

that the Government should sponsor a Bill that would create so much unemployment.

The Chief Secretary: It is not a Government measure.

Hon. J. A. DIMMITT: That is so. I apologise for the error. But I am surprised that Mr. Drew should support such a measure. I can also see the danger of the power to license, or to withhold a license, being in the hands of a local governing authority. May I instance this: A road board member may be a district agent for a certain make of motor car, and he may be able to influence the other members of the board to grant a license enabling the salesman—or hawker, if members prefer that title—to call from farm to farm and door to door selling or peddling the vehicle, and the member may at the same time be able to influence the members of his board to withhold a hawker's license from a salesman or hawker of an opposition make of motor vehicles. May I draw attention to a position that was disclosed by a Rawleigh salesman in the Collie district. He has to operate under three different local governing bodies—the Collie municipality, the Collie Road Board, and the West Arthur Road Board. This particular salesman has 600 customers, carries approximately £200 worth of stock and approximately £200 worth of book debts. That disposes of Mr. Drew's assertion that business is done for cash; this man's business is done to a considerable extent on credit, much in the same way as a storekeeper carries on his business. This man would probably be thrown out of employment if the Bill were to become law. For these and other reasons I am led to the conclusion, as I stated in my opening remarks, that the Bill is in the nature of a wolf in sheep's clothing. It is my intention, therefore, to vote against the Bill; and I hope members will sense the danger of the measure, and the hardship that would be entailed if it were permitted to pass.

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

*House adjourned at 10.5 p.m.*

## Legislative Assembly,

*Tuesday, 1st November, 1935.*

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

### ASSENT TO BILLS.

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

- 1, Mullewa Road Board Loan Rate.
- 2, Geraldton Sailors and Soldiers' Memorial Institute (Trust Property Disposition.)
- 3, University Building.
- 4, Pensioners (Rates Exemption) Act Amendment.

### QUESTION—BULK HANDLING OF WHEAT.

#### *Additional Rail Freight.*

Hon. P. D. FERGUSON asked the Minister for Railways: 1, What additional freight is charged by the Commissioner of Railways on bulk wheat as compared with bagged wheat; 2, What additional freights will be charged by the Commissioner of Railways and the Midland Railway Company on bulk wheat as compared with bagged wheat handled through the recently erected bulk facilities on the Midland railway in the Fremantle zone.

The MINISTER FOR RAILWAYS replied: 1, 9d. per ton; 2, 1s. 6d. per ton, reducible by ½d. per each 1,000 tons in excess of an aggregate tonnage of 30,000 annually irrespective of whether wheat is sent to Fremantle or Geraldton.

# **BILL—INSPECTION OF SCAFFOLDING ACT AMENDMENT.**

## *Recommittal.*

On the motion of Mr. Doney, Bill recommended for the further consideration of Clause 7.

## *In Committee.*

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

Clause 7—Amendment of the Schedule:

Mr. DONEY: I move an amendment—

That paragraph (c) be struck out.

I do not desire the Bill as it stands to go to another place, where members would gain an impression that this House is content with paragraph (c), which in my opinion lays down quite a crazy sort of principle that a man who has done no wrong what ever shall be heavily punished, with no benefit resulting to anyone else. The paragraph means that scaffolding parts and gear that in the opinion of the inspector are no longer suitable for scaffolding purposes, shall be confiscated and destroyed. Presumably the parts would be destroyed by fire. The owners of the gear would have no redress, not even a right of appeal. There is no sense in that, and the proposal means deliberate waste of material that might be of use in other directions. The power proposed to be put into the hands of inspectors is dangerous. I see nothing wrong in the present method of dealing with such matters whereby an inspector indicates to the builder what parts of the scaffolding gear are unsafe for further use. The Act provides that the person who again uses such condemned parts shall be subject to a penalty. Why not allow that method to be continued? I do not know that it has been faulted in the past, or even that the penalty clause has had to be applied. Rather than continue with the absurd proposal embodied in paragraph (c) the Minister might consider increasing the penalty for this type of misdemeanour. The Committee should realise that according to the interpretation section "gear"—

Includes any ladder, plank, chain, rope, fastening, hoist, crane, conveyor, stay, block, pulley, hanger, sling, brace, or other moveable contrivance of a like kind.

The Committee will appreciate the number of directions in which some of the gear mentioned could be used, indicating that, though

useless for scaffolding purposes, the gear could be availed of in other directions. To burn or otherwise destroy such gear would be stupid and utterly wasteful. I do not know whether the Minister has given this matter consideration. If he desires merely to prevent the further use of faulty material, I suggest that instead of destroying it he should make provision for the cancelling of the certificate of the scaffolder, who would be responsible for the use of unsound material. When the Minister moved the second reading of the Bill, he said that one of the benefits the House would appreciate was the fact that builders would be relieved of all responsibility with regard to scaffolding. Plainly, the certified scaffolder would be the responsible man, and fit punishment would be meted out if the scaffolder who committed a breach of this provision were to lose his certificate.

The MINISTER FOR WORKS: This provision has been found necessary. Regulation 19 reads—

An inspection of all scaffolding or gear shall be made by an inspector at least once in every three months, and upon such inspection any scaffolding or gear, or any part or parts thereof which is or are not considered safe shall be marked by the inspector as unfit for further use; and after being so marked by the inspector such scaffolding or gear, or such part or parts thereof, shall not be used by any person.

It is provided that scaffolding shall be inspected every three months. On two or three occasions an inspector has instructed that scaffolding should not be used, and after he has gone away the scaffolding has been employed again.

Mr. Doney: There is a penalty provided for that.

The MINISTER FOR WORKS: The inspector says that the only way he can enforce his order is by having such scaffolding destroyed. That is why this power is sought. The workmen state that if they complain to the foreman, they are in trouble; and it is not their business to complain.

Hon. C. G. Latham: A heavy penalty should be provided for the re-using of condemned scaffolding.

The MINISTER FOR WORKS: It is recognised that for an inspector to go round every three months and condemn scaffolding is valueless if after condemnation the scaffolding is put into use again. The provision was not inserted without regard for past experience.

Mr. Doney: Can you give us any information as to how many prosecutions have been made in a stated period?

The MINISTER FOR WORKS: On the last occasion I instructed that there should be a prosecution because I consider this is a very serious offence. We might as well have no inspectors at all.

Hon. C. G. Latham: Why does not the inspector take action without waiting for your advice? He should do so.

The MINISTER FOR WORKS: I suppose the inspector endeavours to avoid prosecutions, if possible.

Hon. C. G. Latham: And pushes the responsibility on to the unfortunate Minister.

The MINISTER FOR WORKS: When the complaint was made to me, I said, "It does not matter who it is; you prosecute."

Mr. Doney: And that is the only occasion?

The MINISTER FOR WORKS: No, there have been more complaints than one, but on this particular occasion the workmen complained to me. I made inquiries, and discovered that they had told me the truth, that scaffolding had been used after condemnation, and at a considerable height, too. Members will understand that it is positively dangerous at times for faulty scaffolding to be used. The parts to be destroyed, such as lashings and ropes, would not be useful in scaffolding. If this provision becomes law, those responsible will be more careful in future and we shall be able to ensure that faulty scaffolding is not used again. I therefore object to the amendment.

Mr. DONEY: I do not think the Minister can be too satisfied with the defence he has advanced. It amounts to saying that the men charged with the observance of the Act have not been carrying out their duties; and the Minister apparently has been party to this ignoring of the regulations. He said that complaints had been made. He did not say from how many sources, but possibly only from one or two. Had there been more complaints, doubtless he would have taken action before. When the last complaint was made, however, he ordered a prosecution. Why does the Act exist if it is not to be obeyed? But the proper conclusion to draw from what the Minister has said is that had he insisted upon the observance of the Act there would have been no need for such an unsatisfactory amendment. The Minister

spoke as if every time material was condemned it was at once re-used, as a matter of course, so soon as the inspector was out of the way. I do not think that is so. I have discussed the matter with builders and numbers of men, and cannot find that there has been any great agitation for a change. It would seem as though the wish to give an order for the destruction of material arises from a desire to save the inspector making an inspection every three months. If it has been found that material has been re-used—which is a criminal proceeding, or could be in certain circumstances—I cannot understand why the Minister has not said to his officers, "There is the Act; you know precisely what to do." I hope the Committee will vote for the deletion of the paragraph.

The MINISTER FOR WORKS: The information supplied by the Chief Inspector reads:—

Regulation 19 provides that any scaffolding or gear which the inspector considers to be unfit for further use is to be marked so as to prevent re-use, but in practice the department has found this method to be extremely unsatisfactory. It is impossible to mark much of the material utilised in connection with scaffolding, and even where it is possible to mark such items, these marks are frequently obliterated or cut out, with the result that although material has been condemned as unfit for further use it frequently finds its way into scaffolding. The only safe way of dealing with this matter is to destroy any scaffolding or gear which is unfit for further use.

The fact that marking disappears makes it difficult to obtain evidence. The inspector cannot be on the job all the time. Already the regulations provide that he shall inspect gear every three months; but lots of things can happen in three months, and if those responsible ignore an instruction after the inspector has departed, the men cannot be expected to give evidence. Some of them came to me as a deputation, and told me of several instances in which this sort of thing had happened. I called in the Chief Inspector and the Principal Architect, and they agreed that the only way to ensure safety was to destroy such scaffolding.

Hon. P. D. Ferguson: Would the men go on a building if the scaffolding was dangerous?

The MINISTER FOR WORKS: They are told to re-use it, and they would have the not very easy task of telling the employer they were not prepared to go on the scaffolding. Evidence has been given that they

have been told to cut out the mark, and so destroy evidence.

Hon. P. D. Ferguson: I would not risk my life if the scaffolding was unsafe.

The MINISTER FOR WORKS: It is not the men's duty to make a fuss. That is the inspector's job, and he says he cannot carry out his duty unless he has the right, not merely to mark, but to destroy faulty scaffolding. Is the hon. member afraid that rubbish will be destroyed, because it would not be useful material but something unfit for scaffolding?

Mr. Doney: What about its usefulness for other purposes?

The MINISTER FOR WORKS: A most careful inspection is made of all gear and machinery in various occupations, but as regards scaffolding some men are too careless or too mean to provide the proper equipment and keep it in good order.

Mr. DONEY: I hope the House will not pass legislation of this senseless kind. The Minister says there is nothing wrong in destroying useless material. If the material is plainly useless, then let it be used for firewood. I do not care what is done with it. But scaffolding material is due for condemnation long before it becomes useless for every purpose. As soon as one fault is detected in it, the Minister would say, "This must be set aside and not used again." I admit the difficulty of marking material and at a later date finding that particular mark. It can so easily be obliterated.

The Minister for Works: This provision will remove temptation.

Mr. DONEY: The provision will very effectively achieve its objective. If the material is burnt, there will be no further argument afterwards, except with the builder. Surely there is a course midway between these two methods. The Minister asks why a piece of rope or lashing that is faulty should not be destroyed. No one objects to that. That would involve a few shillings only; but "gear" includes a number of expensive items. This matter is in the hands of the inspectors. Some inspectors might consider a piece of material safe, while others would consider it unsafe. Those responsible for the drafting of the Bill should try to find a more reasonable way out of the difficulty.

Amendment put and negatived.

Clause put and passed.

Bill again reported without further amendment.

## BILLS (3)—RETURNED.

- 1, Sailors and Soldiers' Scholarship Fund.
- 2, Basil Murray Co-operative Memorial Scholarship Fund.
- 3, Auctioneers Act Amendment.  
Without amendment.

## BILL—FINANCIAL EMERGENCY TAX.

### *Second Reading.*

**THE PREMIER** (Hon. J. C. Willecock—Geraldton) [5.2] in moving the second reading said: The Bill is framed on similar lines to the Income Tax Bill, and I do not propose to say much about it. Members will realise that it is a hardy annual, since it has made its appearance for the last six or seven years. The same principles are adopted on this occasion as have been adopted during the last two or three years; and as the taxation proposals of the Government have been fully explained, I do not propose to go over them again. The only difference is that which has been caused each year by the alteration in the basic wage, and the House has adopted those alterations. The deductions have been in conformity with the alterations in the basic wage, and because of that the Bill now before members is different only to the extent of the difference in the basic wage this year as compared with what it was last year. Provision is made in the Income Tax Assessment Act Amendment Bill for deductions of the emergency tax from salaries and wages to cease from the date that Act comes into force, which is expected to be on the 1st July next: but it is necessary to impose the tax for the full year in the event of there being any delay in the proclamation of the new part of the assessment Act.

It is unnecessary for me to reiterate the necessity for having the money this year. That was fully set out in the Budget. The collections last year totalled £1,074,561, and the estimate for this year is £1,100,000, a comparatively small increase. Since the Budget was introduced, the estimated expenditure has increased because of the absence of rain. It therefore becomes all the more necessary to have the money that we expect to obtain by the passing of this measure. The Bill fixes exactly the same rates as those imposed last year, except that the commencing rate for people with dependants will be altered from £3 17s. to £4 2s. This is in

conformity with the policy consistently followed since 1933 to exempt from the payment of the tax the amount of the basic wage for married men. Each year, as the basic wage has risen, the exemption figure for the purposes of this tax has followed it. As the principles are so well understood by both houses—this being annual legislation—there is no necessity for any further explanation. I move—

That the Bill be now read a second time.

On motion by Hon. C. G. Latham, debate adjourned.

## **BILL—FINANCIAL EMERGENCY TAX ASSESSMENT ACT AMENDMENT.**

### *Second Reading.*

**THE PREMIER** (Hon. J. C. Willecock—Geraldton) [5.6] in moving the second reading said: This is a complementary Bill to the one I have just introduced. Our Standing Orders make it necessary to have an assessment Bill as well as a tax Bill. The tax Bill imposes the tax, and any exemptions must be provided in the assessment Bill. All this Bill does is to amend the Act to the extent that instead of the exemption being £3 17s., as it was last year, it will be in accordance with what I explained on the previous Bill, £4 2s. I move—

That the Bill be now read a second time.

On motion by Hon. C. G. Latham, debate adjourned.

## **BILL—ROAD DISTRICTS ACT AMENDMENT (No. 3).**

### *Second Reading.*

**THE MINISTER FOR WORKS** (Hon. H. Millington—Mt. Hawthorn) [5.7] in moving the second reading said: This is mainly a Committee Bill, there being no outstanding principles involved; but it contains many amendments that have been asked for by the Road Boards Association from time to time, and seeks principally to correct anomalies that have come to light when administering the Act. The most important may briefly be enumerated as follows:—

1. The obviating of the gap at present existing between the time of members retiring and the holding of the annual elections.

2. Preventing members who seek re-election from witnessing absentee votes.

3. The appointment of a chairman by the Minister when the voting at the board meeting is equal.

4. Extending the time for preparation of data for valuations and making up the rate book.

The principal amendment is contained in Clauses 9 and 11, which provide for the erection of motor traffic by-passes in lieu of or in conjunction with gates across roads. The first of the amendments will remove an anomaly that exists in connection with the retiring of members. Section 27 of the principal Act provides that a certain number of members shall retire on the third Saturday in April in every year, and Section 61 provides that the third Saturday in April shall be the day of election. Section 6 of the Act provides that when a day appointed under the Act occurs on a public holiday, such appointment shall take effect on the next following week day which is not a public holiday, and that when an election falls on a Saturday which is a public holiday, such election shall be held on the next Saturday which is not a public holiday. Very often election day falls on Easter Saturday, and is therefore postponed until the following Saturday; but the retirement of the members would have to take place on the Wednesday following Easter Saturday, thereby causing a gap of three days between the retirement of members and the election of new members, which necessitates the board being without full representation for those intervening days. An instance of this actually occurred at Toodyay. The board knew it was not legally entitled to sit and so held an informal meeting. We do not want that sort of thing to continue, and the Bill will correct that anomaly. There is a difference of opinion among legal authorities as to whether there is an actual break. The Bill, however, will settle the question.

