# Legislative Council,

*Wednesday, 2nd October, 1912.*



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

## BILL—NATIVE FLORA PROTECTION.

Introduced by Hon. W. Kingsmill and read a first time.

## WICKEPIN-MERREDIN RAILWAY DEVIATION SELECT COMMITTEE.

*Consideration of Report.*

Hon. H. P. COLEBATCH (East) moved—

*That the report of the select committee of this House on the Wickepin-Merredin railway be adopted.*

He said: In moving the adoption of this report I can only promise members that I will not detain the House a moment longer than is necessary. As a matter of fact, I devoted a very large amount of time, not to considering what I should say, but in endeavouring to condense the matter within the smallest possible compass. It will be remembered that this report was presented on the 17th September and was ordered to be printed. The report and evidence were tabled last week so that members have had an opportunity of reading the report, and also the evidence on which it is based. It is necessary for me to refer to the history of the appointment of this committee. It will be remembered that during the last session of Parliament a petition signed by some 80 settlers was presented in another place, praying that a select committee might be appointed to inquire into the matter of this deviation. The prayer of that petition was refused. The same petition was subsequently forwarded to me, and it was in response to that that I moved for the appointment of this select committee. Directly after the committee had been appointed by this House a committee with a similar object was appointed in another place, and it is necessary that I should ask hon. members to consider why it was this second select committee was appointed. It was not in response to the wishes of the people concerned, because those people had already petitioned for a select committee, and their petition had been refused. Was it because it was feared that the committee appointed by this House would condemn the action of the Minister in deviating this line? Was this second committee intended as a committee to protect the Minister against unfair condemnation? Personally, I do not care at all what reflection may be cast upon my own impartiality from such a quarter, but the question the public will ask is: is it to be assumed that this committee appointed in another place, apparently for the purpose of defending the action of the Minister, would approach this question with an open mind, and would it be likely to come to a conclusion based exactly upon the evidence placed before it? It is also necessary for me to remind hon. members that the report of the select committee in another place was tabled hot from the printer, and was discussed during the early hours of the morning at a time when members had not had an opportunity of reading it, and not only that, but at a time when a portion of the report was actually not before that Chamber at all. We often hear bitter complaints from Ministers in this Chamber that certain questions are treated in a party spirit. Whilst I deny that anything contained in this report can be construed to be of a partisan nature, I do desire to say that if the Government choose in another place to use the weight of their majority to stifle criticism——

The PRESIDENT: I do not think the hon. member is in order in imputing mo-

tives. I think he is on dangerous ground to impute motives either to the Government as a whole or to any individual member of it.

Hon. H. P. COLEBATCH: I have no intention of imputing motives, but I wish to say that circumstances may make it necessary to discuss matters which otherwise we might think it well to leave alone. I would direct the attention of members to the great importance of the three issues involved in this particular question. This line of railway is going to cost approximately £200,000, and it will be an important matter to the State whether this proves a good paying line or a bad paying line. That is an issue sufficiently important to warrant its careful consideration. Then we have to consider whether the line is going to be a success or a failure from the point of view of aiding in the development of this country; and lastly, and perhaps most important of all, we have to consider whether we are giving a fair deal to the people who have trusted the Government in the matter of taking up land and are paying for it on certain conditions, and whether we are keeping faith with everybody as every Government should do. The report submitted to this Chamber is really the finding of four members of the committee. On some of the critical clauses, one member (Mr. Ardagh) disagrees, and so far as his disagreement is concerned a good deal of what he says I entirely endorse. But I do suggest with all respect, that he has gone to some extent outside the province of this committee. It will be noticed that he says that one line will not serve the whole of the settlers. That is obvious, because one line will not serve the whole of the settlers in any district. But it was not within the province of the committee to inquire whether one, two, or three, or four lines would be necessary to serve this district. If members will turn to the evidence of the Minister for Works on page 75 they will see that he was asked in question 1349, "Will you be prepared to say how long it will be before this railway gets to Mount Arrowsmith?" That is the second suggested railway, and the Minister replied—

> One cannot say exactly, it depends on many things. There are a lot of difficulties to overcome. We are building railways pretty fast, and if we keep on at the pace we are going it will not be very long before the railway is up there. There might be a difficulty in getting rails, or a difficulty in getting money or difficulties of all descriptions. I cannot tell.

