

# Legislative Assembly.

Thursday, 26th October, 1944.

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

## QUESTIONS (8).

### HOSPITALS.

*As to Financial Assistance by Lotteries Commission.*

Mr. LEAHY asked the Minister representing the Minister for Police:

How many hospitals were granted financial assistance by the Lotteries Commission for the period from the 1st July, 1941, to the 30th June, 1944, together with the total amount granted?

The MINISTER FOR THE NORTH-WEST replied:

Eighty-six hospitals received assistance totalling £167,613 5s. 4d. This amount does not include the sum of £26,000 set aside for the purpose of financing country hospital extension programmes after the war.

## COMMONWEALTH HOUSING SCHEME.

*As to Administration.*

Mr. NEEDHAM asked the Premier:

(1) Was an agreement reached at a recent conference of Commonwealth and State Ministers to the effect that the States would be responsible for the detailed administrations of the Government sponsored 30,000 houses?

(2) If such agreement was arrived at, will local Government authorities participate in any way in such administration?

(3) If so, to what extent?

(4) Is it proposed to convene a conference of Commonwealth and State officers to discuss the non-assisted programme of 20,000 houses, and the part local governing authorities will be called on to play in implementing that programme?

(5) If so, when will the conference be held?

The PREMIER replied:

(1) An understanding between the Commonwealth and the States was reached at a recent Premiers' Conference regarding a proposal to build a limited number of houses during the war period. The total number of houses to be built was not fixed, but a quarterly allocation among the States will be made by the Commonwealth Government; the number allocated being dependent on the progress of the building programme and the availability of manpower and material. The States will be responsible for the administration of the scheme, subject to some control by the Commonwealth Government which is sharing with the States in any loss involved.

(2) No.

(3) Answered by (2).

(4) I understand that such a conference will be held, but I do not know whether it is proposed to discuss what part local governing authorities will play in the administration of the scheme.

(5) As the conference will be called by the Commonwealth Government I cannot say when it will be held, but when I was in Canberra recently I was informed that it was hoped to hold it before the end of 1944.

## RAILWAYS.

*(A) As to Tarpaulins.*

Mr. WATTS asked the Minister for Railways:

(1) What were the total costs of repairs to, and replacements of, tarpaulins used by the railways for all purposes during the 1943-44 season?

(2) What was the total cost of repairs and replacements of tarpaulins used by the railways for all purposes during the 1939-40 season?

The MINISTER replied:

(1) £35,144.

(2) £14,363.

**(B) As to Goods Lost in Transit**

Mrs. CARDELL-OLIVER asked the Minister for Railways:

(1) Is any record kept of goods, parcels, etc., that are lost in transit on the railways?

(2) If so, will he furnish the House with such record, covering, say, the months of July, August and September, together with a list recording—

(a) the time that elapsed between the loss and recovery of such articles as have been recovered;

(b) a list of articles that have not been recovered;

(c) whose was the loss in the case of any articles that have not been recovered?

The MINISTER replied:

(1) Tabulated records are not kept. Each case is dealt with individually.

(2) Answered by No. (1).

**BITUMEN.****As to Supplies.**

Mr. WATTS asked the Minister for Works:

(1) Are any supplies of bitumen available in Western Australia for use in making water catchments?

(2) If so, where can these supplies be obtained and on what terms?

(3) If not, is it likely that supplies will be available, and when?

The MINISTER replied:

(1) Some bitumen stocks are held by bitumen distributing companies. Material can only be purchased if a release is obtained through the Department of Supply and Shipping.

(2) Supply sources and prices are:—

(a) Bitumen—From Shell Company: £23 9s. 7d. per ton ex store, Fremantle.

(b) Emulsified bitumen—"Colas" from Shell Company, "Colfix" from Colfix Pty., Ltd. The price is 1s. 7½d. per gallon in drums plus deposit on drums.

(3) See answer to question No. (1).

**BRAN AND POLLARD.****As to Supplies for Poultry Food.**

Hon. N. KEENAN asked the Premier:

(1) Is it the policy of the Government in co-operation with the Federal Government to encourage the breeding and rais-

ing of fowl in order to augment the supply of food for civilian use?

(2) If so, is he aware that there is a great difficulty in obtaining bran, pollard, etc., for such purpose by those engaged in the business?

(3) Will he take steps to make bran, pollard, etc., obtainable in the metropolitan-suburban area?

The MINISTER FOR LANDS replied:

(1) Yes, within the limitations imposed by the supply of stock foods.

(2) Owing to the general expansion in the dairying, pig raising and poultry industries, and the greater use of horses in the metropolitan area, supplies of bran and pollard are inadequate for all purposes. For this reason, certain producers are able to obtain only a quota of their needs of mill offals, as such, based upon previous usage, but ready mixed proprietary foods are also available.

(3) It is extremely improbable that additional supplies of bran and pollard will be available, as flour mills are operating to their maximum capacity.

**FENCING.****As to Army Releases of Steel Posts.**

Mr. LESLIE asked the Minister for Agriculture:

(1) What was the quantity of steel fencing posts released by the Army for distribution in Western Australia?

(2) How many applications for steel fencing posts were received, and for what quantity?

(3) How many applications have been approved and for what quantity?

(4) Have all the available steel fencing posts been delivered to approved applicants?

(5) If the quantity released by the Army is insufficient to meet the number of posts applied for, will he make representations to the appropriate authorities for the release of further supplies?

The MINISTER replied:

(1) 201,000.

(2) An announcement was made that no further applications would be accepted after 18th July, 1944. Nine hundred and thirty applications had been received at that date for a total of 516,636 posts. Since that date

a further 282 applications have been received for an additional 116,047 posts.

(3) Seven hundred and ninety-seven applications have been approved for a total of 200,018 posts.

(4) Deliveries have not yet been completed by firms.

(5) Strong representations have already been made. These resulted in preventing posts being shipped to Victoria, and Western Australia's claims for new supplies are listed with those of other States when available.

### RABBIT POISONING.

*As to Weevil-affected Pollard.*

Mr. WATTS (without notice) asked the Minister for Agriculture:—

(1) Is he aware that much pollard supplied for rabbit poisoning is affected by weevil, and is unsuitable?

(2) Will he take steps to remedy this position?

The MINISTER replied: I am not aware of that, but I will make inquiries, and advise the hon. member accordingly.

### BILL—SUPPLY (No. 2), £1,400,000.

#### *Message.*

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

#### *Standing Orders Suspension.*

On motion by the Premier resolved:

That so much of the Standing Orders be suspended as is necessary to enable resolutions from the Committees of Supply and of Ways and Means to be reported and adopted on the same day on which they shall have passed those Committees, and also the passing of the Supply Bill through all its stages in one day.

#### *In Committee of Supply.*

The House resolved into Committee of Supply, Mr. Marshall in the Chair.

**THE PREMIER** [4.41]: I move—

That there be granted to His Majesty on account of the services of the year ending the 30th June, 1945, a sum not exceeding £1,400,000.

In asking the Committee to agree to the motion, I may point out that the further Supply is necessary pending the passing of the Estimates and the Appropriation Bill.

Supply was provided under the Supply Act (No. 1) to the extent of £2,200,000 from the Consolidated Revenue Fund, £200,000 from moneys to the credit of the General Loan Fund, and £300,000 for the purpose of temporary advances to be made by the Treasurer. The expenditure during the first three months of the current financial year, which was provided for under that authority, was as follows:—

|                              | £         |
|------------------------------|-----------|
| Consolidated Revenue Fund .. | 2,200,000 |
| General Loan Fund .. ..      | 94,000    |

The additional Supply asked for under the Bill on this occasion is £1,400,000 from the Consolidated Revenue Fund. It is anticipated that this will be sufficient to finance our requirements until the Appropriation Bill is passed. No further Supply is required from the General Loan Fund, as the amount already authorised will be adequate. The Estimates are now before the Committee for discussion, and members will have an opportunity to deal with the various Votes. In the circumstances, there is no necessity for me to elaborate further at this stage.

Question put and passed.

Resolution reported and the report adopted.

#### *In Committee of Ways and Means.*

The House resolved into Committee of Ways and Means, Mr. Marshall in the Chair.

**THE PREMIER** [4.44]: I move—

That towards making good the Supply granted to His Majesty for the services of the year ending the 30th June, 1945, a sum not exceeding £1,400,000 be granted from the Consolidated Revenue Fund.

Question put and passed.

Resolution reported and the report adopted.

#### *All Stages.*

In accordance with the foregoing resolutions, Bill introduced, passed through all stages without debate and transmitted to the Council.

### BILL—MORTGAGEES' RIGHTS RESTRICTION ACT CONTINUANCE.

Read a third time and transmitted to the Council.

# **BILL—NURSES REGISTRATION ACT AMENDMENT.**

## *Council's Amendments.*

Schedule of 10 amendments made by the Council now considered.

### *In Committee.*

Mr. Marshall in the Chair; the Minister for Health in charge of the Bill.

No. 1. Clause 2, proposed new section 1B:—Definition of "Mental Nurse"—Add after the word "infirm," line 11, page 2, the words "and those declared to be in need of nervous treatment."

**THE MINISTER FOR HEALTH:** The Council's amendment concerns the definition of "mental nurse" and it is intended that, in addition to the qualifications set out in the Bill, a mental nurse shall also be one entitled to engage in nursing persons who are declared to be in need of nervous treatment. There are patients who are admitted to Heathcote for that purpose, and therefore I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 2. Clause 3:—Insert after the word "nurses," line 35, page 2, the words "on the staff of a nursing training school or hospital."

**THE MINISTER FOR HEALTH:** Provision is made that the board shall include two senior registered nurses in active practice, one of whom shall be trained and experienced in midwifery nursing and infant welfare nursing. The Council desires to provide that the nurses to be appointed shall be on the staff of a nursing training school or hospital. I have no objection to that, and move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 3. Clause 12, proposed new section 303, (1):—Delete the word "two" in line 22, page 9, and substitute the word "twenty."

**THE MINISTER FOR HEALTH:** This deals with penalties. We proposed for a first offence a fine of £2 and for a subsequent offence a fine of £10. The member for West Perth suggested that as it was a matter involving life and death, the penalty was too small. The Council has raised the amounts to £20 and £50 or imprisonment for six months. The new section pro-

hibits an unregistered and uncertificated nurse from conducting or managing a maternity hospital. I move—

That the amendment be agreed to.

Question put and passed: the Council's amendment agreed to.

No. 4. Clause 12, proposed new section 303, (1):—Delete the word "ten," line 23, page 9, and substitute the word "fifty."

No. 5. Clause 12, proposed new section 303, (1):—Add after the word "pounds," line 24, page 9, the words "or imprisonment for six months."

On motions by the Minister for Health, the foregoing amendments were consequentially agreed to.

No. 6. Clause 12, proposed new section 303, (2):—Delete the words "attend or undertake to attend any lying-in woman," lines 28 and 29, page 9, and substitute the words "undertake midwifery nursing."

**THE MINISTER FOR HEALTH:** These words have been used right down the ages since 1680. The medical member of the Legislative Council argued that the term "lying-in" is not to be found in any dictionary. That is wrong; I turned it up in the Oxford Dictionary. However, the Crown Law Department is satisfied that the expression "undertake midwifery nursing" covers the position and, therefore, I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 7. Clause 12, proposed new section 303, (2):—Delete the word "two," line 30, page 9, and substitute the word "twenty."

No. 8. Clause 12, proposed new section 303, (2):—Delete the word "ten," line 31, page 9, and substitute the word "fifty."

No. 9. Clause 12, proposed new section 303, (2):—Add after the word "pounds," line 32, page 9, the words "or imprisonment for six months."

No. 10. Clause 12, proposed new section 303, (3):—Delete the words "attending a lying-in," lines 34 and 35, page 9, and substitute the words "undertaking midwifery nursing of a."

On motions by the Minister for Health, the foregoing amendments were consequentially agreed to.

Resolutions reported, the report adopted and a message accordingly returned to the Council.

# **BILL—UNIVERSITY OF WESTERN AUSTRALIA ACT AMENDMENT.**

## *Second Reading.*

Debate resumed from the 19th October.

**HON. N. KEENAN** (Nedlands) [4.56]:

The speech of the Premier in moving the second reading was eminently moderate. I particularly welcomed the part in which he declared that this is to be a non-party measure. Consequently every member, regardless of the part of the House in which he sits, is to be directed by his judgment according to the reasons presented and not according to any party affiliation. Although the Premier was eminently temperate in the general tenor of his speech, he never for one moment departed from his outlook as His Majesty's Treasurer. Indeed, he made every single point he could possibly make for the Treasurer's case, including even a mention of the present valuation of lands that have been granted for endowment to the University and are now valued at £117,000, whereas at the time they were granted they were not worth 117,000 shillings, which, of course, is giving credit to the Treasury on an extraordinarily generous scale. In effect, as I understood it, and as I think members of the House understood it, the Treasurer's case was based upon these grounds, namely, that the University of Western Australia has an annual expenditure almost entirely met out of the grant made by the House through the Treasury, and that on the old principle that he that pays the piper should call the tune, the Government should have a large, if not a predominant, voice in the control of University affairs.

The most important matter in this Bill, and it was so acknowledged by the Premier in his speech, is the constitution of the Senate. On the basis of the Bill, six members of the Senate are to be elected by Convocation; that means, by a body of all the graduates of the University and also of all the ex-members of the Senate who, of course, are few in number, and also of a number of donors who are still fewer in number—

The Premier: Unfortunately!

Hon. N. KEENAN: Yes, unfortunately. Donors of £100 or upwards! Six members of the Senate are nominated by the Government. The Director of Education is ex-officio a member. The Under Treasurer is also ex-officio a member. And so the posi-

tion of affairs, as far as that count goes, is that there are six representing the Convocation—and I have stated what the word "Convocation" means—and eight Government representatives.

The Premier: The Vice-Chancellor is on the Senate ex-officio, too.

Hon. N. KEENAN: I would prefer it if the Premier will extend a little patience. I desire only to mention the facts. In the course of his speech the Premier said that on the Senate Convocation will be represented by nine members, and that therefore, as against the Government representatives, Convocation will have a majority. But that is not so.

The Premier: I said the Government would be represented by eight, and other people by nine.

