.

Let me draw this picture for hon. members. This country is now at war. The Federal Government proposes to raise £40,000,000 or £50,000,000 by way of loan. The loans having been floated, the Federal Government will expend that money. Under our present monetary system, what must eventually happen as a natural corollary to the private ownership of public credit is a proportionate increase in taxation. As we increase taxation, we further reduce the purchasing power of the people, and thus bring about a greater degree of poverty. Let me also point out that money taken out of the pockets of the people by way of taxation to service the national debt finds its way into the coffers of the banks and there is cancelled out of existence. The money which the Government distributes among unfortunate individuals dependent on the State for work or sustenance remains in existence, and from that aspect can continue to be used as purchasing power, although this involves reduction of the general community's standard of living proportionately to the amount of money collected and distributed in that way. Therefore, what lies before us in the course of a few years is that we must constantly assemble in this Chamber to increase either taxation or else the charges for services rendered, or reduce social services, or possibly adopt all three means. What is quite plain is that we cannot possibly continue adding to the country's national debt without imposing further taxation.

If hon. members are convinced that this policy must be permitted to continue, they will vote against my motion. If they have regard for the welfare of farming and other primary production and the industries of Western Australia and desire to raise the general standard of living, they will support the motion. I paint this picture, that we cannot proceed much further in our present direction without causing the people to revolt against the iniquitous method of continually dragging out of their pockets real money, incidentally reducing their standard of living, in order to service a debt which actually and materially they do not own. I have pointed out here frequently that no bank ever lends real money—not its shareholders' or depositors' money. Whenever a Government borrows what the people believe to be money, it is merely a matter of a group of bankers with a group of underwriters in the foreground taking all that portion of the loan for which private individuals do not subscribe. In actual essence, the underwriters are the banking institutions. They get a large share of every Government loan put on the market, but in the amounts they subscribe they never issue or lend out the deposits of the people. They do this lending merely by entering figures in their ledgers, figures indicating the amount of loan they propose to take, and thus giving the Government back the people's credit to the extent of the loan. That is all they do. All it costs them is labour, paper, and ink and pen. Those conditions, which have been permitted to exist for centuries, have run States into a condition almost of bankruptcy. Yet never in the history of this country of ours could Western Australia produce more real wealth. We see our primary producers in a state of revolt; and rightly so, because if they had to pay back only the actual money loaned to them, in most cases they would owe very little indeed. I agree that the individual who subscribes to a loan and thereby forfeits the right to use the amount subscribed by him is entitled to consideration. Any individual who puts money into Government securities, such as bonds or debentures or inscribed stock, is entitled to repayment; for he has sacrificed the use of his own property. He has given the Government the right to use that property, and therefore should receive consideration. But I strongly object to telling the people of Western Australia, or those

of the sunny land of the Commonwealth, that they owe to private institutions huge sums of money which were never lent by those institutions. I take the strongest exception to the ever-increasing burden of taxation on the people to service those debts. So long as I remain a member of this Parliament I shall be heard raising my voice in strong protest against the continuation of such a disastrous process.

Look at the deplorable condition of your own electorate, Mr. Speaker. Take the unemployed problem. Just call to mind the number of unfortunate unemployed whom you, Sir, have to take the responsibility of pacifying. I put it to the House that numbers of its members are almost daily pleading with the Government to find funds for the purpose of giving employment. I say once again, our farmers are in a state of revolt. Indeed, most of the farmers in my electorate are merely shepherds for the financial institutions. And now we propose to add hugely to the present great structure of debt, hoping that some day, somehow, somewhere, some relief will come. Such a hope is utterly fallacious. Therefore I suggest to hon. members that all the mechanism and all the power needed to give effect to monetary reform is now within the people's grasp. We have the Commonwealth Bank, established in 1910. It has been hamstrung these last three or four years, but thank Heaven it still exists. The necessary authority is to be found in the Federal arena, a Government able to bring about the reforms required to prevent the utilisation of public credit by private institutions. Those restrictions which appear to be the correct procedure from the point of view of private banking institutions do not apply to the Commonwealth Bank. Most writers will suggest—and I think rightly so—that the ratio of cash to credit in private banks is approximately 10 to 1. Over a period of many years banking practice has revealed that that is a safe measure, but it must be kept within limits. It does not apply, however, to the National bank of the Commonwealth—the Commonwealth Bank—because those restrictions need not apply to it. If the Commonwealth Treasurer wants money debt-free for war or for national purposes to create a better standard of living for the community, all he has to do is to get the Commonwealth Bank to issue credits against Government securities.



As long as those securities remain in the Commonwealth Bank and are not purchased by private institutions for the purpose of re-discounting, then the Commonwealth Bank can issue any amount of credit, with the limit I have already pointed out, that there must be a fair equation between production and consumption. With that limitation the Commonwealth Bank can issue credit debt-free. There is no occasion for us to borrow from private institutions. We have a statistical department; its policy may require some alteration, but it is ready, active and must be willing to show us what we can produce and what the cost of production is. We have the Commonwealth Bank. If we give it power to issue credit we can equate the credits against the production capacity of the country. It is doubtful to what extent we can go in raising our standard of living under such a sensible form of credit control. Folly has been condoned too long; we have been stupid in permitting the people's standard of living to be constantly reduced on account of debt finance. With wisdom we could give our people a decent standard of living and make big improvements in all our social activities. And all that debt-free! We hear much about inflation from monetary-reforming cranks, such as those to whom I have referred, and also from others, but we have heard no complaints from them about the inflation and deflation which takes place under the private ownership of public credit. We are prepared to allow private institutions to inflate and deflate prices. By this process banks can—if they so desire—take complete control of a nation. Ninety per cent. of our farmers are in the hands of banks, because the banks can control and restrict money, and thus bring people to that deplorable condition where they wake in the morning and find their assets and their homes gone. That has been going on for years. Yet immediately we advance an argument in favour of monetary reform, we hear the wail, "He is advocating inflation." I am not advocating inflation. There is a mechanism to control prices and ensure some stable equation between prices and the amount of money issued. There is nothing beyond the capacity of man, but the reform which I am advocating is displeasing to many people. They do not like to offend the power and influence of the hidden rulers of this Commonwealth and of the world. I

shall conclude by quoting from a work by Professor Soddy, entitled "Wealth, Virtual Wealth and Debt." I have already quoted it in this Chamber when dealing with a similar matter. I am taking this quotation from "Hansard," 1937, page 2103; members who so desire can check it with the Professor's book, they will find it correct:—

The banks have usurped the prerogative of the Crown with regard to the issue of money, and corrupted the purpose of money from that of an exchange medium to that of an interest-bearing debt, but the real evil is that we now have a concertina instead of a currency. These powers have fallen to them in consequence of the invention and development of the cheque system, unforeseen before it became an established fact. It has been connived at by politicians of all parties, who have betrayed the people and without their knowledge or consent have abdicated the most important function of government and ceased to be the de facto rulers of the nation. The issue and withdrawal of money should be restored to the nation for the general good, and should entirely cease from providing a source of livelihood to private corporations. Money should not bear interest because of its existence, but only when genuinely lent by an owner who gives it up to the borrower.

There is little I can add. I know many people will differ from me in the views I have expressed. Nevertheless, I do not doubt their sincerity for a moment. They, too, are sincere in their efforts to bring about a reform that will afford relief to the people whom we represent. If members are so inclined, they can support this motion. We can have nothing more deplorable than the conditions existing in our midst today. By careful manipulation through proper channels we need not interfere materially with other banking systems or with the commercial life of the Commonwealth. This reform can be effected with little interference in that way. The reform I suggest will raise the standard of living of our people to a decent level and will provide a lucrative reward for our farmers and other primary producers. We shall have no more trouble over the handling, buying and selling of our wheat. Until we do as I suggest, there is little hope of salvation for those people. We must act quickly, otherwise our people will suffer further degradation and mal-nutrition, which bring in their train immorality and everything that goes to make life not worth while. I respectfully suggest that my motion be favourably received by members. As I have pointed

out, two similar motions have been passed by other Houses of Parliament. I do not want members to say that, because we have no constitutional authority to effect monetary reform, we should not take any interest in the subject. To members who would say that, I point out that we are the direct custodians of the welfare of the people of Western Australia. When we consider the deplorable conditions under which some of our people live, we, as their representatives and as human beings, must take action to force the Commonwealth Government, if we can, to do the right thing and take back from the private banks that which rightly belongs to the nation.

**MR. NORTH** (Claremont) [5.40]: I move an amendment—

That in line 10 of the motion the word "debt-free" be struck out.

The motion is both informative and useful, but I consider the word "debt-free" limits the meaning and intention of the mover to such an extent as to cause the motion to be treated in some quarters as ridiculous. The hon. member's ideas are genuine and sound; but the word "debt-free" could be taken to mean something which would make our financial position utterly ridiculous. If we are to finance our road construction, railways, harbours and defence with unlimited cheques, while not at the same time having the means to retire any of the sums at any time, we must surely create a balloon of finance, and be met with the very charges that those who oppose financial reformers lay at the present time against them. I contend, as does the hon. member, that it is possible to distinguish—as he has done in his motion—between commercial finance, private banks and business undertakings, all of which are excluded from the motion. But when we come to deal with public finance—whether for defence or for our own State's purposes—we are dealing with a matter involving millions of money. Surely no one would believe that we could keep on spending millions of money until the end of time with no intention of ever making any repayment. Such a course would, on the face of it, be ridiculous. That cannot be the meaning of the hon. member. What I think he intends to convey is that the unused capacity of the nation, for instance, factories

working half-time and men not in constant employment, should be drawn into full use.

Some financial mechanism is desired by monetary reformers to bring about that desirable state of affairs without tremendously increasing our load of indebtedness that has been incurred under our present system. But if I am quoting correctly a contention of nearly all monetary reformers with whom I have come into contact and of reformers whose works I have studied, it runs as follows: That credit arises in production and is cancelled in consumption; as goods are used, so that particular credit disappears and a new credit is created for further production. If we pass this motion saying that from now on the Commonwealth Bank will provide cheques and ledger credits for credit until the end of time and that no provision shall be made for repayment, it would not have much meaning for most people. The mover has excluded from his motion commercial and business undertakings and private banks. Private banks are conducted efficiently. These banks of course charge interest—the rate of which we would all like to be reduced to the lowest possible level—and they are thus receiving payment for their services. They accordingly choose the best borrowers, men who will not waste the money or their assets. Having excluded business undertakings and private banks from the motion, if we strike out the word "debt-free" we shall have done a good piece of work. Otherwise, in my opinion we shall leave the country with a balloon of unliquidated public credit and enormous rises in prices. I will make a distinction that has occurred to me, and it is that as a rule most reformers are not men possessed of great bank balances; usually they are persons of ordinary means.

Unfortunately, the average person listening to anyone's arguments, judges the individual, unconsciously perhaps, by the size of his bank balance. Very good arguments may be advanced, but the listener may not be impressed by them because of the fact that the person expounding them may not have at his command hundreds of thousands of pounds. Were he in possession of wealth, no doubt his arguments would carry more weight than would those of the reformer without means. Unfortunately, that is human nature. So if we have reformers

in this State—I will include myself as one, because it cost me a pretty penny in trying to assist a movement here years ago—reformers who have attained great affluence, they will perhaps command attention. But we have not any here, and so that is the biggest drawback to the motion submitted by the hon. member. I cannot help repeating that we do not find men in a big way coming out behind these proposals. If human nature were as it should be, and culture were as it should be, we would not take the slightest notice of the financial backing of those people, because we would be aware that throughout history all reformers have not been men possessed of worldly wealth. Wherever we look, be it in the musical, artistic, professional or almost any sphere, we will find that the great brains are not those that seek to acquire wealth. Again, I say, unfortunately for this motion, there are only very few in the world who really carry millions behind them, men of the type of Henry Ford, who is said to have at call many millions to his credit in the bank, and who for years has supported views similar to those expressed by the member for Murchison regarding public finance and the use of national credit. Another great person is Charlie Chaplin, who although humorous, is also brainy. He went so far as to make a picture to show the effect of mechanisation on the world. Yet those two great men have not been able to influence Americans. Today American monetary reform has millions behind it as against, we might say, thousands out here. Yet, in that country, it has not been possible to alter the system of finance. Thus, when reformers undertake a job of this description, they undertake a colossal task. I am one of those who commend all that they have done, and I support the view that public finance should be conducted through public channels; but, like Henry Ford, I cannot see, if we have to find 2½ millions for expenditure, why we should not as the years go by, retire the money that has been spent at the ratio at which the asset is wasted. Then next year there would probably be another 2½ millions spent and so on, provision being made for its retirement. Otherwise we would be outside the bounds of necessity.

Mr. Marshall: If the 2½ millions were paid back this year, what would happen?

Mr. NORTH: What I think the hon. member means is that we should have a basis of finance in our national affairs which would not be a millstone around our necks, so to speak. That can be done if the cost of money can be brought down. As the years go by, the advances that have been made should be retired; in other words, written-off. I am reminded of the danger of specifying too much detail regarding what should be done by our financial institutions. We should not try to become experts in what is their subject. The hon. member quoted two reformers, one Soddy and the other Douglas. Unfortunately those two disagreed in respect of certain details; yet their main thesis was precisely similar, namely, that the national credit should be used to develop the country. If the House will agree to strike out the words indicated in my amendment, "debt free", those who believe that we can use the national credit in the way he suggested will not be prevented from doing so. It will also enable those to support it who believe that the financial base must be under control, and that the interest rate should be the mere cost of the organising of the funds, so far as public finance is concerned.

On motion by Mr. Styants, debate adjourned.