Another matter is that at present when a district is divided into wards electoral lists must be made up every year for each ward. This entails a lot of work and time, and that will be obviated if only one list has to be prepared. If the amendment is agreed to, the form to be used for the list can be so framed as to show the ward wherein an elector is entitled to vote and the number of votes he may exercise. It is also thought that the amendment will limit the possibility of more than four votes being recorded by the one elector. Another

difficulty that will be removed relates to absentee votes. It has so happened that members of road boards have been appointed persons to witness absentee votes, and on retirement from office of the member have sought re-election to the board. Those candidates can, however, continue to record absentee votes in the district for which they are seeking re-election; and this is considered a rather dangerous practice. The amendment in the Bill makes it necessary for the candidate to relinquish his appointment as postal vote officer. It has been ruled that if a member of a board other than the chairman is appointed returning officer, such member is not entitled to the fee prescribed in Subsection 2 of Section 60 of the principal Act, and, if he did accept such fee, he would render himself liable under Section 24 of the same Act. That does not seem reasonable, and the amendment will give such members the same privilege as is enjoyed by the chairman. Another difficulty that has arisen is that at a meeting of the board to elect a chairman or vice-chairman there may be an equality of voting, and that may continue from meeting to meeting. An amendment is required to put that right, and it is thought that the Minister should appoint a person to be chairman or vice-chairman if the vote at the meeting does not attain the object desired.

Mr. Stubbs: Whence does the Minister obtain the knowledge or authority entitling him to Act?

The MINISTER FOR WORKS: We are in close touch with all road boards. We have our Local Government Branch, and our auditors go right through the State auditing all road boards books and thus gaining knowledge of the personnel of the various boards. I know of one instance where there was difficulty in connection with a water board. The board comprised six members, who could not agree, so that another election had to be held. The previous Chairman was not re-elected. Here was another case which cost money. Acting on the advice of those who knew the personnel of the board, the Government decided to appoint a chairman. Such cases may not often occur, but the amendment would obviate the expense of unnecessary elections. It has to be borne in mind, moreover, that in such circumstances the election must be for the whole of the

board, whereas ordinarily only a proportion of the members retires.

Another matter in respect of which authority is sought is runs-through or by-passes. This has been asked for by road boards throughout the State, and particularly by those in the North-West. The principal Act already provides, by Section 149, that a road board may erect gates in lieu of fences; and Section 192 provides that the board may give permission to any person desiring to place and maintain a gate across a road. Since the advent of fast motor traffic, however, these gates have become somewhat of an obstruction. The proposed amendment will enable motor traffic by-passes to be erected in place of gates, or in addition to any gates which may be placed across public roads, thus doing away with the need for continually stopping motor vehicles, opening the gates, and after passing through stopping again to close them. I have found, during my trips through the North-West especially, that many pastoralists already have provided runs-through for motor traffic, at considerable expense to themselves. They explained to me that this was cheaper than the old method of erecting gates, which were frequently left open and broken, thus necessitating re-erection. The amendment is in accordance with modern transport methods. The by-passes or runs-through will be subject to the approval of the chairman of the Main Roads Board. At present some of the by-passes are dangerous. If the Bill passes, they will have to be built to a standard fixed by the local authority. Their erection has become a practice, and I assume that if a by-pass or run-through is erected off a road the road board would not be liable in case of accident. We are advised that if it is erected on a road, the board is liable.

Other amendments proposed by the Bill refer to sections of the principal Act which have been found wanting in so far as the time provided in each of the sections for the various requirements to be carried out by the road board secretary are inadequate. The amendments will have the effect of giving the secretary and other officers of the board more time in which to prepare the data and other matter which the Act requires. Sub-section 3 of Section 328 of the principal Act has been found unworkable, it being impossible to publish the annual statement of a road board in any newspaper at the cost laid down by the Act, namely £2

10s. Previously the Act provided that the statement should be published in the "Government Gazette," but this was subsequently deleted and the existing provision inserted. Henceforth the annual statement will be published in the "Government Gazette," which is the cheaper course. If a road board so desires, it can obtain forms of the statement and send them to the Government printer accompanied by a notice of the assessment sent to each ratepayer; and this will suffice. The Bill is merely a machinery measure, which is best discussed in Committee. I believe that every one of its provisions has been asked for by the Road Boards Association. Some of them may not be important, but the boards consider them necessary. The amendment relating to runs-through, especially, is long overdue; and if only from that aspect the measure is justified. I move—

That the Bill be now read a second time.

On motion by Mr. Doney, debate adjourned.

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

*Second Reading.*

Debate resumed from the 13th October.

**MR. PATRICK** (Greenough) [5.26]: When the Bill was introduced by the present Leader of the Opposition, as Minister for Lands, in 1931, the present Premier said he considered the Government was taking a highly serious step in interfering with contracts which had been made. The present Premier at that time was optimistic enough to express the hope that the measure would be repealed during the next session of Parliament. However, the Act has continued in operation, and presumably the Government considers financial conditions to be such that it requires to be continued for another year. With that view I agree. I personally have had very few complaints about the operation of the Act, and most of those have been in relation to property such as houses. Here is a sample complaint. I quote from a letter—

Now the unfortunate mortgagee has to appeal to a Supreme Court judge for an order so that he may take action for the fulfilment of any of the agreed covenants of the mortgage, and this order, even if obtained, becomes costly to procure, as it necessitates the services of a solicitor. This Act has been in force since August, 1931, and should have had ample time

to show its value, if there were any value, instead of which it has only allowed a further wastage of assets through neglect of repairs and painting, of fences falling down, of gardens ruined, and a big debt of arrears on municipal and water rates in those cases where the mortgagor is a pensioner.

The Act provides that the mortgagee may appeal to the court for protection or resumption of his rights in cases of this kind. However, that course is expensive, and therefore the Government should look into the matter. The cases I allude to probably have given rise to the claim that the onus of appealing to the court should be placed on the mortgagor instead of the mortgagee.

As regards farming properties, the Act applies only to mortgages which were in existence before the passing of this legislation. The reason is obvious. When everything was at its peak, when wheat was in the neighbourhood of 5s. per bushel and wool in the neighbourhood of 2s. per lb., sales of farms were made at high prices, and in some cases substantial amounts were paid. In those cases where only a small deposit was made, the buyer generally cut his loss and let the property revert to the original owner. I know of numerous instances in which this has occurred, the seller of the farm having to take the property back because the purchaser considered it cheaper to lose the money he had paid than to complete the transaction. With the slump, farming property depreciated to an enormous extent. I know of farms sold at £7, £8, and even £10 per acre which, after the depression came, could not have been sold at half those prices. In many cases the purchaser had paid a substantial amount of money, and the Act was passed so that he would not lose the whole of his investment. The question now is whether in the farming industry conditions have so improved that this legislation can be repealed. My view is that the position in the farming areas has not improved since 1931. As I pointed out the other evening, during the seven years prior to 1931 the average crop was 11.36 bushels per acre, and the average price 4s. 9d. per bushel. During the eight years since, the average price has been 2s. 9 7-8d., so that there has been little opportunity for the farmer who paid a high price for land to adjust himself to all the altered conditions and lower prices. As for the mortgagee, in some cases he was paid a substantial price for the land, more than he would get if it were put on the market now.

He has been in a good position, because he has been paid interest, in addition to the original deposit. As the Minister has pointed out, provision is made that if interest is in arrears for 12 months and no payment has been made for six months, the mortgagee can give notice of his intention to exercise his rights under the mortgage. In that case, the onus is thrown on the mortgagor of proving to the court that he is not in a position to carry on. That is all I intend to say. I consider our conditions are such as to render necessary the continuance of this measure for another year. Personally, I am reluctant to support legislation of this character; it is only because existing conditions justify it that I support the Bill.

**HON. C. G. LATHAM** (York) [5.32]: I hope consideration will be given to this Bill because of a point that was raised by the member for Greenough (Mr. Patrick). The Act is, in effect, a form of moratorium. Many people have invested money in mortgages in the belief that they could obtain repayment of the principal when it fell due, or at any time thereafter. Many people in the metropolitan area who are growing old have not an opportunity of obtaining repayment of the money which they have invested in this way. Perhaps the Government can give consideration to confining the legislation to mortgages over rural lands. Unquestionably, necessity exists for this legislation in the rural districts, as has been pointed out by the member for Greenough.

The Premier: The other mortgagees are in just as bad a position.

Hon. C. G. LATHAM: I agree. I know, and the Premier knows, that some people are sheltering behind this legislation.

The Premier: The mortgagees ought to take them to court.

Hon. C. G. LATHAM: The member for Greenough has pointed out that such proceedings involve expense. Some of these men and women have not the money to institute proceedings.

Mr. Watts: They can get an order for costs, if successful.

Hon. C. G. LATHAM: Of course, provision is made in the Act that if the mortgagee is able to prove that the mortgagor can raise the money from some other source, the judge will give consideration to an application. The member for Katanning (Mr. Watts) says that an order might be made

for costs; but the difficulty is for those poor people to find the money necessary to bring the matter before the court. While I am sorry the necessity still exists for this legislation, I agree that to remove it from the statute-book would be unwise.

The Premier: That is the point. It has its advantages and disadvantages.

Hon. C. G. LATHAM: I thought some consideration might be given to providing relief for the class of person to whom I have referred. I know that some of those people are in very poor circumstances. They cannot apply for the old-age pension because they own property; for the same reason they cannot obtain assistance from the Charities Department; yet they are not receiving sufficient money to live on. Some mortgagors pay only half the amount due, and the mortgagee must accept it. If half the interest is paid, the mortgagee cannot make an application under the Act. We should look into the cases where this legislation inflicts hardship. The intention never was to unload hardship from one person and place it on another.

The Premier: No.

Hon. C. G. LATHAM: As I have said, some mortgagors can meet their commitments, but they are sheltering behind this legislation to protect themselves from the mortgagee. I can furnish the names of people who have mortgage investments, but who cannot obtain the old-age pension because they have property and an income of about £20 a year on which to live.

Hon. P. D. Ferguson: The court will protect such a person.

Hon. C. G. LATHAM: How can he make an application to the court?

Hon. P. D. Ferguson: There is a Poor Persons' Legal Assistance Act.

The Premier: In cases of real hardship, we can provide legal assistance.

Hon. C. G. LATHAM: If that is so, I shall be glad if the Premier will provide it.

The Premier: You helped to pass the Act.

Hon. C. G. LATHAM: I do not think the legal assistance to which the Premier referred would be given to the people I have mentioned.

The Premier: It is given to poor persons, except in divorce cases.

Hon. C. G. LATHAM: I know an Act is in force which provides that legal assistance can be given to persons in the case of in-



dictable offences, and I also know that it has been very sparingly availed of.

The Premier: The members of the legal profession really do the work for nothing.

Hon. C. G. LATHAM: That is so, but would they find the costs to bring the necessary application before the court? Legal assistance is certainly given, but a person might be able to appear before a judge and make his own application. The difficulty, however, is for the person to find the money to make the application. A person with an income of £20 a year has very little on which to subsist. I thought the Government might look into this point with a view to ascertaining if it is possible to make provision for some relief in necessitous cases. I regret the necessity for the continuance of this measure for another year because of the conditions prevailing in the agricultural areas.

**THE MINISTER FOR LANDS** (Hon. M. F. Troy—Mt. Magnet—in reply) [5.38]: As this is merely a continuance Bill, nothing can be done to meet the wishes of the members who have spoken to it. The objection raised by the Leader of the Opposition applies both to the country and the city. I have had complaints made to me of hardship. People in the city have advanced money upon the security of country property at a time when those properties appeared to be an excellent security. A friend of mine called upon me for advice: she is a widow and, in my opinion, has had a bad run. She obtained legal advice because her mortgagor had taken advantage of the protection afforded by this Act. We cannot, however, make distinctions. The legislation, to be of any value at all, must be continued, and members should look at it from that standpoint. I should not like to injure any of the persons whose plight has been explained. I know there are cases of hardship, but, nevertheless, we must take a broad view and necessity does seem to exist for the continuance of this legislation for another year.

Mr. Watts: The legislation is doing more good than harm.

The Premier: Yes. It is.

**THE MINISTER FOR LANDS**: That is the position. I know of some very hard cases.

Mr. Patrick: I know of mortgagees who have received £6 an acre for land for which they could not get £4 an acre now.

**THE MINISTER FOR LANDS**: The Government has decided that the legislation shall be continued.

Question put and passed.

Bill read a second time.

*In Committee.*

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

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

*Second Reading.*

Order of the day read for the resumption from the 20th October of the debate on the second reading.

*Point of Order.*

Hon. C. G. Latham: I raise a point of order. In the clause of the Bill which it is proposed shall be Section 193 of the Act, provision is made for the taxation of an employee entitled to receive salary or wages from an employer in respect of any week or part thereof amounting in all to 37s. or more. Paragraphs (1) and (2) of Clause 4 provide for payment of the sum of 6d. if the salary or wages do not exceed £8 a week, and the sum of 9d. if the salary or wages exceed £8 a week. I contend that that is the imposition of a tax, because a rate of 6d. in the pound is to be paid on salaries and wages up to £8 a week and 9d. in the pound on salaries in excess of £8 a week. Subclause 4 states—

If the Commissioner is of the opinion that the deduction at the rate mentioned in paragraph (a) of Subsection 1 of this section from the salary or wages of any employee is insufficient to pay any tax payable by the employee . . .

Reference is made to a tax.

. . . he may notify the employer in writing that a larger amount shall be deducted from the salary or wages of the employee.

Section 46, Subsection 7, of the Constitution Acts Amendment Act provides—

Bills imposing taxation shall deal only with the imposition of taxation, and any provision therein dealing with any other matter shall be of no effect.

We should not have to give a lot of consideration to the Bill in this House and, when it reaches another place, risk its being ruled out of order. I desire a ruling whether the

insertion of those amounts actually imposes a tax. It may be argued that this is only a deduction, but what is the difference between a deduction and a tax? Under the Financial Emergency Tax Assessment Act a deduction is made, and of course is imposed under the Financial Emergency Tax Act. This Bill compels the employer to act as an agent for the Commissioner of Taxation and make deductions of 6d. and 9d. as indicated. That money is paid to the Commissioner of Taxation, and in due course goes into Consolidated Revenue. In fact, it goes almost direct into Consolidated Revenue inasmuch as the employer has to purchase stamps and, in making that purchase, he deals with an agent of the Treasury. Therefore he actually pays the tax direct to the Treasury. The Treasury issues the stamps and the purchaser, in paying for them, hands over the money direct to the Treasury. I contend that, because of the amounts stated in the sub-paragraphs quoted, this is a taxing measure and therefore is a violation of Section 46 of the Constitution.

The Premier: I do not think the Leader of the Opposition is quite right in his contention. The Bill does not impose a tax at all. If Parliament next year does not pass the Income Tax Act, the amounts deducted will be refunded. The deduction cannot be a tax until the tax is imposed. The tax will be imposed by the next Parliament for the financial year in which it is proposed that this measure shall operate. This is merely a method by which the tax may be paid and collected. The Bill does not say that it imposes a tax; it says that for the tax due in that financial year the deduction may be made at the source, which will allow people to meet their obligations when the tax is imposed. If no tax is imposed by Parliament, the money so deducted will go back to the people to whom it rightly belongs. The tax will be imposed by the tax Act, and then the money will go into the Treasury. Until the tax Act has been passed and the tax imposed, this is merely a method of enabling people to build up a reserve to meet the tax when due.

Hon. C. G. Latham: A compulsory method.

The Premier: Yes.

Hon. C. G. Latham: That is what taxation is.

The Premier: No, taxation is the imposing of something that somebody must pay.

This Bill does not impose any tax that someone must pay and not get back. When the tax Act is passed and Parliament declares it to be the law, that will represent the imposition of the tax. The Bill merely fixes a method whereby the obligation to be imposed on a person may be met by instalments. In the circumstances, I contend that the Bill is not out of order.