Hon. N. KEENAN: I suggest that the Premier should draw attention to any errors I may fall into, in the course of his reply. Convocation elects only six members. There are two elected to the Senate by the salaried staff, and the Vice-Chancellor is ex-officio a member. But neither of those two is elected by Convocation. They are not representatives of Convocation, and conceivably they may hold views very different from those held by Convocation. The Bill provides that four persons are to be co-opted by the Senate as constituted before the co-option. In the selection of those four Convocation, through its elected members, will only have six votes as against eight votes for the Government nominees. It is true that if all the members from the salaried staff and the Vice-Chancellor voted with the elected members of Convocation, then the figure would be nine on that side as a combination of the members elected by Convocation and the two elected by the salaried staff and the Vice-Chancellor as against nominees of the Government; but if one single member of those three was not to take the same view as Convocation, then the Government would succeed in putting any four it chooses on the Senate, if only one of the three joined the Government.

So the matter is one of extreme chance, absolute chance. It may happen one way, but it may just as well happen another way. But what is certain to happen is this, that Convocation will not have control of the Senate, because the members elected by Convocation would, in the special set of circumstances I have just put to the House, be in a very small minority on the Senate

of the University. The important question, therefore, for all who desire to secure the future of the University is, what would happen if this result actually took place? It is clear that it would involve indirect, if not direct, control of the University by the Government; and the University would be no longer autonomous. A university should be a leader of thought in the community, and to be a leader of thought it must be autonomous. That was stated by a very distinguished educationalist many years ago, and it has never been questioned. The Vice-Chancellor of the University of Melbourne, also a very distinguished educationalist, once used words which, I submit, are pregnant with wisdom—

Perhaps the outstanding advantage that the universities of the Anglo-Saxon world enjoy today is their freedom from dictation from outside. No additional financial assistance, however lavish, could repay a university for the loss of its autonomy.

Member: What is "autonomous"?

Hon. N. KEENAN: "Autonomy" means government from inside, and not from outside. Again, speaking of the loss of autonomy by a university and what that means, another distinguished educationalist, the Vice-Chancellor of the University of Birmingham, said—

No calamity could so destroy the university idea and make so impossible the pursuit of university ideals.

I commend those very weighty words, by the distinguished men I have mentioned, to the consideration of members, because of course this is a subject to which very few of us have ever addressed our minds—very few. We have let things happen and not asked why they are happening. We know that the university life has been shaped by itself, and with wonderful results; and we have never asked why that is so. But these educationalists to whom I have referred addressed themselves to the question of why that is so; and why it is so is because of the autonomy that has been enjoyed in the whole British world by the universities. And, speaking again of the loss of autonomy by a university and what that means, Professor Whitehead pointed out that only by reason of the freedom of thought had the standard been maintained which has come down to us from all the ages, and which is the standard that we accept as if it were given to us and never remember that our ancestors worked for it and obtained it.

I propose to review the constitutions existing not here only but in all parts of the British world, not of course in every university but only in the principal universities, in order to bring home to members of this House how this principle of autonomy has been preserved and how actively it has been cherished. There are various constitutions to be found in university organisation in the English-speaking world. There is the freedom of self-government which is to be found at Oxford and Cambridge and Trinity College, Dublin. There is the English provincial system which is found in all the English universities outside Oxford and Cambridge in some form or another of University Court and University Council. There is the American system of trustees. There is the Scottish system of government by bodies which are intimately associated with the past scholars of the university. Scotsmen always use language which is peculiarly appropriate and difficult to understand; they call past students "alumni"—associated with all the past alumni of the University.

The constitution of the Australian universities follows very closely the Scottish system. In all our universities will be found a distinct effort to keep the university governed and shaped by the past graduates, by those who have been through the university and gone into civil life, and who are willing to serve the university for the purpose of preserving its liberties for the future. The three systems to which I addressed myself and which I asked members to follow me in, namely, the system of government in England, in Scotland, and in Australia, all have two principles in common. The first is that they provide for autonomy; and the second is close association with the community. So it was not a light matter that when this university was first established the parent Act provided that as soon as possible Convocation should be called into existence, and that Convocation when called into existence should elect an absolute majority of the Senate.

By that means there was assured, first of all, as I have already stated, autonomy of the university in the highest degree; and, secondly, close touch with the community, so that, as Professor Whitehead said, "The study might influence the market-place, and the market-place influence the study."

Thirdly, there was complete freedom from political control, which is to be seen in its most baneful form in the universities of Germany, which were once not only the homes of learning, but the temples of liberty. What are they now, Mr. Speaker? No longer do they enjoy autonomy; they are the mere creatures of whatever government is in power. In the universities of Sydney, of Melbourne, and of Adelaide the number on the governing body appointed by the Crown is a definite minority. This minority, whilst not affecting the autonomy of the University, serves a very useful purpose. It serves to bring together the university, the community and the Government, and to ensure that there is wise spending of any moneys the Government makes available; but if the Government nominees achieve a preponderant voice in the councils of the Senate then immediately there arises the danger that the interests of the Government and the interests of the party will be served before the true and best interests of the university.

The Premier: What is the interest of the Government? To have an efficient university!

Hon. N. KEENAN: It is not the interest of the Government to have a really efficient university. It is the interest of the Government to have an efficient university according to its ideas.

The Premier: No.

Hon. N. KEENAN: I have no doubt at all, Mr. Speaker, that Hitler imagines that he is doing that. He is having an efficient university, but he is having something that is admirable from his point of view. That is what the Premier apparently thinks.

The Premier: No.

Mr. SPEAKER: Order!

Hon. N. KEENAN: Is not this the Premier's view? If you are a Government, you have a right to say what is the right point of view, and the university is to obey you! That is absolutely falling right across the whole traditions of university life and university work.

The Premier: Do you mean to imply that the Government will tell its nominees what to do?

Hon. N. KEENAN: I think the Premier had better not ask me questions all the time.

Mr. SPEAKER: Order! The hon. member will address the Chair and take no notice of interjections.

Hon. N. KEENAN: I do not propose to take no notice of interjections, as that would be excessively rude, and I never am rude.

The Minister for Mines: Not that you would notice!

Hon. N. KEENAN: I propose to remind the House of what is the position in other principal universities of the British Empire. I mentioned Oxford, Cambridge and T.C.D., Ireland, but those are perhaps far too old in their establishment to warrant any notice being taken of how they conduct their affairs in these days, when all we worship is modern and when we treat with contempt what is sanctified by age. I turn to the University of Glasgow. In the case of that university there is a general council, which is exactly the same as our Convocation. It elects the Chancellor, and together with the academic staff, it elects a definite majority of what is denominated a university court.

Hon. W. D. Johnson: Who creates the council?

Hon. N. KEENAN: The undergraduates—the Convocation.

Hon. W. D. Johnson: You did not say that.

Hon. N. KEENAN: I said the general council—

Mr. SPEAKER: Order!

Hon. N. KEENAN: Mr. Speaker, I am afraid that I am falling rapidly away in my capacity to explain. I said the general council elects the Chancellor, and, together with the academic staff, it elects a definite majority of what is denominated a university court. This consists of undergraduates who have become graduates and then become members of the general council. I was mentioning that this body governs the university and is charged with the well-being and prosperity of the university. There is not a single representative of the Crown on that body. Now I turn to the Birmingham University, again a very distinguished university in the Home country. The Guild of Graduates—again another name for Convocation, of which I hope the member for Guildford-Midland will allow me to assure him—elects 14 members to the governing body, on which there is no Crown nominee whatsoever. I turn to Manchester. The University of that marvellous indus-

trial city is governed by a university court and a university council, which is the executive body. On neither body is there any Crown nominee. I turn to Leeds and to the university of that city. Here, again, the university is governed by a court of 180 members, of which three, and only three—one-sixtieth part of the total—are Crown nominees.

Hon. W. D. JOHNSON: In that case the Crown would contribute.

Hon. N. KEENAN: In practice, this body delegates its powers to the university council. That body consists of 40 members of which one is a Crown nominee.

The Minister for Works: What proportion of the income of that university would be the Government's contribution?

Hon. N. KEENAN: If the Minister for Works will allow me to proceed, I will tell him exactly what happens in that respect. I turn to the university which is known to us all as a most distinguished university, and that is the University of London. That is governed by a university court, which controls finance. The court consists of 16 members, made up of the Chancellor, the Vice-Chancellor, the Chairman of Convocation and 13 others, of whom four are appointed by His Majesty in Council, that is, a quarter of the whole number and limited in their subject-matter entirely to finance, because there is also a Senate of the University of London, which controls everything except finance. That consists of 54 members, including four who are co-opted, and there is no representation whatsoever of the Crown on that body. I propose now to cross the water and go to that part of the world which for many centuries was the home of learning, despite its distressful history, and that is Ireland. The National University of Ireland is governed by a Senate of 35, of whom four are nominated by the Executive Council, which is the same as saying they are nominated by the Government.

The Minister for Works: Those four nominees would probably be "agin the Government!"

The Premier: If they lived up to their form.

Hon. N. KEENAN: I do not think that observation is relevant; I am certain there is no sense in it. Eight members of the

Senate are elected by Convocation and the balance includes 14 elected by the university colleges, the presidents of the constituent colleges, and finally four are co-opted. I again cross the ocean and go to the outlying parts of the British Empire where, after years of struggle with adverse circumstances, fortune has smiled and universities have been built. I will deal with the University of British Columbia. The governing body of that university comprises 36 members, and of that number three are appointed by the Government, 15 are elected by Convocation, nine by the academic staff, and the rest by various bodies like churches, and so on, which are given an opportunity to be represented on the Senate. The nominees of the Crown number three, in a body of 36.

I suppose there are two universities in Canada of which we have all heard. There is the McGill University, graduates of which have frequently come to Western Australia, and also Queen's University. Those universities are of world-wide standing, and both have followed accurately the constitution of the Glasgow University. In neither is there any representation of the Crown on the governing body. Coming again across the waste of waters, I arrive in this part of the world, and on my way here I comment on what happens in Cape Town where the National University of Africa is situated. It is governed by a council consisting of the principal, who is the same as our Vice-Chancellor, and 20 members, of whom five are nominated by the Government, six are elected by Convocation and three by old students. There is apparently a slight distinction between a graduate and a graduate who has been so long a graduate as to be entitled to be regarded as an old student. In addition, one is elected by the Diocesan College, and three by the academic staff. Further—and this might well be followed, though it is not followed, in other parts of the British world—there are, on the governing body, two nominees of the Cape Town Corporation. It is the only university of which I know, or of which I have been told, that adopts the principle of putting on its governing body representatives of the local governing corporation.

I now propose to cross the Tasman Sea, and discover what is the state of affairs in



New Zealand. The University of New Zealand is governed by a Senate which consists of 25 members. Four of the 25 are appointed by the Governor-General of New Zealand, acting for the Government; nine are appointed by the constituent colleges; five are elected by Convocation, and three by the academic staff, and the remainder are co-opted. Amongst the constituent colleges is one at Otago which is a university in itself. It has a Senate consisting of four members elected by Convocation and two by the professorial board, and two appointed by the Governor-General. From this review of the principal universities of the British Empire, it will be seen that throughout the whole of the British world, from Canada to New Zealand, and from Scotland to Australia, in no instance does the Crown attempt to acquire a predominant position on the governing bodies of any one of the universities. In no single case is there the slightest semblance of obtaining a dominant position. On the contrary, in the majority of cases there is no Crown representation at all, and where it does exist, it is an absolutely clear and definite minority.

Let me turn to the position that might well arise in Western Australia under the provisions of this Bill unless it is altered in a manner I shall afterwards suggest. It is more than possible that the members elected by Convocation will be the number set out in the Bill, namely, six; and, with the addition—which is always problematical—of those elected by the academic staff and by the Vice-Chancellor, they would still be in a large minority as compared with the other members of the Senate. Such a position would and could only mean the complete loss of their autonomy. I have told the House not only what I think that would mean, not what is conjured up by the possible excess of enthusiasm; but what educationists of the highest standing have said and what men who have studied the matter in the deepest possible way have enunciated as their settled conviction.

I shall endeavour, in the course of the passage of the Bill through the House, and with the consent of the House and of the Premier—which I hope to obtain—to amend the Bill by providing that the number to be elected by Convocation shall be altered from six to eight, and that the number to be co-opted shall be reduced from four to two, in

order not to increase the size of the Senate. This will bring about the result that if the Vice-Chancellor and the two who were elected to the Senate by the salaried staff voted with those elected by Convocation—the eight that I propose—there would then be, assuming there was a strong division of opinion on some matter, 11 on one side and ten on the other. Surely that does not constitute anything in the nature of an extravagant majority! Surely it is only a bare majority and only, therefore, comparable in a certain very humble sense with the position in every other university in the British Empire.

I also intend to move an amendment which does not relate to the constitution of the Senate but to those entitled to be elected. It provides that part-time lecturers will be capable of being elected by Convocation. This term “part-time lecturer” is at present not defined in the Bill and is therefore likely to be put down as salaried staff, which a part-time lecturer is not. It will be noticed that all the amendments I have asked for and adumbrated will not alter in the smallest way the representation of the Crown, which will have exactly the same representation as the Bill provides. It will not alter the total number of the Senate. All that it does is to readjust the position as between Convocation and the persons co-opted from outside who will be sitting on this body, and it will readjust the constitution of the Senate as provided in this Bill.

I desire to deal with the suggestion which I told the member for Canning I would come to at the proper time, namely, whether the Government, because it finds the funds for running the University, should be entitled to a degree of control, if not complete, at least very nearly complete. The University Grants Committee of the United Kingdom distributes every year amongst the universities of England a sum exceeding £2,000,000. It never has asked or required any representation on the governing bodies of the universities to which it distributes this money.

Hon. W. D. JOHNSON: Does that apply to the London University?

Hon. N. KEENAN: I do not know what sum it gets. Not once has the Grants Committee asked for representation because it finds the money. In the “Encyclopaedia Britannica” members, if they choose to

search for it, will find this reference to that fact—

The creation of this intermediary body has (like the creation of a buffer State) preserved the complete autonomy of the universities which has always been a marked figure in English education.

I invite the attention of members to that comment. Here is a marked figure, not only in the Old Country, but in all its dependencies where its migrants have established themselves and, in the course of time, have built and endowed universities. Here is this marked figure in Western Australia in our present University. Although I admit there has been some laxity of control, which always happens no matter how well arranged matters are, and although I admit that criticism could be levelled at some of the business methods adopted, which again always happens and always will happen, nevertheless the record of the University of Western Australia is one that we can be proud of. I am sure of the sympathetic consideration of my representations designed to save this marked feature in the case of our own University; this matter that is held up as a matter for great pride over the whole Empire. I want to save that for our own University, and I am sure that sympathetic consideration will be extended to my representations, no more by other members of the House than by the Premier himself.