Anyone who knows anything about the affairs in the agricultural districts of this country, knows that railways are required all over the place. Therefore, I say it was not within the province of the committee to say whether one, two, three, or four railways are required to serve these people, but it was the province of the committee to say where, in order to secure the best return for the country and keep faith with the people, this particular railway should be made. Then, again, I am quite in accord with Mr. Ardagh that "the 25-mile limit as officially recognised is too far and if the Advisory Board's route is adhered to settlers in the distant parts will be isolated from railway communication for very many years." It will be necessary to build railways closer together, but again, I say, that is hardly within the province of this committee, and is a question which the committee was not appointed to decide. It has been said that if the Advisory Board's route was followed settlers in certain parts would be permanently isolated from railway communication, but I notice that Mr. Ardagh takes the commonsense view and says that if the Advisory Board's route is followed the settlers will be isolated from railway communication for very many years. I do not dispute that at all, but there is not the slightest doubt that to follow the route now determined upon by the Government will isolate for quite a long period a very much larger number of the settlers who selected and paid for their land on the assurance that this railway would be provided. In the early portions of the report, members will find set out briefly the history of this line. I do not intend to detain the House by reading it because I assume that most of the members have already ready it, but

it will be noticed that the committee—I mention this as showing that, so far as I am concerned at any rate, there has been no desire to display a partisan spirit in connection with this matter—condemns not the present Minister for Works or the present Government, but the past Minister for Works, for what has happened. I can assure the House that that determination was not arrived at lightly. On page 4 of the report it says—

> The apparent confusion of mind of this Minister as to what Parliament desired and what he himself promised seems to have been the chief cause of the trouble that has arisen.

If members will turn to the evidence given by Mr. Daglish, on page 15, they will come to the conclusion that the committee were abundantly justified in making that statement. In question 314 for instance, Mr. Daglish was asked how it was that, although the survey commenced in August 1910, and although he himself says that he always intended the railway should go to the east of the lakes, it was not until September 1911, thirteen months afterwards, that any attempt was made to survey the line to the east of the lakes, and he replied, "No. I can only say that it appears the surveyors were not clearly given to understand the intention of the survey." The committee examined the surveyors and were abundantly satisfied that in every instance the surveyors did exactly what they were told, and that they were not in any way to blame. So far as the present Minister for Works is concerned, in paragraph 11 of the report it will be found that the committee entirely exonerate him from doing anything from any motive except what he believed to be in the best interests of the country; but the committee are of opinion that he departed from the suggestions of the Advisory Board without sufficient inquiry. That is all the committee say in regard to the present Minister, and that statement I am prepared to justify. A great deal has been said about the intentions of Parliament, the intentions of another place, in regard to some proposed straightening up of this line. Members will find that matter fully dealt with in the report. It was urged by the member for Collie that this line should be straightened up with a view to providing a shorter freight for Collie coal to the goldfields. Personally I do not attach very much importance to that project; because, knowing how difficult it is now for Collie coal to compete against wood in places very much nearer to Collie than the goldfields, the chances are it will be a very long while indeed before Collie coal can compete with wood on the goldfields; but, apart from that altogether, the evidence placed before us shows that this straightening-up has, even from that point of view, had an opposite effect to the one intended. The point I wish to make here is that the straightening-up referred to in the debate in Parliament was not the straightening-up that is now adopted by the Minister for Works. While I am prepared to admit that Mr. Jonhson may very easily have been misled by the different surveys put in hand during Mr. Daglish's period of office, there was nothing in the debate in Parliament when the Bill was passed to lead anyone to the conclusion that it was desired that the line should go otherwise than to the east of the lakes. But if importance is to be attached to the matter of providing a shorter distance for Collie coal, to show that this straightening-up has had an opposite effect, I refer to page 22 of the report and the evidence of Mr. Babington. I shall not read it, but if members look at the evidence from question 380 to question 417 they will find that Mr. Babington, the surveyor who actually carried out this work, condemns the line that the Government now propose to build and says that it will cost more to haul the stuff over it than it would over the line suggested by the Advisory Board.

Hon. J. D. Connolly: What distance do they save in any case?