Hon. N. Keenan: May I point out that Subsection 5 of the proposed new Section 193 provides that if an employer fails to make any deduction required by this section, he shall be guilty of an offence, and for every such offence shall be liable to a penalty of not more than £20 and, in addition, be liable to pay to the Commissioner any amounts omitted to be deducted. There is an absolute imposition—an obligation to pay. The employer is obliged to pay the Commissioner not only the penalty but also the amounts he has failed to deduct from the wages of employees. The next paragraph empowers the Commissioner to recover those amounts by action in the court. If there is money due and owing, it is a tax. Therefore the point taken by the Leader of the Opposition is, in my opinion, quite correct. This is a Bill that another place could be said to have no right to amend, it being a taxation measure. Of course, the Council could reject the measure for any good reason, but would have no right to amend the Bill. If it is not a taxing measure, every line could be amended by the Council.

The Premier: The Council could amend this Bill.

Hon. N. Keenan: But it would or could be said that the Council was not entitled to amend a line of the measure because it is a taxation measure. I point out that the Bill requires an employer to pay the money to the Commissioner on demand, and if it is not paid, the employer is liable to be sued in a court of law. Therefore it must be money due and owing, and, that being so, to contend that it is not a tax would be absurd.

The Premier: It cannot be a tax until a tax is imposed.

Mr. Speaker: I have not had an opportunity to go closely into the question, and it does appear to me that the matter is too serious to give a ruling off-hand. The measure is a very important one, and I suggest that further consideration of the point be postponed to enable me to consider the matter closely, and ascertain whether the

assessment Bill, as proposed, is a taxing Bill which, if it were, would bring it into conflict with the section of the Constitution already quoted.

The Premier: I have no objection to a postponement.

The Minister for Lands: I move—

That the debate be adjourned.

Hon. C. G. Latham: Will that debar me from speaking on the second reading?

Mr. Speaker: No.

Motion (adjournment) put and passed.

### **BILL—FREMANTLE GAS AND COKE COMPANY'S ACT AMENDMENT.**

#### *Second Reading.*

Order of the Day read for the resumption from the 6th October of the debate on the second reading.

Mr. SPEAKER: Before putting the question, I should like to say there is some room for doubt whether this Bill should be introduced as a public or a private measure. An almost identical Bill was introduced last session. The question was raised, and the Speaker ruled it was a public Bill. This ruling was challenged, and, on a division, the Speaker's ruling was upheld. The Bill did not become law. When this Bill was introduced, I received an opinion from the Solicitor General that it was a public Bill. I looked closely into the matter and submitted my conclusions in writing to the Solicitor General, and he has again definitely declared that the Bill was rightly presented as a public Bill. I submit the question that the Bill be now read a second time as a public Bill.

Question put and passed.

Bill read a second time.

#### *In Committee.*

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

Clause 1—Amendment of Section 3:

Hon. C. G. LATHAM: This clause provides for an extension of the area within which the company may operate. The only safeguard is that provided in the First Schedule, and but for that safeguard, this proposal would be very unwise. I direct the Minister's attention to the proviso that the Governor shall not issue any proclamation to extend the limits unless and until the

municipal council or road board concerned has by resolution consented thereto. To make alterations by proclamation as suggested is quite a new form of legislation. I do not know whether the Minister has considered that point.

The MINISTER FOR WORKS: The Act authorises the company to operate within a radius of five miles, and the Bill seeks to extend the area outside that radius, but only with the consent of the local authority. We would not compel any local authority to enter into an agreement with the company. The Perth City Council's gas and electricity service will meet the service of the gas company, and as the boundary has been agreed upon, no difficulty will occur there.

Hon. C. G. Latham: I was wondering whether there is going to be competition.

The MINISTER FOR WORKS: No.

Hon. C. G. Latham: I think we should have competition.

The MINISTER FOR WORKS: It was mutually agreed that there should be no competition. Competition of that sort was tried out in the Old Country and found to be inadvisable. So long as we have a safeguard in the matter of charges—

Hon. C. G. Latham: Have you a safeguard? I did not see any in the Act.

The MINISTER FOR WORKS: I think there are rights specified in the Act.

Hon. C. G. Latham: Not in the matter of fixing charges.

The MINISTER FOR WORKS: At any rate, the conditions previously operating will continue to apply. The charges levied by the Perth City Council could be taken as a criterion of the prices to be charged by the Fremantle Gas and Coke Company. In any event, after years of experience there have been no complaints. Obviously no municipality or road board could be forced into an agreement with the company.

Hon. C. G. Latham: But the ratepayers are those most concerned.

The MINISTER FOR WORKS: No agreement would be entered into unless the local authority consented to it.

Mr. NORTH: I support the clause. A local authority must first agree to the necessary resolution before the power can be exercised by the company. The Claremont Municipal Council supplies electric current to consumers, but I am sure it would rise

above the element of competition against gas and would not refrain from agreeing to the necessary resolution in order to force ratepayers to use electricity instead of gas. Nevertheless, the Government has given the power to the council as a check.

Clause put and passed.

Clauses 3 to 5, Title—agreed to.

Bill reported without amendment, and the report adopted.

## **BILL—WORKERS' HOMES ACT AMENDMENT.**

### *Second Reading.*

Debate resumed from the 27th October.

**HON. C. G. LATHAM** (York) [6.5]:

The Premier, when moving the second reading of the Bill, pointed out the object of the legislation, which is quite simple. If agreed to, the Bill will enable the Workers' Homes Board to borrow funds to extend its operations. I do not know whether I am wrong, but I assume this means the Government is short of loan funds.

The Premier: Everyone is in that position.

Hon. C. G. LATHAM: Evidently I have hit the nail on the head. During the current financial year, difficulty will be experienced in securing loan funds. I am anxious that people shall procure their own homes, and particularly do I want to see them secure cheap homes for which they can afford to pay. In those circumstances I shall not seek to prevent the Workers' Homes Board from going on the money market to secure loan funds. Not for one moment do I consider the board will be able to get much more along those lines than is now available from loan funds. Each year from £15,000 to £50,000 of loan funds has been made available.

The Premier: In some years the board did not get any funds at all.

Hon. C. G. LATHAM: In some years the board had a credit balance; and repayments were being made, thus providing a certain amount of additional capital. One point that occurs to me is that the measure will enable the board to go on the money market to secure funds by the issue of debentures, enabling it to pay back £710,000 that the Government has provided so far. I do not know whether that is the object.

The Premier: That is not intended.

Hon. C. G. LATHAM: Clause 3 contains the following:—

The board may from time to time on the recommendation of the Minister and with the approval of the Governor—(a) borrow money by the issue and sale of debentures for the purpose of raising the funds of the board for the effectual execution of this Act; (b) create and issue debentures in exchange for the debentures issued in respect of money previously borrowed by the board and not repaid; (c) create and issue and sell any such debentures for the purpose of raising money for redeeming any outstanding loans and paying any expenses incurred in the creation of debentures, and otherwise carrying out the provisions of this Act . . .

If "raising money for redeeming any outstanding loans" does not mean that the board could borrow £710,000 and repay the money to the Government, I do not know what those words do mean.

The Premier: I think the board would find difficulty in doing that.

Hon. C. G. LATHAM: Yes, in raising that amount. The board will not have the benefit of the sinking fund contribution provided under the Financial Agreement. I am very proud of Western Australia, which has been strictly honest with the people and with the Loan Council. This State has not resorted to practices indulged in by other States.

The Minister for Lands: But they do not fare any worse for it.

Hon. C. G. LATHAM: But the taxpayers do, and there will be a day of reckoning.

The Premier: Yes, there will be.

Hon. C. G. LATHAM: For instance, in one year New South Wales borrowed £9,000,000 for semi-governmental authorities.

The Premier: And they do not get any sinking fund payments.

Hon. C. G. LATHAM: No, not from the Commonwealth Government. The Workers' Homes Board will not derive any assistance from that source either. Of course, assistance has been received in respect of moneys appropriated by Parliament; but once the Bill is passed, the board will not derive any further financial assistance from the Commonwealth Government.

The Premier: Yes, if Parliament appropriates money from loan funds.

Hon. C. G. LATHAM: That is so; but if the board goes on the money market to dispose of £50,000 worth of debentures, it will

be regarded as a borrowing authority separate from the State Government. The Bill contains machinery clauses setting out how the debentures shall be issued, and so forth. There is also a provision permitting the board to require a deposit of less than £5 where houses are acquired under the leasehold provisions of the Act.

The Premier: And also to require greater deposits.

Hon. C. G. LATHAM: Yes. There is no alteration regarding the deposits required for freehold propositions. The Bill is framed so as to enable the board to require increased deposits on goldfields properties acquired under the leasehold system. Should the prosperity of the goldfields decline, the land will still be in the possession of the Government. I propose to move for the deletion of the clause under which the board will be able to go on the money market to borrow funds. Apart from that, the Bill should be acceptable to members. Some years ago the National-Country Party Government passed the Finance and Development Board Act with the object of assisting the farmers, and under its provisions £500,000 was borrowed.

The Premier: Was it not £300,000?

Hon. C. G. LATHAM: No, the Government borrowed £500,000. Members now on the Treasury Bench objected to that legislation, and when they took charge repealed the Act, holding that its principles were unsound, and amended the Agricultural Bank Act to deal with the situation. In view of the proposal embodied in this Bill, I do not know how Ministers can regard their actions as consistent. Under the Bill they seek to do exactly what the National-Country Party Government did under its legislation, namely, to borrow from the Commonwealth Bank. Personally I do not see any harm in that proposition, and the possibilities are that money will be released for use in other directions. The Workers' Homes Board will not build homes unless they are required. I believe no difficulty will be experienced in raising money on debentures, but I do not want the board to embark upon competitive flotations and pay higher interest rates than are necessary.

The Premier: No, not at all.

Mr. Lambert: Interest rates should be fixed.

Mr. Styants: But the rates will vary.

Hon. C. G. LATHAM: I think the Commonwealth interest rate to-day is  $3\frac{3}{4}$  per cent.

The Premier: No it is  $3\frac{1}{2}$  per cent.

Hon. C. G. LATHAM: At any rate, it is under 4 per cent.; and probably difficulty will be experienced in securing much new money, although the conversion of the debentures may be effected satisfactorily.

The Premier: The present market rate is about £3 16s.

Hon. C. G. LATHAM: That is, for Government loans.

The Premier: Yes.

Hon. C. G. LATHAM: I think the interest rate has gone up for commercial purposes. Not very long ago there was a rise of  $\frac{1}{2}$  per cent. or overdraft rates. However, I think the authority of Parliament should be obtained before the board attempts to raise a loan. The money should be appropriated by Parliament, and the amount to be borrowed should be fixed. Each year Parliament should be told how much money the board desires to secure.

The Premier: Yes.

Hon. C. G. LATHAM: I am reluctant to reduce the powers possessed by Parliament. I have continually complained on that score, and now we are asked to pass a Bill to enable the Workers' Homes Board to go on the money market and borrow what funds may be required. Unless we retain some control, we shall have our powers further curtailed.

The Premier: But the approval of the Executive Council will have to be secured.

Hon. C. G. LATHAM: That implies very little security. I have little faith in some respects in the Executive Council to-day.

The Minister for Mines: That is a reflection upon the Lieutenant-Governor.

Hon. C. G. LATHAM: His Excellency has nothing to do with it at all; I happen to know. I support the second reading of the Bill.

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

MR. STYANTS (Kalgoorlie) [7.30]: I hope the measure will receive the approval both of this House and of another place. Anyone who has given consideration to the housing problem and the operations of the Workers' Homes Board must realise that for a considerable time the board has been handicapped by a lack of finance in endeav-

vouring to meet the demands for homes with which it is faced almost continuously. I think the board is something like 18 months or two years behind in its building programme; that is, in providing for those who have already made application. Not only that, but I feel sure that if it were known the board had sufficient funds to carry out its programme, many more people would make application for homes than has been the experience to date. When the measure designed to control rents was before us, members of the Opposition declared that the problem of the prevailing high rents could be overcome by the Government's finding extra money for the Workers' Homes Board to erect more homes for the people, thereby bringing the supply of houses somewhere near the demand. This, it was contended, would have a favourable effect on rents.

One portion of the Bill proposes to give the board discretionary powers as to the amount of deposit it shall demand from applicants. That is very necessary. Another disability to be remedied is that which permits the board by a regulation unfairly to discriminate, to my way of thinking, between a person who owns a freehold block and one who makes application under the leasehold provision. At present, for persons who have no security at all except the £5 deposit they have to lodge—or, on the goldfields, £15—the Workers' Homes Board has to find not only a dwelling, but also the block on which the dwelling is to be erected. If a person owns a freehold block, however, he has to deposit with the board 10 per cent. of the value of the block and the building. That involves the individual in considerably greater expenditure than the leaseholder from the point of view of both the cash deposit and the money which has already been paid out in the purchase of the freehold block. If a man has a freehold block worth £20 and the house to be erected is to cost £500, the gross capital value of the house and block is £520 and the applicant is called upon to find £52 deposit. The board will give him credit for £20, which it considers to be the value of the block. He then has to find £32 cash, in addition to having already provided the block, the deeds of which he hands over to the board. That seems unfair discrimination between the man who has saved up to buy, and who owns a freehold

block, and the person who has a leasehold block.

The secretary of the Workers' Homes Board told me that during the last few years the ratio between applicants with freehold blocks and those with leasehold blocks has been completely reversed, in that where previously there were more applicants who possessed freehold land, a considerably greater number now applies under the leasehold system. The reason is quite obvious. It is that in addition to the man's providing the security, in the case I have mentioned, of a freehold block worth £20, he has to provide £32 in cash, whereas the man with no block at all merely has to provide £5 in certain portions of the State or £15 in the goldfields area. From the point of view of the board, and from a general standpoint, it is desirable to encourage a man with freehold property to have a home erected on it. That is better than giving men encouragement to go to no pains at all to save money for the purpose of making a block freehold, and allowing the board to provide everything for such men. I hope that in addition to the liberalisation of the board's discretionary powers in the matter of deciding the amount of deposit to be paid, its policy will be reviewed with the object of ensuring that men with freehold blocks are not placed at a disadvantage as compared with men having little or no security to offer beyond the £5 or £15 deposit. I trust the Bill will be passed, because it provides something that has long been needed. If the board is given borrowing powers and can obtain money in that way, in addition to the repayments it receives all the time from occupants of buildings it has already erected, many people at present paying rent to landlords will soon be on the way to obtaining their own homes under this system.

**HON. N. KEENAN** (Nedlands) [7.39]:

Everyone in the House is in sympathy with the objects of the board, and is desirous of affording the board an opportunity to effect those objects by becoming possessed of the necessary funds. Nevertheless the fact should be emphasised that this is an instance—though not the first instance—of a departure from what was really the principle that brought the Loan Council into being; because the Loan Council owes its existence mainly to the fact that the States were all competing against one another in

borrowing, the inevitable effect of that competition being to raise the rate of interest. One State was offering a more attractive loan than another and thus secured the money that was available for public subscription, and consequently that State's loan was a success. There was a distinct competition between all the States on the money market, and each State was prepared to exceed the terms of the other States in order to achieve success. That was a most undesirable state of affairs. It was a state of affairs that could not go on for any length of time without leading to a crash. That was one of the main reasons why the Loan Council was accepted by the people of Australia and why that council came into existence. It was to produce, if I may borrow an expression, "orderly borrowing." A decision was reached that the States should not enter into competition one with another, but were to agree on what was to be the amount that might reasonably be expected to be obtained by way of public subscription and, further, on how that amount should be divided between the States and the Commonwealth which were parties to the agreement. The intention also was to prohibit any action outside the action of the Loan Council in raising money by way of loan. I am aware that that principle has been departed from in this State and other States, though only to a limited extent in Western Australia. I am sorry to say it has been departed from to an almost unlimited extent in other States and particularly in New South Wales. If that practice proceeds to its logical end the only result will be entirely to defeat the object that, without question, was achieved by the establishment of a Loan Council. There is nothing to prevent the State Governments from borrowing through semi-public boards.

Boards for public works and other purposes can be constituted and can raise money. The extent to which that opportunity can be availed of is unlimited. If it is pursued, the same condition of affairs will eventuate as prevailed in 1927 and the preceding years. There will be competition in the money market, unrestricted by any governing authority, which must lead inevitably to a rapid rise in interest rates.