I now turn to the question of the amount which should be forthcoming by the State to finance our University. There seems to be some misunderstanding as to what Mr. Justice Wolff recommended. Undoubtedly he left the Senate under the impression that he was prepared to recommend £48,000. The Premier told us that the Royal Commission recommended that what is termed the ordinary grant—by which is meant the sum made available to the University for some years past, namely £34,500—together with the right to charge fees, should be sufficient for all reasonable financing of the University.

The Premier: I quoted verbatim from his report.

Hon. N. KEENAN: I am not questioning the accuracy of the Premier's statements. The Royal Commissioner recommended that sum, together with the right to charge fees, but if this right to charge fees were not conceded then the Premier told us that the Royal Commissioner recom-

mended a minimum appropriation of £42,000.

The Premier: Out of which the University could save some money.

Hon. N. KEENAN: I am aware that no private member has authority to move for the increase of any vote which occurs in a Bill. I am also aware that if the House expresses, in the course of debate, a decided wish that a particular sum should be reviewed then the Government will give effect to that wish. It is with that object that I am making these remarks.

The Premier: It will give consideration to such a wish, but not effect.

Hon. N. KEENAN: I should have said, "consideration and effect." But I have no doubt that, if the Premier addresses himself to this matter, as I know he will, from a reasonable point of view, he will give effect to it. To begin with, the question of charging fees is one of major policy and therefore one to be determined by the Government, and the Government has determined it. It has determined that no fees are to be charged. This is the only University in Australia, the only one in the British Empire, and I think, although I am not certain, that it is the only University in the English speaking world that does not charge fees.

The Premier: I understand there is one in the United States of America.

Hon. N. KEENAN: I have heard that rumour.

Mr. Rodoreda: This is the only place in the world that cannot afford it, too!

Hon. N. KEENAN: We are proud of the fact that this is the one University in Australia and in the British Empire, for certain, that does not charge fees. If we are proud of it we must be prepared to pay for it. We cannot be proud of it at someone else's cost, or at an absolute financial loss on the part of the University. The grant this year is £38,500, which includes £4,000 special grant. The expected deficit on this year's grant of £38,500 is £3,000. There has been a most careful paring down, where it was possible, of all expenditure, and yet it is still estimated that this year will show a deficit of £3,000, which makes the total figure £41,500. But that figure is by no means the final one, when we remember to take into account what is absolutely certain, namely, that there will be an inescapable increase in expenditure next year. That is

due to many causes, a few of which I propose to mention. One is that no longer will it be possible to avoid the cost of renovations. The building in many places has actually been condemned by the architect for want of renovations. Then again there will be an increase in taxation. There will also be an increased payment to the employees—other than the salaried staff whose salaries will not alter—according to the rise in the basic wage.

Because of these unavoidable costs it is practically certain that, to make ends meet during the next year, the University will need to have at its disposal the sum of £45,000. The Senate has asked, as the Premier told us, for a grant of £48,000 and the reason for that is that the members of that body want not only just to meet their indebtedness and no more, but to have some money to spend on matters that are calling for expenditure. That applies in particular to the Engineering School which at the present moment is a disgrace to the University—an absolute, unqualified disgrace. It is devoid of almost any apparatus and the Engineering School is laughed at by those who visit the University, observe the noble buildings and then see what is being done inside those noble buildings.

The Premier: It has never been laughed at, but is always held in admiration.

Hon. N. KEENAN: Not the Engineering School!

The Premier: It is viewed with pride.

Hon. N. KEENAN: I believe that the Premier, if he will allow me to take him over the institution, will himself be ashamed of the Engineering School.

The Premier: I have been there.

Hon. N. KEENAN: Everyone who has been there has been ashamed of it. I propose to submit for the information of the House a short statement regarding the incomes of other universities in Australia. South Australia is very comparable with Western Australia. Its population is immediately above us on the rungs of the population ladder for the mainland.

The Premier: It is 50 per cent. greater than ours.

Hon. N. KEENAN: Both populations are, comparatively speaking, small, but I am safe in saying that South Australia is without question a more industrialised State than Western Australia. But, on the other hand,

this State possesses far greater riches in its untapped natural resources than does South Australia.

The Premier: Yes, untapped.

Hon. N. KEENAN: It is the duty of the Government to tap them—not merely to remark on the fact that they are untapped. Moreover, if our university is allowed to carry out its functions properly it will produce men capable of tapping those natural resources.

The Minister for Lands: You were a member of a Government that had a go at tapping those resources.

Hon. N. KEENAN: I do not appreciate that mysterious language.

The Minister for Lands: You used it.

Hon. N. KEENAN: Did I? Then that makes it all the more mysterious.

Mr. Cross: Your Government put men on to cut grass in the streets.

Hon. N. KEENAN: I was drawing a comparison between South Australia and Western Australia. I have perfect justification for so doing and for saying that, while South Australia is more industrialised than is Western Australia and therefore a richer State, Western Australia has far greater natural resources than has the neighbouring State. Another point of comparative but considerable importance is the fact that there are 1,168 students on the roll of the Adelaide University as against 990 students on the roll of the University of Western Australia. Therefore there is no great difference in the number of students in attendance.

The Premier: That is because of the population.

Hon. N. KEENAN: At any rate, there is no great difference in the attendances at the Adelaide University and at the University in Western Australia. In 1943 the South Australian Government made a grant to the Adelaide University of £74,761. At the same time that university collected from fees, omitting entirely those paid in the Medical School—we have no Medical School at the University of Western Australia and therefore those fees can well be eliminated—an amount of £38,115. In addition to those sums, the university enjoyed a considerable income which unfortunately the university in this State has not, from donations which totalled £30,426.

Mr. Smith: What did the Adelaide University spend in that year?

Hon. N. KEENAN: I think the whole of the money was spent, but I have not the balance sheet from which to give that detail. I did not bring the university balance sheet with me because we are not here to criticise that phase. The University of Western Australia has only a small income apart from the grant made to that institution every year by the Parliament of the State. Therefore, for the purpose of comparison, the University of Western Australia has an income of no more than £40,000, which is the sum mentioned in the Bill. Our institution has no right to charge any fees, so that its total income remains at £40,000. On those figures our university provides a very poor comparison with the Adelaide University.

Hon. W. D. Johnson: Was the contribution to the Adelaide University an annual grant or was that a special grant?

Hon. N. KEENAN: That was the sum provided by the Government for that year; the grant varies from year to year.

The Premier: It was the grant for the year.

Hon. N. KEENAN: Yes, it was for the year I mentioned.

The Premier: But it was not a representative sum.

Hon. N. KEENAN: Then what it was can easily be disclosed.

The Premier: I will tell you what it was.

Hon. N. KEENAN: I gave the information which I took from the university calendar, which I regard as a representative book.

The Premier: It was one of the university's best years, and the grant was for a special purpose.

Hon. N. KEENAN: I can only give the information that I read.

Mr. Cross: You are telling half the story.

Hon. N. KEENAN: It may be that on account of its large income the Adelaide University launched out on expenditure that otherwise would not have been justified. We are not concerned with that. The fact remains that in that year the Adelaide University had an income of £143,302 and had about 100 more students than were in attendance at the University of Western Australia. I next propose to refer to the Melbourne University, although I may be said to be taking an extreme case. For 1942, which is the latest year for which particulars appears in the university calendar for 1944, the Government grant was £110,700; the fees collected for that year amounted to

£67,212 while the university's income from other sources such as dividends, etc., was £40,003, making in all an income of £217,915. There are 3,002 undergraduates at the Melbourne University, so that it will be seen that the Melbourne University has three times the number of undergraduates that we have in Western Australia.

The Premier: And Victoria has four times our population.

Hon. N. KEENAN: I do not know that that has the least bearing on the matter.

The Premier: Of course it has.

Hon. N. KEENAN: I am pointing out what I think is very relevant to the point at issue, namely, that the number of students attending the Melbourne University is just three times the number attending the University of Western Australia, yet the Melbourne University has more than five times the income that is received by the university here. That is the comparison. Turning now to Queensland, members will recollect that the Premier gave us some figures regarding the university in that State, but I have found it hard to trace those particulars. The university authorities here have been unable to trace them. It is presumed that the Premier obtained the particulars from the Commonwealth Year Book for 1941, but when examined the figures therein have been found to be irreconcilable. I examined them for the purpose of bringing the matter before the House not in respect of the year when a special grant was made but when the ordinary grant was made in 1939, which particulars will be found in the Year Book of the Queensland University for 1940. In 1939 the grant made by the Government was £33,945, the fees collected totalled £39,312 and the revenue from other sources amounted to £30,341, giving a final total of £103,598, and the number of undergraduates on the roll was 1,710. A telegram was sent to Queensland in which it was asked whether, for the purpose of discussion, the figures mentioned were accurate, and the reply states that in 1943, which I presume is the year referred to by the Premier, the statutory endowment was £40,000, there was an additional endowment of £5,000, and the amount collected by way of fees was £30,000.

The Premier: If you propose to charge fees to get the money, I cannot agree with you.

Hon. N. KEENAN: I have made no suggestion whatever to that effect. On the contrary, I told the House that we are all proud of the fact that ours is the one university in the British Empire that does not charge fees. I am pointing out that other universities are in a position to carry on their work without having to go to their respective Governments as our University unfortunately has to do, cap in hand for funds. It will be seen that in the case of all the Australian universities I have quoted, the amounts collected under the heading of fees are large and substantial amounts. In Queensland and New South Wales, the amounts derived from fees actually exceeded the amount granted by the respective Governments. I have not obtained figures relating to the University of Tasmania; they are on the way, but unfortunately have not arrived. However, I am informed that the position in Tasmania compares even more favourably than that of any other State for the purpose of showing that the treatment of our university is, to say the least, very poor. It so happens that in Tasmania fees are charged, and therefore that university has an opportunity to supplement its income. Consequently, stripped of all inconsequential details the comparison by no means flatters Western Australia; nor would it flatter Western Australia even if the £42,000 proposed by the Royal Commissioner were granted.

The Premier: And yet we are proud of our university.

Hon. N. KEENAN: For the reasons I have given, £42,000 would not meet the needs. It is not a case of the Senate having an opportunity to allot its expenditure. There is a certain amount of expenditure that is inescapable, and with that inescapable expenditure, the sum of £42,000 will not meet the needs.

Hon. W. D. Johnson: You admit that £40,000 is the minimum, not the actual amount?

Hon. N. KEENAN: I hope this House will give consideration not merely to all the examples I have quoted as examples of the system prevailing throughout the whole of the British Empire without any exception whatever, but also to the comparisons I have made between universities in Australia on the financial side. There is another matter I wish to mention. In the Bill provision is made whereby the Senate

may use trust funds for the purpose of improving properties in its possession and making them revenue-producing, but it is provided also that every single penny of revenue must be handed back to an appointed account for the purpose of repaying the full amount of money that has been borrowed. Consequently, there can be only one result. It will be many years before the Senate will enjoy a single penny of income from those improved properties, because every penny has to go back to the Treasury.

Hon. W. D. Johnson: Until the amount borrowed is wiped off.

Hon. N. KEENAN: Yes, and under ordinary conditions, that means a period of 15 years.

Hon. W. D. Johnson: Of course, it would not be an endowment if it were otherwise.

Hon. N. KEENAN: When the Bill is in Committee I intend to suggest a more equitable proposal, and I feel sure it will receive full and sympathetic consideration from the Premier. The Guild of Undergraduates has entered into communication with me asking me to place before Parliament a request for the representation of that body on the Senate. I am aware that the Royal Commissioner reported against this, and I am also aware of the Premier's attitude. The Premier quoted with approval the attitude taken by the Royal Commissioner.

The Premier: I gave the recommendation of the Royal Commissioner.

Hon. N. KEENAN: I point out that we are living in an age when the young day by day are getting a larger and larger say in everything, and surely it might well be that we should allow an experiment of a small kind in this direction at our university and concede this prayer of the Guild of Undergraduates.

Hon. W. D. Johnson: Convocation has not suggested that.

Hon. N. KEENAN: I have told the House exactly what happened. The Guild of Undergraduates brought the matter before the Royal Commissioner. The Premier has told us that this measure means a radical change in the relations between Convocation and the Senate. If the Bill becomes law the change will mean that Convocation will be simply a body entitled to offer suggestions on matters arising in the conduct of the business of the univer-

sity. Today, and ever since legislation was passed to establish the university, Convocation has had a final say in many matters affecting the government of the university, so this is a very radical change. The Warden of Convocation, who is chairman, has asked me to protest against this alteration in its status, and I do so willingly, because Convocation is a link between the Senate of the university, the Government of the day and a large body of graduates who are to be found in every section of the community.

Mr. Cross: And all over the world.

Hon. N. KEENAN: To deal with this matter I have placed on the notice paper what is a mild amendment. I have purposely drawn it mild because I wish it to be successful, and I hope that it will at least be accepted. The two matters of vital importance to all well-wishers of the University of Western Australia are, firstly, the matter of the constitution of the Senate, and, secondly, the matter of the annual grant. I hope that a reasonable view will be taken by members on both of these major issues on which the whole future of the university will depend. In the case of the composition of the Senate, I ask that there should be such a re-allocation of the numbers set forth in the Bill to constitute the Senate as will give Convocation the right to elect eight members instead of six. As the Premier at the close of his speech invited suggestions in relation to the composition of the Senate, I presume that he has an open mind on the matter, and I presume also that if this alteration will in no way alter the proportion of Government nominees who may sit on the Senate, or the total number of the Senate, he will give it his most favourable consideration. Now as regards the amount of the grant! If fees were allowed to be charged, then, taking the result of the imposition of fees in South Australia and in other States, it is fair to estimate that here in Western Australia on the same basis a sum of about £15,000 would be collected; that is, just £15 per head of students per annum.

The Premier: The Royal Commissioner estimated £13,000.

Hon. N. KEENAN: But £15,000 is the figure arrived at after more mature consideration. When we remember that in South Australia the contribution by way of fees taken on the basis of students attending the

university is over £30 per head, I think it is reasonable to make a forecast that we would reach the figure of £15,000. Now take the ordinary grant that was made before the addition of £4,000 last year. That is £34,500. If we add to that the £15,000 which fees will bring, we get a total of £49,500; and that would exceed absolutely all that the Senate has ever asked for or ever hoped usefully to employ. That is the only sum which I have heard mentioned as being almost what one would describe as the outside figure. The question therefore boils down to this: Is it not the duty of the Government to make good that which arises from the enforcement of its policy?