Hon. H. P. COLEBATCH: If the line hugs the lakes to the west it saves about 2¾ miles, and in the other case it saves six or seven miles, but the grades are 100 per cent. worse on the line the Government now propose to build, and we have the evidence from Mr. Light that if there

is one train run per day it will mean £1 per week more on the short line than on the longer line. The amount is trifling, but the fact remains that the straightening-up of the line actually increases the cost of working, and if we look at it from the point of view of taking Collie coal to the goldfields, the longer line is the one that ought to be constructed. In question 1289, page 72, the present Minister for Works (Mr. Johnson) explains the reasons that actuated him in making this deviation, and he says "he came to the decision because Parliament gave that direction, and although representations were made that an injustice would be done he was satisfied that the decision of Parliament would not do any injustice, and in consequence that decision should be honoured." He informed the committee that the decision of Parliament he referred to was not revealed in *Hansard* at all. He said that what happened was that in the corridors in front of a map of the district members discussed the route this line should take. Of course it is very proper that members should take every opportunity for discussing matters in that way; but it seems to me to be entirely absurd that members of Parliament, standing in a corridor and looking at a map, should decide matters that not only do not appear in *Hansard* but are entirely opposed to the opinions of the experts both of the Lands and Railway Departments. A little further on in Mr. Johnson's evidence on page 74, question 1322, he was asked, "Are you aware of the opinions held by the different railway engineers in regard to these two routes from the railway point of view?" and he said "No; I have not heard their opinions." Surely that is a substantial justification for the finding of the committee that Mr. Johnson ordered this deviation without sufficient consideration; surely it would be one of the first things a Minister would do to find out the opinion of the railway experts before undertaking a thing of this kind. There are many other answers in the Minister's evidence bearing out that point of view, that the Minister acted entirely on his own responsibility—and he says so straight-out in many cases—simply on what he thought was the wish of Parliament, not as expressed in *Hansard* or in the Bill before the House, but as expressed by members when talking in the lobbies in front of a certain map; and the peculiar position is this—I would refer members to question 1304 for a moment—the Minister sets up an alternative proposition including a line from Kondinin to Carrabin, and he was asked, "I understand the present proposal is to build a line from Kondinin to Carrabin;" and he said "That is so." Again I say that is substantial justification for the finding of the committee that this was done without sufficient consideration, when I am able to inform members that in this matter of the line from Kondinin to Carrabin the Minister has not a single supporter among the whole of the witnesses examined. There are one or two who gave a very qualified support, but the greater part of them condemned this proposition altogether, the select committee appointed in another place condemned this proposition, and Mr. Ardagh, who differs in some respects from the finding of our select committee, does not support the contention of the Minister for Works that a line should be built from Kondinin to Carrabin. Curiously enough, two members of the Advisory Board—the Surveyor General and Mr. Muir—make a further suggestion altogether, a suggestion which is supported by Mr. Ardagh and a suggestion which in certain circumstances would be entirely feasible; but when Mr. Johnson was questioned in regard to this matter he said that it had never been considered by Cabinet at all and that he had never given it any consideration whatever. Here again is substantial justification for the finding of the committee that the route of this line was altered without sufficient inquiry. If we take the evidence of Mr. Paterson, whose evidence on matters of this kind cannot be ignored, we will find he condemns utterly and entirely the proposed deviation. I have no doubt that in that condemnation he is to some extent influenced by the fact that the Agricultural Bank is very largely interested through advances made to settlers on the land to the east of the

lakes. I have said that this is a land-development railway, and that is really the only thing at all worthy of consideration in connection with the matter. If we take the evidence of Mr. Paterson and the evidence of Mr. Babington, and the evidence of almost all the experts examined, we will find that they all say that the line should follow the route suggested by the Advisory Board. It is true that Mr. John Muir qualifies his evidence to some extent, but since giving his evidence I have received from him a letter addressed to me as chairman of the select committee, as is the privilege of any witness. In question 1434, on page 81, he gave certain answers to Mr. Hamersley, and now he writes to me—

> In my evidence given before a select committee of both Houses of Parliament on the 10th September, 1912, Mr. Hamersley asked in question 1434, "If there was no intention of the suggested line to Kondinin and Arrowsmith, would you still adhere to that green line as being the best to serve that agricultural country," to which I replied, "Yes, I would." I take it that Mr. Hamersley referred to the direct route as the green line. If that is the case I wish to contradict my statement. The probable fact of the Kondinin extension in a northerly direction materially affected the original proposition. I cannot understand why I made such a statement, because without the proposed Yilliminning-Kondinin extension the railway should certainly follow the lake country, either on the east or west side, and the spur lines extended to meet it.