While that is so, the object of the Bill, as I said when I began, is undoubtedly a most worthy one. Under existing circumstances, it would appear to be impossible to obtain moneys to assist the board in attaining its

objectives except by the means now suggested. Therefore, very reluctantly—because I believe that the beneficial effect the establishment of the Loan Council has achieved is not as fully appreciated as it should be—I am prepared to assent to the measure. I also agree with the member for Kalgoorlie (Mr. Styant) that the board should not distinguish between those with freehold properties and leaseholders. That is a detail that can be attended to in Committee. I also strongly support the view advanced by the Leader of the Opposition that the board should not be authorised to raise money to repay moneys advanced to it from previous loans, but only to raise money for current use. That also can be attended to in the Committee stage.

Lastly there is the point that this Bill undoubtedly is to a large extent handing over to a board, admittedly subject to the approval of the Minister, the powers and authority of Parliament. I hope the Minister in charge of the Bill will agree to substitute for the word "Minister" in the first clause which makes the approval of the Minister necessary, the word "Parliament," so that these matters may be submitted, not merely to the Minister, but as soon as possible to Parliament as well. Parliament will thus be aware of the activities of the board, the extent of its borrowings and the conditions under which the borrowing has been carried out. Nothing can be more important than the regulation of those conditions and the preventing of this being the commencement of a race to see who will be more successful in the securing of money that may be available on the loan market. Parliament should have control—though it may be said that the Minister may be able to exercise it—and it is preferable that the matter should remain in the hands of Parliament. Subject to these reservations, I am pleased to be able to support the Bill, and I am with others who desire to see that any person who is determined to make his home permanently in the State, may be given the necessary facilities. The Bill will enable the Workers' Homes Board to become possessed of funds, and this in turn will assist the individual who desires to become the owner of his own home to carry out his object.

**MR. TONKIN** (North-East Fremantle) [7.47]: I support the second reading because it is most necessary that the board should be given the power proposed. In the past the Workers' Homes Board has done excellent work, but it has not been able to build sufficient homes to meet the requirements of everyone. We have had complaints that the funds of the board have been limited to the extent of £800 or £900, with the result that the money available was used up quickly, and there was nothing left for the cheaper class of homes. Therefore, those that were desirous of building the cheaper type were compelled to go without. We have heard that private enterprise has for some time past been building fewer homes of the cheaper class, and so there have not been many available for the section of the community that desired them. The Workers' Homes Board has not been able to meet the demand because it has not had the money at its disposal. Then an attempt was made to overcome the difficulty by restricting the erection of the better class of dwelling and using the money for the cheaper type. The outcome was that it became necessary to limit the building of homes for those people who were on part-time work or who were receiving less than the basic wage, while there were also men receiving more than the basic wage who had to be told that it would be some time before they could be provided with homes, the reason given being that there was not sufficient money available to meet the requirements of that section.

Hon. C. G. Latham: Where were those cheaper homes being built?

Mr. TONKIN: A few were built in my electorate.

The Premier: They were being built all round the suburbs.

Mr. TONKIN: I am glad to be able to say that a number were built in Mosman Park, but we could do with many more. Unfortunately there were people in that suburb who were earning slightly more than the basic wage, and they had to be told that there was not sufficient money available to build homes for them, but that possibly later on they could apply again to the board. That position should not have arisen. The board should have sufficient funds to enable it to build all the homes required by the people that need them. Private enterprise is not now building homes for the poorer

section of the community. The money that private enterprise has at its disposal is being devoted to the erection of flats and houses that will bring in something like 30s. or 35s. a week unfurnished. Such houses are useless to people earning the basic wage or less. The only authority prepared to build such houses is the Workers' Homes Board, but, as I have said, it has not the funds at its disposal. The Bill will enable the board to borrow more money, and so it should be possible later on for it to meet the requirements of those people engaged on part-time work and in receipt of the basic wage, or perhaps a little above it. If a man earns £3 a week, it should not be necessary to tell him that he cannot get a home of his own because he is not getting £3 10s. As we all know, it is impossible for a man without assets to make arrangements privately for the erection of a home, without putting up a substantial deposit. Another matter that is being remedied by the Bill is that of making it possible for the board to accept a deposit of less than £5. Several cases have come under my notice where men earning less than the basic wage were told that they would have to find a deposit of £5 if they wanted a home, and because they were unable to do so they were obliged to let the proposal go by the board. That is an unfortunate position. It is difficult for a working man on part-time employment to save £5. Indeed, it becomes almost an impossibility. He may get together the required amount, but then a child becomes ill, and the savings disappear. Probably also he is left in debt. Then if he is fortunate enough again to save the required deposit something else may happen, and so he may never become possessed of a home of his own. The Bill will enable people desirous of acquiring their own homes to do so without that difficulty. It may be said that if a person cannot pay a deposit of £5 he does not deserve to have a home of his own. That is not the test at all. Many people to-day are paying 17s. 6d. or £1 a week rent for the houses they occupy, and they pay the rent regularly. Thus they are unable to save any money. If the board was given authority to accept a smaller deposit probably the applicant could find that sum, and the rent he would then be paying would be less than he had been in the habit of paying to a private landlord. So I believe the Bill will make it possible for a much greater number



of people to acquire homes of their own. Unfortunately, to-day we find several families living in small houses, being forced to do so by reason of the extreme difficulty experienced in securing homes for themselves. Last year I took the trouble to interview about half-a-dozen land agents in Fremantle and asked them how many houses they had available for letting at about £1 weekly. Not one had such a tenement available, and all said that houses of that type in Fremantle, South Fremantle and North Fremantle, were let practically weeks in advance. People became aware when such places were about to become vacant, and consequently rushed them. If it were possible for the Workers' Homes Board to build residences for people to whom they could be let at, say, 17s. 6d. per week or even less, the existing trouble would to a great extent be alleviated. Unfortunately, the difficulty has been that the board has not had money available to carry out this laudable object, or even the power to accept a deposit of less than £5. The Bill will meet both those requirements, and I hope, therefore, it will have a speedy passage.

**MR. CROSS** (Canning) [7.55]: The Leader of the Opposition by way of interjection when the Bill was being introduced, said that it would be far better to go on as we were doing without borrowing further money. I should like to inform him that recently Governments in almost every State in Australia have introduced legislation with the object of providing additional house accommodation for the people. I have copies of the legislation that has been introduced in three of the Eastern States. The first was introduced in Victoria on the 24th December last year. It is described "as an Act to make provision with respect to the constitution of a housing commission and to authorise the raising of money." The Act provides that the Governor-in-Council may from time to time increase the amount of stock, known as Victorian Government stock, raised under the authority of the Victorian Government Stock Act, and not exceeding £500,000. This was done so that the Housing Commission could erect workers' homes.

Hon. C. G. Latham: Who built the houses? Was it not a building society?

Mr. CROSS: The Act was passed for the purpose of providing money for the building of houses.

Hon. C. G. Latham: And it was advanced to a building society.

Mr. CROSS: The Act does not say anything about that.

Hon. C. G. Latham: That is what was done.

Mr. CROSS: The Victorian Government passed that Act to authorise the raising of an additional half-a-million for the purpose of providing more homes for the people. Another measure went through on the same evening—Christmas Eve—having a similar object in view, and it was called "the Health Housing Act, 1937." That made provision, not for some other bodies to build houses, but set out what should be done by the Victorian Housing Commission. If the Leader of the Opposition is not familiar with the legislation of that State, I can let him have the copies of the Acts that I have in my possession, to study. That was not all that the Victorian Government did. On the 1st July of the present year that Government introduced a Bill to make further provision with respect to the duties of the Housing Commission, and it was divided into four parts, (1) to amend the Housing Act, (2) to improve the housing conditions, (3) to provide for slum reclamation, and (4) the provision of houses for persons of limited means.

Hon. C. G. Latham: And there is a Country Party Government in that State!

Mr. CROSS: That does not matter. It is ably supported by the Labour Party. In Tasmania an amending Bill was recently introduced to make provision for more homes for the poorer section of the community. The Bill was introduced by the Minister for Agriculture, and it provided also for the building of homes for farmers. In New South Wales there has been a fair crop of measures introduced. One was submitted in 1937 for the inauguration of a housing scheme.

Hon. C. G. Latham: Read the Bills out!

Mr. CROSS: The hon. member can take them home and read them all night.

Hon. C. G. Latham: I want you to read them.

Mr. CROSS: In New South Wales a Bill for a Housing for Unemployed Act was certified on the 27th May, 1938. It was introduced to constitute a Homes for Unemployed Trust and to define its powers, authorities, duties and functions. Another comprehen-

sive Bill was certified on the 12th May, 1938, to give assistance not only to the Housing Trust but also to certain building societies.

Hon. C. G. Latham: What is the connection with this Bill, I want to know?

Mr. CROSS: My desire is to show that all other Australian States are taking concerted action to raise funds in order to provide decent homes for their people, especially the poorer section.

Hon. C. G. Latham: Tell us what some of the Labour Governments over East are doing, for instance, Tasmania and Queensland. You are silent on that aspect.

Mr. CROSS: If the Leader of the Opposition will look at a speech I made a year ago—

Hon. C. G. Latham: Which one?

Mr. CROSS: In that speech I gave a comprehensive resumé of what was being done by the Queensland Labour Government most capably, and with great profit, in building numerous wooden houses, which are a credit to the State. In that speech I also told members what had been done in that regard by European countries during the last 20 years. I will not weary the House by giving that information all over again. My wish is to impress on members that greater efforts than usual are being made elsewhere to provide houses for the poorer sections. Therefore I regard the Bill before the House as most desirable.

Hon. C. G. Latham: Who put through that Bill establishing the McNess Housing Trust?

Mr. CROSS: The Labour Party supported the measure.

Hon. C. G. Latham: As a matter of fact, you did not know that I introduced the Bill.

Mr. CROSS: The hon. member may have introduced the Bill under pressure from the Labour Party.

Hon. C. G. Latham: You did not even know that we had the money.

Mr. CROSS: The Housing Trust referred to by the Leader of the Opposition has done much good work, but at present it has before it over 130 applications for houses and has not funds to erect them.

Hon. C. G. Latham: How much money has that trust?

Mr. CROSS: None until it gets some from the latest bequest.

Hon. C. G. Latham: It has a fairly substantial wad, and can easily borrow.

Mr. CROSS: The trust has not got that money yet. Even when it gets the funds, it will not have sufficient to build houses to meet the applications now in hand. Cheaper homes are urgently required in the metropolitan area. Almost daily I am approached by persons in poor circumstances who are unable to obtain houses even at a rent of £1 per week. Large numbers of our people cannot possibly afford to pay a weekly rent of £1. Almost every European country has long recognised that it is a governmental and municipal function to provide cheap good houses for even the poorest section of the community. I observe with regret that even this amending Bill does not make provision for houses on behalf of the poorer section of the community. If the measure is passed, it will provide houses only for people receiving in the vicinity of the basic wage. The House should tackle the problem of providing homes for those unfortunate people who are permanently on the books of the Child Welfare Department and quite unable to pay current rents. Moreover, houses should be provided for the "C" class workers, even though there are only two or three hundred of them. I would like a Bill for that purpose, even if the Government has to subsidise the project, as is done in many other countries. Who shall say that those people are not entitled to decent homes? The Bill is indeed desirable. I do not think the Leader of the Opposition was serious when he said he had found a nigger in the wood pile. Surely the hon. gentleman knows that the Bill merely provides power to raise funds for the effectual execution of the measure. It speaks of "such moneys as may be from time to time appropriated by Parliament for that purpose and such moneys as the board may borrow." To carry out the object of the measure in an effectual manner the board is authorised to raise funds by the sale of debentures. This State has men who are prepared to invest at a low rate of interest in order that homes may be provided for the people.

Hon. C. G. Latham: Everyone is not as wealthy as you are.

Mr. CROSS: It is interesting to note that the Bill provides that repayment of any money borrowed by the board shall be guaranteed by the State. Therefore people who do invest in this direction will be certain of receiving interest payments and capital repayments on due date. I regret that the

measure does not provide, as most measures of this kind in other countries do, that interest shall not be more than 4 per cent. In the Eastern States the rate is usually less, and I have not discovered one case where it is greater. I do not anticipate serious opposition to the Bill; and I hope that after it has been passed, yet another amending Bill, of even more liberal provisions for the poorer section of the community, will be introduced. The housing problem is being attacked everywhere else, and should be tackled here. The question has never been regarded as a party matter.

Next I desire to draw attention to the fact that there is still plenty of land available on which to build cheap wooden houses. True, many municipalities and even some road boards have made a fetish of closing certain areas against the erection of wooden houses, thus damaging one of Western Australia's greatest industries—the timber industry. In Queensland nearly all houses erected by the Workers' Homes Trust are of wood, and English visitors declare them to be some of the most beautiful houses in the world. Nearly all those houses are of wood.

Hon. C. G. Latham: You know why?

Mr. CROSS: I know why that is so in Queensland and also in New Zealand.

Hon. C. G. Latham: In New Zealand the houses are built of wood because the country is so subject to earthquakes. In Queensland the houses are of wood because wooden houses are cooler than brick.

Mr. CROSS: Plenty of land is available in Western Australia for the erection of wooden houses.

Mr. Hegney: At Middle Swan.

Mr. CROSS: Nearer to Perth—in Cannington. There houses can be built for £300 or £400 on three-quarters of an acre of land, enabling the occupier to keep a cow, as many people would like to do. I hope consideration will be given to that aspect, because for men with large families the cost of living will be materially reduced if they have an extra bit of land on which to keep a cow. There are square miles of country to be found in single patches in the metropolitan area on which two or three hundred houses could be built. If that were done, they would be taken up quickly, since, not costing much, they could be sold at low figures. If sold on long terms, they would be purchasable at considerably less than houses can be rented for at present. I am

pleased that the Bill has been brought down, though it does not go nearly so far as I should like. I have much pleasure in supporting the second reading.

**MRS. CARDELL-OLIVER** (Subiaco) [S.13]: As there will not be opposition to the Bill, I shall not make a speech. My wish is merely to emphasise something I said last year, that I hope the Government will undertake the building of houses within the means of the poorer sections of the community—not those on or even a little under the basic wage, but pensioners and people with incomes of only £1 or £2 per week. In my electorate those people are entirely unprovided for. It is impossible for them to obtain houses. They must live in rooms, and sometimes have to pay dearly for that accommodation. I do hope the Government will do something for this class of people. In my opinion the duplication of borrowing powers may at some future date rebound in heightening interest, thus coming back on the Government in a way it does not at present anticipate. Still, I cannot see any other outlook. The Government must have the money because the people must have houses.

Mr. MARSHALL: I move—

That the debate be adjourned.

Motion put and negatived.

**MR. HEGNEY** (Middle Swan) [S.14]: The Bill is certainly an excellent measure, inasmuch as it seeks to extend the activities of the Workers' Homes Board. Members have commended the Bill highly. The difficulty workers have to face in seeking homes of their own—especially workers on lower incomes—is that they must over a period of years pay a relatively large sum by way of interest. That is one of the worst features of the Bill. The Bill provides that the Governor-in-Council shall prescribe an amount to be paid by way of interest and sinking fund to recoup the debenture-holders. Many workers on small incomes would be able to secure homes if they did not have to meet interest payments. I refer to interest payments not only to the Workers' Homes Board, but to private builders. The State Sawmills Department is doing excellent work in this direction, because it does not charge interest to workers obtaining accommodation from it. A worker can go to the State Sawmills and obtain

timber to erect a small house. The timber is supplied on terms, without interest. Thus many workers are enabled to build a reasonable house without having to meet interest payments. Interest is the great difficulty with which workers are confronted. A worker who obtains a home from the Workers' Homes Board is given a period of 25 or 30 years in which to pay for it. The weekly payments become reduced after a long period of time, but in that period the worker has had to pay a large amount of interest. Interest is the curse of the present economic system. Some years ago, the Commonwealth Government propounded a scheme under which it would make money available, at bank rates of interest, to people desirous of building homes. I do not think, however, that any home has been built under the provisions of the Commonwealth Housing Act. Under the present measure, I have no doubt the interest payable will be above the ordinary bank rate, and thus the workers will have to pay a little more than they would if they could obtain the money at bank rates.