## **BILL—AGRICULTURAL BANK ACT AMENDMENT (No. 2).**

*Second Reading—Defeated.*

*Debate resumed from the 27th September.*

**THE MINISTER FOR LANDS** (Hon. F. J. S. Wise—Gascoyne) [5.52]: I desire very briefly to oppose the Bill. The member for Greenough (Mr. Patriek) in introducing it told us that it was not a contentious measure, and he suggested that it would bring about a better feeling towards the Agricultural Bank. First of all, I declare that it is a most contentious and unnecessary measure, and further, that in presenting it to the House the hon. member failed to justify his reason for doing so. At this stage, when there are many things that would promote discord, that could cause considerable dissension and create bad feeling, the Bill certainly would operate in that way. The hon. member gave no substantial reason for introducing the Bill.

He did not give any instances to show that the bank in its administration, in carrying out the duties devolving upon it under the Act, had imposed undue hardship or had been responsible for evictions that were not warranted. The genesis of the particular section to which the hon. member's Bill refers was a recommendation, in fact one of many recommendations, made by the Agricultural Bank Royal Commission. That commission strongly recommended giving discretionary power and authority to the Bank. When that Royal Commission was appointed, it was given wide powers of investigation. Apparently at that time it was thought that those wide powers were needed, because the affairs of the bank were in a chaotic state, due perhaps to leniency shown in some instances. The Royal Commission considered it proper that the section referred to should be embodied in the legislation controlling the bank. What has happened since the new Act has been in operation? Can it be said that there is a worse feeling towards the bank, or that it has been found necessary for a magistrate to review the position of the bank? The hon. member quoted no specific instances, and did not justify his introduction of the Bill at this stage. The operations of the bank commissioners in dealing with the enforcement of securities, are, I submit, just and considerate, and I challenge the hon. member to quote one case where the commissioners have been actuated by other than a full sense of their responsibilities. The very last thing the bank commissioners desire to do is to enter into possession. Every possible consideration and leniency is extended to the clients, yet the desire of the hon. member is to remove from the commissioners the discretionary powers they now possess to consider all aspects of the clients' accounts, their business, their standing, their capacity, and the other matters the hon. member referred to when introducing the Bill. Further, since the Bill is directed specifically against the Agricultural Bank, and not against the private banks or mortgage institutions, can the hon. member support his contention that his proposal will bring about a better feeling? It is obvious that it will encourage not only resistance even on the part of those who are adequately protected today, and who receive ample consideration, but it will

encourage discrimination and hostility towards the Bank and its officers, a hostility that does not exist today.

The Bill is part of an amending measure that has been introduced by the hon. member on more than one occasion. It has been severely opposed in this Chamber, and from this seat. As the years have gone by, not only have greater arguments been developed against the Bill, but it can clearly be shown that the administration of the bank has been increasingly satisfactory to the extent that there is, if there were at any time, at least now no reason why this section of the Act should be amended.

The measure is definitely unfair to the Crown. It singles out a State instrumentality, and does not bring into line private mortgages or other institutions similarly affected. If members had read with even passing interest the recommendations of the Royal Commission, they would be fully convinced that this section of the Act was introduced as a means of avoiding the happenings of the past, and of avoiding the incidents attendant upon certain cases of eviction. If we think at all and notice what has happened in connection with the operations of the Agricultural Bank, we know that today evictions are extremely rare. Not only has the hon. member not submitted one case in support of his Bill, either of harsh treatment, or where more generous treatment could have been given to the client, but he has not shown there is either the necessity for the Bill or a parallel in the argument he has submitted in support of it.

For example, the hon. member suggested that he should receive support from this side of the House because of an attitude of the Premier in connection with the point of view of the trustees of the bank. He submitted that the Premier had once said it would be unwise for the trustees to be accused of harsh action. That may be so. Even if it could be said that harsh treatment had been meted out by the bank, that of itself would be insufficient argument in support of the measure. I do not wish to delay the House in opposing the Bill. It is most contentious, and there is no necessity for it. The operations of the bank and its consideration for clients have shown that such a measure is unnecessary. There is no substantial case before us of any eviction in-

dicating that the client has received harsh treatment, and that he would be protected if his case were considered by a magistrate instead of by the commissioners. It would hamstring permanently the administration, would circumscribe its actions and activities, and remove from it very necessary discretionary power, which in the circumstances would be a retrograde step. I oppose the Bill.

**MR. McDONALD** (West Perth) [6.5]: I regret I have not been able to satisfy myself that this Bill is a necessary measure at present. It may be that moratorium legislation will be required in course of time to protect debtors whose position has been rendered more difficult by the war. If that comes about, such legislation will certainly have a general and not a sectional application. Legislation of that kind brought about by the conditions that prevail is something that I think would be supported by everyone. This particular Bill has singled out the Agricultural Bank, and would seek to place it in a position much more adverse than would be that of any other creditor or mortgagee. Although banks and private mortgagees are still subject to the Mortgagees' Rights Restriction Act in respect of mortgages executed before August, 1931, they are not subject to any restrictive legislation with respect to mortgages executed within the last eight years, nor apart from moratorium legislation will they be subject to any restrictive legislation as to future lendings to farmers or anyone else. Banks and private mortgagees are now free from interference with their contracts, and have been so for the past eight years, and will be so in the future, apart from any new legislation that may come into force. This Bill would place the Agricultural Bank in a position of inferiority and humiliation, to say the least of it.

The Minister for Lands: In an embarrassing position.

**Mr. McDONALD**: It would place the Bank in a position of inferiority compared with private banks and any other creditors, because apparently it would be deprived of the freedom to exercise its contractual rights for all time unless in each instance it presented its case to a magistrate and secured his consent. Such limitation in regard to current business is imposed upon no other lender. Whilst the Agricultural Bank is called a bank, it is really not a bank. It is

not a profit-making institution, and the Government would emphatically say it was the opposite. It is a department of Government established to aid the development of agriculture, and to encourage to go on the land people who could not obtain help from the chartered banks because of their limited resources. It is indeed a paternal organisation instituted by the State to help persons to embark upon and develop the agricultural industry. In the circumstances, I think the Agricultural Bank is the last institution that should be singled out for special limitations in the exercise of its powers.

The Bank is only one feature of the activities of the Government. There are many others. There is the sale of land under the Land Act, by which purchase money is paid by instalments over a period of years. There is the supply of water to agricultural areas, and the supply of sewerage facilities in the city areas. If for those services the Government is not paid, or for its land it is not paid, it can under powers given to it by Act of Parliament exercise them to the extent of selling up the estates of debtors without the consent of any court. True, it has to initiate formal proceedings to obtain judgment in respect of which such sales take place, but such proceedings are formal where the debt cannot be disputed. If we are to restrict one department of Government, the Agricultural Bank, from exercising its contractual statutory rights without the consent of a magistrate, there is no reason why we should not restrict the Metropolitan Water Supply and Sewerage Department, the Lands Department, the department controlling the supply of water to agricultural areas, and the Taxation Department, to a similar limitation, by which they could not exercise the powers given to them by contracts or Acts of Parliament, unless in each case they secured the consent of a magistrate. That would be a costly and embarrassing limitation to impose upon the Government, which might be expected to exercise the powers it possesses with a sense of responsibility.

The experience of the last three or four years has shown that the Agricultural Bank cannot be accused of wanting in responsibility when exercising the powers conferred upon it. I feel that if this principle is adopted, the organisation of one department of Government which was established to assist farmers, which has three commissioners to make its decisions, and which is

not profit-earning, would be severely hampered. The bank would not be able to exercise its statutory and contractual rights without in each case first going to a magistrate for permission. Parliament would thus be committing itself to the principle that all banks, mortgagees and creditors generally should be subject to a similar limitation. If we extended that principle to all private lenders, as well as to the Agricultural Bank, I fear we would impose obstacles, difficulties and embarrassments in the way of credit and trade that would react to the disadvantage of the community rather than in its favour. Whilst I appreciate the difficulties of the hon. member's constituents, I feel that the House would not be justified in singling out the Agricultural Bank for an imposition of this nature, a limitation of its rights, or justified in placing the institution in a position that would be inferior to the rights and freedom enjoyed by the ordinary creditor.

**MR. WATTS** (Katanning) [6.13]: I support the second reading of the Bill. I am not going to stand up and say that, generally speaking, the attitude of the Agricultural Bank towards those engaged in the farming industry is unsatisfactory for I am free to admit that in a great majority of cases the discretion accorded to the Bank, so far as I know, has been exercised reasonably. Nevertheless, I see no objection to restrictions of this nature being placed upon the Commissioners. We have to consider first of all what are the things the Bank can do without restriction that we seek to restrict. The first of these things is contained in Section 44 of the Agricultural Bank Act. It reads—

If at any time in the opinion of the Commissioners any moneys advanced have not been applied for the purpose for which they were advanced, or have not been carefully and economically expended, the Commissioners may refuse to pay any further instalment of the advance, and may at once call in the whole amount already advanced, whereupon the borrower shall forthwith repay the same, and in default the Commissioners shall have the same remedies for the recovery of the same as are provided by this Act for the recovery of advances on default being made by a borrower in payment of principal and/or interest under the terms of any security.

**Mr. WATTS**: I was referring to the first section of the Act, with which the Bill proposes to deal, regarding the enforcement of applications to a magistrate before the commissioners may proceed, and was pointing out that it dealt with cases where—

In the opinion of the commissioners any moneys advanced had not been applied for the purpose for which they were advanced or had not been carefully and economically expended.

I would like the House to understand that the opinion of the Bank must of necessity be formed upon the reports of the district officer, who is responsible for the inspection of the work that may be in dispute. So it is not, as the Minister indicated, altogether a matter of the opinion of the three commissioners who have been appointed for the purpose. They themselves do not have an opportunity to see exactly what has happened or to know whether in every instance the money has been economically expended. It is purely a question of the saying so of an individual officer in the district who, although he may be perfectly competent and a reputable person—I have no doubt that the great majority of them are—is just as liable to make mistakes as any other member of the community. In the circumstances, I say there can be no serious objection to what is proposed that when the decision of the commissioners is arrived at to take action for the calling up of the money that is necessary before the foreclosure of the property, the matter shall be referred to a magistrate before any such action is taken.

The second section that is affected by the Bill is Section 55, which deals with the enforcement of securities. That is the section that regulates the whole of the powers of the commissioners in regard to the sale of properties because of default. I admit that the section follows along the lines embodied in ordinary forms of mortgages. The section gives the commissioners of the Agricultural Bank very similar powers to those contained in an ordinary mortgage between private persons, and, so far as the section itself is concerned, that is quite all right. At the same time, Section 55 is the one under which the commissioners would take action following upon defaults that arise, or under the other sections to which I have referred, or

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

shall refer. Then we proceed to a consideration of Section 56 where it sets out that—

Every borrower shall so long as any principal, interest or other moneys remain owing in respect of any advance, keep in good and tenable repair all buildings, fences, fixtures and improvements upon the land comprised in such mortgage or other security, to the satisfaction of the commissioners, or the authorised agent of the commissioners.

There again I submit it is not the verdict of the commissioners themselves who view the property and ascertain the circumstances, but the verdict solely of one officer living in the district concerned. We come then to Section 60, which provides the conditions under which the sale of properties can be effected and sets out that—

If such owner or occupier lets such land or any part thereof, or enters into any cropping arrangement, or transfers the equity of redemption in contravention of the provisions of this section, the commissioners may cause the land to be sold.

In this instance I am convinced it is a reasonable proposal to submit to a magistrate any action proposed on behalf of the commissioners before any such decision can be arrived at. The claim has been made—I believe this section gives some justification for that claim—that the powers of the commissioners to interfere in legitimate operations in connection with the farm, operations in no sense intended to deprive the commissioners of their rights, are a little too severe. One would hardly expect that the Bank should have any restricted authority, but nevertheless I do not think the action of an owner or occupier in letting his property or entering into a share-cropping arrangement, either or both, could, generally speaking, be regarded as other than providing some of the income necessary to enable the farmer to pay his way. Paragraph (c) of Subsection (1) of Section 60 provides that—

When on the decease of the owner or occupier, the land would by reason of any demise, bequest, intestacy or otherwise become subdivided, the commissioners may require the land to be sold or otherwise disposed of within 12 months of the death of the owner or occupier to some other person, and in default the commissioners may cause the same to be sold.

I do not think it unreasonable to submit that if the commissioners decide to take action at any time under the powers conferred upon them by that section, they should be asked to state their reasons and obtain a decision

from a resident magistrate, before doing so. It is surely extraordinary that there should be legislation enabling the commissioners to determine that the beneficiaries under a will of a deceased owner should not be allowed to carry on the property, which is left by the deceased person, should they desire to do so, but that they should be compelled to cause it to be subdivided because more than one person was affected, to seek the approval of the commissioners to the subdivision, and, if it cannot be retained as indicated, to direct that it shall be sold, as provided for in this legislation. Then we come to Section 61, which will be affected by the Bill in that the section provides that—

If the borrower refuses to deliver up quiet possession of any lands, or to give vacant possession of any lands of which the commissioners desire to take possession in exercise of the powers conferred on the commissioners by this Act, or under the terms of any mortgage or security, the commissioners may eject the borrower from such lands by force if necessary, and all officers of police are hereby authorised to assist the commissioners in ejecting the borrower.

If it is the desire of the commissioners, and the belief of the Minister, that in every case strict justice has been, and should be, done to the farmer concerned, I submit there can be no valid reason for objecting to submitting the case to a resident magistrate in circumstances such as those to which I have made reference. It seems to me that resident magistrates are persons of repute and knowledge. If they are not to be included in that category of persons, then I am greatly surprised that they should be in the positions they hold. Personally, I am quite convinced that they have knowledge and experience not only of the law but of local conditions, which would stand them in very good stead in determining the rights of the respective parties and in extending equitable justice, if I may put it that way, to those concerned. I cannot conceive of any resident magistrate being prepared to condone wrongdoing where the occupier of a property had not complied with the conditions of his mortgage with the Agricultural Bank. I am convinced that if the Agricultural Bank Commissioners did decide, or wished, to take action, and the bank's officer was in a position to show the magistrate that the farmer either deliberately defaulted or for some other reason was unworthy of assistance under the provisions of the Bill

should it become an Act, he would make an order. The conditions under which borrowers from the Agricultural Bank are, under the sections to which I have made reference, obliged to carry on their business, offer sufficient justification, without subsequently giving any indication of separate cases, for the suggestion that there should be some reputable third party, some judicially minded and capable person, to intervene between the bank and the borrower before the disposal of the property becomes an actual fact. It is because I believe that and not because I can come here and declaim against the Agricultural Bank Commissioners regarding these particular matters, and further, because I believe there is no justification for the refusal to place someone between the bank and the borrower to deal with these specific cases, that I propose to support the Bill.