I read that letter not only in justice to Mr. Muir, but also to show that Mr. Muir does not support the contentions set up by the Minister or the contentions set up by the committee of another place. On page 59 of this report will be found the evidence of Mr. Goyder, a surveyor who has actually surveyed the bulk of the land through the whole of the disputed territory. He is an expert, and he is entirely impartial, because in any case the railway goes through his property. It makes no difference to him, and his standing and reputation as a surveyor entitle him to be listened to. His evidence is very short and it is very conclusive. He practically says that while to the west of the line the Government now propose to build there is not more than 22 to 25 per cent. of good land, to the east of the line suggested by the Advisory Board there is no less than 70 per cent. of good land. The whole of Mr. Goyder's evidence is of great value, and is conclusively in favour of the route suggested by the Advisory Board. Now in regard to the evidence of settlers, I do not propose to go into it at any great length. It is quite true that the adoption of the line suggested by the Advisory Board would for the time being isolate a certain number of settlers. But the number is very small, for the reason that there are two lines, namely the Quairading-Nunajin and the Brookton-Corrigin, and the whole of the settlers are between those two lines, and, since the two lines are not more than about thirty miles apart, it is only those settlers situated right in the centre of the district between the two lines who will be isolated. There are only some half dozen of them. They are not on uniformly first-class land; some of them have been there a long time, and have gone in for sheep and that sort of thing, operations for the successful prosecution of which it is not so necessary that they should be close to a railway; and in every case they took up land cheaply, at about ten shillings per acre. Those people, I admit, would be in a much better condition if the line were constructed as the Government intend to construct it, but they are only some half a dozen in number, whereas the others are to be numbered by hundreds, who, particularly those to the south of Kurrenkutten Lakes, would be permanently isolated under the Government proposal, even if the Government carry out the further proposal to construct two lines. The Advisory Board in effect said, "Here is a splendid patch of country, one which for size and quality is the best piece of wheat land in Western Australia. Run a railway right through the middle of it." But the Government say, "Instead of doing that, we will run two railways on two

patches of sandplain, leaving all the good country midway between the two lines." The matter is dealt with towards the end of the report, in paragraph (f) of Clause 9, in which it is pointed out that even if these two lines were built the best of the country would be so situated that it would never be able to give to the State the returns which it would if it had reasonable railway communication. The last point to which I wish to draw attention is the necessity for keeping faith with the settlers. I must again refer to the evidence of the Minister, on page 73, questions 1313 and 1314. In the first of these questions he was asked—

> Can you go on taking 27s. 6d. per acre from people who took up this land on the understanding that they would be within a mile or two of the line, and who find themselves isolated with no hope of ever getting the line near to them?

And the Minister replied—

> It is not within my province to go into these questions, but if the line were shown there on the plan, the man who so showed it was guilty of an injustice to these people.

Then again he was asked—

> It was shown as having been passed by Parliament?

And the reply was—

> The man who did that did something absolutely wrong, and should be censured, because he showed something which Parliament did not endorse.

For my own part I maintain the Lands Department at that time did absolutely right. You have it in the evidence of Mr. Gibbs, on page 27, that before a line was passed by Parliament it was the custom of the Lands Department to indicate to settlers the probable course the line might take, and not until the line was absolutely passed were they given anything definite, or was any difference made in the prices charged. The evidence of Mr. Odell, on pages 27 and 28, all deals with this question. Every line of that evidence emphatically shows that the Lands Department adopted this course. Until the line was definitely passed by Parliament, they merely said to the settlers, "The indications are that the line will go somewhere here," but when the line was actually passed by Parliament then they started to price the land accordingly, and they also showed the line clearly on the map. Mr. Odell's evidence also shows that practically the whole of the land to be traversed by these lines was selected after the Advisory Board had made its report, and after the line was shown on the map, and the whole of the land was priced according to the distance it was from the line, the prices ranging up to 27s. 6d. per acre. I do not propose to read this evidence; I simply refer hon. members to it, and ask them to read it for themselves. Now in regard to the evidence of settlers, we found the settlers in such numbers in many of these places that we had to abandon the idea of examining them individually; we had to get them in in numbers, twenty or thirty from one locality and having similar views. If you peruse the whole of this evidence you can come to no other conclusion than that the Advisory Board's route must be adopted; nor can you avoid the further conclusion that settlers have been put there and promised railway communication years ago, and now are suffering very direct and cruel hardships because of the delay which has already taken place. There is just the evidence of one settler, a portion of which I feel I ought to read. This evidence was given by Mr. Robert Nevin Allen, and will be found on page 38 of this report. Mr. Allen stated—