Many workers in my electorate have asked me to try to facilitate the securing of homes for them. Under the Bill, if it passes, they will be enabled to secure homes. They prefer to deal with the Workers' Homes Board, because the board is a reasonable landlord. During the difficult times through which we passed recently, the board always took a very sensible and lenient view of the circumstances of its clients. The board certainly did the right thing. In cases of sickness or unemployment, every consideration was extended by the board. The board has unquestionably been of great benefit to the State, both in the metropolitan area and the country districts. All parties will welcome the extension of its activities. Many people who at present have not the initiative or do not know how to set about getting a home, will be enabled to obtain one. All a worker has to do is to make application to the board. His position is examined and his application considered in turn. If approved, the board sets about erecting a home for him. After that, apart from meeting instalments as they fall due, the worker has very little to worry about. On the other hand, if he had to set about making arrangements with a private concern, he would meet with all

sorts of difficulties, and it must be remembered that he is inexperienced in such matters.

The proposal to secure additional funds in order to extend the activities of the board is a good one. There is no doubt housing conditions will be considerably improved. Even within three or four miles of the city—and I have no doubt the same applies throughout the farming areas—housing conditions could be considerably improved. Last Sunday I visited a house at Belmont which was occupied by a man with a family of ten children. The conditions under which they have to live are certainly bad. Many other workers with large families are in much the same position; and what applies to my electorate no doubt applies to other electorates. That is an indication of the necessity for the State to undertake a comprehensive housing scheme. Those people are our best type of citizen; they are producing offspring and thus increasing the population of the State; yet, unfortunately, many of them have to live under unsatisfactory conditions. Other persons who are not performing the same service to the State are living in excellent houses. That is evidence of the inequality of our existing order of things. Thousands of workers will no doubt take advantage of the provisions of this measure and seek the help of the Workers' Homes Board to obtain homes; nevertheless, the fact remains that they will have to meet interest payments, which makes it doubly hard for them. Thousands of workers would acquire homes if they had to pay only a nominal rate of interest; they could be housed in their own residences were it not for the high interest payments they would have to meet.

The Workers' Homes Board is certainly doing excellent work, not only for men on the basic wage and on part-time employment, but also for workers receiving higher wages. In many cases those persons are rearing children and have very little to come and go on after paying their debts. Most people, after a lifetime of work, have very little, particularly if they have raised and educated a family. I have much pleasure in supporting the Bill. I hope the board will be enabled to extend its activities and that it will do even better work for the community in the future throughout the State.

**MR. BOYLE** (Avon) [8.25]: I desire to join in the chorus of welcome to the Bill. I speak more particularly of the large country centres. There are two in my electorate, Merredin and Kellerberrin. These centres have suffered badly in the past owing to lack of housing accommodation for workers. The accommodation provided by the Workers' Homes Board is almost invariably the wooden type of house, which has been found to be eminently satisfactory. The cost is about £500 to £600. People taking such houses find themselves quite able to pay the instalments. Members must bear in mind that in the towns I have mentioned, dwelling houses were originally mainly galvanised iron shacks. Dwelling houses of that type would not be tolerated for an instant in the metropolitan area. Therefore, I doubly welcome the efforts of the Government to provide a reasonable type of house in country areas. For instance, in Merredin, sections of the town are set aside for workers' homes, particularly on the south side of the town, and I have yet to hear a complaint from any of the people living there regarding their homes. I have, however, had serious complaints of the dilatoriness of the board in providing houses. In many instances the delay has extended to 18 months. That period is far too long. People there have applied for homes but owing to the delay month after month, their ardour to own a home is dampened. I heard it said recently in this House that some workers do not desire to own a home but are satisfied to pay rent. I do not subscribe to that statement at all. Whether a worker is in Nungarin, Merredin or Kellerberrin, he shows the same eagerness to own the roof over his head as does a worker in any other part of the State. Every person has an inherent desire to own his own home.

I commend the Government for departing from the stereotyped method of obtaining money and making a semi-Governmental effort to raise it for building homes. I am quite sure the response will be surprising to the Government itself. I know that in my own electoral district, absence of delay will result in the erection of many more buildings. I can point to three fine young married men who made applications for workers' homes, but found six or 12 months later that they had to withdraw their applications. They decided it would not be worth while to wait. I agree with the member for

Canning that wooden houses are eminently suitable in a State such as this. If properly built, and of correct architectural design, they would be found to be cool, and certainly could be made beautiful. As the member for Canning has also pointed out, many local government authorities have also prescribed brick areas. While that may be justified in the city, it can hardly be justified in the suburbs. We have magnificent hardwoods, which can be put to excellent use.

**Hon. C. G. Latham**: Parliament has that matter in its own hands. Why does it not stop the local government authorities from prescribing brick areas?

**Mr. BOYLE**: Does the hon. member mean the Government should stop the practice?

**Hon. C. G. Latham**: Parliament should stop the local government authorities from imposing such restrictions.

**Mr. BOYLE**: In the interests of safety from fire in business areas, it might be necessary to have brick areas, but there are brick areas in Perth and suburbs that should not have been declared. Wooden houses would be excellent, yet in a country like this, blessed with the finest hardwoods in the world in the form of jarrah and karri, we seem to despise them. I am quite sure that better counsels will prevail. In the country there is no such thing as a worker's home of brick. All such homes are of wood, and beautiful homes they are. I have seen wooden houses in the country that cost up to £1,400, and the owners are perfectly satisfied with them. I welcome the Bill and, if it becomes law, I am sure it will prove of inestimable benefit to the home-seeker.

**MR. HILL** (Albany) [8.31]: I support the Bill, although on principle I am against the policy of borrowing by semi-governmental authorities. On this occasion, however, I consider that the policy might well be adopted. Let me direct attention to a rather hard case that came under notice in my electorate in the early part of the year. A lumpier living at Albany was able some years ago to obtain an advance from the housing trust. During the latter part of last session, amendments were made to the Act and, as a result of those amendments, the man was given a month in which to pay up £200 that was still owing on his home. He appealed to me for assistance. I approached the Workers' Homes Board and

suggested that that body should take over the mortgage. The board refused to do so. The man endeavoured to get finance from the Perth Building Society and was turned down. He went to the banks, and they refused an advance because his was a wooden house. After great difficulty he was able eventually to obtain the necessary money from a private firm. I trust that when this measure is passed, similar cases will not be allowed to occur.

**MR. MARSHALL** (Murchison) [8.32]: I support the Bill, as I realise the necessity for such a measure. To house the people is everywhere regarded as a national responsibility. Governments have not undertaken this provision as a national proposition, but only partially so; that is to say, they assist people to get homes, but do not provide homes for them. I hope that no person who expects the measure to benefit him will be disappointed. Experience has shown that the Workers' Homes Board has not accepted the unfortunates on the lower income rung as very good security, and hence those people have been disregarded when they presented applications for homes. Much has been said to encourage in those people the belief that if this Bill is passed, they will be specially provided for. Of that I am very doubtful, because the board sets out to get results from its viewpoint, and consequently, will prefer securities that offer no semblance of doubt. The board will look to clients who have security of employment, whose income is definite and regular, and I am afraid that those people will still get preference. I disagree with those members who have stated that the board has not had sufficient money made available to it. The records show that Treasurers have definitely stated that money for the activities of the Workers' Homes Board has never been restricted. I mean that the Treasurer has always given the House to believe that the board has been provided with sufficient money to carry on operations as desired.

The Premier: Sometimes the board made application for money and it could not be provided.

Hon. C. G. Latham: Although Parliament had provided for it.

Mr. MARSHALL: When I have interviewed members of the board, the statement has been confirmed. I might as well be frank and admit the information I received. Un-

less there has been a great change recently, it was not a shortage of money that actuated the board in not building additional homes. The point was that the board had no desire to rush workers' homes on to the market because the adoption of such a course would have increased the capital cost of the homes. The board was wise in adopting that attitude and I accepted that as the explanation. Now we find that it is not so.

The Premier interjected.

Mr. MARSHALL: What difference would the building trade make to the actual cash belonging to the board?

The Premier: The difference of raising the cost by 10 or 15 per cent.

Mr. MARSHALL: We have now a different excuse offered for the shortage of workers' homes. A year or two ago I was informed that money was available but that the board considered it unwise to put many homes on the market at the one time because, to do so, would rush up the capital cost to the workers.

Mr. Sleeman: That was hard on the poor beggars who wanted homes.

Mr. MARSHALL: The men the hon. member has in mind are the ones we desire to assist first of all, but if this measure becomes law, I am afraid they will be the last to receive consideration by the board. The board will naturally prefer clients in permanent employment and in the enjoyment of regular incomes.

Mr. Withers: There is a demand from those people.

Mr. MARSHALL: Yes, and they cause the board no inconvenience. The contract is signed and, in the main, is regularly fulfilled. There is no such thing as having to eject such clients for the non-observance of the contract; there is no occasion to have to be constantly appealing to them to pay their instalments. They are good clients. Members of the board are only human and naturally take the line of least resistance. Therefore, I am afraid that people on the lower rung of the ladder will not receive much consideration under this Bill.

Another aspect is the independent borrowing power proposed to be conferred upon the board. If the board has not the money to enable activities to be carried on speedily enough, I suppose it must borrow, but I am afraid the granting of this power will be a direct negation of the contract entered into by State Parliaments when the Fin-

ancial Agreement became law. I do not claim to be a constitutional authority and cannot argue that point, but I was under the impression—and seemingly so also was the member for Nedlands (Hon. N. Keenan)—that any extension of borrowing powers to boards could not be granted after the establishment of the Loan Council.

The Premier: No.

Mr. MARSHALL: I do not propose to argue the point. I have held that impression and, if I am wrong, I stand corrected. However, there is no doubt that by the granting of independent borrowing powers to the board, Parliamentary control will be lost. We are now in a position to check the operations of the board, but if it is given borrowing powers, we shall be at a great disadvantage in ascertaining the actual financial position of the State. True, the Minister will have some say as to the amount to be borrowed and expended, but the Estimates will be compiled in such a way as to render it difficult for us to see at a glance just what the financial position of the State is. Regardless of whether the borrowing is done by the board or by the Government, the unfortunate taxpayer will have to foot the bill finally. Still, we would be able to get a better grip of the financial position generally if we did not willy-nilly permit boards to borrow and spend. I desired to submit some figures to the Chamber, but I omitted to bring them. If my memory serves me aright, the semi-governmental boards of New South Wales having independent borrowing powers are responsible for interest and sinking fund payments that absorb 60 per cent. of the revenue, leaving only 40 per cent. with which to provide for the maintenance of and additions to the works they control. I do not know whether the New South Wales Parliament recognises those borrowings as part of the national debt.

The Premier: Those borrowings are guaranteed by the Government.

Mr. MARSHALL: But do members of the State Parliament appreciate the position into which they are drifting? I am afraid our experience will be similar.

Hon. C. G. Latham: The same people pay the interest.

Mr. MARSHALL: Yes. We, as the people's representatives, want to know what is happening. I do not like the idea

of extending borrowing powers to boards, particularly when the taxpayer has to guarantee the money. We shall have to guarantee the liability; the Government will be responsible for it. Therefore I do not appreciate the position proposed to be set up under this Bill. I agree with the member for Nedlands (Hon. N. Keenan) that there is no alternative to be suggested. If the Workers' Homes Board has no further finance, it cannot function. I hope a similar position will not confront us in regard to the imposition of the hospitals tax, following upon which the Treasurer of the day relieved Consolidated Revenue to a large extent.

Hon. C. G. Latham: To the extent of £104,000.

Mr. MARSHALL: That was the amount that otherwise would have been made available for the maintenance of hospitals. The imposition of the tax was a sort of back-door method of deriving additional revenue. I trust there will be no such opening availed of on this occasion. I hope we will not find that the Government, once it realises that the Workers' Homes Board can borrow successfully, will expect it to borrow so as to relieve Consolidated Revenue.

The Premier: Nothing has been contributed from revenue.

Hon. C. G. Latham: The money came from loan funds.

Mr. MARSHALL: Even so, the point I wish to make is that we should keep as much control as we can over the financial position. I recognise that in the final analysis the Government will have to make liabilities good and derive benefit from the assets. Nevertheless, we should be able to control what is done. The Minister for Railways could put up just as good an argument in favour of the Commissioner of Railways having separate borrowing powers, and surely there is nothing more ghastly than the condition of the rolling stock, both tramways and railways.

Hon. C. G. Latham: Belated repairs.

Mr. MARSHALL: We could extend the suggested form of borrowing to almost every department. If we did that, we would lose complete control over the finances, and that would be an end to Parliamentary authority. While I regard the position as objectionable, I recognise that homes are required, particularly for the people in receipt of lower incomes. I shall support

the second reading of the Bill, but I confess I do not like this extension of borrowing powers to an authority outside Parliament.

**THE PREMIER** (Hon. J. C. Willecock—Geraldton—in reply) [8.50]: I do not feel inclined to reply to the eulogistic remarks regarding the operations of the Workers' Homes Board, nor yet to speak in respect of the support accorded the Bill. The Leader of the Opposition referred to the necessity for cheap homes. The board has adopted a policy of preference to those who desire to purchase cheap homes and to those with children. That is in contra-distinction to the attitude of most people who have houses to let or to sell. The tendency for would-be purchasers is to secure something that is really beyond their means. In actual practice, the majority of applicants for workers' homes aim at getting dwellings the cost of which approaches the limit provided in the Act rather than to procure homes in respect of which they can afford to pay interest and sinking fund charges.

Hon. N. Keenan: What is the present limit?

The PREMIER: At present it is £800. At the outset the limit was £550, and then it was increased to £650, finally reaching £800.

Hon. C. G. Latham: Building costs have gone up very considerably.

The PREMIER: I am fully aware of that, but as the member for North-East Fremantle (Mr. Tonkin) said, the board can build decent, roomy wooden houses for £550, yet most people prefer brick dwellings with tiled roofs, which are much more costly. Instead of people obtaining homes for which they have to pay 15s. or 16s. a week, they go in for the £800-house, for which they have to pay much more. The definite policy of the board is to encourage people to buy the cheaper class of homes. People in that category receive preference, and the applicant who has a family receives preference over newly-married couples.

Mr. Marshall: I think you have been misinformed.

The PREMIER: Definitely that is the policy of the Workers' Homes Board.

Mr. Doney: And the policy is carried out.

The PREMIER: I think so. People who are newly-married are told that funds are not available as the requirements of appli-

cants to whom preference is given have yet to be met.

Mr. Styants: In 58 homes on the goldfields 160 children are housed.

The PREMIER: That should be sufficient to convince the member for Murchison (Mr. Marshall) of the extent to which the policy of the board is carried out. Then again, there is nothing in the contention by the Leader of the Opposition that the object is to enable the Workers' Homes Board to raise money on debentures to repay to the Government money advanced for building operations.

Hon. C. G. Latham: While I do not say you would do so, would you say that a Treasurer could not avail himself of the clause to which I refer?

The PREMIER: I do not think money appropriated by Parliament in the Loan Estimates and made available under the authority of a Loan Act could be repaid in the way the hon. member suggests. On the other hand, the introduction of a Superannuation Bill is contemplated. Trust funds will have to be conserved, and the superannuation board will have to find suitable investments for the money. In the course of four or five years, between £60,000 and £70,000 will be available for investment. What better form of investment could be found than by way of loan to the Workers' Homes Board, for which the ruling rate of interest would be paid? If the superannuation board required money, it could dispose of the debentures. I do not understand how the Leader of the Opposition can place the construction he suggests on the wording of the clause.

Hon. C. G. Latham: To me it appears quite plain.

The PREMIER: The reference is to funds borrowed under the system set out in the Act.

Hon. C. G. Latham: Paragraph (b) refers to that phase, but paragraph (c) goes further.

Mr. SPEAKER: Order! The Bill is not being considered in Committee just now.