**MR. BOYLE** (Avon) [7.42]: I support the second reading of the Bill and I must confess that the Minister dealt with the measure with much less heat than that which would have been displayed by the gentleman who at one time occupied his seat. The Minister's method did not detract from the argument he advanced. In dealing with a Bill affecting an important institution under his jurisdiction, the Minister spoke at little length. I can only assume he regards the Bill either as containing some merit or as being unworthy of serious consideration.

The Minister for Lands: Or that one argument is as good as ten.

**Mr. BOYLE**: Possibly; that in itself may be a good argument. In my opinion, the Minister quite missed the point regarding the amendment which deals with the approach to a magistrate for leave before foreclosure that will deprive the farmer of the livelihood of himself and his family. Let members survey the position as they find it today. There are about 70 district inspectors operating under the authority of the Commissioners of the Agricultural Bank. Each one of those men has the duty to report frequently on the farmers in his district, and I remind members that those reports are regarded as strictly confidential. Their contents are not disclosed to the farmers concerned. The effect of that is that each farmer-client of the Agricultural Bank has a secret dossier at the bank, to which

he has no access at all. An inspector can charge a farmer with any crime or neglect. The report goes before the commissioners, and, without the farmer being called upon for an explanation, a course of action is determined. Surely that is opposed to the elements of British justice. We are told that for the protection of the inspectors the contents of the reports should not be disclosed. That is a one-sided protection. Should not the farmer be entitled to equal consideration? Would any member of this House not be prepared to accord a fair hearing to anyone? All our laws are based on the principle that an accused person must be heard in his own defence and that any judgment must be in accordance with the weight of evidence adduced.

The Premier interjected.

**Mr. BOYLE**: There is the fundamental injustice in not hearing the farmer in his own defence. The inspectors are in the main honest men. I make no charges against them; but many farmers have been condemned by the administrators of the bank without being heard in their own defence and that is a serious position in which to place people. After all—and I know this from actual facts—some inspectors are not tactful; they are officious and, in many instances exceed the limits of good taste. A farmer who is overwhelmed with debt and is short-tempered, has an altercation with an inspector with unfortunate results to himself. I know of cases in which adverse reports have been made purely on the personal and human elements that come uppermost in such discussions. All we ask is that such men, before being dispossessed of the means of livelihood, be they ever so guilty of default to the bank, should have the right to go before a magistrate in their own district and be heard in their own defence. That right is accorded under the Mortgagees' Rights Restriction Act. There are thousands of mortgagors today operating mortgages and under the Mortgagees' Rights Restriction Act no mortgagee has the right arbitrarily to close out those mortgagors. If he wishes to dispossess a mortgagor or resume possession of a mortgaged property, he must go before a judge of the Supreme Court and convince that judge that the asset is being wasted or that the mortgagor is not carrying out the conditions of the mortgage deed. The Act lays down that the judge must give consideration to



the conditions obtaining, namely to the existence of depression and a thousand and one other circumstances. The result is that very few mortgagees will force the position to that extent. There are many instances in which mortgagees are amply justified in moving the court and I do not think that in such instances the court would refuse them relief. But a farmer client of the Agricultural Bank is placed in a different category altogether. He has not the rights of an ordinary private mortgagor. Clients of the Agricultural Bank have no right to appeal against the whims, shall we say, of the 70 inspectors operating throughout the State. Many of those inspectors are good men, as I have said before, but no police officer in Western Australia would be given a fraction of the power that is accorded to the Agricultural Bank inspectors. Let us assume that one of them makes an adverse report. The next thing the farmer knows is that he is given 14 days in which to pay up the whole of the capital expenditure plus interest and all charges affecting the property. That is not a reasonable request; it is the height of absurdity. The farmer has no chance to defend himself but has to come to members of this House. They in their turn are debarred by the Act from openly taking up his case. Members of Parliament can go to the officials of the bank. I have done so and, speaking for myself, I have always had a courteous hearing and succeeded in tempering the wind to the shorn lamb—and shorn in many instances he is, too. Hundreds of farmers today, however, have thrown up the game altogether, because they are sick and tired of this—shall we say—persecution, to which they have no reply whatever. As the Minister said—and I quite agree with him—the administration of the bank today is of an exceedingly sympathetic kind. That is due to one man. Mr. Donovan, who has a very sympathetic nature and outlook; but this House cannot assume that Mr. Donovan will occupy that position for ever. I believe his agreement is for only seven years. He may decide to leave the bank and from his successor we may not have that sympathetic administration we experience today. I do not think Mr. Donovan is using the powers he has to any great degree at all. However, we must not legislate on the understanding that the head of the department will always be sympathetic. We might get an absolute mar-

tin in the position, a tyrant who would consider he was there to administer the Act to the letter and would do so. In such circumstances we would have what we had before in the farming areas of this State, namely, rebellion and dissatisfaction.

I cannot perceive any great objection to the bank allowing the farmer to be heard in his own defence. The Bill lays down that the hearing shall be by a magistrate and that will not involve any expense on the farmer who will attend before the local magistrate. He will not be summoned to Perth to appear before a judge. It is only elementary justice to permit a farmer to be heard in his own defence.

There is another factor that enters materially into the question, and it is that there is a personal covenant binding all clients of the Agricultural Bank. If hardship is inflicted on a farmer by dispossession, he is liable to suffer more than the loss of his farm property; the loss can extend to his personal property. I have in mind the case of a farmer from a place north of Southern Cross. This man took up an impossible proposition in a marginal area. After four years' wasted life—he had taken over a debt of £1,000 or £1,200—he departed for the goldfields. Fortune smiled on him. He struck a show and did very well. The department became aware that he was interested in a certain mine and immediately served a notice on him for the whole indebtedness of the particular farm of which he had been dispossessed and, so far as I know, under the Agricultural Bank Act, he had to pay. The member for Yilgarn-Coolgardie (Mr. Lambert) might know the case.

Mr. Lambert: There is not only one, but quite a number.

Mr. BOYLE: The Minister asked for specific cases.

Mr. Lambert: Action was justified in lots of instances.

The Minister for Lands: The hon. member is not very helpful to you.

Mr. BOYLE: I do not want that sort of help. The man was certainly one of his own constituents at that time and the various organisations took up the case and considered the man well justified. I think the hon. member is more sympathetic to the Minister than to the person concerned. I could give instances of many such occurrences. In all cases of dispossession by

the bank the client's farm and everything he has put on the farm with his own money must be left there. The Bank gets both farm and money. He cannot take anything off the farm. If he did so he would be dealt with under the Criminal code for taking the assets belonging to the mortgagee. There is the case of a man who goes on an Agricultural Bank farm, and who may own a property in the city or elsewhere. Often he mortgages that property to enable him to carry on operations at the farm. The result is that if he is dispossessed of the farm the bank will attach his other property and sell it, and under his personal covenant he loses what it took him a lifetime to gain. All we ask is that the same justice be extended to Agricultural Bank clients that would be extended to clients of other banks. Under the Mortgagees' Rights Restriction Act a client of the Bank of New South Wales, the National Bank or the Commercial Bank can compel the institution to go to a judge for determination as to whether he should be dispossessed or not. But if a man happens to be a mortgagor of the Agricultural Bank he loses all those rights. He has not the right to be heard in his own defence or to put up a case at all, because the case is decided upon before the issue of the dispossession notice; before the bank issues this document in which it gives a stoney-broke farmer 14 days to pay all capital expenditure, all advances for wire netting and the whole of his indebtedness under four Acts of Parliament. The farmer is given 14 days to make payment of all those capital sums plus interest, or vacate the farm. All we seek is an amendment to the Act. We cannot touch Section 51. One could dilate for hours on that section, but it is not under discussion at the moment, though it has a bearing on the subject we are considering. Unfortunately, however, by a previous ruling which I will not question, discussion of Section 51 is out of order.

I appeal to the House not to be led astray by the Minister for Lands. This is more serious than the Minister stated. It is not a question of administration by the department, of administration by three capable men, who are headed by a very good man. The fact that the commissioners are excellent men does not alter the facts of the

case. We ask for the same right to be given to an Agricultural Bank client as is given to any other of His Majesty's subjects in Australia. Why should Agricultural Bank clients be outside the pale altogether? Is there something wrong with these men who have pioneered the country? The worst sufferers are those who went out east, who have gone miles beyond the comfortable centres of this State. The relief sought will be given to men who today are struggling some 200 miles from the coast, men in the Nungarin, the north-eastern and other districts. Let me impress on the House that every farmers' organisation is pressing for this amendment. The Returned Soldiers' League is pressing for it and public opinion throughout the farming districts is seeking it. I do not think the Minister, by accepting the Bill, would be doing any hurt or injustice to the State. What we are striving for is to bring about a sense of contentment amongst the farmers, some sense of protection of what they have in the industry, some assurance that a sinister hand will not reach out and deprive them of the work of years. To say that that would not happen would be to disregard human nature. The great majority of men are honourable, but there is always a proportion not so honourable, and we are asking for very little in seeking for relief for this section of the farming community.

**MR. LAMBERT** (Yilgarn-Coolgardie) [8.1]: I intend to speak only briefly. When previously the member for Greenough desired to amend certain sections of the Act, I supported him. I was impressed by the very logical speech delivered by the member for West Perth (Mr. McDonald), but seemingly he is not quite aware of the geographical and other conditions affecting the farmers who operate under the Agricultural Bank Act. The position as he presented it is in no sense analogous to that of a client under one of the Associated Banks. Probably the best argument in favour of liberalising, to some extent, the sections to be affected by this amending Bill is that we have not had a complaint regarding the interpretation of the Act by the commissioners of the bank. Everyone who has a personal knowledge of them has confidence in them, and I would hesitate to believe they would be guilty of any act of hardship that would injure the farmers.

The clients operating under the Agricultural Bank Act should be given all possible encouragement. To my mind, they have not received enough encouragement. There are a few farmers in my district, but regardless of whether they support me or not, I have a very deep measure of sympathy for these men and women who have gone into the outlying portions of the wheat areas in the hope of being able to carve out homes for themselves. With a desire to promote land settlement in this State, a former Premier urged the farmers to produce, produce, produce. Produce what? Wheat that is not saleable? Evidently to produce a crop of dissatisfied people who have been almost broken-hearted by their operations, their battle against climatic conditions and the unstable element of prices. I intend to speak about the sum provided in the Loan Estimates, but so many people run marathons and indulge in meaningless references that it was not possible for some of us to deal with matters affecting one of the principal primary industries of the State.

Mr. Thorn: You have no right to speak like that.

Mr. SPEAKER: Order!

Mr. LAMBERT: I am in agreement with the member for Greenough, and can sympathise with the remarks of the member for Avon. We have a fairly sound knowledge of the conditions operating in the marginal areas. In my district is a section extending from the rabbit-proof fence at Burracoppin to Southern Cross, and I have nothing but considerable sympathy and pity for the men and women who were planted on dry areas of that kind by a Government without vision and without capacity to assess the great disaster that was inevitable for hundreds of them. Possibly the time will come when this State will retrieve some of the losses, and cover up some of the stupidity of an earlier administration. That can be done only by a proper conception of the fact that the areas that have been cleared are capable of carrying considerable numbers of sheep and other stock, so long as proper provision is made in the way of water supplies and other requirements. That is not possible without the expenditure of money. I have yet to be convinced that either the encouragement or the facilities that many of those settlers were led to expect have been provided. If they could get that help to-

morrow, a considerable amount of success would yet reward their efforts.

Mr. SPEAKER: Now the hon. member had better get back to the Bill.

Mr. LAMBERT: I have the greatest confidence in the Agricultural Bank Commissioners believing that they would not countenance any of the hardships that could possibly be inflicted under the contentious sections of the Act. Still, I see no reason why the safeguarding qualification incorporated in the Bill cannot be accepted. If the Bill were passed, we would then be able to see whether it would survive the annihilating instincts of another place.

MR. J. H. SMITH (Nelson) [8.8]: I support the Bill. I am rather disappointed that a private member should have had to introduce the measure. I was of opinion that the Minister for Lands, with his sympathetic nature and his knowledge of the industry, would have brought down a Bill to amend the Act. I remember when the measure was passed through this House a few years ago and the great opposition it aroused. I remember what took place when another member was Minister for Lands, and I really thought that the present Minister would make amendments which he must realise are very necessary. I listened attentively to the Minister. He always talks common sense. He said he defied any member to show where any of the sections, which we describe as obnoxious, had been put into effect. They have been put into effect only in one or two isolated instances, but if we had not had a man of the calibre of Mr. Donovan as chairman of the Bank Commissioners, a man who is entirely sympathetic to the farmers, if instead we had had a martinet or a Caesar, every farmer would have been off his land in about two minutes.

Clients of the Agricultural Bank have not the right to appear before a magistrate, and any farmer under the Bank can be put off his holding in 14 days, on the report of an inspector, and lose the fruits of many years' labour. I ask the Minister to consider the whole matter and see whether he cannot possibly agree to the Bill. This amendment is a crying want. Although some industries in the agricultural districts may be flourishing, wheat-farming is not. If you, Mr. Speaker, lived in an agricultural

district and moved amongst the people, this would be the first question asked you—"What are you going to do about the Agricultural Act now in force?" It is like a sword hanging continually over the heads of these settlers. They are striving to do their best to produce, and the Lord knows they are not getting much for their produce. Some of them are probably starving; production is being carried on at less than cost. In the midst of these difficulties, they are liable to be forced off their holdings in a moment through the action of an Agricultural Bank inspector putting in an adverse report. The power exists to wipe them out as farmers, although they might have been struggling for years to build up a home for themselves and their families.