> I arrived in Perth in 1910, in the month of June, and I went straight to the Lands Office. Previously I had seen the late Premier in the old country, and he told me of the circumstances here; how the country was being developed and how railways were being pushed ahead. On my going to the Lands Office the plan of the Kumminin area soon came in, and I got full particulars with regard to it. I was told if I put in for sheet No. 1, the furthest distance I should be from a railway would be eight miles, and on the strength of that information I applied. I had brought my wife and children with me, and I realised that I had come to a British colony, and I looked for British fair play; so without any bones about it I came

out here and got these two blocks and started in. I thought it was good enough to go ahead on that assurance, and in a really solid way, so I built a six-roomed stone house and started clearing, and put down a large dam, and fenced, and altogether I can tell you I have approximately spent £2,000 on my blocks, on that assurance that the railway would be within eight miles of me.

This is not an isolated case; it is characteristic of the evidence given by settler after settler in regard to this matter. In reply to the last question which he was asked, namely, could he cart to Nunajin and make the thing pay—that is supposing the Government carried out their present intention—Mr. Allen stated—

No. But that is outside the promise on which I have taken up my land and done my utmost and spent a great deal too much on. That is my point on this business. I have it in my power to bring further families from the old country. I have not said a word to anybody; I have just been waiting to see, and it depends on how I am treated here whether other people will come here or not. That is not an idle threat; it is the truth. I met Sir Newton Moore at Home and I did not look for anything of this kind, from all he told me. It comes to this: if a man from any part of the British Empire cannot come to Western Australia and go to a Government office and take for gospel what he hears there, he had better stay out of the country; because if you go to other countries—to the South American republics, or to North America—you go with your eyes open and your wits about you, and you decide, after hearing a man, whether you will take his word or not; but when you come to a British colony, I for one never hesitated. I had the information given to me, and that was sufficient for me.

That is the reputation which British colonies have all over the world; and what I want the House and the Government to consider is, are we going to do anything to forfeit that reputation? I would not for one moment reflect on the admirable manner in which this evidence has been reported, but it would be impossible to set down in mere print the question and the answer in such a way as to present the full meaning and import of this witness's evidence. He told the committee he had been farming all his life, in South America and in North America. He was asked how the conditions in those places compared with the conditions in Western Australia, and his answer was—although, as I tell you, it was impossible to put his answer down in print and convey by literal transcription the meaning which we who heard him gathered—he said he liked South America very much but that there was so much uncertainty in these republics that he deemed it unwise to settle there permanently. Then he said he had gone to North America, where he found the natural conditions everything that could be desired, but that there was there so much political corruption that no one could feel he was safe. "And now," he added with an inimitable gesture, "I am here."

Hon. Sir E. H. Wittenoom: He does not seem to have been very successful as a farmer.

Hon. H. P. COLEBATCH: He was able to put down some £2,000 on his property without any assistance whatever from the Agricultural Bank. I do not know whether that can be said to represent previous failures. Moreover, he brought his wife and family, and built up a considerable place down there. Most certainly he is not likely to be successful if, after having been promised a railway within seven miles of his property, that railway is to be taken such a distance away that he will find it well nigh impossible to farm profitably.

Hon. B. C. O'Brien: Yet he was able to put down this money, notwithstanding that the line is so far away?

Hon. H. P. COLEBATCH: The money which he has expended was acquired by him in other lands. He was careful to tell the committee that he did not lose money in those other places, because he went there with his eyes open and inquired into everything he was