The PREMIER: The Bill does not represent an attempt to get round the Loan Council, which does not interfere with semi-governmental borrowings of amounts less than £100,000. Any State has been able to borrow up to £100,000 without the authority of the Loan Council, and that has been the



position ever since the Loan Council was established. In one year only has this State found it necessary to provide £50,000 for the Workers' Homes Board. However, we want more homes for our people, and loan funds seem to be getting less and less from Western Australia's standpoint. The Workers' Homes Board cannot be allowed to suffer. When loan money is scarce, building activity should be augmented, and yet we find ourselves without money for that purpose. If granted borrowing powers, the board will be able to extend its activities, provide employment and carry out its function of building decent homes for the people.

Question put and passed.

Bill read a second time.

*In Committee.*

Mr. Sleeman in the Chair; the Premier in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Power to board to raise money by debentures:

Hon. C. G. LATHAM: The member for Canning, deliberately or otherwise, misunderstood my attitude when he said I was against borrowing money for the Workers' Homes Board.

Mr. Cross: You interjected to that effect last week.

Hon. C. G. LATHAM: I did nothing of the sort; I did not know anything about the Bill then. The Bill does not say that one more house will be built per year in the future than is being built today. I warn members that if we take away authority from Parliament and hand it to the board, the board will then be the judge of the type of cottage to be built, how much money shall be spent, and where the homes shall be erected. Today we have a certain amount of control. During the past ten years Parliament has granted money for the purposes of the board. In 1927-28 an advance of £50,000 from loan funds was authorised, and in 1928-29 an amount of £25,000. Then the depression period intervened, during which we had more homes than were required by our people, who could not afford to pay the necessary rent. Then in 1932-33 the advance from loan funds was £35,000, and similar advances were made in 1933-34, 1934-35 and 1936-37. In 1935-36 no loan

funds were made available to the board and last year the authorisation was for £25,000. When the Estimates were last before us, you, Mr. Chairman, prevented us from discussing matters affecting the Workers' Homes Board and the salaries paid to officers, because you said the money for that purpose was taken from the board's own funds. To-day we have some control. When the Loan Bill is before the House and there is an authorisation for expenditure, while we cannot increase the amount, we are able to discuss it and point out what is the policy of Parliament in respect to it. But in future there will be no submission to Parliament at all unless by substantive motion. It has been said that the Workers' Homes Board has no funds available. On page 6 of the Public Accounts for the financial year ended the 30th June, 1938, members will find that there is no less a sum than £72,000 to the credit of the Workers' Homes Board in the Trust Fund. The amount of £1,731 13s. comes under the heading of "Housing," and £3,814 14s. 7d. under "Receipts in Suspense." Under the heading of "Workers' Homes Fund" there is an amount of £67,738 3s. 7d. As an offset to that there is probably an overdraft with the Commonwealth Bank, the amount of which I do not know. I presume that was borrowed on a Government guarantee. While I am anxious that the board should have power to borrow money, I warn members that they are taking away Parliamentary control, and handing it to the board itself. The Under Treasurer is chairman of the board, and I think the Government Architect is a member. I do not know who is the other member. They may be a good, sound, sensible board, but within a month or two another board may be appointed. There may even be a change of Treasurer next year, and that Treasurer may, like other Treasurers in years gone by, use this legislation to find money from other sources for other purposes. The Workers' Homes Board will be able to go on the market from time to time, for up to £100,000 per year, without any mention being made to the Loan Council about it. New South Wales has borrowed half-a-million pounds for building workers' homes, and we can say that we want authority for our board to do the same. If a higher rate of interest is offered than the Loan Council is prepared to pay, the probability is that the board will get the

money, and the Treasurer will say, "You have assets and securities, and I want you to take over the liability we are carrying for the board." Paragraph (c) provides for that. It says that the board "may create and issue and sell any such debentures for the purpose of raising money for redeeming any outstanding loans and paying any expenses incurred in the creation of debentures and otherwise carrying out the provisions of this Act." If members will examine the report of the Workers' Homes Board for the year before last they will find that the board's liability is about £710,000. That is a liability for loans advanced to the board. Here is an opportunity for a Treasurer to use the Act for the purpose of getting money by an indirect method. I do not want Parliament to hand over control to a board. This Government particularly has supplied a crop of boards.

The Premier: Let us have a list of them.

Hon. C. G. LATHAM: Well, the Agricultural Bank for a start.

The CHAIRMAN: The hon. member cannot discuss the Agricultural Bank under this measure.

Hon. C. G. LATHAM: I do not propose to do so, but I wish to show how we are taking control from Parliament and vesting it in boards. I move an amendment—

That in line 3 of Subclause (1) the word "governor" be struck out and the word "Parliament" be inserted in lieu.

I do not think this will create any trouble.

Mr. Cross interjected.

Hon. C. G. LATHAM: I am surprised that the member for Canning who is the backstop of the Government and an authority on everything—

The CHAIRMAN: Order!

Hon. C. G. LATHAM: —should want to take away authority from this House and give it to boards. We should have that power. We are here to pass Bills and to control the expenditure of the public. We are here to authorise the expenditure of money on behalf of the public and to ensure that we obtain value. At present we are proposing to give the board power to borrow an unlimited amount. It can borrow £1,000,000 or £10,000,000.

The Premier: There is not unlimited foolishness in the Administration.

Hon. C. G. LATHAM: Can the Treasurer speak for all future Treasurers?

The Premier: I think I can.

Hon. C. G. LATHAM: I have seen some foolish things done in the short time I have been here. I can remember a railway being built to Lake Clifton.

Mr. Cross: I remember somebody who gave a bank away.

Hon. C. G. LATHAM: No one gave a bank away without protecting the public of this State.

The Minister for Works: I hope you are not giving the impression that a Labour Government built that railway.

Hon. C. G. LATHAM: No, I am not always finding fault with the Labour Government. If the Minister wants me to pick out faults of Labour Administration—

The CHAIRMAN: Order! I ask the hon. member to keep to the subject.

Hon. C. G. LATHAM: Surely this is a bad enough example. Here is an attempt to take away Parliament's control of the finance.

The CHAIRMAN: You are in order in discussing that.

Hon. C. G. LATHAM: That is one of the misdeeds of the Government.

The Minister for Works: You have not read the clause.

The Premier: He knows all about it.

Hon. C. G. LATHAM: Of course I do. No Treasurer will have any difficulty in obtaining from the House the capital necessary for the board. I remind members that not one home would have been built on the goldfields by the board but for the pressure brought to bear by this House and members representing the goldfields. The board said the security was insufficient. It was not sound enough.

Mr. Hegney: The member for Kalgoorlie had some say in that.

The CHAIRMAN: We are dealing only with borrowing powers now.

Hon. C. G. LATHAM: We can say something about the expenditure of the money.

The CHAIRMAN: The hon. member cannot discuss how homes were built in Kalgoorlie.

Hon. C. G. LATHAM: I want Parliament to have control over the expenditure, and I repeat that but for the influence of members representing the goldfields the board would not have built homes in that area. We have a right to provide homes for people on the goldfields for whom other folk will not build. I want Parliament to control this fund and

to say where homes are to be built. The board consists of keen business men and if a security is not gilt-edged expenditure will not take place.

The PREMIER: There has been a chorus of eulogistic references to this Bill but now we find members endeavouring to get round its provisions by proposing all sorts of disturbing amendments. I would like members of the Opposition, if they do not agree with the measure, to say so. The Legislative Council last year prevented the passage of legislation introduced for the purpose of building cheap homes for housing the people. Now we find specious opposition being offered to this Bill and we are told that we must be extremely careful about handing over affairs to the board. The hon. member has had an obsession about boards lately. He mentioned something about the Agricultural Bank. Does he not know that the bank has always been under trustees? Then he contended that we were taking away control from Parliament. Of course there have always been mistakes and mal-administration not only here but throughout Australia, and I do not even except Governments with which the hon. member was associated. But I admit that they were handicapped by lack of finance, and perhaps also they lacked imagination to do things. At the same time, I do not charge them with wilfully doing foolish things. It is not likely that the Workers' Homes Board is going to be permitted to play ducks and drakes with its finances, or to do anything foolish.

Hon. C. G. Latham: Are you sure the Government is not guaranteeing the interest on the money being spent on the goldfields?

The PREMIER: I am sure that the Government is taking the responsibility for the repayment of all money advanced to the board. If there are any losses incurred, the Government will have to make up those losses. The board, however, has been in existence for 26 years and its administration has been so sound that I do not think it has lost anything.

Hon. C. G. Latham: That is, under parliamentary control.

The PREMIER: There is no intention of removing control from Parliament.

Hon. C. G. Latham: This will.

The PREMIER: Parliament will continue to control the activities of the board to some

extent and our control will be the same as it has been in past years. The board has carried out a wise policy and has always done the right thing. Ever since it has been in existence, its personnel has been composed of sound administrators, and we can congratulate ourselves on having had such a capable board. Yet the hon. member would say, "Don't give the board such power." Does the hon. member forget that the board has been in existence for 26 years, and during the whole of that time has been responsible for carrying out a sound policy without ever having been adversely criticised in Parliament? Now he declares that we are bound to lose control. What control can we exercise over the board?

Hon. C. G. Latham: Every control.

The PREMIER: The clause does not mean that the Minister is likely to agree to any foolish recommendation. If a foolish recommendation is ever likely to be made, and if he did agree to anything of the kind, he would be held responsible to Parliament. The amendment in the Bill is a perfectly appropriate one and it would be unwise for the Committee to alter it.

Mr. CROSS: The Leader of the Opposition told us last week that it would be better for us to continue without borrowing money. Later he, with other members, eulogised the Bill, and then he set his imagination going to see how he could defeat it. Next, he put an interpretation on the subclause that cannot possibly apply. There is no need for him to allow his imagination to run riot and to conjure up fictitious reasoning for destroying the Bill. He should withdraw the amendment on realising that he has made a mistake.

Hon. C. G. LATHAM: It is my wish to give the board all the capital it requires, but it may do something foolish and I simply want Parliament to dictate the policy. For a long while the goldfields people were demanding homes to be erected, and time after time the present Treasurer's predecessor definitely said it would not be done. A Bill was introduced in another place but it was rejected. The Premier also wants to know, how it is proposed to do this? There is no difficulty. Just as the Premier comes here for an authorisation, the board, if it wants £100,000, can come here for an authorisation of that amount. If it raises only £50,000 in the year, it will

have £50,000 available for raising next year. I spent some time on the Bill in order to put the member for Canning on the right track. However, he functions as apologist for the Government without possessing the necessary knowledge.

The CHAIRMAN: It is a reflection on the hon. member to say he has not the necessary knowledge.

Hon. C. G. LATHAM: I mean that the hon. member has not ministerial experience and therefore cannot possess the necessary knowledge. My proposal will not prevent the board from getting all the money it needs, but will retain Parliamentary control.

Mr. Cross: Why not try this for 12 months?

Hon. C. G. LATHAM: The board can draw against trust funds immediately. The Public Accounts show it as having a credit of some £67,000, representing the working capital necessary for contracts already let. So there is no great urgency about the matter. The one thing needful is to ensure that the trust fund be kept intact, available to be drawn against. I know it is the practice occasionally to draw against trust funds in anticipation of revenue to be received later. The Committee may agree with the Premier, but in doing so it will be wrong. Shortly we shall be drawing our salaries merely for coming here to amend laws. We are losing control.

Amendment put and negatived.

Hon. C. G. LATHAM: I move an amendment—

That in subparagraph (c) of proposed Subsection 1, after the word "loans" the words "expended after the passing of this Act" be inserted.

Any new money raised by the board should be used for the purpose of building homes. The amendment will prevent any Treasurer from coming along and saying to the board, "You have in your trust account £100,000: I want some of that money as working capital for the Government, and I will give you credit on our loan account for the amount."

The PREMIER: The amendment seems all right, and possibly is all right. Perhaps it may work out all right, but I do not know about outstanding loans. The board has outstanding loans on the principle of repayment. I do not know how the amendment would affect the operation of the clause. The

money already appropriated by Parliament has been raised by a Loan Act and is in the hands of the Workers' Homes Board, which cannot issue debentures to repay that money. I do not think a Treasurer could do what the Leader of the Opposition suggests.

Hon. C. G. Latham: I have been assured that he could.

The PREMIER: I would like to meet the hon. gentleman's wish. However, what he suggests may be a figment of the imagination. I do not like amending a clause in a way that may completely alter its meaning.

Hon. C. G. Latham: I consider that the provision might well be struck out altogether.

The PREMIER: We had better look into the matter before agreeing to something that is doubtful. I assure the hon. member that what he has put forward will receive consideration.

Amendment put and negatived.

Clause put and passed.

Clause 4—Amendment of Section 13A.:

Mr. STYANTS: The clause proposes to delete from Subsection 2 of Section 13A paragraph (b), which reads—

Deposit with the board the sum of Five pounds.

The proposed new paragraph (b) in the clause reads—

Deposit with the board such sum as the board may in each and every case determine.

An applicant now has to deposit £5 with the board. The proposal in the Bill leaves the amount of the deposit to the board's discretion—it may be £1 or a greater amount. I pointed out earlier that unfair discrimination results from a regulation or an administrative act of the board which is highly detrimental to an applicant who has a freehold block. Such an applicant, in addition to having to put in his freehold as security, is often required to find a cash deposit four or five times as great as that required from an applicant who has no security to deposit other than the amount required by the board. I therefore move an amendment—

That the following be added to paragraph (b):—"Provided that at no time shall the board demand a greater amount as a deposit from an applicant who owns a freehold than would be required in the case of the same block as leasehold."

I spoke to the Premier some time ago about this, and he suggested that I write to the Workers' Homes Board. I put the case to

the board as I put it here this evening, and after a lapse of time the board replied, without in any way justifying the unfair treatment of the man with the freehold, that it did not propose to alter the conditions. If my amendment is carried, the board's discretion as to the amount of deposit required will not be affected. The amendment, however, would provide that the board must not demand a larger deposit from an applicant owning a freehold block of land than would be demanded if the block were leasehold. Assuming that the person applies for a house costing £500 and has a freehold block worth £20, that makes the gross value of house and block £520. In that case the board demands 10 per cent. of that gross value, or £52, as a deposit. The block being worth £20, the applicant has to put up £32 additional by way of deposit, and the block must be handed over to the board. The man with the leasehold block has only to put up £5 in any portion of the State except the goldfields. The leaseholder has only to find the sum of £15; but the freeholder, with a block of land worth £20, not only has to mortgage his land to the board, but pay in cash £32, or over 100 per cent. more than the leaseholder. I have interviewed the board and suggested that it should alter this practice, but my suggestion was not adopted. Had it been adopted, my amendment would have been unnecessary.

The PREMIER: I cannot accept the amendment. The member for Kalgoorlie apparently does not understand the difference in principle between leasehold and freehold. He says that the leaseholder has to put up £15, but in addition to that the board has the value of the land, which is £15 or £20. The board has therefore security to the value of £35 in addition to the building which it proposes to erect.

Mr. Styants: I am not concerned about the board's security. I am dealing with what the freeholder has to pay.

The PREMIER: Land in Kalgoorlie is cheap. A man can purchase a block of land there for £20. The argument would not apply to other parts of the State.

Mr. Styants: It would apply more forcibly.

The PREMIER: No. In a suburban area or a country town, the value of the block of land would be 10 per cent. of the value of the house and land combined. That is not so in Kalgoorlie, where the land is worth

only five per cent. of the value of the total security. The hon. member is not taking into consideration the capital value of the leasehold. When an applicant mortgages his freehold as security, the board does not take three per cent. of the value of the land. The leaseholder is really in the same position as the freeholder so far as the capital value of the land is concerned. There is no hardship in the existing practice and we would be well advised to continue it.

Hon. N. KEENAN: The Premier has not dealt with the point raised by the member for Kalgoorlie, which is the differential treatment meted out by the board on the one hand to an applicant who applies for a leasehold, and on the other hand to an applicant who applies and is, at the time of the application, the holder of a freehold block of land. One man applies who has no land; he asks the board to find the land for him. Of course, he selects a piece of land, but he does not own it. The board provides the land, and all that man is called upon to find in the way of money is the sum of £5, and we are now proposing to authorise the board to accept less than £5. The other applicant, when he makes his application, is the owner of freehold land.

The PREMIER: The other man is the owner of a leasehold.