The Minister should reconsider his decision, and accept the Bill. All said and done, it contains only a passive proposal. It is only fair to give these settlers an opportunity, and to give them a sense of security. That is all they ask. Every member who represents an agricultural constituency agrees that the Agricultural Bank is distinctly fair and is giving the settlers a just deal, because, at the head of the institution, we have a man who sympathises with the settlers and their wants. Probably he has been through the mill himself. Yet, while this legislation is hanging over the heads of clients, the danger exists. The reasonable thing for the Minister to do is to accept the Bill.

**MR. BERRY** (Irwin-Moore) [8.14]: I support the second reading. I cannot see that the Bill asks for anything more than justice. What the member for Avon (Mr. Boyle) pointed out is perfectly true. In each file of the Agricultural Bank there is this secret dossier, in which is recorded whatever the individual inspector wishes to have recorded. I assure members that in the position I held recently, I had occasion to go to the Bank many times when these documents were produced. The client does not know what has been recorded against him, and he is actually left to the tender mercies of what the dossier contains. This means that the local inspector has over-riding power. He can say, if he wishes, whether a man shall remain on his holding or whether he shall go. And that man has no redress whatsoever. The member for Avon (Mr. Boyle) pointed

out that people under the Mortgagees' Rights Restriction Act have power to appeal to a judge. That is all this Bill asks. It asks for fair and proper consideration of the man's position as viewed from a light other than that of the inspector. I fail to see why there should be the slightest objection to the measure. I have had several cases in point brought under my notice, and a strange one not long ago. A client came to me and told a story, and I took him to the Agricultural Bank, where he repeated the same story. We suggested that had such a thing happened to us we would have punched the particular inspector in the eye. Later the man came to me saying, "I have done what you suggested." It was extremely direct action, but it bore good fruit, as the client has had ample peace and quiet since. However, that is not the point. The point is that a client should have a proper hearing. For that reason I support the Bill.

At the same time I desire to pay a tribute to the officials of the Agricultural Bank. I am bound to admit that on every occasion they try to do whatever is possible. Nevertheless, their decisions must primarily rest upon the confidential reports furnished by individual inspectors in the country. Perhaps, unless one happens to be on excellent terms with the particular inspector, it may easily happen, and I am sure it does happen, that the client does not get as fair a deal under the Act as it stands as he would if the Bill were passed into law. It is to be hoped, as the previous speaker said, that the Minister will reconsider what he has stated this evening. I join in that hope.

**MR. PATRICK** (Greenough—in reply) [8.18]: I propose to reply briefly, firstly because the session is drawing to a close and there are many private members' matters to be dealt with, and secondly because the Minister for Lands has given no cause for reply. The hon. gentleman put up nothing in opposition to the Bill to which one could reply. I am not criticising the management of the Agricultural Bank. I believe the institution is in very good hands, and I have had various opportunities to realise the good work that is being done. At the same time, the Agricultural Bank Commissioners cannot assume responsibility for the work of every inspector in the country. The Minister asked me to give one instance of the mat-

ters concerning which complaint was made. I will give him an instance which came under my notice very recently, and which might easily have led to dispossession if some measure of justice had not been done. A farmer approached me and said that two of his horses had died. We have heard a great deal about tractors, but this farmer has worked his farm entirely with horses. The two horses having died, he wished merely to get the permission of the Agricultural Bank, which held the first mortgage, to buy two more horses. It was only a matter of obtaining the Bank's permission, another financial institution being prepared to advance the money required. The Agricultural Bank turned the proposition down. The effect of this refusal, had it been persisted in, would have been to disable the man from carrying out his farming operations, and at due date he would have been unable to meet his commitments. Then, no doubt, the Bank would have given him notice either to pay up or to get out. Fortunately, as the result of an interview I had with the General Manager, instructions went out that permission be given for the purchase of the horses. That is merely one instance where evidently the inspector in the country had given wrong advice to the Agricultural Bank Commissioners.

I can give another instance—any number of such instances could be obtained. This case was mentioned to me by an hon. member. A farmer took up a property and expended what little money he had on a cottage for himself and his family. He then obtained from the bank a loan of £200, which he spent on improvements. At that time the inspector assured him there would be no difficulty in obtaining a further loan for purchase of stock. Unfortunately the depression came, and the Agricultural Bank refused to make any further advances. As very little income was being received, the farmer naturally could not meet his interest. He made repeated applications to the bank for further assistance, but they were all refused. In the course of time his debt had mounted to some £300, though on a property then valued at £800. In 1938 he interviewed the General Manager of the bank, who told him he must either sell or get out. The farmer placed the property in the hands of several agents, with in-

structions to sell at any offer; but unluckily no offer for the property was obtained. He then received notice to quit. Later, the time was extended for another six months, when he received final notice. In a sense fortunately, a relative then died and left him a sum of money, just as the time had expired. Thereupon the notice was withdrawn. That is the kind of specific instance the Minister wanted. But it is the principle we are fighting—not any particular case.

To me it is rather amusing to notice the change of front on the part of some hon. members when they cross the floor of this Chamber. Personally, I am prepared to stand to anything which I put up on the opposition side of the House, irrespective of whether I change to the other side; but when hon. members now on the Government side were in Opposition, they gave strong support to a Bill against dispossession in the case of the Agricultural Bank. What I want to know is the reason for such a change of front on their part. The Minister said the Agricultural Bank Commissioners should have these discretionary powers. The member for Katanning (Mr. Watts) pointed out what tremendous powers these are. As I previously quoted, the member for Boulder (Hon. P. Collier), then Leader of the Opposition, said that such powers should not be given either to the Government or to the Bank. He further said the clients of the Bank should not be left to the whims of inspectors. I could quote at length remarks made by the hon. member in giving reasons why such powers should not be granted to inspectors. He asked why a matter such as that should be left to the discretion of either the Government or the Bank. He urged that there must be security of tenure, and that this security of tenure should be fortified—mark the word “fortified”—by an Act of Parliament. That is all my Bill proposes to do. I remember at that time the present Minister for Railways rising to say what a marvellous speech the then Leader of the Opposition had made, adding that he agreed with every word of it.

MR. SPEAKER: This is not in reply to what was said on the second reading of the Bill.

MR. PATRICK: Yes, Sir; it is in reply.

Mr. SPEAKER: I draw the hon. member's attention to the fact that he is breaking new ground, ground in respect of which the members concerned have no right of reply. The hon. member is not permitted to make a speech on the Bill now.

Mr. PATRICK: This is not new ground, but ground which was traversed before. The Minister stated—

Mr. SPEAKER: Order! It was not said in the debate on this Bill. To raise such matter now is unfair to the Minister for Railways, who cannot now reply.

Mr. PATRICK: Unfortunately, as I have said, the Minister for Lands gave nothing for me to reply to; and therefore, of course, I have to try to put up matter which he might have adduced. He certainly did say that these tremendous powers should be left absolutely to the Agricultural Bank Commissioners. I am pointing out that on another occasion members now on the Government side thought somewhat differently. That is all, Mr. Speaker, I am endeavouring to point out. I think the Minister did, at any rate, quote some remarks I made about what the present Premier said on that occasion. If what the present Premier then said, and said very definitely, in speaking on the Mortgagees' Rights Restriction Bill, his one objection to that measure was that it did not bind the Crown. The hon. gentleman gave as his reason why it should bind the Agricultural Bank just as much as it bound private mortgagees, that the Agricultural Bank Commissioners should be granted the right to go to the court and prove that they were justified in dispossessing a client.

The Minister for Lands: Will you quote what you said yourself?

Mr. PATRICK: That is all. I could quote what I said if I had it here. However, it does not matter. That is the point: the present Premier said his objection to the Mortgagees' Rights Restriction Act was that it did not bind the Crown. That is all the Bill proposes to do. The member for West Perth (Mr. McDonald) objected to the Bill—and I think the Minister raised the same objection—that it did not deal with private mortgagees in the same way as it proposed to deal with the Agricultural Bank Commissioners. The member for West Perth said this power was given over mortgagees that existed prior to eight years ago. I do

not know that I would not be content if this Bill were applied to all Agricultural Bank mortgages existing eight years ago. There have been very few mortgages since because the bank has not been lending any money since. That disposes of that argument. However, I am quite prepared to bring in legislation of this kind applying to private mortgagees.

Previously to the Mortgagees' Rights Restriction Act coming into existence and giving protection to mortgagors, some awful things were done in this State. I know of one case in my own electorate—a young man coming over from South Australia who had recently been left a considerable sum of money. He paid an amount of, I believe, £12,000 for a farming property; and the mortgagee foreclosed on him, causing him to lose the whole of his investment. If legislation enacted later had been in existence then, he would probably have remained on his land. Now that war conditions are coming on, that kind of thing is likely to happen again. I quite approve of the introduction of legislation on the lines of the Mortgagees' Rights Restriction Act to deal with present mortgages. However, there is no need for me to labour the question. The Minister evidently had very little to say in opposition to the Bill. I do not think he had any arguments to put up, in view of the wonderful arguments previously submitted by members of his own party in favour of such legislation. Therefore I content myself with leaving the Bill to the decision of the House. I do not complain of any particular action of the Agricultural Bank Commissioners. I acknowledge that those gentlemen are doing their job and doing it well, but they are not in a position to know everything that goes on in the country. Just as in every other part of the world there have been real causes for dissatisfaction, so there exist some in this State. It will relieve the minds of many persons and make for contentment in the agricultural industry of Western Australia if the Bill is enacted.

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

Ayes .. .. .	16
Noes .. .. .	25
	—
Majority against ..	9
	—

AYES.	
Mr. Berry	Mr. Seward
Mr. Boyle	Mr. J. H. Smith
Mr. Hill	Mr. Stubbs
Mr. Lambert	Mr. Thorn
Mr. Latham	Mr. Warner
Mr. McLarty	Mr. Watts
Mr. Patrick	Mr. Willmott
Mr. Sampson	Mr. Doney

(Teller.)

NOES.	
Mrs. Cardell-Oliver	Mr. North
Mr. Collier	Mr. Nulsen
Mr. Coverley	Mr. Pantou
Mr. Cross	Mr. Shearn
Mr. Fox	Mr. F. C. L. Smith
Mr. Hawke	Mr. Styants
Mr. W. Hegney	Mr. Tonkin
Mr. Holman	Mr. Triat
Mr. Hughes	Mr. Willcock
Mr. Marshall	Mr. Wise
Mr. McDonald	Mr. Withers
Mr. Millington	Mr. Wilson
Mr. Needham	

(Teller.)

AYES.	PAIRS.	NOES.
Mr. Abbott		Mr. Johnson
Mr. Rodoreda		Mr. Mann

Question thus negatived.

Bill defeated.

### BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Returned from the Council with an amendment.

### BILL—FIREARMS AND GUNS ACT AMENDMENT.

Received from the Council and read a first time.

### DISCHARGE OF ORDERS.

The following Orders of the Day were discharged:—

- 1, Municipal Corporations Act Amendment Bill (No. 1).
  - 2, Agricultural Bank Act Amendment Bill (No. 3).
  - 3, Vermin Act Amendment.
- On motions by Mr. Cross.

### BILL—ROAD DISTRICTS ACT AMENDMENT.

#### Second Reading.

**MR. MARSHALL** (Murchison) [8.36] in moving the second reading said: The Bill is familiar to members, because I think this is the fourth occasion on which I have endeavoured to secure legislation to give to local authorities power which this House believed they would possess when the Roads

District Act Amendment Bill, 1925, was passed. Unfortunately, that legislation did not give effect to what was then the intention of Parliament. I refer members to Section 204, paragraph (41) of the parent Act, where they will find certain specific commodities named. Owing to a rule which is termed by the legal fraternity the *ejusdem generis* rule, where specific words are mentioned, the words following must bear some relationship to the specifically named words.

Mr. Hughes: The phrase means "of a similar nature".

Mr. MARSHALL: I now have a lawyer who can advise me on the point. The member for East Perth is on good ground, because he confirms the ruling of the Crown Law Department.

Mr. Hughes: I have never known that department to be right before.

Mr. MARSHALL: Other members of this Chamber who are lawyers will also agree with the ruling. For instance, meat is specifically mentioned in the section, as are fruit, poultry and vegetables. Therefore, the words "goods, wares or merchandise" must have some relationship to the other commodities specifically mentioned. As meat is mentioned, local authorities could regulate and control the hawking of meat pies. Instead of Parliament giving local authorities complete authority to control hawking, if they so desired, we limited their authority to goods, wares and merchandise. Thus the amending Bill, when passed, was ineffective. I desire members to understand that this Bill is similar to the one introduced in the last session of last Parliament, but with slight alterations in the definitions of "hawker" and "shop." There was a misunderstanding on the previous occasion which I now desire to clear up. All that this Bill will do, if it becomes law, is to empower local authorities to make by-laws regulating and controlling hawking in their districts. Such action would be optional on their part.

Hon. C. G. Latham: Would delivering petrol at a bowser in any district be deemed hawking?

Mr. MARSHALL: I suggest to the Leader of the Opposition that he knows all the road boards in his electorate. Would any road board in his electorate frame a by-law that would be likely to injure the smooth and efficient working of any business in its district?

Mr. Hughes: A man might sell radios; he might have a dozen different authorisations.

Mr. MARSHALL: This Bill simply gives local authorities power to frame by-laws controlling and regulating hawking in all its forms.

Mr. Styants: Or to prohibit it.

Mr. MARSHALL: The local authorities could do that simply by refraining from making a by-law, because hawking today is prohibited by the Hawkers and Pedlars Act, with one or two exceptions which are set out in that Act. Assuming this Bill becomes law, any by-law made by a local authority must be submitted to both Houses of Parliament before it can have effect.