No one suggested that fees should be charged—no one! The Senate has never suggested it except as a desperate alternative. Only under those conditions has the Senate suggested it. No one in this House has suggested it. But surely it is neither illogical nor extravagant that if the Government says, "This is our policy," and we agree with it and carry it out, the Government should foot the bill. If the Government did that, there would be no question whatever about the amount that the University is to be in receipt of. The Premier suggested in the course of his initial remarks some kind of comparison between the cost of primary education and the cost of university education. I am very surprised that the Premier, who is a man of very great sense, should make such a comparison, because the circumstances are not at all the same, not in the least comparable. The University is the expression of the highest degree of culture in the community. It is the guardian of culture and of learning. If you lower the standard of culture by crippling the resources of the University, what will be the result? There will be reactions in every single section of the community, because the University permeates all sections and is in touch with all sections. The only result would be a general falling-off in the standard throughout the whole community. Let me again remind the House of what Professor Whitehead in his "Aims of Education," said, and particularly of university education—

That study may influence the market-place, and the market-place the study.

That, he pointed out, was essential in all scholastic endeavours, but most essential

in the case of the University. I recommend that to the House as something that is absolutely and entirely true. If you degrade the University, you degrade everything that is worth mentioning in the whole of the community.

The Premier: All we do in the way of degrading the University is to give it an extra £5,500!

Hon. N. KEENAN: That is like giving a man, who has a debt of £1, 18s. to pay it with—or 14s.

The Premier: Oh, no!

Hon. N. KEENAN: What is the use of giving £4,000 to £5,000 even on the report of Mr. Justice Wolff? It does not enable the University to pay its way. Mr. Justice Wolff said that £42,000 would be required just to make ends meet—nothing more. The Premier says to the University authorities, "We will give you £40,000," and then he asks them to be grateful. Everybody, Mr. Justice Wolff included, knows perfectly well that the University will not be able to pay its debts then.

The Premier: Yes, it will. We paid its debts several times.

Hon. N. KEENAN: Does the Premier want to keep the University authorities in this position, that they are always to come to him as beggars proclaiming that if they do not receive aid from the Government they will have to close?

The Premier: They never told you that in those words!

Hon. N. KEENAN: They must come as beggars, and then the Premier will pay their debts instead of giving them money sufficient to pay their debts and treating them as honourable and independent men. Now we are told on every hand that after the coming of peace there will be a great forward surge which will bring a world into existence happier and greater and more magnificent than any world has ever been. If it is to go through, be certain of this: Unless the University of Western Australia is allowed to realise its destiny and to educate and train men who will be fit to lead, there will be no such world brought into existence in Western Australia. Give the University the chance, give it the resources to enable it to train those who will be capable of leading, and then when the hour comes we shall bless our good fortune that we used

the opportunity to make the University strong and free. I propose to recommend to the House, and particularly to the Premier, the amendments which I forecast and which are on the notice paper, so that members will have every opportunity of studying them. Should there be any other amendments I wish to make in consequence of my remarks, I shall place them on the notice paper also. I hope that every member will address himself to this matter; it is not for themselves that they should do so.

The Premier: I hope you are not addressing the House as a special pleader for one institution.

Hon. N. KEENAN: Whom does the Premier suggest?

The Premier: You are making a special plea.

Hon. N. KEENAN: I am making a plea of the truth of which I am convinced.

The Premier: That is right.

Hon. N. KEENAN: Not only is the University essential to the present fortunes of Western Australia; it is essential to its future. I am not putting a single matter forward without at the same time giving the proof of what I state. I do not pretend to have discovered everything I have said. I have had assistance in discovering it, but everything I have said can be proved from documents which can be identified, and that is not special pleading.

The Premier: It is special pleading.

Hon. N. KEENAN: Special pleading is to put a case unfairly and allow it to be confused by irrelevant matter, although there are others in the House who are perhaps not quite as scrupulous as I happen to be. I invite every member of the House to make up his own mind. The Premier has said this is not a Party matter. I invite members to examine the reasons I have given them; they are reasons taken from documents and statements made by educationists of the highest standing. They are not my own views merely, but the views of those who are entitled to be heard. If members do so, I have no doubt that we shall fashion this Bill, if not completely, at any rate to a large degree in a more favourable direction than it stands today.

On motion by Mr. Watts, debate adjourned.

## BILL—RURAL AND INDUSTRIES BANK.

### *In Committee.*

Resumed from the 24th October. Mr. Marshall in the Chair; the Minister for Lands in charge of the Bill.

Clause 58—Amount of loan and nature of security:

The CHAIRMAN: On this clause the member for Beverley had moved an amendment to add the following proviso:—

Provided that notwithstanding any other provisions of this Act or the provisions of any other Act, or any security, interest shall not be payable on the interest (if any) in arrear at the date of commencement of this Act in respect of any security formerly held by the Agricultural Bank which by this Act is vested in or held by the Bank and the amount of such interest in arrear (if any) in respect of each person so indebted for interest in arrear shall be entered in a separate account.

Hon. W. D. JOHNSON: When progress was reported, the Leader of the Opposition had become a little heated because of an interjection I made with regard to his interpretation of compound interest. No one likes people to be penalised unfairly; and, of course, compound interest will in the long run ruin any financial proposition. The Leader of the Opposition will appreciate that consideration cannot be extended in such a way as to avoid payment of compound interest and at the same time not recognise that current interest must be paid promptly. The amendment will simply extend consideration to a client who may be called upon to pay compound interest.

Mr. Watts: It definitely will do so, because his interest on the old account is in arrear. There is no "may" about it.

Hon. W. D. JOHNSON: Each individual case must be examined on its merits, and the greatest care must be taken, where a departure is sought to be made from a recognised right, to impose a penalty for not meeting just and due obligations.

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

Hon. W. D. JOHNSON: I was saying that in any suggestion of this description it is possible to deal only with individuals. We cannot incorporate in an Act of Parliament a provision that special consideration should be given to a group. There may be special circumstances that would influence the Minister, if he were given that

authority, to extend consideration to an individual. But the amendment is not on those lines. It provides that those with arrears of interest at the time the bank comes into operation on securities held by the bank shall not be charged interest on that interest. But we must be careful that we legislate for the scrupulous and not for the unscrupulous. We must not anticipate that people will be unable to meet their obligations. Why should we go back under this measure and say to those who have paid accommodation interest—and I have done so—that they are to be called upon to continue paying interest, but that those who have not paid their interest are to be exempt from the payment of accommodation interest or compound interest in regard to those arrears existing at the time of the taking over?

In all these business arrangements, consideration is extended to the scrupulous and there is provision for penalising the unscrupulous. In all mortgages, there is fixed a given rate of interest. If the borrower pays that, it is considerably less than if he failed to pay, in which case he must find a higher—sometimes a 50 per cent. higher—rate than if he had met his obligation on the due date. I hope this amendment will not be agreed to, because it would be a weakness and would discount the value of this legislation altogether. We must aim at stability and that cannot be achieved if the measure extends financial advantage to a section as against the people generally. The man who pays should not be penalised, but the man who does not pay should be taught that he entered into an obligation and that he should see it through.

Mr. THORN: The hon. member talks about the man who pays and the man who does not pay and, according to him, the man who does not pay is an unscrupulous person. That is a poor argument. The amendment is designed to freeze arrears of interest, and prevent them from standing as a debt against a farmer with compound interest added to it all the time.

Hon. W. D. JOHNSON: Would you add it to his debt?

Mr. THORN: We are asking that this interest be compounded and kept separate. If the farmer is given an opportunity to succeed he will have a chance to pay off the arrears of rent. The man who does not pay



is mostly one who cannot pay. I suppose there are unscrupulous people in every walk of life, but this is an honest attempt to give men a chance to succeed. Some people may say that it encourages dishonesty. It does nothing of the sort! It is a genuine attempt to give a person a chance of success without accommodation interest. The hon. member is not the only one who has paid accommodation interest. I have paid it for years, and others have also. That is what got us down; having compound interest added to our interest account all the time.

Mr. McLARTY: I do not consider that a bank owned by the State should be penalised in any way. It should stand up to the same obligations as an Associated Bank and should receive the same treatment at the hands of the public. This amendment suggests that interest owing when the bank commences operations should be placed in a separate account. It might be argued that we are not allowing the bank to collect the interest due to it. I do not think that is so. Provision is made that the accumulated interest shall go into a separate fund, and it has to be paid. The bank will be in a position to collect it because it will know the state of its client's account. This bank is being reconstructed and it has power to write off debt. It is true that a great deal of the writing-off of the Agricultural Bank debt has been due to the accumulation of interest, or the payment of accommodation interest. We do not want the same thing to happen again and we now have an opportunity to prevent it. If this amendment is not accepted I believe that we will face the position again of having to write down but, by accepting an amendment such as this, we will give the client a start right from the commencement of the operations of the bank. He will know that he is paying on his debt and, as his circumstances improve, he will be able to repay the interest that has accumulated and been placed in a separate account. I cannot think that the member for Guildford-Midland meant to convey that all who do not pay their interest are unscrupulous.

Hon. W. D. Johnson: I was drawing a comparison between the two words, scrupulous and unscrupulous.

Mr. McLARTY: This amendment is not framed with the idea of helping the un-

scrupulous. If it were I would not support it. The Minister would be wise to accept it as I feel sure it would save him trouble later.

The MINISTER FOR LANDS: I was very interested in the point of view of the hon. member who has just resumed his seat. I indicated in a few words at a previous sitting when this amendment was being considered that I would oppose it. I still intend to oppose it, but on very different grounds from any raised by previous speakers. The interesting part of the argument of the member for Murray-Wellington is the suggestion that this bank should have no disadvantages in comparison with the Associated Banks, and that it should be given no advantages. He considers that unless this amendment is passed it will have some advantage. I refer the hon. member to just what the Associated Banks do in this connection as compared with what has already been done by the Agricultural Bank, and what is proposed under this Bill. The standard mortgage used by the Associated Banks in this connection provides: Full interest to be calculated from day to day; if interest is unpaid half-yearly then compound interest; interest may be capitalised without reference to the mortgagor. This particular clause makes provision for many instructions in regard to the payment of accommodation interest. The amendment moved by the member for Beverley means that arrears of interest are to be exempted from a penalty rate, and that the amount of the arrears at the time of the proclamation of this Act shall be placed in a separate account and not be considered as part of the capital owing. The hon. member desires that there shall be no penalty rate or penalty interest of any sort on the arrears of interest outstanding.

The present practice of the Agricultural Bank is that interest is not charged on interest; that is to say, compound interest is not charged. All interest on accommodation interest is kept in a separate account and no interest is charged thereon. The vital points in the amendment are that although the debtor is to be permitted to put his outstanding interest into cold storage and not pay interest on it, the bank will be expected to meet its commitments half yearly, or provide money from some other source, either by borrowing or by using capital which, as

a result, is not permitted to earn interest. It must mean that the Treasury will not be paid for the interest owed to it, and that the debenture holders will not be paid unless the interest that is owed up to the present is either paid or, as capital, has interest charged on it. There is no other alternative. But what is the second point and, perhaps, the more important one? When valuations are made for the taking over by this institution of the Agricultural Bank's assets the interest outstanding will be part of the capital of the new bank. That part of the capital owing which is considered sound, and the interest which is outstanding will be a credit of the institution. What does this amendment do? It says that on that portion of the bank capital no interest shall be collectible.

Mr. Watts: Let it be a secret reserve fund.

The MINISTER FOR LANDS: I hope this will be no secret reserve fund. If I cared to raise more than a fine point I doubt the capacity of the Leader of the Opposition to move such a motion. I think it is not within his province to do so, but I would rather debate the point on these very sound principles, firstly, of the inability of the bank to meet its obligations if the client does not meet his, and secondly the threat to the very capital of the institution, and its ability to meet its liabilities if the client is allowed to use as capital the interest owed by him. Can we imagine the position where some hundreds of pounds are outstanding by one person in the way of interest, upon which no interest is to be charged, such sums having been borrowed for the purpose of effecting improvements? And this means that the person concerned has to pay no interest whatever on the amounts expended in that direction.

Mr. Watts: It does not.

The MINISTER FOR LANDS: Of course it does.

Mr. Watts: No, interest on arrears of interest.

The MINISTER FOR LANDS: It means that if a person is absolved from paying interest on the amount owing by him, he is getting the use of that money for nothing. Whenever the capital of the bank is fixed—and it must include as part of its capital certain outstandings—it is to be asked to suspend portion of its capital, and no in-

terest is to be earned thereon. Instead of reaching the position, visualised by the member for Murray-Wellington, of avoiding further writings-down, the amendment must increase the prospect of such writings-down. There is no other prospect. If the bank is to function on anything like equal terms with other institutions, it could not face up to any such proposition as that embodied in the amendment.

Mr. WATTS: I am afraid the Minister has been drawing the long bow to a small extent; he does not usually do so. He would have the Committee believe that there is some intention underlying the amendment to write off amounts owing. That is not so at all. The whole point of the amendment is that interest shall not be payable on interest in arrear at the date of the commencement of this Act, provided—and the proviso is most important—that it is in respect of any security formerly held by the Agricultural Bank. The amendment can have no operation whatever in respect of any matter dealt with by the bank after the commencement of this legislation when it becomes an Act. It provides that in respect of accounts that were taken in hand prior to the passing of this measure, it will only afford relief regarding interest in arrear at the time of the legislation coming into force, and that the sum of the interest in arrear at the present time shall, for record purposes, be kept in a separate account so that there will be no question that it is there for repayment as soon as the debtor's position improves so that he can pay it.

Furthermore, the bank can exercise, in respect of the collection of that money, such powers as the bank is entitled to exercise with regard to its securities. What is the basis of the Bill with regard to the old accounts of the Agricultural Bank? It is one of reconstruction. Were not those the words the Minister used when introducing the Bill? Did not I wish him luck in his effort at reconstruction when I addressed the House on the second reading? We desire to contribute something towards the process of reconstruction with regard to the old accounts of the bank where interest payments fall into arrears, by relieving the farmer temporarily of responsibility for payment of that interest. It is a most reasonable contribution towards reconstruction by preventing needless charges on arrears of interest.

**The MINISTER FOR LANDS:** The Leader of the Opposition is begging the question. There is no shadow of doubt that the capital of the bank will consist in the main of borrowed money on which interest must be paid. Unless the amount represented in the money owing to it is earning interest, surely it is reasonable—I am astounded that the member for Murray-Wellington supported such a move—that the bank shall be entitled to interest on such outstandings. The amendment means that money shall be put into a separate account and no interest charged on it. For what duration? There is no limit whatever.