told; whereas when he came to a British colony he was content to take everything for granted, and went straight ahead. This evidence is only characteristic of that of many other witnesses, and I do not propose to weary the House with reading more of it. The whole point is as to where this particular line should be built, and I say everything points most emphatically to the conclusion that it can only be built on the route recommended by the Advisory Board. No other course will enable it to be worked as economically, no other course will permit of its returning the same revenue in freight, or of rendering the same service in opening up and developing the country. And so far as the justice of the position is concerned the evidence of the whole of the settlers shows that no man would be unfairly treated—except one or two who may have been deluded by the carrying out of all these unnecessary and expensive surveys —that everybody would be given fair play and justice if the Advisory Board's route were adopted. And I maintain that even if the proposal were wrong from other points of view, the land having been sold on the strength of this proposal it would be for the Government to consider which was the better course to adopt, whether to carry out the recommendation of the Advisory Board or to compensate the people. But from every point of view the Advisory Board's route should be adopted. Not only is it in the interest of the State and of the settlers, but the maintenance of our political reputation demands that this line should be carried out on the route proposed by the Advisory Board. I hope the House will adopt the report, and that even at this late stage the Government will see their way clear to adopt the recommendations of the Advisory Board. If they do this I am quite prepared to say that when their period of office is over I shall always be ready to rise in my place and insist that any obligations they have entered into shall be honoured by their successors, or if it is against the interest of the country that it should be carried out, then my weight shall be in favour of fairly and reasonably compensating those people to whom the obligation was given. A young country like this can afford to make mistakes, and can afford also to pay for them, but we cannot afford to do injustice to anybody, and an injustice will be done if this line is carried out in the way the Government propose.

On motion by Hon. C. Sommers debate adjourned.

## BILLS (2)—FIRST READING.

1. Shearers and Agricultural Labourers' Accommodation (Hon. F. Davis in charge).

2. Agricultural Lands Purchase Act Amendment.

Received from the Legislative Assembly.

## BILL—FREMANTLE RESERVES SURRENDER.

Report of Committee adopted.

## BILL—LANDLORD AND TENANT.

Report of Committee adopted.

## BILL—HIGH SCHOOL ACT AMENDMENT.

*Second Reading.*

Debate resumed from the 24th September.

Hon. Sir J. W. HACKETT (South-West): I do not think it is necessary to address myself at any length to this Bill. It is a very simple measure, almost a formal one, and in appealing to the House in the first instance I think members will agree with me that the work done by this school is of an excellent character. Years after I came to this State I was familiar with the High School, and it was the only representative of higher education—even though that reached only as far as a secondary school—excepting a few private establishments, in this State. In taking upon themselves to give terms of dismissal, conceived on a not ungenerous scale, I

think the Government have evinced that their confidence in the school in the past, and in the work it has done, was justly founded. The Bill is a very small matter. It is only a Bill for giving notice to the High School that the term of its subsidy has arrived, and now they must look forward to a life, if they can live, in which the governors and students will have to depend solely on their own exertions. That, I take it, is all the Bill does. It merely gives notice that this subsidy must come to an end. In addition, there is a clause giving the governors more elastic control over the finances, enabling them to charge higher fees if they think that necessary in the interests of the school, but the idea is worth bearing in mind that during this term of grace—two or three years—fixed by the Bill the governors may be able to devise some plans to continue the existence of the school, which certainly deserves well at the hands of Western Australia.

Hon. W. Kingsmill: It is still under the control of the State.

Hon. Sir J. W. HACKETT: That must be settled at a later period.

Hon. A. Sanderson: Why not now?

Hon. Sir J. W. HACKETT: It is impossible. We have nothing to work upon.

Hon. W. Kingsmill: It will mean another Bill.

Hon. Sir J. W. HACKETT: It must mean another Bill. We cannot work it otherwise. At present, the governors are appointed by the Government, and it may be advisable to alter, perhaps to abolish, but at any rate to alter that form of constitution. The Bill has not been brought in to declare or discuss a constitution, and even if a select committee met and decided in favour of certain alterations they could not be given effect to. Meanwhile, we should lose the golden opportunity if the school is to be kept alive of putting before the country some scheme which will meet with the approval of Parliament next year. I trust it will be understood that while the governors do not shun inquiry, the postponement of the Bill would mean the missing of a golden opportunity. The constitution would be unworkable unless it involved the complete sweeping away of the present constitution of the High School and the substitution of another.

Hon. A. Sanderson: Why give up £1,000 a year now?

Hon. Sir J. W. HACKETT: Does the hon. member mean that this House should refuse to vote its extinction?

Hon. A. Sanderson: Why should the governors be in favour of getting rid of £1,000?

Hon. Sir J. W. HACKETT: They are not in favour of getting rid of one penny, but a stronger force than the governors has decreed that that shall be so. The governors do not wish to make that fight for existence. They ask for a little time in order to enable them to look into the matter and see what can be done to keep the school alive.