Hon. C. G. Latham: No, that is not right.

Mr. MARSHALL: Yes, it is.

Hon. C. G. Latham: It becomes law the day it is gazetted.

Mr. MARSHALL: True, but that is quibbling.

Hon. C. G. Latham: No. It is not.

Mr. MARSHALL: I did not make that statement in any offensive way, and I hope the Leader of the Opposition will not treat it so. We all know that regulations and by-laws gazetted while Parliament is in recess become law when gazetted. I wish to point out, however, that Parliament has the final say in whether the by-law will become permanent. We have that safeguard. So far as my own electorate is concerned, the local authorities there—I have implicit confidence in them—would not make by-laws likely to jeopardise the rights and privileges of people within their districts. Outside of municipalities, hawking is definitely prohibited by the Hawkers and Pedlars Act, unless persons are hawking goods of their own manufacture. Commercial travellers are exempt, as are dealers in open markets, on show grounds and recreation grounds. But hawking which we know to be going on today is definitely against the law. Until we give the local authorities power to make by-laws, and they do make them, it will remain prohibited. I emphasise the point because of the arguments advanced in another place during the discussion on a similar Bill last session. I recall one member making the statement that he knew of an Eastern States firm that was hawking goods in Western Australia. The hawker of those goods was hawking something not of his own manufacture, and therefore was doing something quite illegal and contrary

to the Hawkers and Pedlars Act. Many local authorities right throughout the State are asking for this form of legislation. I notice that at a conference of road boards that took place at Kalgoorlie a few months ago the first item on the agenda paper which was the subject of a resolution, was that some steps be taken to amend the Hawkers and Pedlars Act to allow local authorities to prohibit hawking as at present being carried on in that particular locality. I think hon. members will agree that hawking is taking place in such a way as to create unfair competition. I do not refute the argument that some people may be earning a very lucrative livelihood thereby, but we must remember that unfair competition displaces others who are earning a livelihood after having established themselves in business in some particular town. I know men who have put the savings of a period of years into a business. They are good citizens and are well established in the town. They exercise full citizenship and assist in making the lives of those that surround them amenable and more comfortable. If a road board or local authority wishes to protect those people from unfair competition it should be given the power to do so.

When dealing with a similar Bill on a previous occasion, I pointed out that there is an unscrupulous type of individual who carries on this form of trade in addition to others who work in a fair and honourable manner, although engaged on a business that is quite illegal. The unscrupulous type evades paying the license for his vehicle demanded under the Transport Co-ordination Act. He carries goods in competition with our railways and with other people who pay high charges for the privilege. These hawkers seem to have a knack of arriving at little towns on pay day. They offer an inferior article at a maximum price and obtain the cash. Only after they have gone do the buyers realise they have been taken down and have received inferior goods. There is another aspect of the matter. The locally-established business man is obliged to carry on on credit for another fortnight the person who parted with his cash to the hawker. So irrespective of the angle from which the matter is viewed, there is unfair competition.

We can trust road boards to do the right and just thing. I have not any doubt about the road boards in my electorate. It is no



good arguing about local authorities prohibiting hawking, because the Hawkers and Pedlars Act will not be repealed by this measure and hawking is prohibited today. The only difference in this measure compared with that with which I dealt last session is in the definition of "shop" and of "hawker." The definition of hawker has been altered to cover local business people such as grocers, bakers, butchers, etc. On the last occasion when a similar Bill went to another place, members of that House added words to the definition of "shop." I think the words added were "anywhere within the State." After describing the form of building, the words "anywhere within the State" were added. That meant that anyone who had a shop within the State would not come under any by-law made on the authority of this measure. Therefore hawking was to that extent legalised. The same definition appeared in the Municipal Corporations Act of last session. If hon. members desire to know the effect of it they can ring up the Town Clerk of Perth and they will discover that actually instead of giving the authorities the right to control hawking it has been legalised to the extent of about 90 per cent. of the goods and wares that can be hawked, because all the local authorities can now control are the items mentioned in the Hawkers and Pedlars Act, namely, fruit, fish, poultry, etc. Any alteration of that kind to the Bill will be objectionable. That is why I would not accept the amendment from another place on the last occasion. The Bill merely gives authority to the local bodies, who are asking for it, to make by-laws. In the final analysis Parliament will have the say in regard to what is done, particularly if by-laws are made. If the local authorities do not take advantage of the measure, the Hawkers and Pedlars Act will prevail and they can have that administered and prohibit hawking within the exemption set out in that Act. The substance of the measure is not foreign to the Chamber, but new members may be sceptical about it. The substance has been debated on three or four occasions and a similar discussion occurred in relation to an amendment to the Municipal Corporations Act passed last session. The majority of members are au fait with the contents of the Bill and I move—

That the Bill be now read a second time.

On motion by Minister for Works, debate adjourned.

## MOTION—ROAD DISTRICTS ACT.

### *To Disallow By-laws.*

Debate resumed from the 11th October on the following motion by Mr. Cross (Canning):—

That the by-laws regulating the use of roads by animals, made by the Melville Road Board under the Road Districts Act, 1919-1938, published in the "Government Gazette" of the 25th August, 1939, and laid upon the Table of the House on the 29th August, 1939, be and are hereby disallowed.

**THE MINISTER FOR WORKS** (Hon. H. Millington—Mt. Hawthorn) [8.55]: There is a departmental view on these matters. This is a case in which an objection is taken not so much to a regulation, but to the manner in which the regulation is administered by the road board concerned. In these matters someone requires to have authority, so the question that has to be decided is whether this is a matter that is properly administered by the local authority. Provision is made in the Traffic Act, the Road Districts Act and the Municipal Corporations Act for the regulation of the use of roads by animals. A traffic regulation has been in force for years similar to that made by the Melville Road Board under the Road Districts Act. The reasons for the by-laws made by the Melville Road Board are that complaints had been received from the ratepayers of damage to their property and menace to their children. Also the roads in the district were being damaged by herds and causing sand drifts across drive-ins of various residences. The by-laws do not prohibit cattle from being driven over roads, but they do restrict that practice at certain times of the day, inasmuch as permission must be obtained from the board before such cattle can be driven on any road between 8 a.m. and 3 p.m. I received representations from the Melville Road Board on this matter. It seems that there were four dairymen in the district, three of whom the board had induced to leave the district. One, however, remained and if the by-law is disallowed, the others are expected to return. I understand they are making arrangements to do so. I view this matter dispassionately, not being one of the aggrieved persons. It is

maintained that for one youth to manage 60 or 70 cattle and drive them quickly across the road is impossible as it is usual for the cattle to stray. The deputation that waited on me was quite as keen about what it considered to be its grievance against straying cattle as was the other party. I do not know whether these matters should be brought to Parliament for settlement. This is entirely a matter for the local authorities to deal with.

Hon. C. G. Latham: Let them arouse sufficient interest to put road board members out if they are doing wrong.

The MINISTER FOR WORKS: If this happened in Kalgoorlie or Albany—

Hon. C. G. Latham: Or Osborne Park.

The MINISTER FOR WORKS: It has happened at Osborne Park, where there are many migrant cattle. But the question is whether Parliament should deal with these personal grievances. I am assured by the Melville Road Board that 11 of the members are unanimously behind the regulations. I was shown a counter-petition. I do not propose to read it. I can only repeat the assurance I was given that certain resident rate-payers signed both petitions. I present that statement for what it is worth. I have no evidence beyond what I was told. I have not even examined the two petitions to see whether that is so. Local authorities have been constituted and have been given power to make by-laws. In this case a bylaw has been promulgated similar to one appearing in the Traffic Act. If we disallow this by-law, I suppose those 11 road board members would be justified in telling us that we can take the job on ourselves. As Minister for Works I sign the regulations and by-laws on the representations that are made to me, and after they have been examined by officers of the department. That is nothing new. They are powers that can be exercised by any local authority in the State. The question arises whether this regulation has been fairly administered, and whether one man has been victimised. A case has been brought before the House by the member for Canning (Mr. Cross). I do not know whether this Chamber should be constituted a court of appeal in such cases. It may be thought that we should sit in a judicial capacity to decide whether a road board has dealt harshly with one of its ratepayers. In my

view, such matters should be settled locally. There is a certain innate justice in every community. The people concerned know the rights of this case, and I cannot see that we can take from a local authority the powers that have been delegated to it. If we do that in this case, what about the other 140 road boards, and the many municipalities? I have told members why the by-laws were agreed to. The road board is unanimously behind them. With all the goodwill in the world, the owner of the stock cannot prevent the animals from being a nuisance in the district by the manner in which they are being driven about. I was anxious to do justice to the owner, and asked the road board if it would object to the cattle being driven back during the afternoon. The road board said it was impossible for one youth to control so many cattle, and that the animals strayed all over the place. Will the House say that this is a matter that should be decided by Parliament, or does it think it should be left to the local authority to whom the necessary powers have already been delegated? The House will have to decide on the merits of the case. What has to be decided is whether the regulations have been properly administered, or whether this Chamber should be a sort of super-local authority to decide the point. I signed the by-laws after evidence was placed before me.

Mr. Marshall: Were you guilty of an offence in signing them?

The MINISTER FOR WORKS: The evidence before me was that the local authority was justified in possessing these powers. I do not know whether the administration has been fair and just.

Mr. Marshall: Did you analyse the evidence?

The MINISTER FOR WORKS: Yes.

Mr. Patrick: Do you say the road board was unanimous?

The MINISTER FOR WORKS: I am told so, but I have not sifted that matter. Is this a question for the road board or for the House to decide? In my district the local authority manages difficulties associated with straying cattle without any reference to Parliament. A man came to me the other day about an account for £30 for poundage fees. I would not bring such a matter before Parliament because it is

one for the local authority to deal with. I advise the House not to give too much encouragement to these complaints, or we may receive appeals from as far north as Wyndham and as far south as Albany. Upon the decision the House will depend the attitude of members for the future. Let this argument be settled locally. Officially, I object to the disallowance of the by-laws. The function of dealing with them belongs rightly to the local authority, and the local people will have to look to it for justice.

**MR. F. C. L. SMITH** (Brown Hill-Ivanhoe) [9.6]: Whether we like it or not, we are a court of appeal on matters of this kind, and the member for the district is the right person to bring them before the House, if he is of opinion that certain regulations or by-laws should be disallowed. I am in favour of the disallowance of these by-laws. It has been said that they were framed to prevent cattle from straying, and to put a stop to people taking cattle across the road between 8 a.m. and 8 p.m. That is not the way to deal with straying cattle; they should be dealt with by other means.

Mr. Cross: There is the Cattle Trespass Act.

Mr. F. C. L. SMITH: I am not in accord with the hours set down in the by-laws. As this House cannot amend them, I propose to support the motion.

**MR. STYANTS** (Kalgoorlie) [9.8]: I support the motion with a certain amount of diffidence. As a general principle, we should support the local authority when it decides upon a certain course of action in the conduct of local public affairs. In this case I believe a gross injustice will be done to the man concerned if the by-laws are not disallowed. The Minister said this was a case for the local authority to deal with, and that we should not sit upon it in a judicial capacity. I disagree with that view. If that were the case, I would be reluctant to give the powers that are contained in various Acts to local governing bodies. We must retain the right to criticise the administration of the law. The fact that the Act provides that regulations must be tabled and receive the approval of the House indicates that we are to sit here in a judicial capacity. If we were not to do that, why is it compulsory for local

authorities to lay their regulations and by-laws upon the Table of the House? We are not exceeding our authority in dealing with the matter, although I think on general principles we should not interfere with matters of local importance.

The objections of the road board have been enumerated by the Minister. The local authority declared that certain lucerne patches belonging to ratepayers have been damaged or destroyed by the cattle. I have yet to learn it is a function of the road board to look after plots of lucerne. The owner of the stock could be sued under the Cattle Trespass Act for the recovery of damages for injury to his property. That calls for no action on the part of the road board; it is a case for the individual. If cows have strayed and caused damage to property, the owners have recourse against the man in possession of the animals and can recover damages for the injury done. The local authority complains that the development of the locality has been retarded. I know of a case that occurred within the boundaries of the Municipality of Perth, in what is now a thickly populated area. Within that area is a dairy. The City of Perth realised the justice of allowing the dairy to continue, because the same set of circumstances operates there as operates in the Melville Road Board district. A man in the early stages of the development of the city went a long way from the then inhabited areas to establish his dairy. People, well knowing that the dairy was there, built homes around it. I have known of cases of the same kind to occur elsewhere. Certain people desirous of establishing some objectionable or semi-objectionable trade or manufacturing industry have gone a long way from the city area to do so. Years afterwards, as the city developed, other people, with their eyes open and knowing that such objectionable businesses had been carried on for 15 or 20 years, built around those places, and then set up an agitation to have them removed. If the development of the areas around the dairy we are discussing has been retarded, the people who have settled there have very little about which to complain. I have no axe to grind in this matter, but was so interested in it that I visited the locality, which is only about eight miles from Perth and on the main road to Fre-

mantle. I saw the dairy. I also followed along the North Lake-road to see the class of habitation there, and to ascertain why objection was being raised to the cattle passing along that road. I was astonished to find that 50 per cent. of the country consisted of hush. Furthermore, I found that along the road over which the cows proceed from the dairy to the pinery, over 50 per cent. of the area is comprised of holdings, with small dwellings of wood or brick, where poultry farms are conducted. Thus 50 per cent. of the area over which the cows proceed is virgin bush and the remaining portion is largely devoted to the poultry farms. I was particularly struck by the statement made by the member for Canning (Mr. Cross) regarding the poundkeeper's letter, which was submitted in connection with the statement that the cattle had been allowed to stray. The poundkeeper pointed out that the stock was always under the strict control of a herdsman. The Minister said the local authorities contended that one youth could not control 70 head of stock. I was reared among stock and my experience, particularly with a milking herd, is that if the cows are milked at a certain place in a particular yard and then depastured on a certain area, it is usually a case of letting the cows out of the paddock and they start straight away for the milking shed, or vice versa. Occasionally one animal might stray but it would not be like controlling 70 or 80 wild bullocks from the North-West that had just been de-trucked and had to be driven a certain distance. Milking cows are docile and will travel to the milking shed or to the pastures with very little persuasion. If the regulations are not disallowed, a man who has been living in this particular locality for about 15 years will be deprived of his living. In view of what I have said regarding the virgin bush and the small poultry farms along the route over which the cattle are driven, I cannot see that any great objection can be raised to the cattle being taken along the road. The man affected has invested his money and the dairy provides him with his living. If he is deprived of the right to drive his cows over the Canning Highway twice a day, for depasturing and milking purposes, his livelihood will be filched from him.