Mr. Watts: The bank would fix that.

**The MINISTER FOR LANDS:** There is no limit whatever. This would place the bank in a distinctly unfavourable position. There is no doubt whatever that it would impose a charge on the Crown.

*Point of Order.*

**The Chairman:** I have given careful consideration to the amendment set out in the proviso. I considered it long before it came before the Committee. I frankly confess I do not understand the technicalities and technique adopted by the Agricultural Bank with regard to the payment of interest on interest. I decided to hear some discussion on the matter in order to assure myself definitely that the amendment would interfere with the legal rights of the Crown to enforce lawful payments to it. If it has that effect, of course it means that the Crown must find money from other sources to meet that liability. Insofar as the amendment does that, it imposes a burden upon the people. Having listened to the discussion, I am quite convinced now that such is the case. Therefore I rule the amendment out of order.

*Committee Resumed.*

Amendment ruled out.

Clause put and passed.

Clause 59—Rate of interest:

**Mr. DONEY:** On behalf of the member for York who is absent for the time being, I move an amendment—

That a new subclause be inserted as follows:—“(5) Interest on loans made by the bank (not being loans by way of overdraft on current account) or on so much thereof as shall from time to time remain unpaid, shall be payable yearly on the first day of March in each year.”

As the Minister will know, the reason why the amendment is couched in such terms is that the date mentioned will be that on which funds, speaking generally, will be available for disbursement, more so than at any other time during the year. The adoption of that date will save the farmer the penalty payment on two months' interest, which would be quite a substantial amount, and the acceptance of the one date for payment will have a beneficial reaction on the question of compound interest that we have been discussing.

**The MINISTER FOR LANDS:** The principle in the amendment is to get away from the existing practice of all business and financial institutions in relation to the payment of interest half-yearly. It seeks to have interest payable once a year. The proposed bank will have an obligation to pay the Treasury interest on the money borrowed and to pay it half-yearly. I appreciate the point that it is difficult for farmers to pay interest on specified days of specified months when they have probably not received their seasonal income. I do not like the charging of accommodation or penal interest when interest is outstanding, and after a close scrutiny of all that is involved, I suggest that the Government might go a long way towards meeting the farmer and his capacity to pay at specified periods.

Interest becomes due and payable on the 30th June and the 31st December of each year. Wheat cheques become payable in January and February, and some of the wool returns are received in September. Yet, because it is the custom to close and balance books half-yearly and to charge interest to the end of June and December, the farmer has become responsible for accommodation interest if he does not pay. I do not like the principle of charging accommodation interest if the farmer is willing but is unable to pay. I therefore suggest that we amend the amendment to make the interest payable in September and March of each year, and allow the two months to elapse before accommodation interest is charged. Then, instead of interest being payable in August, which is much too early for most farmers to pay interest from current income, the period for payment will be September plus two months free of accommodation interest.

Hon. W. D. Johnson: That is a very big concession.

The MINISTER FOR LANDS: If the amendment is amended as I suggest, it will read—

Interest on loans made by the bank (not being loans by way of overdraft on current account), or on so much thereof as shall from time to time remain unpaid, shall be payable half-yearly on the thirty-first day of March and thirtieth day of September in each year.

To give effect to my proposal, I move—

That the amendment be amended by inserting after the word "payable" in line 5 the word "half;" by inserting before the word "first" in line 5 the word "thirty," and by inserting after the word "March" in line 6 the words "and thirtieth day of September."

Amendment on amendment put and passed.

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

Clauses 60 to 64—agreed to.

Clause 65—Loans for purchase of farms.

The MINISTER FOR LANDS: This Bill was drafted before the last Premiers' Conference was held, and something happened at the conference that necessitates the anticipation of an agreement between the Commonwealth and the States to provide for leasehold tenure. Under paragraph (a) as the clause stands, where the bank acts for the Commonwealth or State as agent, it is proposed to advance money on freehold tenure. But it is highly necessary to anticipate what has been agreed to between the Commonwealth and the State, which as agent for the Commonwealth will advance money on leasehold tenure. I move an amendment—

That after the word "title" at the end of paragraph (a) the following words be inserted:—"(ii) the land must be comprised in a lease granted under the law of the Commonwealth which authorises the granting of leases of land for close settlement."

Mr. Watts: Can the Minister give any information as to the kind of lease the Commonwealth proposes to grant?

The MINISTER FOR LANDS: The Commonwealth's original intention was to insist on perpetual leases, although it did state "with the right to convert to freehold." But the arrangement now is that it should be on a leasehold basis in conformity with the appropriate section of the land laws of the State, which in our case is ap-

propriate, providing for a lease for 21 years with the right of renewal, which would amount to perpetuity.

Mr. Leslie: Should the word "close" in the phrase "close settlement" be defined?"

The MINISTER FOR LANDS: I am advised that the clause includes any development by the Commonwealth of the soldier settlement scheme.

Amendment put and passed.

The MINISTER FOR LANDS: I move an amendment—

That in lines 6 and 7 of paragraph (e) the words "out of the Consolidated Revenue Fund" be struck out.

If there are insufficient funds to meet losses incurred in connection with a settlement scheme, the amount is to be paid from Consolidated Revenue. If it were not possible to pay the amount out of Consolidated Revenue, then it would have to be paid out of other funds.

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

Clauses 66 and 67—agreed to.

Clause 68—Dealings with land subject to loan:

Mr. WATTS: I move an amendment—

That in line 3 of paragraph (a) the words "let or sublet" be struck out.

The clause proposes to place what are, in my opinion, very proper restrictions on the right of the mortgagor to transfer, mortgage, charge or assign his title to the land without the consent of the Commissioners. I have often expressed the opinion that it might be advisable to exercise some control over second mortgages. As regards letting or subletting, the situation is that if a lessee runs into debt and without the consent of the mortgagee lets the property which is the subject of the mortgage, the lease is not valid against the mortgagee. In the majority of cases, in order to protect the interests of the tenant during the term of the lease, the mortgagor goes to the bank and asks for consent. If he does not do that, both he and the tenant take the risk of the tenancy being put to an end by the mortgagee. That, however, does not mean that one has to go to the bank with every proposal for leasing or subleasing, no matter how short the term may be or how long the parties are allowed to carry on

without the consent of the bank. The provision is unnecessarily restrictive.

The MINISTER FOR LANDS: I cannot accept the amendment. When a mortgage is effected on any land, the contract is made with a particular person of whom much is known. He is the person approved as a borrower, and it is vital that the person to whom the lease may be granted from him should be an approved person. We had no difficulty whatever in the matter. If the new tenant is any way reasonable, no difficulty whatever is experienced; but I think members will realise that one must be sure of the person to whom the money is lent. If he wishes to subject his property, or part of it, to another person, who might let the security diminish considerably in value, it is wise to take the right of approval.

Amendment put and negatived.

Clause put and passed.

Clause 69—Statutory charge:

Mr. LESLIE: I have no wish to traverse the ground which I covered previously in dealing with this clause, but I desire to make some comment on the Minister's remarks on it. Contrary to the suggestion of the Minister, I am not in any way opposed to the Bill. I assure him that I favour it, but there are some provisions with which I am not in accord.

The CHAIRMAN: The hon. member cannot discuss the Bill; he can only discuss Clause 69.

Mr. LESLIE: I am dealing with Clause 69, Sir. The Minister took exception to the criticism levelled against the bank. The criticism, however, was not against the officers of the bank as individuals; it was the kind of criticism one usually hears about our friend Mr. Mears. No matter what may be the wishes of the bank officials or of the Minister, their duty is to implement the provisions of the Act as it stands. The criticism complained of is against the inclusion in the Bill of a clause such as Clause 69, which is similar to Section 51 of the existing Agricultural Bank Act. That section has been found to be irksome and it has brought disfavour to the officers of the bank and the Minister. If the Minister is anxious to secure for the Bill the support which he considers it ought to receive, he will probably win that support if this clause is struck out. The Minister suggested that

a comparison might be made with a stock and station lien. Candidly, I am not concerned with such a lien. If the provisions in that lien are as wide as Clause 69, then I say those provisions are unjust and anti-social. The fact that those provisions are included in a private lien is no justification for including them in this measure and by so doing perpetuating what cannot be described otherwise than as an injustice. I pay tribute to the Minister, because I thoroughly believe he is sincere in his desire to get this bank into operation. That is my wish, too. But just as I am sure the Minister is sincere in his contention, so I am sincere in what I put forward. I suggest the Minister give consideration to the striking out of the clause, or to amending it in such a way as to make its provisions less harsh.

The MINISTER FOR LANDS: I think it very necessary for members to have a clear conception of Clause 69, as well as of Section 51 of the Agricultural Bank Act. The member for Mt. Marshall suggests that that section, if comparable with the provisions contained in an ordinary stock and station lien, is anti-social, and that steps should be taken to prevent undue and unfair influence. When speaking on this principle in my reply to the debate on the second reading, I said that other banks have the added privilege of incorporating in their mortgages a provision severer than Section 51 has ever been in its application. I quote to the Committee what is involved in a clause in a mortgage covering thousands of properties in this State. That clause reads—

That the mortgagor will at the cost and expense of the mortgagor whenever required by the bank so to do execute in favour of the bank by way of further security for the moneys hereby secured a preferable lien on every then ensuing crop of agricultural or horticultural produce on the said lands every such lien to be in such form and to contain such powers provisions and agreements as the bank shall require and also will not without the written consent of the bank give any preferable lien or other security on or over any such crop to any other person.

That is clause 4 of a mortgage which, as I have said, has been signed by thousands of farmers in this State. Do we ever hear criticism of the application of that clause? It is not possible for a farmer, who has given a mortgage containing the clause which I have quoted, to have any freedom whatever in determining what he shall or shall not

do in regard to sums due and payable. Let us trace the origin of Section 51, a part of which is in this clause. Very early in the history of the Agricultural Bank, when thousands of pounds were outstanding in interest and hundreds of thousands of pounds were outstanding in regard to capital repayments, it was found that the order of the bank, in association with its own mortgage, was not recognised by stock firms or other institutions, with the result that hundreds of thousands of pounds of Government-loaned money went to benefit the business of private organisations. When stock or wool was sold, or cheques were received for wheat, there were no deductions, and the orders of the bank were ignored. The result was that Section 37A came into being.

To prevent stock and station firms and other firms from using Government money through their clients to the advantage of the firms, it became a statutory charge; there had to be a deduction. If a lien list were presented to the stock firm or the wheat-broker saying that a client of his was the subject of a lien under Section 37A, or, subsequently, Section 51, it was incumbent upon those individuals to make a deduction. It was necessary to take such action in order to preserve the State's funds. Had not the Mitchell-Latham Government initially taken such action, the sorry story of the old Agricultural Bank would have been still sorer. Now, for the purpose of correcting an unsatisfactory position and of making it possible for interest due to be collected from current crops, earnings or income from all sources from the land, part of the principle of Section 51 is included in this clause; but when applied as a statutory lien it will have an entirely different force and application from that of the existing law. Under Section 51, where clients are known to be not anxious to pay their interest—even if they can—a lien list is made out and circulated to all the firms and people handling farmers' proceeds, and in many instances default is anticipated.

The application of the principle in this clause is that, while it is automatic that under the present Act, the customer must in fact be in default one year and in addition must have had the wherewithal to pay, now before any action can be taken, in spite of his being 12 months in arrear when

he was able to pay, the approval of the Governor must be obtained. So no worthy man will be penalised and no worthy man who is temporarily in difficulties will have this clause enforced against him if it can be shown that he was unable to pay. So it is not merely a generous application of the principle but it also takes away all the sting from the old Section 51. Since many of the accounts existing today will of necessity come into the agency section, and since they are accounts on which interest will have to be collected when and wherever possible—though it would not be mandatory and the interest would not be demanded even though it is due—it is very necessary to continue the principle of Section 69.

Mr. Doney: Could you operate the new bank with an assurance of success without the assistance of this clause?

The MINISTER FOR LANDS: Not very well. It will be a wise move, in the interests of the institution itself and of the attraction of business to its rural section, to make sure that all new business shall not be subject to the application of this clause. If accounts taken over by the bank from the Agricultural Bank or from the Treasurer under this measure are the only accounts involved, it will apply only to the agency section, so that it will give discretionary authority to the commissioners in handling these accounts. The commissioners will not be compelled to impose the attaching of interest and the securing of it from each year's proceeds; even that would be discretionary. If that is done, we will go a long way to safeguard the interests of the bank and overcome objectionable features.

Hon. W. D. Johnson: Will you explain how you propose to protect future loans?

The MINISTER FOR LANDS: They will be made under a mortgage of a somewhat different type and not of the type from which I have quoted. All new business will be subject to a new mortgage. I move an amendment—

That in line 2 of Subclause (1), after the word "where," the words "under any security taken over by the bank from the Agricultural Bank or the Treasurer under this Act" be inserted.

Mr. WATTS: This is no doubt a considerable contribution to the difficulty I have always had in regard to this provi-

sion which I have discussed with the Minister privately. That is not to say I approve in any way of the inclusion of the principle in any Bill of this character, but I do say he has made a contribution towards the possibility of the future success of this institution by confining this to past transactions. I propose to support the amendment. I would like to ask the Minister whether it is his intention to delete the last paragraph on page 40 as well as to move the amendment, because that paragraph has relation to loans other than those made to rural industry.

The MINISTER FOR LANDS: The answer to the hon. member is in the wording of the amendment I propose. It includes accounts taken over under Section 24 of the Industries Assistance Act.

Mr. Watts: I was going to ask about that, too.

The MINISTER FOR LANDS: That is why it is necessary in such circumstances, and because of there being no cover in the mortgage itself, that subparagraph (ii) on page 40 should still stand.

Hon. W. D. JOHNSON: This is a big contribution towards removing some of the objections to Clause 69. I am not opposing the amendment, but I do want a definite assurance from the Minister, now that he is limiting this clause to securities taken over by the bank from the Agricultural Bank and from the Treasurer, that future loans can be protected under provisions of the Act. Without that provision being in the measure the bank, from my point of view, will be of no value. The Minister has suggested that he proposes to protect future loans by the wording of a mortgage that will apply to them. But the question is: Can he include in that mortgage, with the authority of this Act, adequate protection to the bank?

The MINISTER FOR LANDS: The answer to the hon. member is found in the Third Schedule of the Bill.