Hon. N. KEENAN: No. The leasehold is found by the board. Whatever money is necessary to acquire the leasehold is found by the board. Let me compare what the freeholder has to do. He applies to the board to finance him in the erection of a house on land that he owns, and is prepared to give the board his land as security. The other man cannot do that, because he has nothing to give the board. The freeholder says to the board, "I will give you this land as security, and in addition will pay whatever sum of money you require for the accommodation." That is the point stressed by the member for Kalgoorlie. Why this differential treatment? It is no use suggesting nowadays that people prefer leasehold to freehold. The leasehold principle was at one time strongly supported by the Labour Party, but it has long ago abandoned it. All persons to-day desire a freehold title, and I quite sympathise with them. It is a great consolation to the working man to know that his land is absolutely his own. For that reason we amended the Act only two years ago so as to enable the leaseholders to

acquire a freehold title. The request of the member for Kalgoorlie is reasonable and I hope the Committee will agree to it. The amendment is necessary, because the board has adopted a contrary attitude. Equal treatment should be meted out to all applicants.

Mr. STYANTS: I discussed this matter thoroughly with the secretary of the Workers' Homes Board. The only reason he could advance for the differential treatment was that the freeholder could, if he desired, give a second mortgage over his land, but the leaseholder could not. That is not a particularly strong reason for the differentiation. The security that the board obtains is ample. A risk certainly attaches to a second mortgage, because the second mortgagee can only claim after all principal, interest and costs have been paid to the first mortgagee. I am afraid the Premier does not understand the position thoroughly. The leaseholder is not permitted to own his own block of land until such time as he has completed his payments. He then has the right to claim the freehold. That provision was made by an alteration of the Act in 1935. The fact that land is cheap on the goldfields does not alter the principle.

The Premier: It makes a difference in the ratio of the cost of the house to the cost of the land and house together.

Mr. STYANTS: It does not remove the unjust treatment that is meted out to the freeholder. We will assume a man has a freehold block at Victoria Park. Say a house is worth £800 and the block £50, ten per cent. of the total is £85. The board gives the client credit for the £50 and requires him to lodge his title plus £35 in cash. If the board agreed to build an £800 house for a man on a £50 leasehold block, all that man would be expected to deposit would be £5.

The Premier: No.

Mr. STYANTS: I have had many dealings with the board since operations were extended to the goldfields, and I have been told on half-a-dozen occasions that if a man selected a suitable block, the board would purchase it provided his application for a home was approved.

The Premier: I do not think that is so.

Mr. STYANTS: Will the Premier say that the board has not purchased a block of land in Kalgoorlie on which to build a home?

The Premier: No.

Mr. STYANTS: I would not be certain whether it has done so there, but I have been informed that if an applicant indicated a block that was considered suitable the board would purchase it.

The Premier: Oh, no.

Mr. STYANTS: Then what would be the position if a man applied for a home in a country town where the Government had no land?

The Premier: He would have to buy a freehold block.

Mr. STYANTS: The board informs me that it would purchase a block.

The Premier: Oh, no.

Mr. STYANTS: I say I have had it definitely from the board.

The Premier: I say that the board does not do that now.

Hon. C. G. Latham: The Minister for Lands makes land available to the board from time to time.

The Premier: Yes.

Mr. STYANTS: If the board has a block worth £50, say in Victoria Park, and is prepared to build a home for a client, all that the man would be required to deposit would be £5 while another man who had a freehold block worth £50 would have to deposit the title and £35 in cash. If that is equitable, I do not understand the meaning of the word. The board should mete out more equitable treatment to clients.

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

Ayes	..	..	..	..	21
Noes	..	..	..	..	15
Majority for	..	..	..	..	6

AYES.	
Mr. Boyle	Mr. McLarty
Mrs. Cardell-Oliver	Mr. North
Mr. Ferguson	Mr. Patrick
Mr. Fox	Mr. Sampson
Mr. Hill	Mr. Shearn
Mr. Lambert	Mr. Styants
Mr. Latham	Mr. Thorn
Mr. Leahy	Mr. Welsh
Mr. Mana	Mr. Willmott
Mr. Marshall	Mr. Doney
Mr. McDonald	
NOES.	
Mr. Coverley	Mr. F. C. L. Smith
Mr. Cross	Mr. Tonkin
Mr. Hegney	Mr. Troy
Mrs. Holman	Mr. Willcock
Mr. Millington	Mr. Wise
Mr. Needham	Mr. Withers
Mr. Nulsen	Mr. Wilson
Mr. Pantou	

(Teller.)

(Teller.)

Amendment thus passed; the clause, as amended, agreed to.

Clauses 5, 6, Title—agreed to.

Bill reported with an amendment.

**ANNUAL ESTIMATES, 1938-39.***In Committee of Supply.*

Resumed from the 27th October; Mr. Hegney in the Chair.

*Vote—Chief Secretary, £17,663:*

**MR. HILL** (Albany) [10.12]: Yesterday I had a new experience. I saw the inside of the Albany Gaol. That gaol consists of two portions. The newer portion was constructed in 1873. When the older part was constructed I do not know. However, the older portion is in a most dilapidated condition and certainly should be demolished, while the quarters should be reconstructed. I trust the Government will put the work in hand.

Previous speakers have left me little to say about the Fisheries Department. I have had the pleasure of meeting our new Chief Inspector of Fisheries, Mr. Fraser, and I consider the selection a very wise one. At the same time I regret that when heads are wanted for some of our departments we have to send to other States to get them. Our endeavour should be in all our departments to train younger officers so that when the time arrives they can take the leading positions. However, in saying this I do not in any way express dissatisfaction with the appointment of Mr. Fraser. Further, I consider that the number of inspectors should be increased and that they should be provided with better transport, as some parts of the State never see an inspector.

Reference was made to our fishermen, and the Minister interjected "How could they be assisted?" In my electorate there is a number of fishermen, all British, without a single foreigner. They are severely handicapped by distance from market. This involves their using large quantities of ice and, moreover, paying freight on it. On the average it takes 30 per cent. of the gross proceeds of fish to pay railage on the ice and on the fish. The Minister for Railways could greatly assist the fishermen in outlying parts of the State by a reduction in railway freights. I trust he will give that matter his earnest consideration.

Trawling is a matter that might also be considered. Some years ago experiments were carried out by the Government with the old "Penguin," but unfortunately she ran aground on the rocks near Esperance. Then the "Bonthorpe" did some trawling on our south coast, but the vessel failed through

labour troubles and other difficulties. I understand that some good trawling grounds are to be found to the south of Albany and on towards Esperance. I am pleased that the Government are giving attention to the acclimatisation of trout. There are numerous streams in Western Australia where freshwater fish could be placed. On this aspect previous speakers have covered most of the ground.

**HON. C. G. LATHAM** (York) [10.16]: I have something to say about the native question. I wish to draw attention to the greatly increased vote, and to ascertain from the Minister representing the Chief Secretary what we may expect to gain by the increase. I fear that past legislation has sapped the independence of the native, thereby causing quite a deal of additional expense. In fact, we are making the native a suppliant on the State. He is now dependent almost entirely on funds made available through this vote. The passing of our last legislation has not assisted us materially; rather has it made the position worse. Prior to that enactment the half-caste was allowed to earn a living for himself and his family. Now he is classed as a native, and before he can be employed a permit has to be obtained and a fee of £1 paid. Moreover the employer must take the responsibility of supplying the half-caste with medical attention and medicine when injured or sick. The resultant cost is too great, and so the half-caste is now completely dependent on the State.

At Moore River Station 320 natives live, and the cost of their maintenance for one year is £6,948, irrespective of capital expenditure on buildings and so forth. To cope with the natives of the South-West on this basis would require a sum of not less than £100,000 annually, and even then fewer than one-third of the natives under the department, excluding the 10,000 uncivilised aborigines existing in a state of nature, would require to be dealt with. I have taken out some figures dealing with the management of natives by the mission stations for comparison with the departmental figures. At Moore River there appears to be no constructive work for the natives. One would have thought that at such a station, especially having regard to the large area of Crown land available, at least the natives would be employed in producing a great

deal of the requirements of the settlement itself.

Hon. P. D. Ferguson: Not in that locality, though.

Hon. C. G. LATHAM: Of course choice must be made of localities. Now I propose to deal with the reopening of Carolup. I understand that if the native men there do work they are paid 6s. per month; that is, if they are good workers. Indifferent workers receive only half-a-crown per month. Such payments naturally do not encourage the natives at all, and in consequence very poor results are obtained. I desire to draw a comparison between the management of the Moore River settlement by the department and the management of the Mt. Margaret mission, which houses and provides for 360 natives in the immediate vicinity of the mission as well as about 300 out on the Warburton Range. The Mt. Margaret mission is conducted at an expenditure of £824, which compares with £6,948 for a smaller number of natives at the Moore River settlement. The reason for such a wide difference is that at Mt. Margaret, the mission organiser encourages the natives to go out to work. I understand they are operating a few mining shows and are doing reasonably well, far better than they could when associated with any venture controlled by the department. I propose to show what has been the experience in some Great Southern centres, and will give members an idea regarding the approximate number of natives dealt with and the expenditure entailed. At Williams 152 natives are cared for and the cost of rations amounts to £469. At Wagin 97 natives are looked after at a cost of £383. At Narrogin 92 natives are looked after, the cost working out at £371. On the other hand, at Gnowangerup, where a missionary is in charge, 197 natives are looked after at a cost of only £38. That serves to indicate that mission management is far superior to departmental control.

The Minister for Justice: But the Gnowangerup figures do not take into consideration overhead charges.

Hon. C. G. LATHAM: These figures show what was the actual cost to the Government.

The Minister for Justice: What did it cost the mission?

Hon. C. G. LATHAM: Instead of preventing missionaries from carrying on this work, we should encourage them because of

their lower costs. We have much to gain from the experience in Queensland. Most members have received copies of a pamphlet issued by the Queensland Government, which contains a foreword by the Minister for Health and Home Affairs, Mr. E. M. Hanlon, who fully realises the valuable work carried out by the mission station.

The Minister for Mines: He lost his seat.

The Minister for Justice: He recognised the value of missions, but did not suggest giving the missions entire control.

Hon. C. G. LATHAM: In the course of his remarks Mr. Hanlon said—

The missions at Mornington Island, Doomadgee, Aurukun, Kendall River, Mapoon, Weipa, Mitchell River, all situated along the western coast of Cape York, those at the Lockhart River, Cape Bedford, along the east coast, and Mona Mona, inland from Cairns, all serve the Government nobly in maintaining a humane and fatherly care over these remnants of our black race. In all of these missions the problem of converting the nomad to a village existence is of paramount importance. In all of them work is being done in the face of grave difficulties, and in all of them the native is learning some measure of economic independence.

In this State instead of giving the natives economic independence, we are making them entirely dependent upon Government aid. Later on in the pamphlet Mr. Hanlon refers to the assistance given by the Government to missions and sets out the work that has been carried out. Surely we can profit by what has been done in Queensland. I do not know for how long the Moore River Settlement has been in existence, but I should say it has been carried on for 30 years. This is how Mr. Hanlon summed up some of the work carried out in Queensland—

The policy of the present Government is to so equip these missions that they can grow their own food, and produce sufficient not only to meet the necessities of life, but have something to spare. Many of these mission stations control large tracts of country, much of it admittedly poor, but much of it suitable for cattle raising. Hence, instead of providing money to buy meat, the Government policy is to send to these missions good blood stock with which to build up their flocks and herds, gifts of horses, pigs, fencing wire, fishing nets, windmills, pumping gear for wells, fruit trees, boats, or money specifically given for the purchase thereof.

It is difficult to teach the natives agriculture at any time. It is almost impossible without the proper equipment. That, and the ideal of making them self-supporting, is the Government's objective in this policy of providing



material rather than money. Already in the last three years the policy has shown good results, for in many mission stations agriculture is extending and commendable progress has been actually made towards the desired self-support.

Regulations recently issued in Western Australia serve to indicate clearly that the Department of Native Affairs does not desire the assistance of the missions. The indications are that the intention is to build up a huge department to manage the affairs of the natives without giving them any sense of independence at all. That will be a sad policy to pursue.

The Minister for Justice: It does not look like that at all.

Hon. C. G. LATHAM: I would like to take the Minister to Quairading in my electorate and show him what is taking place. Some highly educated men are adversely affected by the existing regime. One man came to me and asked if he might have a word with me. He said, "My name is Jacobs; I was born here and have lived here all my life. I can do nothing now because Mr. Neville won't give me a permit. I cannot get any work to do, because permits are not being issued."

Mr. Marshall: In that case, would you justify any application by that man for a permit?

Hon. C. G. LATHAM: No.

Mr. Marshall: Certainly not! Such a man should not be subjected to such a provision.

Hon. C. G. LATHAM: I quite agree. We should give natives of that type some sense of independence. Why not allow them to operate as before. If we found that a white man exploited the natives, then we could punish him.

Mr. Marshall: The American coon and the Afrikaner were not subject to that sort of treatment.

Hon. C. G. LATHAM: Some white people might require it more than the natives.

The Minister for Justice: The Act provides for that course.

Hon. C. G. LATHAM: I do not know that it does.

The Minister for Justice: The regulations must be consistent with the Act.

Hon. C. G. LATHAM: We have clearly demonstrated here from time to time that regulations are not always consistent with Acts under which they were framed.

The Minister for Justice: At any rate, you did not complain when Parliament initiated the legislation.

Hon. C. G. LATHAM: It is not what Parliament intended; it is the interpretation placed upon Parliament's work that causes the trouble. Section 18 of the Act says—

It shall not be lawful to employ any native except under permit or permit and agreement:

Provided that this section shall not apply to any male person over 21 years of age who is of half blood or less than half-blood descent from the original full-blood inhabitants of Australia or from their full-blood descendants, where such person does not live after the manner of the original full-blood inhabitants or their full-blood descendants.

A man may be working on a farm and in those circumstances he is not living under native conditions.

The Minister for Justice: He may be a day labourer on the farm and go back to his black wife at night.

Hon. C. G. LATHAM: That is not often the position.

The Minister for Justice: But it may be.

Mr. Patrick: A man may be able to earn £6 a week and not be able to get a permit.

Hon. C. G. LATHAM: Of course. The present Commissioner of Native Affairs desires to extend his powers considerably beyond what was ever intended by the Act. It is proposed to open up another mission settlement at Carrolup. The native settlement there was abandoned some years ago and the area reverted to the Lands Department. The land was made available for settlement, but now the proposal is to repurchase the land and make it available for natives again. The local people object to that move. They say that the natives are to be placed on country where there is an insufficient water supply, where there is not sufficient land to justify the settlement being established, and where there will be no hope of the natives earning a living. The Government will be involved in a fairly substantial amount of money for the purchase of the land.

The Minister for Justice: I thought you said the land was no good.

Hon. C. G. LATHAM: I said it was at one time a native settlement, and had been abandoned, and the land made available to settlers. It is now being repurchased from those farmers, with additional liabilities on it. I do not know what price the Government is paying for it.

The Minister for Justice: First of all, you said it was no good.

Hon. C. G. LATHAM: It is indifferent land to carry a native settlement. It is not a question of feeding one family to a farm, but one hundred families to a farm, and probably more.

The Minister for Justice: Was it not a native settlement?

Hon. C. G. LATHAM: Yes. Why was it closed down? Because it was too costly to maintain on account of the way in which it was being run. I know what happened. As a matter of fact, the Commissioner has, for a long time, attempted to get Carrollup back. When I was a member of the Mitchell Government, the Commissioner put up that proposition. It was almost approved, and would have been, had it not been for the action I took. There is ample land in this State that can be used in its natural condition. Those men are quite capable and willing to work. They can clear, fence and stock the land in the same way as the natives do in Queensland, and can employ themselves on it during those periods when they cannot obtain employment from farmers. The men ought to be permitted to earn their living in the same way as other people do. Many of them are highly educated and extremely intelligent. Frequently they are possessed of a better business sense than are some white men. Yet Mr. Neville considers it his responsibility to father all these people, when frequently he knows less about their conditions than do others.