The statement has been made that there were four dairies there, but three of the men volunteered to leave the district. I do not know whether they volunteered or were coerced. At least one of the dairymen who has left the district was in the fortunate position of having a property in the South-West and also one in the wheat belt. He found he could produce milk much more cheaply in the country than was possible in the Melville district. Down here the cattle have to be hand fed to a great extent. In the circumstances, the man to whom I refer suffered no financial loss in leaving the district. The dairyman who is still there has no country property nor has he the finance to enable him to purchase another holding where he could carry on his business as a dairyman. If the regulations are to remain in force, that man will be deprived of his means of livelihood. As I remarked at the outset, I usually support the efforts of local authorities, but I am satisfied that in this instance, having viewed the locality, an injustice will be worked if that course is pursued. If members were to inspect the area for themselves, they would be satisfied on that point. To me it would be remarkable if those people who live along the road from the dairy to the pinery raised any objection to the cattle being driven past their properties. Those people depend upon their poultry farms and I do not think they would be prepared to object to a man driving his cows twice a day past their property when they know his livelihood depends on that practice. I have a lot of sympathy with the local authorities but in this instance I believe that their zeal for the progress of the district has outweighed their sense of justice and fair play. I shall support the disallowance of the regulations.

**MR. J. H. SMITH** (Nelson) [9.21]: I support the motion for the disallowance of the regulations. I know both the person concerned and the locality. I listened with interest to the Minister when he indicated his support of the local authority. He said that Parliament should not be made a court of appeal. But where is there any other court of appeal?

**MR. FOX:** What about the ratepayers?

**MR. J. H. SMITH:** The member for Canning (Mr. Cross) has a petition signed by 80 or 90 per cent. of the people concerned.

including the lady in a trance, and he has placed the matter before Parliament and moved for the disallowance of the regulations. What other redress have the people? You, Mr. Speaker, are aware that in too many instances we are ruled by regulations, and the only means of redress we have is to move for their disallowance. I hope every member will vote in favour of the motion, and ensure that an injustice will not be done to a man who should be entitled to earn his business during these most difficult times. The stock is under the control of a herdsman and, according to the regulations, must not be taken across Canning Highway between 8 a.m. and 8 p.m. Surely there is more danger in driving cattle across the road at night than during the day. The local authorities may have a set upon the member for the district, or there may be some other influence at work! A petition has been signed by the people concerned, and they raise no objection. Perhaps the action has been taken by residents of other parts of the area who do not consider the dairy toney enough. The member for the district knows the requirements of those affected, and I propose to support him in his motion for the disallowance of the regulations.

**MR. WITHERS** (Bunbury) [9.25]: I do not wish to cast a silent vote. I am rather diffident about voting against regulations emanating from a local authority because we vest such bodies with certain powers and we should therefore extend consideration to regulations promulgated by them. On the other hand, when a regulation is framed that seeks to prohibit the driving of stock across a road between 8 a.m. and 8 p.m., it appears to be outrageous, and a definite indication that the dairyman is not expected to drive his herd over the road. A dairyman must have his stock taken to the milking shed or to the pastures; to provide otherwise would be absurd. I come from a dairying district where men have a hundred acres or more, and yet they have to drive their herds over roads and, as the member for Kalgoorlie (Mr. Styants) pointed out, the stock require little attention during their travelling to and fro. If the regulation were endorsed it might have a far-reaching effect in my electorate. If in force there, an outcry would be quickly raised against it. Members should give consideration to the fact that dairymen make their living under conditions that necessitate their taking up pro-

perties in outlying parts so that people in more thickly populated areas will not be inconvenienced. If later on people build houses adjoining the dairy farms and in due course the local governing authorities determine that the dairies constitute a nuisance, power is already vested in those bodies by the Health Act to deal with the position. The terms of the regulations, seeing that they apply to the period between 8 a.m. and 8 p.m., savour very much of an attempt at victimisation to put a dairyman out of business. Even though every member on the board agreed upon the regulation, we should not allow any individual to be victimised.

**HON. C. G. LATHAM** (York) [9.29]: I oppose the motion. Regulations rightly should be laid on the Table of the House, but members are expected to exercise common sense. Many of the regulations do not receive the slightest attention from members, but the mere tabling provides a safeguard. Serious consideration is usually given to regulations that are framed by a local authority, before they are set aside.

Mr. Styants: Go to the locality and see for yourself what the position is.

**Hon. C. G. LATHAM**: The department that deals with these matters is no worse than any other section of Government in dealing with such matters. There is generally one officer who peruses them carefully, and then they are sent to the Under Secretary, and if he finds anything doubtful, he directs the attention of the Minister to it before asking him to sign. I have read the by-laws; I realise the danger of having stock running about the roads. A very serious accident might be caused. We are continually complaining about the traffic on the roads, but the worst kind of traffic is a slow moving animal, and a cow as a rule is very slow. A motorist might be travelling at only 25 miles an hour at night time, while rain is falling, and a cow might walk in front of the car and cause a serious accident. Only a few days ago an accident of the kind happened on the Perth side of York through horses straying on the road.

Mr. Cross: The cattle in question do not stray.

**Hon. C. G. LATHAM**: Is that so? Not often do I travel down that road, but on two occasions I have seen cattle straying there.

Mr. Cross: You would see them in South Perth.

Hon. C. G. LATHAM: Then the only place where there are cattle straying is in the hon. member's electorate, and he seems to have a grievance about it. The local authority has given serious consideration to the by-laws and I believe is the best judge of what is necessary. I do not always support the actions of local authorities, but I have looked carefully through these by-laws, and I think we would be justified in endorsing them.

MR. CROSS (Canning—in reply) [9.32]: Parliament has reserved to itself the right to review regulations, and for a very good reason. The Minister said he considered that these matters should not be brought before Parliament at all. I contend that members are entirely disinterested, and I do not know that that can be said of local bodies in every instance. I do not know whether it can be said in this case. Complaints were made to the Minister years ago, but there have been changes in the district since then. True, two or three years ago some dairymen did permit their cattle to stray, but the point now raised has no relation to the straying of cattle. An attempt is being made to prevent a dairyman from driving his cattle across a road between the hours of 8 a.m. and 8 p.m. He would be quite free to drive them anywhere after 8 p.m., when obviously the presence of cattle on the road would be far more dangerous to traffic.

This man, on learning that the road board intended to frame regulations, wrote asking permission to cross the road with his cattle once a day. The board knew that he took his cattle from the dairy across the road at 7 a.m. Even if the by-laws were retained, he could still take his cattle across the road at 7 a.m. But he wanted to take them back for milking between the hours of 2 and 3 p.m., and he would be prevented. He wrote for permission to cross the road once a day between the hours of 2 and 3 p.m. The road board replied to his request. I read the reply when I moved the motion, but wish to remind members of it. When road boards are given important powers, they should be administered fairly. I agree that road boards should have control of the roads in their districts, but surely the by-laws they make should be administered with common-

sense and fair play. This is the letter sent by the secretary of the road board—

I have to advise you that the board is not prepared to give you permission to remove your cattle and has directed me to inform you that it requires you to conform with the requirements of the regulations, of which you have a copy.

If the board wished to drive that man out of the district, why did not it offer to resume his land and compensate him? That was not done. The dairy is not a nuisance. I produced a petition to the effect that the ratepayers in the locality have not supported the road board and have no objection to the dairy being there or to the cattle being taken across the road.

Reference has been made to sand-drifts on the road. This was a request to drive cattle across Canning Highway. Since Canning Highway was constructed, there has not been any sand-drift anywhere on the road. Every member knows that. When a by-law is not administered fairly, Parliament is the right place to seek redress. I told the road board that had it given this man permission to cross the road with his cattle once a day, even if only for a few years, I would not have taken this action. If Parliament considers that the board has been unfair and later on the board will meet the man as I suggest, I will not oppose another application for the by-laws. I hope that members, in the interests of fair play and justice, will support the motion, and show the local authorities that Parliament intends to ensure that justice is done even to the humblest citizen.

Question put and a division taken with the following result—

Ayes	..	..	..	..	25
Noes	..	..	..	..	14

Majority for .. .. 11

#### AYES.

Mr. Berry	Mr. Raphael
Mr. Boyle	Mr. Shearn
Mrs. Cardell-Oliver	Mr. F. C. L. Smith
Mr. Collier	Mr. J. H. Smith
Mr. Cross	Mr. Styant
Mr. Fox	Mr. Tonkin
Mr. W. Hegney	Mr. Triat
Mr. Holman	Mr. Warner
Mr. Hughes	Mr. Watts
Mr. Lambert	Mr. Willmott
Mr. Marshall	Mr. Withers
Mr. Needham	Mr. Wilson
Mr. North	

(Teller.)

## NOES.

Mr. Coverley  
Mr. Hawke  
Mr. Hill  
Mr. Latham  
Mr. McDonald  
Mr. Millington  
Mr. Nulsen

Mr. Pantou  
Mr. Patrick  
Mr. Sampson  
Mr. Seward  
Mr. Willcock  
Mr. Wise  
Mr. Doney

(Teller.)

Question thus passed.

## BILL—BILLS OF SALE ACT AMENDMENT.

### *In Committee.*

Resumed from the 11th October. Mr. Marshall in the Chair; Mr. Cross in charge of the Bill.

The CHAIRMAN: Progress was reported after Clause 1 had been agreed to.

Clause 2—Insertion of new Section 29A; Certain chattels to be excluded from a bill of sale by way of security:

Mr. CROSS: I understand there is likely to be opposition to the retrospective provision in this clause. I did not ask the draftsman to include that, because I do not believe in retrospective legislation. Therefore I move an amendment—

That in line 2 of the proposed new section, the words "whether heretofore or" be struck out.

Amendment put and passed; the clause, as amended, agreed to.

Title—agreed to.

Bill reported with an amendment.

## BILL—RURAL RELIEF ACT AMENDMENT.

### *In Committee.*

Mr. Marshall in the Chair; Mr. Watts in charge of the Bill.

Clauses 1, 2—agreed to.

Clause 3—Amendment of Section 6:

Mr. McDONALD: The idea of the Bill, as we know, is that a farm shall be valued at two intervals—in the first place when application for relief is made, and again later, after a period of years; and the extent to which there is a debt in excess of the second valuation, to that extent the debt is to be written off. For the purpose of arriving at the valuation, the Bill sets out that the valuation is to be determined on the productive capacity, and later it is provided that the

productive capacity of the assets shall be deemed to be an amount equal to the net annual income that can be derived from the assets by the average efficient farmer capitalised at the rate of £6 per cent. per annum. To arrive at the net annual income derived from the farm, it is provided that the expenses required to be incurred in production of the income shall be deemed to include interest on any secured debt, rates and taxes, and reasonable remuneration for the work done by the farmer or any other person in the production of the income. Thus there is to be deducted from the gross income the interest paid upon the debt on the farm. I believe that to be an error in the drafting, because if the farm had no debt and the productive capacity of a gross income of £500 a year, its value on this basis would be £8,000, and if an identically similar farm in productive capacity had a debt on which £200 a year interest was paid, and that £200 was deducted from the income of the farm, leaving £300, then this amount, capitalised at six per cent., would show the farm to have a value of £4,800. So that the value of the farm would vary according to the amount of the debt. I think that is an oversight, and therefore I move an amendment—

That in lines 10 and 11 of subparagraph (iii) of proposed Subsection 7 the words "interest on any secured debt," be struck out

Mr. WATTS: I agree with the conclusion arrived at by the member for Perth, and have no objection to the amendment.

Amendment put and passed; the clause, as amended, agreed to.

Clauses 4 to 9, Title—agreed to.

Bill reported with an amendment.

## BILL—TESTATOR'S FAMILY MAINTENANCE.

### *Second Reading.*

MR. NORTH (Claremont) [9.53] in moving the second reading said: This Bill has been carried in another place, and I have been invited to introduce it here. Consideration of the Bill preceding this measure on the notice paper was asked for on the ground that the object of the Bill now before us is to make a new provision with regard to widows by striking out Section 11 from the existing Act. I wished to be sure that we made the latter correc-

tion first. The other Bill proposes to make an amendment in the existing Section 11 of the Guardianship of Infants Act, which reads—

If any person . . . dying or having died after the first day of January, 1921, disposes of his or her property either wholly or partly by will in such manner that the widow, husband or children of such person, or of any or all of them are left without proper provision for their maintenance, education, or advancement in life as the case may be, the court may at its discretion and taking into consideration all the circumstances of the case, on application by or on behalf of such wife, husband, or children, or any of them, order that such provision for such maintenance, education, and advancement as the court thinks fit shall be made out of the estate of the testator for such wife, husband, or children, or any or all of them, and may attach such conditions to the order as it thinks fit . . .