The CHAIRMAN: I am prepared to give a great deal of latitude, but I cannot permit discussion on a schedule at this time.

The MINISTER FOR LANDS: Perhaps I can give a more direct reply. The Bill provides that future mortgages shall have certain covenants specified, and included in those covenants will be the requirements to meet the position in the case of new business.

Mr. LESLIE: This is a considerable concession because it will mean that the provisions of Clause 69 will actually not apply to new business, as the Minister has said. The amendment will not apply to the operations of the existing Section 51 of the Agricultural Bank Act, and we, of course, are not in a position to interfere there because under Standing Orders we will be ruled out of order as interfering with Government high policy.

Mr. North: You do not want to, do you?

Mr. LESLIE: No. I am prepared to accept this amendment. I believe that the Minister will find that it will win a big measure of support for the bank because, apart from the question of whether the old Section 51 has been imposed harshly or not, it has restricted the flexibility of farming operations in many ways.

Amendment put and passed.

Mr. WATTS: Notwithstanding the amendment, I feel that the clause should be rejected by this Committee. I have told the Minister, and I repeat now, it is not because I have any feeling that there has been any particularly harsh operation of the provisions of Section 51 that I believe such a clause as this should not be included in a measure of this kind. My reason is that this institution has ways and means of obtaining security in the same way as have the other financial institutions. No trading institution would be granted a section of an Act of Parliament in order to enable it to impose on any of its customers or borrowers a statutory lien of this character. Parliament would require any institution, other than a Government instrumentality, to obtain in the ordinary course of its trading or in the ordinary processes of law an agreement in connection with the necessary securities. In this clause Parliament is being used as a convenient machine for getting an easy process to protect the bank. I have held that and have objected to it in principle since 1931 when Section 37A was included. All sorts of reasons were advanced at that time. They were, I believe, put forward in a perfectly bona fide manner, but they still do not remove from my mind the objection, which was there then and is still there, to an Act of Parliament providing for a special type of security to be included—and this is where it is particularly objectionable—after the borrowing contract has been made.

The Minister for Lands: How would you do it without statutory authority if you could not get a fresh mortgage signed?

Mr. WATTS: There is no reason why the bank could not get a fresh mortgage signed. I have no hesitation in saying that an Associated Bank would have got it signed.

The Minister for Lands: They had to squeeze.

Mr. WATTS: The institution had the same type of remedy, but it did not choose or feel disposed to exercise it.

The Minister for Lands: I agree with your view that if you can get a mortgage the statutory authority is not necessary.

Mr. WATTS: The trouble arose back in 1931 when the first statutory lien provision came into the Agricultural Bank Act. We were then faced with the position that there were thousands of securities in existence to which no such lien applied.

Hon. W. D. Johnson: That applied to the private banks as well.

Mr. WATTS: They got no statutory lien.

Hon. W. D. Johnson: They got the stock and station mortgage.

Mr. WATTS: That was by agreement between the parties. It is not ethical, nor is it reasonable or decent to use Parliament for the purpose of providing a statutory lien to vary an existing contract without the concurrence of one of the parties or without even attempting to ask him about it while at the same time other institutions, very similar and carrying on almost identical business, are unable to do anything of the kind. That has been my objection all through. I do not think I have ever voiced in this House any serious complaint regarding the way the section has been administered. I admit, as the member for Mt. Marshall remarked, it has prevented flexibility in the carrying on of farming operations. It has been cumbersome, but so perhaps are other types of security which have been enforced in a manner that has proved more detrimental to the borrower than has the application of Section 51. My chief complaint against this type of provision is the fact that it is being imposed to benefit an institution, which is the property of the Government, by means of a statute passed by Parliament such as no other institution could obtain.

Although the proposition has been much thinned down, nevertheless its retention in

the Bill still offers the same objection as in the past on the grounds I have already indicated. The Minister mentioned specifically with respect to the clause under discussion that no charge will arise in the case of interest due unless the interest has been in arrear for a period of not less than one year. I admit that that is expressly provided, but I believe the opinion is held with regard to Section 51 of the Agricultural Bank Act that it has not been clearly enforceable unless interest was 12 months in arrear. I was informed to that effect in years gone by, namely, that it was desirable in order to enforce that section to keep interest payments at least one year in arrear.

I have come to the conclusion that, although the provision in the Act is not stated in the clear terms that are included in the Bill before the Committee, we cannot enforce the statutory lien under Section 51 unless interest is one year in arrear. I have seen many writing-down agreements made by the Agricultural Bank over the last eight or nine years in connection with which the authorities were careful to leave interest outstanding to the extent of at least twelve months in order, as I understand it, that there could be no doubt as to the availability of the statutory lien. That has constituted a serious complaint in many areas where writings-down have taken place, because accommodation interest was chargeable.

The next point in the Minister's statement to which I desire to refer was that the lien would not be enforceable unless the commissioners were satisfied that the farmer had the means to pay. It is left to the discretion of the commissioners to determine. What does the expression "means to pay" really mean? Does it mean that he had the necessary funds after paying for reasonable personal requirements, or merely that the farmer's gross profits were sufficient to enable him to pay the interest owing? If a farmer owes £100 in interest and his gross profits amount to £100, will it be considered that he has the means to pay although he will have nothing left to spend for his personal requirements? The clause does not clear up the position. It does not indicate definitely that the whole £100 would not be extracted from him. It may be suggested that such a course would be unreasonable. But it must be remembered that abnormal conditions such as



those following upon a drought or some other calamity over which the farmer had no control whatever, might occur. What would be the position if, in the case of the farmer I referred to, the £100 was extracted from him without leaving any margin with which to pay personal or other unexpected accounts? For the reasons I have indicated I hold it is improper for this type of lien to be taken by statute, and I shall therefore oppose the clause.

Mr. LESLIE: Is the clause likely to affect an account which may be transferred from the agency section to the rural banking branch?

The Premier: It will not apply to future business.

Mr. LESLIE: It is possible to make it apply. The agency section, I take it, really means the Treasury. It is possible for an account to be started in the Treasury and then to be taken over by the rural banking branch in which event the clause could be made to apply. The Leader of the Opposition assures me on that point, so I shall bow to his legal knowledge. I am hoping that under the new basis on which the bank will do business, there will really be no necessity for the application of this clause.

Hon. W. D. JOHNSON: I object to the Leader of the Opposition putting on record the statement that the Government did wrong in using its legislative authority to impose the provisions contained in Section 51, thus conveying that we have used a provision that was denied to other people. That is not a correct interpretation of the position. The Government could not impose any condition upon Agricultural Bank clients that was not permitted by legislation. The administration was guided by the legislation. Other lenders of money on agricultural property could do this and did do it without legislation. To this, the Leader of the Opposition would probably reply that it was only because of the existence of legislation that the State did it. The State was forced to do it, just as private banks were compelled to enforce the provisions of the stock and station mortgage. The banks did not require legislation; they acted through the decision of their directors. The consequence was that farmers had to go out of the industry or sign a new mortgage, and conditions at the time were such that the vast majority signed under protest, just as clients

of the Agricultural Bank have protested. Therefore it is wrong to say that the State did something that was denied to other people. As a matter of fact, the private banks acted much more drastically than did the Agricultural Bank.

The MINISTER FOR LANDS: In moving my first amendment to the clause, I indicated that it was essential it should not apply to new business and I also said it would apply only to the business of the agency department. I now move an amendment—

That the following proviso be added to Subclause (4):—"Provided further that this section shall not apply to new business in the rural department of the bank."

The CHAIRMAN: I am wondering whether that is the right place to insert the proviso.

Mr. WATTS: I think it is the wrong place. If it is put at the end of Subclause 4 it will govern only Subclause 4. I suggest that it be added as a new subclause.

The MINISTER FOR LANDS: I accept the hon. member's suggestion and ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

The MINISTER FOR LANDS: I move an amendment—

That a new subclause be inserted as follows:—" (5) This section shall not apply to new business in the rural department of the bank."

Amendment put and passed.

Clause, as amended, put and division taken with the following result:—

|          |    |    |    |    |
|----------|----|----|----|----|
| Ayes     | .. | .. | .. | 19 |
| Noes     | .. | .. | .. | 14 |
| Majority | .. | .. | .. | 5  |

#### AYES.

|                |              |
|----------------|--------------|
| Mr. Coverley   | Mr. Nulsen   |
| Mr. Cross      | Mr. Fanton   |
| Mr. Fox        | Mr. Rodoreda |
| Mr. Hawke      | Mr. Smith    |
| Mr. J. Hegney  | Mr. Telfer   |
| Mr. W. Hegney  | Mr. Triat    |
| Mr. Hoar       | Mr. Willcock |
| Mr. Johnson    | Mr. Wise     |
| Mr. Leahy      | Mr. Wilson   |
| Mr. Millington |              |

(Teller.)

#### NOES.

|                     |              |
|---------------------|--------------|
| Mr. Berry           | Mr. McLarty  |
| Mrs. Cardell-Oliver | Mr. North    |
| Mr. Doney           | Mr. Shearn   |
| Mr. Hill            | Mr. Thorn    |
| Mr. Kelly           | Mr. Watts    |
| Mr. Leslie          | Mr. Willmott |
| Mr. Mann            | Mr. Seward   |

(Teller.)

## PAIRS.

| AYES.        | NOES.       |
|--------------|-------------|
| Mr. Abbott   | Mr. Needham |
| Mr. Keenan   | Mr. Collier |
| Mr. McDonald | Mr. Tonkin  |
| Mr. Perkins  | Mr. Styants |
| Mr. Stubbs   | Mr. Raphael |

Clause, as amended, agreed to.

Clause 70—As to charge under Group Settlers' Advances Act:

Mr. HILL: I move an amendment—

That paragraph (b) of Subclause (1) be struck out.

The paragraph seeks to include as security for advances made under the Group Settlers' Advances Act, 1925, the following:—

(b) on all the goods, chattels and effects of the borrower which may at any time be on or about to be brought on the said lands.

This is a dragnet provision, and goes too far. Certainly the interests of the bank must be protected, but this is a Shylockian paragraph. The proposed deletion will mean a small loss to the bank, but that loss will be more than compensated by moral gain.

The MINISTER FOR LANDS: The hon. member has missed the point. The only matter to which the clause refers is money advanced under the Group Settlers' Advances Act, 1925; and it has no application whatever to any new advances, or to moneys loaned outside the Act. I doubt whether the clause itself cuts any ice, and I would not be very seriously concerned if I were induced to vote against it. The inclusion of paragraph (b) arises from the possibility of there being outstandings under an old statute, so the Crown Law Department advises me.

Amendment put and negatived.

Clause put and passed.

Clauses 71 to 80—agreed to.

Progress reported.

## ANNUAL ESTIMATES 1944-45.

### *In Committee of Supply.*

Debate resumed from the previous day on the Treasurer's Financial Statement and on the Annual Estimates, Mr. Marshall in the Chair.

*Vote—Legislative Council, £2,265:*

MR. FOX (South Fremantle) [9.20]: We of course all deplore the shortage of water in the South-West about which the member for Williams-Narrogin has complained.

Mr. McLarty: Not the South-West, the Great Southern.

Mr. FOX: Yes. That district has an average rainfall of over 20 inches; and, with proper water conservation, I do not think any farming district should be short of water.

Mr. Doney: We say that, too.

Mr. FOX: I suppose a certain amount of responsibility attaches to the farmer and a certain amount to the Government; but in a place like Australia I consider water should not be allowed to run to waste; particularly if suitable catchment areas are available. I do not know whether such catchment areas are available in the district represented by the member for Williams-Narrogin; but if there are any, steps should be taken to ensure that no part of the district goes short of water should we have a drought for five or six months.

Mr. Doney: You realise, of course, that if there is a drought the water does not run into dams.

Mr. FOX: I realise that, but nevertheless sufficient rain falls during the year to enable the conservation of enough water to tide over a dry period of the year. For instance, notwithstanding the present dry weather I do not think there will be any water shortage in the metropolitan area this year, according to what I have read in the Press. What I have said in this connection should apply to other districts, even if it is necessary to construct reservoirs and reticulate the water. The member for Williams-Narrogin also spoke about employing a diviner to find water. There may be something in that suggestion, and neither the farmers nor perhaps the Government should overlook the chance of finding water by means of the divining rod. I have read of instances in other countries, including England, of water having been found by the diviner after unsuccessful boring tests, and it was found adjacent to the bores. In fact, the divining rod has been used in England since the beginning of the 18th century. Personally, I prefer to depend upon competent geologists rather than to depend upon the best diviner who could be found.

I saw the divining rod used when I was a boy. A man was using the rod on an alluvial patch to find the deepest place of the run, because that is where the water would be. He succeeded in doing so. The

member for Nedlands will understand what I have said, because I think he has been associated with alluvial mining on our goldfields. The suggestion should not be overlooked, as we are not likely to have any more rain, or but little, this year. What we will get will not make any appreciable difference to the water supply in the Great Southern district. If there were anything really scientific about the divining rod, I think it would have been proved long since, because it has been used for the past 200 or 300 years. It would be well to give some attention to the suggestion of the member for Williams-Narrogin.

Mr. Doney: The Minister for Country Water Supplies has taken a note of the suggestion.

Mr. FOX: The member for Irwin-Moore deplored the fact that schnapper were being caught at Safety Bay as they came in to spawn. Numbers of fishermen have told me, however, that if they did not catch the fish at that particular time they would not catch them at all. Although hundreds spawn in Safety Bay, there must be innumerable other places along our coast where they also spawn, so I do not think we need fear that the numbers of schnapper will be greatly reduced because of those caught in Safety Bay.

Mr. Berry: The number has been reduced. They have completely gone from Rockingham.

Mr. FOX: I think they come to Rockingham every year.

Mr. Berry: No.

Mr. FOX: I am not stating my own opinion, but the opinion of fishermen.

Member: Competent fishermen?

Mr. FOX: Yes. I notice that the Commonwealth, in conjunction with the States, has been doing a great deal of work during the past nine or ten years with regard to inquiring into and experimenting with the fishing industry. It is proposed that such experiments shall be made in Western Australia, where there are large quantities of salmon and tunny suitable for canning. The consumption of fish in Australia is not great. For the five years ending with the year 1935-36, a little over 13 lbs. of fish per head per annum was consumed in Australia, and that included 4 lbs. of imported fish, 3 lbs. of which were canned. That means that about 1,500,000 tins of fish were imported. In the United Kingdom the

consumption is much higher; 50 lbs. per head of fish are consumed there, while in New Zealand the figure is 110 lbs. per head. The reason for the low consumption of fish in Western Australia is its cost. People cannot afford to buy it. It is regarded as a luxury and eaten only once a week, usually on Fridays. During the last month or so very little fish has been available in Fremantle.