Hon. W. Kingsmill: And a little land.

Hon. Sir J. W. HACKETT: There is nothing in the Bill about the land.

Hon. W. Kingsmill: That is the worst part of it.

Hon. Sir J. W. HACKETT: Why should that be treated with in a Bill which is simply for giving notice? I cannot understand the claim for a select committee. I do not want to second a motion for getting rid of the subsidy for £1,000, but I am prepared to say that the governors desire to accept the Bill as it stands.

The COLONIAL SECRETARY (Hon. J. M. Drew) in reply: I was somewhat astonished at the remarks of Mr. Sanderson in his speech in connection with the second reading of this Bill. He stated that my introduction of the measure was not satisfactory and that he required more information. I am all the more surprised at his attitude in view of the fact that he has always in the past been eminently fair and generously considerate. I feel certain that he would not have made these observations unless he fully believed there were good grounds for making them. This Bill does merely two things: in the first place. it takes away the subsidy. and then it removes restrictions in regard to the imposition of fees. It goes no further; it does no more. I gave short and

concise, but, I contend, ample reasons for the cessation of the subsidy. The Government propose to establish secondary schools in Western Australia, and in view of that fact it cannot consistently continue to support a rival institution. One member stated that the Bill was defective in that it did not repeal existing Acts. It is not proposed to repeal any existing legislation. The Government want to retain all its former control.

Hon. J. D. Connolly: What I said was it repealed sections in the amending Act but not in the original Act.

The COLONIAL SECRETARY: I am not referring to what the hon. member said, but I am referring to what Mr. Kingsmill said. We do not propose to repeal any existing legislation except the two sections I have already referred to, and the Government propose to retain all its former control. The High School has been built up by the State, and it has been very liberally endowed with land by the State. The site which it is at present using for High School purposes was granted by the Government, and the governors are a corporate body. This land has been vested in them, and they have full power at the present time with regard to mortgaging that land or utilising it in any way so long as they respect the Trust and so long as they devote it to the purposes of the High School.

Hon. J. D. Connolly: Which land are you referring to?

The COLONIAL SECRETARY: The land on which the old school is built. With regard to the land near the Observatory, that was promised by a previous Government, and it would be a very difficult matter for the present Government to ignore that promise. This land has been reserved for the purposes of the High School, and when we come to consider that after receiving this £1,000 for many years it is proposed at the end of three years to cut off the subsidy, it furnishes a very strong case for the governors of the High School that they should have this land which was promised to them.

Hon. A. Sanderson: Why should not that be done under this Bill?

The COLONIAL SECRETARY: There is no necessity for it. We propose to continue existing legislation, and if the High School is endowed with land the property of the State, we intend to continue to exercise the same control that we have exercised in the past.

Hon. W. Kingsmill: Why do you wish to have two secondary schools?

The COLONIAL SECRETARY: We do not object to a dozen secondary schools.

Hon. W. Kingsmill: And both of them in Perth?

Hon. J. F. Cullen: You should not.

The COLONIAL SECRETARY: Why not?

Hon. W. Kingsmill: One charging high fees and the other not?

The COLONIAL SECRETARY: We must recognise——

Hon. W. Patrick: Will you still continue to control the High School?

The COLONIAL SECRETARY: Yes, as we have controlled it in the past.

Hon. W. Kingsmill: Certainly you should.

The COLONIAL SECRETARY: I have already stated that the site where the school stands is vested in the governors, who can do what they like with it so long as the terms of the Trust are respected. If the land close to the Observatory is granted, as already promised, and set aside to be utilised by the governors for the purposes of the High School, it will be on the understanding that they will erect a school which will cost them £10,000 to £15,000.

Hon. Sir J. W. Hackett: It will go back to the Government.

The COLONIAL SECRETARY: Yes, it will go back to the Government in case of failure to comply with the conditions. The High School is the only secondary school in the State which has associated with it anything in the nature of tradition. It was originally started by Bishop Hale in 1858 and the present school is the direct descendant of Bishop Hale's school. It has consequently been in existence for something like 40 years, and some of the leading men of the State have been educated in that institution. The Bill will not abolish the school in any way, it will

simply have the effect of withdrawing the subsidy after the expiration of three years and it will allow the governors of the High School to charge fees which will enable them to successfully finance the institution.