The proposal of the Bill is that the term "widow" shall include the divorced wife. Therefore the new Bill although consisting of 13 clauses really revolves around the point of definition of "widow" in the first place, and the new definition proposed by the Bill declares that any divorced woman shall be considered a widow. The widow is provided for under the existing Act; but if a divorced wife is receiving say £5 or £7 a week alimony and the ex-husband dies, she is left without anything at all. The Bill provides by means of the new definition that the divorced wife will carry on after the ex-husband's death at the same income or such other income as the court may provide. There are other clauses to increase the powers of the court in regard to interpreting wills, enabling legacies to be taken from their existing authorisation, and providing for widows, or in this case divorced wives, where now the court has not that power. In addition the Bill contains two other points. The second point is that there now is not possible a review of the order of the court. If at a later date circumstances should alter, it may be desirable that the court should review any order to the widow or the divorced wife. The third point is that the time for application by the widow or divorced wife is limited, under the Bill, to six months; but there is also provision that that time may be extended where the court considers that special circumstances justify extension. I notice from a transcript I have obtained of the Bill

as passed in another place, that it was introduced very shortly, and that members elsewhere had opportunities to study the measure in the Committee stage. This course I propose to follow here, and to refrain from giving any further description of the measure on the second reading. The Bill has the support of lawyers in another Chamber, and similar legislation is now in force in other Australian States. I move—

That the Bill be now read a second time.

On motion by Minister for Justice, debate adjourned.

### **BILL—GUARDIANSHIP OF INFANTS ACT AMENDMENT.**

#### *Second Reading.*

**MR. NORTH** (Claremont) [9.58] in moving the second reading said: This Bill follows on the previous measure. It proposes to strike out Section 11 of the existing law with respect to guardianship of infants. That section must be deleted if we are to carry out the new provision made in the other measure. I do not think any further description is necessary, and I urge the House to carry the second reading. I move—

That the Bill be now read a second time.

On motion by Minister for Justice, debate adjourned.

### **MOTION—RAILWAYS, GOODS RATES BOOK.**

#### *To Disallow By-law.—Discharged.*

Debate resumed from the 18th October on the following motion moved by Mr. Seward (Pingelly):—

That the alterations and additions to Railways By-law 55, as published in the "Government Gazette" of the 29th September, 1939, and laid on the Table of the House on the 3rd October, 1939, be and is hereby disallowed.

**THE MINISTER FOR RAILWAYS** (Hon. E. Nulsen—Kanowna) [10.0]: The present position in regard to the motion is that it is an Order of the Day which can be discharged under Standing Order No. 219. I move—

That the Order of the Day be discharged from the notice paper.



**MR. SEWARD** (Pingelly) [10.1]: I realise, as the Minister has pointed out, that the action taken by the Government to circumvent a decision of the Upper House in a way defeats the motion now before this Chamber. I shall not oppose the Minister's motion; but I intend when this House is dealing with the Railway Estimates, to give members the opportunity to express their opinion on the regulation.

Question put and passed.

## **BILL—FACTORIES AND SHOPS ACT AMENDMENT (No. 1).**

### *Second Reading.*

**MR. NEEDHAM** (Perth) [10.2]: This Bill was introduced in another place and passed through that Chamber. Its object is to reduce the hours of employees working in garages and service stations in the metropolitan area. It is an industrial measure, and the fact that it is so and that it was agreed to by another place, should be a good recommendation for it here. The industry with which the measure deals has developed along unsound lines. There has been extraordinary competition, and the public has enjoyed a good service at the expense of the workers engaged in the industry. If the measure becomes law, it will be operative only within a radius of 12 miles from the Town Hall, Perth. The trading hours will be from 7 a.m. to 8 p.m. on Monday to Friday inclusive, and from 7 a.m. to 1 p.m. on Saturday, Sunday and holidays. We therefore have five days of 13 hours each—65 hours—and two days each of six hours, making a total of 77 per week. I do not think much objection can be raised to a measure that has for its object the shortening of hours to 77 per week, when in most industries throughout the Commonwealth the prevailing hours are 48 and 44. One can easily imagine what hours these employees now work when this Bill proposes to reduce them to 77 per week. Compared with a working week of 44 hours, 48 hours, or even 52 hours, this measure cannot be described as drastic. The Bill will affect three sections of the community. The first section is the owners of motor cars. I understand there are 1,463 service stations, or what are termed "re-seller pumps" in the metropolitan area.

Mr. F. C. L. Smith: This Bill does not apply to the whole of the metropolitan area.

Mr. NEEDHAM: No. As I have said, it applies to an area having a radius of 12 miles from the Perth Town Hall. It is computed that no motorist has to travel more than  $3\frac{1}{2}$  miles to a petrol pump, and that cannot be considered a hardship to him. The average motor car has a tank capacity of about ten gallons, and the average mileage is 20 miles to the gallon. Thus the car could travel 200 miles on that quantity of petrol. A motorist can obtain petrol as usual outside the metropolitan area. Members will no doubt recall that at the beginning of September last, when war was declared, motorists made sure that their tanks were filled for that week-end. If they can do it at such a time, they can do it each week-end. Provision is made in the Bill for emergencies. A motorist will be enabled to purchase petrol outside the prescribed hours of trading, on condition that he makes certain entries in a book provided for the purpose. Motorists can now obtain petrol from garages from 8 a.m. to 8 p.m.: in many cases till 11 p.m., and in other cases at any hour of the 24. The second section of the community to be affected by this measure will be the garage employees. They will be affected beneficially.

Mr. Raphael: Some of them will be put out of work.

Mr. NEEDHAM: I do not think so. That is an old gag, and I am surprised to hear the hon. member putting it forward. It is an argument raised by people who do not desire the Bill to become law. Not only will the Bill benefit employees of the garages, but the proprietors themselves will benefit, as they must be at the garages at all hours. The public has not complained about the measure. True, certain petitions have been presented. I have received one myself, and have also had representations made to me in support of the measure. The parties concerned who concur in the legislation and agree that it is required are the Royal Automobile Club, the Garage and Service Station Owners' Association, and the Garage Employees' Union. About 7 per cent. of the daily consumption of petrol in the metropolitan area is sold between 8 p.m. and 11 p.m., so that little inconvenience will be caused to the travelling public. That percentage applies also to Sunday trading. Some opponents of the measure contend that

if it be passed, a number of garage employees will lose their work. That may or may not be so, but I do not think that will be the effect. Other opponents suggest that the measure will injure their business and cause them to close down. Those arguments are not new. Every time an attempt is made to shorten hours of labour, those stock-in-trade arguments are advanced—loss of employment and injury to business. They were advanced when hours of workers in general industry were reduced from 60 to 54 per week, and again when hours were reduced from 54 to 48 and 44 per week.

Hon. C. G. Latham: These workers come under an award of the Arbitration Court.

Mr. NEEDHAM: The Leader of the Opposition will not contend that these employees should be compelled to work round the clock. Surely the Leader of the Opposition has no objection to these particular employees having a working week of 77 hours. Surely Parliament has every right to pass legislation of this nature. The petition which was forwarded to me in opposition to the measure came from some owners of garages. On the other hand, I have letters from other garage-owners who consider the legislation is necessary. I trust I shall secure the support of hon. members. The measure is not drastic; it will not cause increase of unemployment if it becomes law, and I do not think any garage-owner will be seriously inconvenienced. I move—

That the Bill be now read a second time.

Mr. SAMPSON: I move—

That the debate be adjourned.

Motion put and negatived.

**THE MINISTER FOR LABOUR** (Hon. A. R. G. Hawke—Northam) [10.17]: The Bill is very much in line with an amendment contained in a measure that was introduced in this House in 1937 for the purpose of amending the Factories and Shops Act. The portion of that Bill to which I refer was approved by this House after a fair amount of debate. It was defeated in another place by a small majority because of the difficulty, which at that time could not satisfactorily be adjusted, in connection with the right to sell petrol during prohibited hours to motorists who required it for the purpose of continuing a journey. The Bill before us was introduced in another place.

The difficulty of providing for petrol to be made available during prohibited hours has been satisfactorily overcome. If the Bill becomes law, petrol will be made available during such hours in a way that I think will prove satisfactory to service station proprietors as well as to motorists. The Bill has everything to recommend it. It will apply only to the metropolitan area and will introduce a degree of control regarding hours during which these service stations may remain open, which will to an extent rationalise the distribution of petrol.

Mr. Sampson: And cause inconvenience.

The MINISTER FOR LABOUR: The hon. member suggests that inconvenience will be caused. On the basis of that argument we should allow grocers' shops to remain open all night, and every other shop, too, because the closing of any shop at 6 o'clock in the evening might cause inconvenience to some people, probably including the member for Swan. If the hours during which petrol may be sold are restricted, 99 per cent. of the motorists will soon accommodate themselves to the new conditions. One important point should be considered when the Bill is in Committee. The Commonwealth Government has suggested that action may be taken at a later stage to prohibit entirely the sale of petrol on any Sunday. If the Commonwealth Government does take such action, it will mean that service stations in this State will be closed from 1 p.m. on Saturday until 7 a.m. on the following Monday. That, of course, would be a very long period.

Mr. Sampson: They do not close at 1 p.m. on Saturday now.

The MINISTER FOR LABOUR: No one has suggested or stated that they do. I have said that if the Bill becomes law and the Commonwealth subsequently takes action to prohibit the sale of petrol on Sundays, service stations in this State will remain closed from 1 p.m. on Saturday until 7 a.m. on the following Monday. In Committee, action should be taken to give power by regulation to alter the trading hours on Saturdays. If that be done and the Commonwealth later takes the action contemplated, the Minister concerned in this State will be in a position to adjust the trading hours on Saturdays, and thus meet the difficulty that would arise from

the contemplated action of the Federal authorities.

Mr. Hughes: Do they propose to do that by regulation?

The MINISTER FOR LABOUR: The Commonwealth does everything, or practically everything, by regulation.

Mr. Hughes: There will be no constitution left if we continue to encourage them.

The MINISTER FOR LABOUR: If the Commonwealth Government does by regulation what I suggest, that will be a comparatively minor action. That Government has in recent weeks effected some tremendous changes by regulation. I imagine it would not hesitate to prohibit by regulation the sale of petrol on Sundays if it considered circumstances warranted such action. I have no objection to the Bill, which is long overdue. Similar systems are operating in some of the other States and I am sure that all the motorists in those States have accommodated themselves to the altered conditions, and that no inconvenience is now suffered by them. I am sure, too, that if the Bill becomes law, the motorists of Western Australia will soon accommodate themselves to the new conditions. The large majority of the proprietors of service stations desire the change, and all of the employees desire it.

Hon. C. G. Latham: Some of them will get a permanent change, of course.

The MINISTER FOR LABOUR: I am sure that few, if any, motorists will raise any objection to the change aimed at in the Bill. I understand the Royal Automobile Club is favourable to the measure.

Hon. C. G. Latham: You know why; there is special provision for them.

The MINISTER FOR LABOUR: I remember that when we introduced our Bill dealing with this matter in 1937, the club emphatically declared its opposition.

Hon. C. G. Latham: They are specially provided for in this Bill.

The MINISTER FOR LABOUR: The fact that the club has raised no objection on this occasion indicates that it favours the Bill. My opinion is that we should have a Bill that goes much further than this does.

Hon. C. G. Latham: Then what about introducing one?

The MINISTER FOR LABOUR: If there is one distributing activity in this

State that requires severe rationing, it is this. There is a service station on almost every corner, and new ones are being erected every day. The overhead charges in connection with the distribution of petrol are tremendous. Every additional service station erected increases those charges and that has the result of keeping petrol prices at a higher level than they should be. I would have preferred to see a Bill going much further than this one. However, this is a step in the right direction. The measure can be tested out. We have the experience of other States to guide us. I am convinced that, after the proposals have been tried out, a successful attempt will be made to ration the distribution of petrol supplies in this State. I support the second reading.

MRS. CARDELL-OLIVER (Subiaco) [10.25]: I wish briefly to support the Bill for the practical reason that I have been to almost every garage in my particular district and to many other garages and have asked both the masters and the employees whether they wanted this measure passed. Some proprietors have shown me their books, which have disclosed that on Sunday nights they sell very little petrol. Not sufficient is sold to make it worth while for them to keep the stations open. As both employees and masters wish the Bill to be passed, I support the second reading.

MR. SAMPSON (Swan) [10.26]: I am sorry the Minister has given his support to the Bill, which is another step in the restraint of trade, another movement to reduce the number of those enjoying work. When introducing the measure, the member for Perth (Mr. Needham) stated that the public had enjoyed service at the cost of the worker. Of course the public has done so because the worker is always pleased to give his service. That is the object of the establishment of service stations. The Bill is littered with a number of emergencies. If the Bill were justified, there should be no need for so many emergency conditions. Actually, the Bill deals with what is a Federal matter and, under present conditions—that is under war conditions—the Federal Government may take the matter out of the hands of the State Government. If the price of motor spirit is increased a further sixpence with the idea of decreasing the con-

sumption of spirit, and the service stations are closed on Sundays, that should be sufficient to satisfy those who are opposed to anything in the way of work.

The Minister for Lands: On your argument we should allow all the printing works to be open till midnight.

Mr. SAMPSON: Not at all. People do not need to have printing done for them on their journey. Printing does not provide motive power.

The Minister for Lands: Mental motive power.

Mr. SAMPSON: Then I will say that for the sake of the Minister, I am prepared to make an exemption in certain instances. I regret that the member for Perth did not mention that those who work in service stations do so under an award. I am advised that they work 48 hours a week. Work in a service station is not hard and on occasions the employees may go for a considerable time without doing anything. In the circumstances 48 hours is not a long period.

Mr. Needham: They are still on duty.

Mr. SAMPSON: That is so, but 48 hours at a service station would not be equivalent to more than 40 hours' work at an ordinary trade. I feel very concerned about this measure. The Bill is limited in its operations to a radius of 12 miles. It is the same with all similar Bills that are introduced. This is the thin end of the wedge. If Bills of this description are allowed to pass it will not be long before the area is increased, and even Northam will be brought within the restrictions. There is a minimum wage for those working in service stations. The Minister for Employment is chiefly concerned in finding work for those who cannot get it. He is now arguing against himself.