The fishing industry is not attractive to Australians, and I am reliably informed by fishermen that before the war they did not average more than £3 per week. At that time they were receiving about 2½d. for dhufish and schnapper, while at the same time it was retailed in the shop at 1s. per lb. and upwards. We could develop the fishing industry in this State by the establishment of canneries and in that way we could raise the consumption of fish much higher. It could be raised to 50 lbs. per head per year. I am quite sure that if fish were made available at low prices, a great deal more of it would be eaten. We have had numerous complaints about the shortage of fish and the price charged for it. The erection of canneries would provide work for great numbers of men, who would be engaged in fishing, canning and work associated with the by-products. After the war we shall be exploring avenues of employment for our returning soldiers, and I believe that wool will solve the problem in Western Australia and perhaps in Australia.

We should exploit this great national asset to the fullest extent. All our wool could be manufactured in Australia; and the industry, if properly established, would induce thousands of artisans to come to Australia from the Old Country and settle here, where we are so badly in need of population. It seems ridiculous to send all our wool overseas, providing good freight for the shipping companies, have it manufactured abroad and then have the manufactured goods dragged back another 10,000 miles, thus giving the shipping companies more freight. Annually we import millions of pounds worth of goods that could be made in Australia. In 1938-39 we imported over £102,156,132 worth of stuff, quite a lot of which could have been made in Australia. For instance, we imported £6,000,000 worth of paper and stationery and £2,000,000 worth of tobacco.

Surely we should be able to grow tobacco in this country! Of course, some smokers might raise objections, but if they were given the local article they would probably not know the difference between it and that which was imported. We also imported £18,000,000 worth of cloth and £1,000,000 worth of liquor. Surely we should be able to produce all the drink we require! If employment is to be found for our own people, imports will have to be curtailed and goods made in Australia. Despite the statements made by practically all parties in the House, and outside as well, that we should have a changed way of life after the war, quite a big difference exists in the minds of many people as to the form the new order should take. If one asks the ordinary worker what he expects after the war one will be told, in nine cases out of ten, that we are likely to get the same as we got after the last war, by which is meant that there will be a depression and, a little later, more war. That is the opinion of the great majority of people.

The Premier: We know a bit more about things than to stand for another depression.

Mr. FOX: We certainly need a better outlook than that. War and depressions can be avoided if we approach the question in the right way and desire to avoid them. Recently, the two leaders of the two major capitalist imperial countries the armies of which fought side by side with those of the Soviet Union—a socialist State—met at Teheran with the leader of the Soviet Union, and the three agreed on the basis on which the war should be fought and also on a basis for peace following the defeat and unconditional surrender of the two nations with which their countries are at war. Amongst other things those three leaders agreed—

Our nations shall work together in war and in the peace that is to follow. We shall seek the co-operation and active participation of all nations whose people are dedicated to the elimination of tyranny and intolerance. We will welcome those who choose to come into the world family of democratic nations; and we look with confidence to the day when all peoples of the world may live free lives, untouched by tyranny and according to their varying consciences and desires.

I trust that those momentous decisions made at Teheran by the leaders of the three great Allied nations will be the concrete foundations on which we can build our future and a new order. If they mean any-

thing, they mean that poverty will be abolished and that there will be a fair distribution of the good things of life. They also mean that the people in the islands north of Australia will be left alone to work out their destiny, free from exploitation by the big corporations of other nations, and that China and India will be given a chance to follow their own way of life without interference from the so-called benevolent nations. We in Australia will have quite a big part to play when war is finished by helping to feed the people of other countries overrun by the Germans. People here know nothing of food shortage at all. We may have gone short of some commodities, but the rationing we have had constitutes more than quite a number of people could have bought prior to 1939. In the interest of helping to feed other nations I hope that rationing will continue after the war. I propose to read an extract from a pamphlet, edited by George Slocombe, to give members an idea of the state that some nations were in that were overrun by the Germans. The remarks made by Mr. Slocombe concerning Greece could be applied equally to other nations overrun by the Germans. He said—

The traditional German avidity and expertness in looting the spoils of a defeated nation has never been better demonstrated than in Greece. The Panzer Divisions plundered everything in their path as they advanced southward. In its most prosperous days of peace Greece was always a poor country. The German army descended like an army of locusts. Cattle, crops and movables of every description, including clothing, were taken from the people of towns and country. Shops and stores were stripped completely and the way paved for a general famine which was now, in 1942, sapping the roots of the Greek nation. The soldiers even stripped houses of everything movable and piled them on lorries and sent them to Germany. Towns and villages have been stripped of doors, windows and even door knobs.

From that, members can see the miserable plight the people were in, in 1942. They will want the help of other nations that have not suffered similarly. The people of Australia will be quite willing to assist, and I think they should agree to continue rationing in order that those in devastated Europe may get a few of the good things we have enjoyed in this country since the war started. If we could convert the machines devised for making implements of destruction into machines for providing the necessities of life

it would not be long before the starving people of Europe were housed, clothed and fed decently. I read a report printed in 1943 by the British Ministry of Munitions indicating what had been sent to Russia. It included 50,000 aircraft, 6,200 tanks, 85,000 vehicles, 70,000,000 rounds of small arms ammunition, 50,000 tons of rubber, 500,000 pairs of boots sent within a month of the German invasion of Russia, 3,000,000 pairs of boots sent by April, 1942, locomotives, sugar, and cloth for coats sufficient to stretch from the White Sea to the Black Sea.

When we are able to turn from making munitions to making things necessary for peace, it will be the duty of everybody to help relieve the misery and suffering now being endured by men, women and children in many countries overrun by the Germans. Western Australia could help materially in producing food if more men were made available to work on the farms. I know it is difficult to get men out of the Army, even if they are urgently required to be employed in the market gardens. Some people are doing remarkably well, in fact, much better than ever before, but much more food could be got ready for shipment to European countries after the war if more men were allowed to go to work on some of these farms. I want to say a word or two in regard to dentists.

There is a shortage of dentists in the Fremantle district, and I suppose the same thing applies to the whole of the metropolitan area, and perhaps the country districts too. I noticed a report in the paper recently that the quota of dentists for the universities throughout Australia was 152. None of them was made available to the University of Western Australia. That is quite wrong. We have had interviews with the dentists in Fremantle. One of them said that he was booked right up to the end of the year and had 132 patients waiting for appointments for examinations. It is almost impossible to get dentists. We have approached the manpower authorities to see whether a man who is not in the Army could be made available to Fremantle. We were told that the Army is also short of dentists. We were also told on reliable authority that there was hardly a dental-perfect battalion in the Army. That is a reflection on the health giving facilities of Western Australia.

The Minister for Mines: What is the member for Victoria Park doing?

Mr. FOX: I suppose he has fixed up some of them. It will be interesting to see the results of the experiment carried out over the last seven or eight years during which children have attended the dental clinic at Fremantle. All the school children have received free treatment. The clinic is maintained by subsidies from the Government and the local authorities. I feel sure that the health of those children will be much improved as they grow older and that, as a result, the hospitals will be saved a lot of money in the future. These dental clinics should be extended to all schools. It would do no harm if the Government could do something in the way of providing for dental students at the university. I do not know whether such facilities exist today.

The Minister for Mines: There is the Perth Dental College.

Mr. FOX: Dentists are badly needed. If there are any young men in the community whose parents cannot afford the expense of educating them for that profession it would do no harm if the Government met the expense of giving the young people a chance to become dentists. Many people will have to go without dental treatment during the next twelve months. I would like to draw attention to one other matter, namely, that prior to the war many young chaps suffering from some disability or other found it almost impossible to get a job. Since the war some of them have been fitted into positions and they have a chance of feeling that they have a place in the community. When they had to compete with strong healthy men they were not in the race for a job. After the war these young people, and older men too, who suffer from disabilities should be given a job that they are able to do. We often see big strong fellows doing some of the lightest work. I think that the man should be selected for the job and not the job selected for the man.

The Minister for Mines: There is a lot of it here.

Mr. FOX: I suppose there is too. I trust that in the post-war world these people who did not have a chance of doing anything for themselves previously will be given an opportunity to show that they are of some use to the community, and to fit into the life of the State. I know that the Government is very short of manpower, but I am given to

understand that there is no shortage of money. Some of the school yards are in a terrible condition. I hope that as soon as possible the Government will give some attention to them, because it is part of the education of our children to be given a decent school yard and a chance to grow something in that yard, but in some that I visited today there would be no chance of growing anything.

**MRS. CARDELL-OLIVER** (Subiaco): I did not intend to speak upon this particular matter until I heard the member for South Fremantle mention the subjects of industrialisation and population. I have here a little pamphlet that was sent round to all the Services. It is published by the Department of Post-war Reconstruction, and deals with that part of the industrialisation that the hon. member is hoping we could bring about in this State, namely, industries that would promote a higher standard of living. This is what this particular pamphlet is broadcasting to the people—

Should we put more people on the land in Australia. If so, can they sell their products; and where? Would not forcing people to return to the land be reversing the trend of modern western civilisation? We want high standards of living.

We want to be up to date, to have time and energy to do things we like to do. Food is not our only concern in life. Motorcars, labour-saving devices in the home, easy transport, the theatre, the cinema, libraries—these are as essential as food and clothing, and the land does not produce these. If these are to be the ‘necessaries’ of life in the future, the city is the place where they will be found, or, at any rate, made.

Consequently, it looks as if the recent tendency of population to concentrate in the eastern part of Australia will be continued, for it is the answer to the demand for a higher degree of industrialisation. It may be balanced to some extent by industrialising South Australia, Tasmania and Western Australia, but the difficulty here again is that while these States have considerable deposits of ore and other items, they have not the coal deposits or (with the possible exception of Tasmania) the water power necessary for industrial processes.

Perhaps the easiest solution would be to make them the farms for rapidly growing city communities elsewhere. In any case, if these two States do produce more primary products, a market will have to be found, and the most likely market of the future appears to be the internal Australian market, and not an overseas market. Thus, to enable South Australia, Western Australia and Tasmania to have a secure economic future, it may be advisable in

the future to increase our industrial population. The question now is, how can we grow to meet such development?

I consider the type of pamphlet that is being sent out is detrimental to Western Australia, and something should be done about it. These writers should be told that we have coal deposits of which they are not aware, and further that we want Western Australia as well as the Eastern States to be industrialised. I read that extract to indicate the trend of opinion among these professors and others who are responsible for writing these post-war educational pamphlets. Turning now to housing matters, I would like the Premier or the Minister who deals with that phase to tell the Committee why the cost of the houses to be erected in Western Australia is so much greater than is charged in New Zealand or in England. I would like to know why we cannot get along with the job. In New Zealand the Government has already built 25,000 houses and, as each is supposed to provide for four people, accommodation has been made available there for 100,000 persons. The cost of the premises is only 25 per cent. above pre-war rates.

Although in England the Government has not gone ahead so rapidly with the erection of houses, nevertheless it is planning and preparing. Model houses have been erected in London and in various other large cities to enable the people to see them and to decide the type of house they desire. A specimen house has been erected near the Tate Gallery in London and has been open for public inspection. It is a steel structure which can be erected ready for habitation at a cost of £550. It consists of a large living-room, two bedrooms, in which there are excellent wardrobes, a bathroom, a kitchen with a very fine sink and a gas or an electric cooker, according to the wishes of the proposed purchaser. There is a folding table and refrigerator. There is a shed where prams or bicycles can be kept, and the fittings account for about £100 of the cost, which means that the house itself runs out at £450. That means that in England the people can secure homes of that type at a very low cost. Even if we were to add 25 per cent. for exchange, it will be seen that in England the authorities are able to erect a house at a much cheaper cost than apparently we can in this State.

Then again, I would like to ask the Government whether something cannot be done to overcome the housing shortage by making existing houses habitable. That phase will have to be dealt with soon. Perhaps the Government could make a grant to municipalities and road boards so that the local governing authorities could do something regarding those houses which, for instance, lack bath-rooms or sanitation, or even a proper water supply. It was mentioned in the Press that as a result of a check on 56,000 houses in Western Australia, which represented 44 per cent. of those in the State, 16 per cent. had no baths, 40 per cent. had no kitchen sinks or domestic drainage, 20 per cent. no wash-troughs, 15 per cent. had inadequate domestic water supplies, and eight per cent. inadequate ventilation. If the grant I suggest were made available to the local authorities, something could be done to put those houses in order so that they could accommodate more people. I also noticed in the Press a statement to the effect that an institution was to be provided for our aged citizens at Cannington. I think that was the locality mentioned. I feel that that is not what is wanted. What is required is a garden city, such as has been established in Queensland. The Minister may have inspected the institution when he was in Queensland. The site is valuable and between 20 and 40 houses have been erected on the property. All are small and arranged to accommodate a husband and his wife. There is a central community dining-room.

The Minister for Mines: That is what is being provided here.

Mrs. CARDELL-OLIVER: But small houses are required, not large buildings, which, I understand, are to be erected here.

The Minister for Mines: No. Provision is being made for small houses that will accommodate a man and his wife.

Mrs. CARDELL-OLIVER: I am glad to hear that and therefore I shall not labour that matter. I regard the Queensland scheme as wonderful indeed. I wish to say a few words about the female section of the Fremantle Gaol, which I visited recently. I found the premises very clean and the matron seems to be a very fine type of woman. However, I was struck by the fact that the girls there did not seem to be receiving the treatment calculated to turn them into decent

citizens. They get up at 6 a.m. and have breakfast, which consists of porridge only—nothing else. For dinner, they get some watery soup, a little meat and some vegetables—nothing else. For tea, they get dry bread—nothing else. What happens to their butter ration? They do not get it.

Another practice that appealed to me as most inhumane is that the female prisoners are locked up at 4 p.m. in their cells, which have very inadequate lighting. They cannot read. The light is just sufficient to enable them to get into bed. It seems to me most inhumane that on a hot day such as today the girls should be locked up in their small cells at 4 o'clock in the afternoon. That was not the worst. I am not quite sure of the number, but I think there were 15 women in the gaol. All but two are suffering from venereal disease. Those two mix with the others in the ordinary way. Although there are separate baths, they all use the one, and use the same lavatory, although another lavatory is provided. That is very wrong. There is a small lawn in front of the matron's quarters, and the women cut the grass with a pair of scissors. There is no lawn-mower nor are there shears—just a pair of scissors. That seems to be merely silly. There is another matter that I consider absolutely wrong. Late in the afternoon of the day before I visited the gaol, a girl was discharged with 6½d. in her pocket. She had nowhere to go. In those circumstances we must expect that girl to revert to the streets. She was charged with vagrancy and, in the circumstances, we cannot expect anything else. Let members appreciate her position—6½d. in her pocket, nowhere to go, no food, no home! What can we expect? Only that the girl will be back in prison in a day or two!