I make this suggestion. The loss to the taxpayer on Munja Station in 1934 was £1,656, and a yearly progressively heavier deficit has been experienced until last year, when the loss amounted to £2,699. Ninety-seven natives were rationed at the station. I suggest to the Minister that he hand the station over to a mission—I do not mind which mission he selects. If he does so, with a yearly subsidy of £699, he will save the taxpayer £2,000 per year. Surely that is worth while, but I suppose it will be impossible to induce the Government to adopt the suggestion.

Dealing with quadroons, will the Minister say they are under the control of the Commissioner? The Act was framed pur-

posely to exclude quadroons. The following definition appears in the Act:—

“Native” means—

- (a) any person of the full blood descended from the original inhabitants of Australia;
- (b) subject to the exceptions stated in this definition any person of less than full blood who is descended from the original inhabitants of Australia or from their full blood descendants, excepting however any person who is—
  - (i) a quadroon under 21 years of age who neither associates with or lives substantially after the manner of the class of persons mentioned in paragraph (a) in this definition unless such quadroon is ordered by a magistrate to be classed as a native under this Act;
  - (ii) a quadroon over 21 years of age, unless that person is by order of a magistrate ordered to be classed as a native under this Act, or requests that he be classed as a native under this Act, and
  - (iii) a person of less than quadroon blood who was born prior to the 31st day of December, 1936, unless such person expressly applies to be brought under this Act and the Minister consents.

Quadroons are expressly excluded from the operation of the Act.

The Minister for Justice: Can a quadroon be classed as a native under Section 2 of the Act?

Hon. C. G. LATHAM: Not unless he is living as a native.

The Minister for Justice: That is the point.

Hon. C. G. LATHAM: Would the Minister say that a quadroon working for and living with a farmer at Roleystone is living under the conditions of a native of the State?

Mr. Marshall: Yes, according to your statement about the deplorable circumstances of the farmer.

Hon. C. G. LATHAM: Does the hon. member think so?

Mr. Marshall: If what you say is true about the way in which the farmer has to live. I heard they had to live on boiled wheat.

Hon. C. G. LATHAM: The hon. member never heard me say that. I think he might admit that that statement is untrue.

The Minister for Justice: The Commissioner must make application to a magistrate to have a quadroon classed as a native.

HON. C. G. LATHAM: The man to whom I refer is named Jack Quinn. He is 19 years of age and is employed by a farmer at Roleystone. The following is a letter I shall read—

In answer to your inquiry, may I state that Jack Quinn's mother, Lily Sullivan, is a half-caste. She lived with a white man named Quinn, by whom she had three children. The Commissioner of Native Affairs took Lily and the three children away from Quinn to Mogumber. Later she married a half-caste named Bob Sullivan, and went to live in the Leonora district. They were allowed to take the baby, Dora, with them. Bob was working for white men. When Dora was six years of age, they took her to the Mt. Margaret mission school to be educated. They used to visit the mission each week-end. At Lily's request, Mr. Schenk, the Superintendent, wrote to the Commissioner, Mr. Neville, asking that the other two children might be allowed to rejoin their mother and thus unite the family. The Commissioner refused on the grounds that their schooling could not be interfered with—they would have received very good schooling at the Mt. Margaret Mission. When Jack was old enough to leave school, Lily asked again to have her boy home with her because her husband, Bob Sullivan, had met with an accident and had his hand amputated, and Jack was now at an age when he would be able to help his father in the work. This request was refused. The mother fretted so much over the children that she broke down in health, and was a patient at Heathcote. She recovered and returned to the district. Her husband died. Early this year Mr. Schenk, who is the local Protector, wrote on her behalf asking the Commissioner if Jack might return and support his widowed mother. This request was refused, but he was allowed to pay his mother a visit. He was advised by someone in the department to keep away from the Mission, as he would learn no good there. After six or eight weeks, the Commissioner insisted upon his return to Perth, and got him a job at Roleystone. I understand his employer does not hold a permit to employ him, and has to pay 5s. per week to the department and gives Jack 10s. per week.

Jack's mother is a half-caste and his father was a white man, therefore Jack is a quadroon, and is not a native under the Act. Had Jack remained in the Mt. Margaret district supporting his mother, no money would have been paid into the Department. As it is at present, 5s. per week out of his wages is being paid into the department. This the lad does not desire. Jack is a fine, upstanding, intelligent lad of about 19 years of age, and is quite capable of looking after his own affairs. He has been working for several years. He went to the department and asked to see his account; there was a credit balance of £8 or £10. The Commissioner has taken £1 from his account and put it to the medical fund without Jack's knowledge or consent. He simply wrote a letter (copy enclosed) stating the fact. In the

second letter (copy enclosed) it will be noted that the Commissioner unlawfully claims him to be a ward of the Commissioner. I am enclosing a letter written by Jack to one of the missionaries at the Mt. Margaret Mission. It discloses a high degree of intelligence and we could hardly expect so fine a letter from even a so-called white boy of that age, and certainly not from one who has had so few opportunities as Jack.

This is the letter received by Jack Quinn from the department—

Will you please note that I have withdrawn the sum of £1 from your Savings Bank account and have made a contribution to the Natives' Medical Fund (voluntary) on your behalf.

The effect of this is that should you become ill, contract a disease or sustain an accident during the current year expiring on 30th June, 1939, any expense incurred for medical or hospital attention will be payable from the fund, and not from your own trust moneys. Yours faithfully (sgd.), A. O. Neville, Commissioner of Native Affairs.

It will be observed that the word "voluntary" is mentioned; really it should be "compulsory," because the money was taken out of the man's own banking account. This is a reply to a subsequent letter. It is dated the 12th September, 1938:—

I was glad to get your letter of the 2nd inst. and to note that you are doing very well out at Roleystone. I want you to stay in the job as long as you can, as I feel that you are definitely learning something which will be useful to you in the future. Regarding your specific question, exemption is unlikely to be granted to persons under 21 years of age because all persons up to 21 who are natives are wards of the Commissioner, and exemption is not required. In your own case after you attain the age of 21 you are free to do as you like, provided of course that you do not associate with natives. If you do that you will, of course, be courting trouble. Yours faithfully, A. O. Neville, Commissioner of Native Affairs.

That was the letter received by Quinn. The Commissioner is taking authority to himself that Parliament never gave him. Yet the Minister says it is not done. This man's father was a white man and his mother a half-caste, and so he is a quadroon. I am giving the names so that the Minister will have no reason to say that cases are submitted without correspondence to substantiate them. Quinn has had money taken from him by the Commissioner, who is keeping it. Goodness knows what happens to the money. Section 34 of the Act provides that the Commissioner may—

(1) Take possession of, retain, sell, or dispose of any such property, whether real or personal;

(2) in his own name sue for, recover, or receive any money or other property due or belonging to or held in trust for the benefit of a native, or damages for any conversion of or injury to any such property;

(3) exercise in the name of a native any power which the native might exercise for his own benefit;

(4) in the name and on behalf of a native, appoint any person to act as attorney or agent for any purpose connected with the property of the native;

(5) require a statement in writing from any person who has had any contractual transaction or financial dealing or dealings in property with a native of any such transaction or dealing during the period of one year preceding such requisition;

Provided that the powers conferred by this section shall not be exercised, except in the case of minors, without the consent of the native except so far as may be necessary to provide for the due preservation of such property.

I want to show the manner in which the Act is being administered in that respect. I will quote the case of some natives of whose exact whereabouts I am not aware. It appears that a pastoralist had several children by a native woman. He seems to have had a kindly disposition and a sense of justice, for when he died he left £100 to a native called Trilby Cooper and her brother Bill Ashwin, and various sums to others, not only his own half-caste children but other half-caste children in the locality. This man made a will and left the money to those natives. My informant continues—

The curator sent £50 each to Trilby Cooper and Bill Ashwin and informed them that the balance would be sent later. Several years elapsed, and nothing further was heard. Then Trilby wrote to the curator but received no reply. She wrote again and registered the letter. She then received a reply saying that the money had been paid to the Commissioner of Native Affairs. On comparing dates of letters several questions arise—

1. Why were the parties not notified when the money was available?

2. Why was the balance of the estate not handed over to the parties as was done in the first instance?

3. Why was the money paid to the department without their being notified? This is important because money lying unclaimed for three years is forfeited.

4. Why was there such a long lapse of time—about two years—between the time when the money was available and when it was paid to the Commissioner? In this connection it is significant to note that when the money was available the old Act was in force, and this did not give the curator power to hand over the money to the Commissioner. The curator, how-

ever, held the money without notifying the parties for about two years, and during that time the new Act was passed, and this gave the Commissioner power to claim the money. Why all this delay on the curator's part, and why were the parties not notified? In the case of Trilby the Commissioner of Native Affairs may claim that he has charges against the estate for rations for herself and children, etc., but this would need to be proved. In the case of Bill Ashwin, however, no such claim can be made, for he has never received any help from the department.

This is an instance in which the Commissioner has overridden what we consider should be regarded as a sacred trust.

The Minister for Justice: You have just read the Act itself. The Commissioner acquired those powers under that Act.

Hon. C. G. LATHAM: I will tell the Minister what the powers are under the Act. He is referring definitely to the case of a minor. That is what I read.

Mr. Patrick: He cannot take away money granted under a will.

Hon. C. G. LATHAM: Surely when a person wills money it should be the responsibility of the curator or of the Commissioner to ensure that effect is given to the wishes of the deceased person. I have never heard of such a thing before. I have been taught, and so has every other member, that the most sacred trust we can be given is that of looking after the affairs of a dead person, but in this instance the Commissioner took this money and can do what he likes with it.

The Minister for Justice: We exercise a certain amount of control over white people's money.

Hon. C. G. LATHAM: I should like to know in what way.

The Minister for Justice: Under the Workers' Compensation Act.

Hon. C. G. LATHAM: There is a special provision in that Act. We do not take money from people, but we give them so much of it as is necessary to keep them going; but the money of these natives was held for two years.

The Minister for Justice: I suppose there were reasons.

Hon. C. G. LATHAM: I say there was no reason for it at all.

The Minister for Justice: You are quoting an exceptional case.

Hon. C. G. LATHAM: These exceptional cases have been brought under our notice. Perhaps the same thing is done in hundreds of instances.

The Minister for Justice: Well, bring the matter under the notice of the Commissioner and find out what he has to say; that is the way to deal with these special cases.

Hon. C. G. LATHAM: I have asked the Commissioner about these things. I have a letter here from a native at Morawa, whose case I have taken up time after time. I have asked him to make application to a magistrate. This letter will show the type of man we have amongst these half-castes. He says—

I am writing on behalf of a group of us in this district who are landowners and rate and taxpayers, and have been enjoying full privileges as citizens prior to the 1936 Native Administration Act. We have done nothing to lose our status as citizens. There are thousands of coloured people in this State who, by character, training and mode of life, could not possibly be called aborigines under the Aborigines Act of 1905-11, but are now called natives. You will realise the humiliating position we people are placed in and the social injury that has been done. With regard to the definition of a "native" we suggest that any person who does not substantially live as the aboriginal inhabitants of Australia, should be excluded from the provisions of the Native Administration Act regardless of their blood caste. If this were brought about by Parliament, we would not suffer the following disabilities—the right to live in Perth without the Commissioner's consent—

They cannot even move about without the Commissioner's authority.

--and the right to work for whom we like without the employer having to get a permit, and the right to do as we choose with our property. And we say we are the natural guardians of our own children and not the Commissioner. We have spoken to several other members of Parliament and they have promised to support our request.

The Minister for Justice: Those people can be excluded from the provisions of the Act.

Hon. C. G. LATHAM: Then why does not the Commissioner exclude them?

The Minister for Justice: I suppose they did not ask him.

Hon. C. G. LATHAM: The member for the district has asked him, and I have asked him. Can the Minister tell me what we can do? This is the only place where we can ventilate the difficulties we experience with departmental heads. Let me quote what Section 64 of the Act says—

Any wages due to or property known to belong to a native—(a) who absconds from service; or (b) who is deceased, and any estate or other moneys to which a native is entitled,

either as beneficiary or otherwise, shall forthwith be paid or delivered by the employer, trustee, debtor, or other person liable to pay or deliver the same to the Commissioner, and failure to do so shall be an offence against the Act.

Then it goes on to say—

On receipt of such wages or property the Commissioner shall, in the case of money, place the same to the credit of a special trust account, and where the property does not consist of money, the Commissioner shall as soon as reasonably may be, convert the same into money and place the same to the credit of such account.

The section goes on to say that the moneys shall be applied by the Commissioner for the benefit of natives generally and in the case of a native who has died intestate shall be applied in accordance with regulations made under the provisions of Section 35. Many of the natives do not even know that there is any money there.

The Minister for Justice: You do not blame the Commissioner?

Hon. C. G. LATHAM: I do blame him. When he receives £50 from the Curator he should certainly advise the beneficiaries that the money is there. It is about time Parliament demanded that the accounts were audited. I have no wish to detain the Committee, but this is the only opportunity we have of voicing our objection to the treatment that is being meted out to the natives. Perhaps if we investigated a little more closely the administration of the department, we would find there was a great deal more about which to complain. We should inquire into Mr. Neville's association with the home at Victoria Park, or wherever it is, and if we did it might be found that he was interfering where he had no right to interfere. The children there are quadroons and are not living under conditions similar to those that apply to the natives. Therefore they are excluded from his control. He compels Sister Kate to pay 5s. a week into the fund that he has. It is not within his power to do that, but of course he bluffs and succeeds. It is about time we checked that sort of thing. Some day—I do not say this session—a select committee will have to be appointed to inquire into the administration of the Department of Native Affairs. Mr. Neville has no right to exceed the powers we have given him. Regulations were framed a little while ago and gazetted, but they created such a stir that

the Government became aware that he was exceeding his authority, with the result that to-day we have had submitted to us an amended set. If the new regulations do not conform to the Act, we shall not hesitate to object to them. I repeat that Mr. Neville has no right to take money from the natives unless they are spending it unwisely. When a person wills money to others, whether those others be white, black, brown or brindle, it should go to them. Yet we find Mr. Neville overriding the bequests contained in a will. That is a lamentable state of affairs and I am drawing the Minister's attention to it. I am aware that the Minister for Justice does not control the department, but in this House he is answerable for his colleague in another place.

I notice, too, that since 1933 the expenditure of the department has increased from £27,239 to £49,000, this figure being the estimate for the current year. It is true that that includes some of the native stations that were previously independently controlled. I am sorry those stations were put under the control of the Commissioner; it would have been better to leave them as they were. Until there is a better understanding of the natives on the part of the Commissioner, as well as of his responsibility to Parliament, I am afraid we shall always have trouble. The natives are always willing to earn their own living and the Commissioner should give them encouragement; otherwise we shall have a big increase in the half-caste population, to the extent that it will become a great burden on the taxpayers. I believe we can make good citizens of most of the natives, but I doubt whether that will be possible under the present management. I have nothing against Mr. Neville himself but I am convinced he does not understand the problem, and not understanding it, he is not able to provide a solution. If he is in charge a man possessed of practical knowledge and experience, he would save the State thousands of pounds.

Progress reported.

*House adjourned at 11 p.m.*

## Legislative Council,

Wednesday, 2nd November, 1938.

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

### QUESTION—STATE GOVERNMENT INSURANCE OFFICE.

*General Accident Premiums and Claims Paid.*

Hon. H. SEDDON asked the Chief Secretary: 1. What is the total of premiums received by the State Government Insurance Office in the general accident section of workers' compensation and employers' liability insurance? 2. What is the total of claims paid under this section? 3. What provision has been made in the figures for the year ended the 30th June, 1938, as published in the Auditor General's report, for—(a) claims reported but not yet finalised; (b) unearned premiums?

The CHIEF SECRETARY replied: 1. As indicated in the Auditor General's report for the financial year ended 30th June, 1938, owing to changes in accounting procedure, the industrial disease and general accident sections have been amalgamated and the separate figures are not now issued. 2. See No. 1. 3. (a) The reserve fund was increased by £40,655; (b) £25,162 3s. 3d.

### BILL—LOTTERIES (CONTROL) ACT AMENDMENT.

Introduced by the Chief Secretary and read a first time.