The Minister for Labour: Who is the Minister for Employment?

Mr. SAMPSON: I understood it to be the Minister who is interjecting.

The Minister for Labour: As usual you are about nine months behind the time.

Mr. Patrick: You got out of that job.

Mr. SAMPSON: The Minister who supported the Bill is in charge of industrial development, and the two portfolios may be said to come practically under the same heading. If this Bill be passed supplies of petrol will be curtailed. We do not require a Bill to reduce the number of men who are working. In common with the Minister and

the member for Perth I have had a petition against the measure. The union concerned has not expressed itself on the subject. Why this silence, if those who are working in the industry are to suffer? We may be sure the union would express itself if it desired the Bill to go through.

The Minister for Mines: Do not tell us your heart is bleeding for the unionist.

Mr. SAMPSON: My heart is not bleeding.

Mr. SPEAKER: Order! There is nothing about that in the Bill.

Mr. SAMPSON: The Bill will reduce the number who are working in the industry, as the Minister for Mines well knows. He should travel around the country to see what service is rendered at these places.

Mr. SPEAKER: The Bill deals only with the metropolitan area, not the country.

Mr. SAMPSON: It covers only a portion of the metropolitan area; it is a hybrid, indescribable type of Bill. It does not cover the metropolitan area as described in the Road Districts Act, but covers a semi-metropolitan area known only to the member for Perth (Mr. Needham). The passing of the measure will ensure a busy time for service stations on Saturday mornings. The Minister has indicated he hopes by regulation that service stations may continue open after 1 p.m. on Saturday, when no doubt there would be a great rush to obtain motor spirit. We are facing difficult times. At one moment the Minister says we should carry on business as usual, and the next moment he says we should exercise all possible restraint and do what we can to restrict the number of persons employed? What does that matter to him or to the member for Perth? The people concerned are working under awards and are receiving award rates. We are now urged to restrict the hours of trade. This has nothing to do with the Licensing Act.

The Minister for Lands: Do you not think the Bill would encourage people to go to Mundaring during the week-end for their petrol supplies?

Mr. SAMPSON: It will encourage them to stay at home if they cannot get petrol when they want it. Some people do not take out their cars until 1 p.m. on Saturday. Many owners of cars buy their petrol only when they want it for fear of fire, or for fear of their tanks being milked.

Mr. Seward: That is why they do not buy it beforehand.

Mr. SAMPSON: I do not know whether the member for Perth is connected with one of the big petrol depots. It is not safe to store a big supply of petrol in a motor car tank. If I desired to be offensive I would say this was another of that wretched pernickety type of legislation that is brought down to spoil trade, to restrict people's activities, and to irritate and annoy them.

The Minister for Labour: It received the unanimous approval of another place.

The Premier: And was introduced by a valued member of your party.

Mr. SAMPSON: No doubt the Minister finds great virtue in another place. I wish he would look at another place in that light with respect to other matters. In the interests of those concerned the Bill should be defeated. What virtue is there in the 12-mile radius that is specified in the measure? I presume that means within a radius of 12 miles of the General Post Office. We do not want anything of that sort. It has been said that many of those who conduct service stations do not desire to carry on business on Saturday afternoon, on Sundays or on holidays. There is nothing now to prevent them from closing at those times. Why should we seek to restrict the hours in which people can conduct their business. It would be a bad thing to do so. Some service stations remain open for 24 hours, and restaurants open for the same period in other countries. The rights of individuals to supply motor spirit at any time should be preserved to them, and I hope members will agree there is no justification for interfering in the matter. I shall vote against the Bill, but with the wholehearted support that has been given to it by the Minister, I am led to believe that the second reading will be carried.

**MR. CROSS** (Canning) [10.40]: I trust members will not take much notice of the member for Swan (Mr. Sampson). If he had his way men would be working seven days a week.

Mr. Sampson: I would be clever if I could induce you to work at any time.

Mr. CROSS: It is better for the community that it should not be engaged in commercial activities on the Sunday. The Bill is a step in the right direction.

Mr. Sampson: You are not a champion hypocrite, but you are very close to it.

Mr. CROSS: I hope the member for Perth (Mr. Needham) will accept certain amendments to the Bill. I should like to see another section of the community included in it. I refer to firemen who work seven days a week.

Mr. Sampson: Why not have a close season for fires?

Mr. CROSS: I do not see why those men should not be brought under the Factories and Shops Act.

Mr. SPEAKER: Order! The hon. member may not discuss that question now.

Mr. Sampson: Why not bring Heathcote into it?

Mr. SPEAKER: Order! The hon. member must keep order.

Mr. CROSS: The Bill proposes to limit the hours of work for a section of the community, and I thought I would be in order in suggesting the inclusion of another section which works 84 hours a week, with a view to having the hours reduced to 72. The Bill aims at shorter hours of work for people conducting petrol stations. I agree with that principle. The member for Swan can buy such petrol as he wants on Saturday, and should not mind if he cannot get it on Sunday. I recollect that in Great Britain the shops used to open from 7 a.m. to 9 p.m., except on Saturday when they did not close till 11 p.m. Now the shops close almost everywhere in Great Britain at 1 p.m. on Saturday. There was an outcry at the time but that soon died down. In Perth 30 years ago people were allowed to do Friday night shopping, and shops remained open until 6 p.m. on Saturday. When a change was mooted everyone complained, but people have now got used to it. Anyone who now advocated the opening of shops late on Friday or on Saturday afternoon would not be listened to. Certain shopkeepers would, if they could, employ fewer assistants during the first three or four days of the week, because they find the volume of business done on Friday and Saturday is equal to that done on the other days of the week. Some people complain about service stations being closed on Sunday, but I do not know that such restrictions would interfere with the travelling they would do. Service stations remain open for longer hours than does any other class of business. If we find another section of the community suffering unduly we should provide for it also. I

refer particularly to firemen. I support the Bill, and hope it will be carried.

**MR. J. H. SMITH** (Nelson) [10.44]: I support the member for Swan (Mr. Sampson) in his opposition to the Bill, and do so for sound reasons. By our legislation we have restrained people, and by Parliamentary action we have used an undue influence against the energies of the people. The member for Perth (Mr. Needham) in introducing the Bill pointed out that the employees were working 77 hours a week.

Mr. Needham: Nothing of the sort.

**MR. J. H. SMITH**: The Bill means a restriction upon labour. We have the Arbitration Court and there is nothing to prevent the employees from securing the enforcement of their award. Action can be taken to police that award. Garage proprietors and the public claim that there is too much interference with them, and why should we interfere with their privileges? Why should Parliament say to me, if I establish a business and desire to work 20 hours per day, that I must not do so? I am surprised that any member of the Opposition should approve of such legislation. The next thing will be that the Government will tell the dairy farmer that he must not start work at 4 or 5 a.m. or work after 9 or 10 o'clock at night. It is entirely wrong to say that people should not be allowed to work if they desire to do so, provided arbitration court awards are obeyed. When we enforce restrictions we curtail the avenue for employment. Probably another 50 or 100 men or boys would be employed if we allowed garages to remain open throughout the full 24 hours. Probably every member has received a circular from garage proprietors who oppose the Bill, and they are right in resenting such an attack upon their freedom. I oppose the second reading of the Bill.

**MR. NORTH** (Claremont) [10.48]: I support the second reading of the Bill. The garage people in my electorate desire the legislation, and that is sufficient justification for my support. In general the Bill affects only the metropolitan area, and I was surprised to note the opposition by country members to a matter that does not concern their areas. I would not oppose lengthened hours if it paid garage proprietors to en-

gage shifts of employees, if that could be done without the charging of rates that the public could not afford to pay. I support the second reading of the Bill.

**MR. HOLMAN** (Forrest) [10.50]: I support the Bill because its provisions will assist workers in the industry without unduly affecting trade. One argument advanced against the proposal was that it could be left to the Federal Parliament to deal with by way of restrictions upon the use of petrol. One can hardly conceive that the Federal Parliament would effect a reduction by closing garages on Sunday, thereby rationing supplies of the fuel. That could easily be overcome by securing petrol requirements during the week. Strangely enough, practically all metropolitan members are in complete harmony in their support of the Bill. I presume they have taken the trouble to secure the opinion of their constituents and so are able to endorse the measure. The argument regarding the restriction upon trade was the weakest I have ever heard. If we were to follow that suggestion to its logical conclusion, we could view the position regarding commodities other than petrol and wonder why we have not been starved because certain articles cannot be obtained on Sundays. We have always been restricted in our liberties in various directions. Intense criticism has been indulged in regarding hotels at Kalgoorlie that reputedly are allowed to remain open on Sundays. Those critics say, on the other hand, that the garage trade should be permitted on Sunday in the metropolitan area, presumably because a different kind of liquid is affected. Another argument that appealed to me as ridiculous was advanced by those who already enjoy on Sundays what they seek to deprive the garage employees from participating in. They have their freedom on Sundays, but the garage employees are to remain at work for their special benefit. Moreover, they desire that to be done by legislative inaction. The member for Swan (Mr. Sampson) criticised the Minister because of his attitude and suggested that employment would be restricted. Of course, we could probably increase employment by cutting out some overtime, and I hope the member for Swan will bear that in mind in the future. Certainly I cannot appreciate how the Bill could restrict trade to the extent suggested. On the few occa-

sions I have endeavoured to find a garage that was open for business at midnight, I have been unsuccessful, with the result that I took good care not to be again placed in that position. The arguments that we have heard advanced against the Bill are similar to those of earlier days when the workers first attempted to improve their conditions, when what we now term civilisation was being developed and industrial conditions were being changed. To my mind, the proposal embodied in the Bill is years behind its time. As to the 12-mile limit provided in the Bill, most of the garages within the metropolitan area have employees at work, but in most country districts the employer himself is generally in charge when the premises are kept open late at night. There is not so much competition in the country districts and if a measure of control is not provided in the Bill, the decent employer who closes down his service station will be disadvantaged by the unscrupulous employer or the employer who really thinks he should have the right to keep his premises open, as the opportunity will be there to enable them to filch the trade from the proprietors who desire to give their employees a day's rest from work. The arguments that would undoubtedly apply to the country areas cannot be raised regarding the metropolitan service stations.

Mr. J. H. SMITH: Why call them unscrupulous employers? Does not the Railway Department employ men on Sunday?

Mr. HOLMAN: I am not particularly interested in garage proprietors, but I have had dealings with certain employers, and I know there are different types of employers.

Mr. Doney interjected.

Mr. HOLMAN: I assume there are good and bad in all sections of the community, even amongst interjectors. I support the second reading, because the Bill contains a necessary reform, and because the majority of the service-station proprietors and employees are in favour of it.

**MR. NEEDHAM** (Perth—in reply) [11.1]: The only opposition to the measure has come from the member for Swan and the member for Nelson. I did not expect the support of the member for Swan; therefore I was not surprised at his opposition. He has proved himself a true conservative in this as in other matters. The member for

Nelson is quite wrong in his interpretation of what I said in my second reading speech. I said the object of the Bill was to limit the hours, and that no inconvenience would be caused to motorists. A reference to the maps hung in the Chamber will prove this. Mention has been made of probable action by the Commonwealth Government under the powers contained in the National Security Act, which will probably prevent the opening of the garages on Sunday. That can be only a war measure, and I hold that if people can restrict trade to certain hours under a war measure, they ought to be able to do so under peace conditions. The measure will have the effect of giving employees engaged in service stations some relief on Sunday.

Question put and passed.

Bill read a second time.

#### *In Committee.*

Mr. Marshall in the Chair; Mr. Needham in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 101:

Mr. SAMPSON: I move—

That progress be reported.

Motion put and negatived.

Mr. J. H. SMITH: I move an amendment—

That the following subsection be added:—“(S) This section will not apply to any garage or service station maintaining a 24-hour service and providing at all times during such 24 hours a break-down lorry for service in case of accident, and which receives from the Commissioner of Police a certificate that such service is required in the interests of the public.”

There is nothing in the measure to entitle a proprietor to remain open for 24 hours. Accidents are occurring almost every hour of the day, and garages should be permitted to remain open to render necessary service. If proprietors are prepared to keep their garages open for the purpose, there is no reason why the proposed new subsection should not be adopted. The Commissioner of Police would have to give permission.

Mr. Cross: Would not it be a monopoly?

Mr. J. H. SMITH: A dozen stations might desire permission, so how could there be a monopoly?

Mr. NEEDHAM: I cannot accept the amendment. The hon. member submitted it

to me, and I pointed out that the Bill in paragraph (c) of Subsection 7, and in the proviso to Subsection 2, already provides for an emergency of the nature suggested.

Mr. J. H. SMITH: I cannot agree with the member for Perth. Service stations will be allowed to render service if they can be located, but they will not be open. Under the proposed new subsection, motorists would know that certain stations would be open.

Amendment put and negatived.

Clause put and passed.

Title agreed to.

Bill reported without amendment and the report adopted.

### **BILL—INCOME TAX ASSESSMENT ACT AMENDMENT.**

Returned from the Council without amendment.

*House adjourned at 11.17 p.m.*

## **Legislative Council.**

*Thursday, 23rd November, 1939.*

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

### **ASSENT TO BILLS.**

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

- 1, Administration Act Amendment.
- 2, Death Duties (Taxing) Act Amendment.
- 3, Wheat Products (Prices Fixation) Act Amendment.
- 4, Government Railways Act Amendment (No. 1).
- 5, Rights in Water and Irrigation Act Amendment.
- 6, Lotteries (Control) Act Amendment.
- 7, Dried Fruits Act Amendment.
- 8, State Forest Access.
- 9, Transfer of Land Act Amendment.

### **MOTION—ADDITIONAL SITTING DAY.**

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [4.35]: I move—

That, unless otherwise ordered, the House meet for the despatch of business on Fridays at 4.30 p.m., in addition to the ordinary sitting days.

I do not think there will be any necessity to sit tomorrow, but it may be necessary to sit tomorrow week.

Question put and passed.