The Premier: That is quite exceptional—if that were the case.

Mrs. CARDELL-OLIVER: The matron did not seem to think so. She told me that if a girl had been in prison for some time, she tried to get a few shillings for her on account of sewing the girl may have done—but that is exceptional. However, the girl was discharged from prison with 6½d. in her pocket.

The Premier: Was there nobody to meet her?

Mrs. CARDELL-OLIVER: Not that I know of!

The Premier: Nobody from the Prison Gate Society?

Mrs. CARDELL-OLIVER: Nobody at all! It is very wrong that a girl should be discharged from prison in that way. Some arrangement should be made for such a girl to have lodgings to go to for the night, and steps should be taken to find a job for her. We have a manpower department to place people in employment. If a girl was discharged from prison in the morning and sent to the department, it might be possible to place her in a job by the afternoon. I hope the Minister in charge will inquire into the matter with a view to taking action.

The other day I visited the building in Beaufort-street where children are detained. I have no hesitation in saying that the structure is of absolutely the wrong type. Such children should be held in a receiving home, not a prison. There I found a little boy who had been locked up in a cell since the previous Friday, that was from Friday to Tuesday. It is quite wrong that that should happen. I should like the Minister to see whether something could be done to prevent a repetition. I asked the boy to write to me when he got out, and the letter reached me this evening. It is quite a nice letter. He told me he had a job to look after fowls, but did not like fowls. We should have a receiving home for these boys as well as a training home so that they might be trained to undertake useful work. We cannot go cap-in-hand to religious institutions to take all these boys. We ought to have a State institution. I believe that every other State in Australia has its own State institution, and we should have one here. I trust the Government will take steps to provide one.

MR. KELLY (Yilgarn-Coolgardie): These Estimates disclose very little disparity as compared with the Estimates delivered in the past few years, and it might easily be claimed that they reveal dearth of colour and a lack of any imagination whatever. In fact, these Estimates could easily be described as savouring strongly of a Treasury complex of Budget balancing. Undoubtedly the figures do show a small credit balance but, as far as the progress of the State is concerned, we would be far better off if the credit balance had been turned into a deficit of £300,000 or £400,000. We find that every department is restricted owing to lack of finance—restricted in the

opportunity to make essential improvements in various directions because of niggardly allowances in some instances. I do not propose at this stage to discuss the Estimates to any great extent, but there are two or three phases with which I should like to deal.

For the goldfields water supply undertaking, the current Estimates show an increase of £875 over the expenditure in 1943-44. I appreciate that the labour shortage that has existed for the past few years, and is particularly in evidence at the present time, makes it difficult to visualise much greater expenditure unless there is a very considerable change in the outlook. Still, I feel that provision ought to have been made because, if the lengthening shadows we now observe creeping over Europe and Japan result in an earlier cessation of hostilities than we previously dared to hope for, a far greater increase than £875 would be necessary to put in hand the many urgent requirements of the Water Supply Department. We ought to be told whether we are expected to finance these necessary undertakings out of State revenue or whether we are to depend wholly and solely upon the Commonwealth Government for the requisite funds.

Whatever the position may be, there are many urgent matters which require attention and which call for a far greater expenditure than has been provided for in the revenue Estimates. In a number of our older towns, particularly those on the goldfields, there are reticulations that have long served their usefulness—mains that were originally adequate to cope with the demands made upon them, but which over a period of years have gradually become obsolete because they are so small in size. Added to this is the fact that deterioration in many towns has been heavy. I understand that for some years recommendations have been made for renewing, almost in their entirety, the mains in some of those towns. At Southern Cross at present the mains are in a very bad condition and, if a fire were to break out in the hospital, there would be great difficulty in checking it long enough to rescue the inmates. I draw the Minister's attention to the matter, although it may not loom large in his programme. I know that Southern Cross and Coolgardie mains are in a bad state, and unable to meet the draw upon



them at this season. It is necessary that these assets be made permanent in the post-war period, as a medium of employment. The amount of work to be carried out in those two towns alone would absorb quite a large number of men. Many other towns of this State are in a similar condition.

Just recently there was, and there still is, justified concern regarding the water shortage. We have been told that the Mundaring Reservoir is 1,100,000 gallons below normal, and the Minister has rightly decided that some restrictions are necessary, and that the possibility of emergencies compels a greatly reduced call on Mundaring Weir. In answer to questions I put the other day, the Minister informed me that the position of the farmers was not greatly affected by these restrictions. In any case, the water going to farms is applied to highly desirable purposes. It would be a disastrous outlook if we were to have another dry summer and a succeeding dry winter. It is hard to imagine how Western Australia would fare under those conditions. If the State became faced with a shortage of water, the effects would be calamitous. Although the present situation may not be altered merely by a suggestion from me, still I wish to offer the Minister some advice which would result in great savings. Invariably the summer months throughout the farming areas cause a great amount of concern, because even after travelling long distances farmers have difficulty in obtaining water from the standpipes and from many of the extensions. Obviously the reason is that the farms nearest to the pipe lines are those which are subjected first to the draw. As the line extends, so the amount available to the various farmers decreases. Nevertheless great quantities of water are constantly going into these areas, even though it be delayed water.

I submit a suggestion for overcoming the water shortage and for obviating the danger of so serious a position again arising. My plan would be to develop a scheme of rock catchments through most of the localities I have in mind. Throughout a great portion of the wheatbelt there are numbers of beautiful rocks that would, if harnessed, provide a very considerable addition to the supplies of water available there, and moreover would to a great extent relieve the position we are up against

continually in the goldfields areas. We have been told that the department wished to increase the quantity of water available for consumption. Had that been done, the Goldfields would not be in their present position. I wish to cite one locality as typical of many other places of which I have knowledge. The settlers have remained on their properties. In some cases there may be 20 or 30 of them, and sometimes more. But the getting of water to those people is a most serious problem where the Goldfields Water Scheme is concerned. If these people had self-contained water schemes, they would be able to save the long journeys they now make in carting water. Another saving would be effected as regards tyres, rubber and so forth. Many of the settlers to whom I refer have been on their holdings as much as 15 years. They are all carrying sheep, and they have proved by their sticking to the locality that they are worthy of consideration. In some cases they cart over a distance of 20 miles.

During a normal season these farmers obtain over 300,000 gallons of water from the standpipes at Moorine Rock. The amount of relief would be very considerable, and it applies to only one small locality. Dulyalbin Rocks are eminently suitable for conversion into a rock catchment. Some time ago I got particulars from the Public Works Department of the dimensions of the Holleton dam. The capacity of this type of dam is suitable for this particular settlement. I understand the cost was £3,938, which is but a small amount, especially when one considers the number of extensions that the Government has made from time to time in the rural districts at a far greater cost. I could give numerous instances where far fewer settlers have been advantaged than would be the settlers whom I mentioned in the Dulyalbin-Mt. Hampton area. The tank at Holleton has a capacity of 1,500,000 gallons, and would be sufficient to supply 25 to 30 settlers for roughly five months. It would relieve the settlers for all time of the necessity of going to the main line. It is well known that it requires but little rain to flow from these rocks in order to ensure an appreciable supply. It has been claimed that in one or two of the rock catchments in that locality, 50 points of rain are sufficient to fill the catchments. There are very many other groups which could be served in the same way if this type of water conservation were adopted, and I put it to the Minister in the strongest terms possible that he should give

consideration to the formation of rock catchments in the eastern wheatbelt, first, because the settlers would be better supplied; and, secondly, apart from the saving that would be effected, there would be an appreciable diminution in the quantity of water drawn from the goldfields scheme.

I now wish to comment on Item No. 8, page 53, destruction of grasshoppers. I notice that of the sum of £18,000 voted in 1943, only £5,004 was expended. For 1944-45 an amount of £10,000 is provided. An increase of £4,996 is shown in the expenditure, but not on the previous year's allocation. I think it unfortunate that only £5,004 was expended during that year, because undoubtedly the grasshoppers are a menace. Their attempted eradication is not meeting with the success we could have hoped. Although this year the crops have been very light, the grasshoppers are doing a great deal of damage in the marginal areas, where the grazing lands would have been a good stand-by for possibly some other parts of the State. Although precautions have been taken in some areas, much remains to be done if the grasshopper is to be eradicated. If it is not possible to get further assistance from the Treasurer, perhaps the vermin rate could be doubled. I notice that a large portion of last year's vote is unexpended.

The Minister for Lands: The trouble was that we could not arrange ploughing contracts because manpower was not available.

Mr. KELLY: I understand that was the reason, but I assure the Minister that the position is getting worse. Had we had a good season this year in my district, we would have expended more money on the destruction of grasshoppers than we did last year. The funds available to the Vermin Board could be greatly augmented by increasing the present rate of 1/8d. per acre to 1/4d. That would double the rates; and, instead of people having to go to the Treasurer, cap in hand, for an amount sufficient to destroy pests generally, the vermin fund could be availed of.

Recently a deputation waited on the Minister for Agriculture with regard to the emu pest. The Minister fully appreciated the acute position that had arisen in the marginal areas owing to the depredations of emus, and after due consideration, a bonus of 1s. per head was decided upon for the destruction of emus. I contend, and there is evidence to prove my contention, that this

bonus is entirely insufficient. If we are to cope with the menace in the areas affected by the emu today—and those are buffer areas for the other wheat lands of the State—the bonus must be increased. Even a bonus of 2s. would hardly clear expenses. Cartridges, petrol and oil must be obtained, while wear and tear on vehicles is an important factor. Lastly, there is the farmer's time occupied in trying to stem the rising tide of emus. The cost of cartridges is excessive, due partly to the sales tax. It would not be difficult to have cartridges supplied to local governing bodies at a far lower rate than is the case today. If the 25 per cent. sales tax were removed, it would enable those using the cartridges for the destruction of emus to get them at a reasonable figure.

The Minister for Lands: I have tried that, with no result.

Mr. KELLY: I am sorry to hear that because, if it were possible, it would lessen the expenditure the farmers are called upon to incur; and the farmers are the only ones who are very active in this matter at present. The payment of 1s. a head does not offer much encouragement to men to undertake emu destruction, even as a sport—and it is a questionable sport. It is not any great inducement for them to spend time or money and to employ vehicles on emu destruction. Another point worthy of the Minister's attention is that cartridges are not available to other than primary producers at present; at any rate, they are available only to a limited degree. Once that amount has been expended, there is no opportunity to replenish the supply, and consequently men are not able to participate in the profitable hunts that take place during periods when the birds are most numerous. A good purpose would be served if the Minister were to enable other than primary producers to be supplied with cartridges under the control of the local governing body, provided sufficient evidence was forthcoming that the cartridges were being used for the destruction of emus.

So far as petrol is concerned, I understand that the road boards are footing the whole of the cost. Local authorities, particularly those in a rather restricted financial position, should be reimbursed to the extent of at least 50 per cent. of the outlay on petrol on this very necessary effort to re-

strict the number of emus. The birds cannot be more than limited. In a recent three-hour run, I saw what was—I think conservatively—estimated at from 2,500 to 3,000 emus. That sounds like drawing the long bow, but it is a fact that emus have come down in great numbers and are going through paddocks in mobs of 200 at a time. They are not only going through the paddocks but are also destroying the fences of the settlers. Something more should be done than merely to offer 1s. a head for their destruction. This matter should be considered from all angles that are likely to lead to success. It is only by studying the emu in its haunts and the conditions that apply to its destruction that we are likely to achieve success. Without wishing in any way to disparage the efforts of the Minister in making available the 1s. a head, I consider the money is being wasted so far as eliminating what is going to be one of the most serious menaces to the rural industry of this State is concerned.

Finally, I wish to refer to machinery for road-making. During the Address-in-reply I spoke of the possibilities in the future of the goldmining industry as a result of the use of machinery such as bulldozers and trench-diggers in the post-war period. I now appeal to the Government on behalf of many of the road boards in the State. Most of those boards have lent or hired their equipment to the Allied Works Council and various other Federal bodies during the past few years. Much of that equipment is not only obsolete but stands a great chance of being practically worn out. We know that for a period of three or four years local governing bodies have been unable to carry out very much in the way of road programmes. With the small amount of manpower at their disposal, they have endeavoured to keep open the main roads in their districts. As time goes on, many of the districts that have been almost closed down will again become active and the road question will be very acute. Much of the machinery that has come into Australia because of the war and which will remain in Australia—up-to-date equipment—could be utilised by local authorities. The time is ripe for the Government to investigate just what quantity of machinery will be available when the lend-lease period ends and post-war reconstruction works are being given full consideration.

It is very evident that the type of machinery being used during the war must be very effective to have been able to put down the long strips of road we have seen built in some quarters in such an incredibly short time. That machinery should be made available to all the States on a per acre or square mile basis. Provision should be made for much of it to come to Western Australia, because this is a large State, and because there are many hundreds of miles of roadway needed over and above what has been constructed during the war. The State Government should approach the Commonwealth with the idea of having a complete calibration of that machinery and of establishing a road-making machinery pool, the idea being that when the time arrives for that machinery to be available, those local governing bodies able to do so should pay the full purchase price for their requirements on a cash basis. Medium-sized boards and councils that are in urgent need of machinery—either as a substitute for some they have lost or as additions to carry out necessary works—should be given an opportunity to purchase from the pool on a basis that would call for some cash and for the payment of the balance on a time-payment or hire-purchase system.

Then again there are smaller boards whose revenue would be anything up to £2,500 and who naturally could not afford to purchase either outright or with a large cash consideration the machinery necessary to carry out these urgent works. Make no mistake, there are more urgent road works in this State than have ever accumulated in any past period, and a great call will be made on the various local governing bodies, and a large number of men will have to be employed in putting into condition the surface of the roads through many parts of the State! I place before the Minister the suggestion that this pool be formed; that a full calibration of the machinery available in Australia should be undertaken at the earliest possible moment so that when the times comes Western Australia will not be left standing as it has been on so many previous occasions, but will be able to secure much of the machinery that is so necessary to enhance not only the State's future but that of the various districts concerned.

Progress reported.

*House adjourned at 10.43 p.m.*