Hon. W. Kingsmill: What is the intention of the Government regarding the six-acre lot near the Observatory?

The COLONIAL SECRETARY: I have already stated that we cannot ignore the promise made by a former Government.

Hon. W. Kingsmill: It will be given to the High School?

The COLONIAL SECRETARY: Yes.

Question put and passed.

Bill read a second time.

*To refer to Select Committee.*

The COLONIAL SECRETARY (Hon. J. M. Drew): I move—

*That the President do now leave the Chair for the purpose of considering the Bill in Committee.*

Hon. A. SANDERSON (Metropolitan-Suburban): I move an amendment—

*That the Bill be referred to a select committee, consisting of the Hon. J. M. Drew, Hon. W. Kingsmill, Hon. J. D. Connolly, Hon. F. Davis, and Hon. A. Sanderson.*

I do not wish to repeat what I said on the second reading. I think members who listened to the speeches made by Sir Winthrop Hackett and the Minister this afternoon will have quite sufficient evidence before them to warrant them referring the Bill to a select committee. We heard on the one hand from Sir Winthrop Hackett that this was almost a formal measure and that the High School will now depend on their exertions, and on the other hand we have the Minister saying that State control will remain. Members will readily understand that I find myself in somewhat of a delicate position. I have no wish to set up my opinion about the High School against that of the present Government, or that of the hon. member who has been connected with the governors for a long period; at the same time I realise the Minister's responsibility and I do not question for one moment his bona fides. I stated when I spoke after the introduction of the Bill that my remarks were not offered in a hostile spirit, and I added that the Minister had not time to go thoroughly into this matter, or else he thought that members of this House were acquainted with the position of affairs, and therefore did not require further enlightenment upon the subject. I am very much interested in this school, for several reasons, and one is that for a period of three or four months I was an assistant master there, and if I were still in that position I should think that the House, by cutting off the subsidy, was treating the school in a very curious way. While I was there I received the magnificent salary of £10 a month, and I had to keep myself—that was higher education. However, I took the earliest opportunity of getting out, but it was certainly a very interesting experience for me. When we hear the chairman of the governors, and I wish to speak with respect for the attitude that gentleman is taking up—

Hon. Sir J. W. Hackett: I am not chairman of the governors.

Hon. A. SANDERSON: The hon member was chairman for a long period, and I believe even now he might almost be considered chairman, although he has so many other matters to attend to. The point I want to make is that a fair case has been made out for the appointment of a select committee, because we want further light to be thrown on the position of the High School.

The Colonial Secretary: In what way?

Hon. A. SANDERSON: This very proposal that Sir Winthrop Hackett has brought forward. He says they are bringing forward a scheme next year. If the Government abolish the subsidy now, it will almost amount to a betrayal.

Hon J. F. Cullen: They cannot help it.

Hon. A. SANDERSON: Of course, when one of the governors comes forward and commits hara kiri on the subject rather than vote against the Bill and says we must bow to the decision of the Government—

Hon. J. F. Cullen: Is the hon. member friendly or hostile to the High School?

Hon. A. SANDERSON: I think I have explained my attitude.

The Colonial Secretary: You have not.

Hon. Sir E. H. Wittenoom: Your speech is hostile.

Hon. A. SANDERSON: To the governors but not to the school. I draw a distinction between the governors and the school, and I have a very good reason for doing so, having been there. I am interested in this school because I have seen something of the inside working, and if this formal measure is passed it will hand the whole thing over to the Government, and they will have power to appoint governors. At the present time the governors have not the power to mortgage the block of land they are on and they have not control of the reserve which has been put aside for them.

Hon. J. D. Connolly: They have power to mortgage the block they are on, but not the block next to the Observatory.

Hon. A. SANDERSON: I question that. They have not sufficient power over the other block, and if this subsidy is taken away from them the institution will be crippled. I ask hon. members to put themselves in the position of the governors, who are trying to look after the interests of the school. Would they not insist on this £1,000 subsidy remaining until the land question was satisfactorily settled? That I contend is a reasonable demand.

Hon. Sir J. W. Hackett: Most absurd.

Hon. A. SANDERSON: The House can decide that. I say it is a difficult position to find oneself opposing the Government and the governors of this school as represented by Sir Winthrop Hackett.

Hon. Sir J. W. Hackett: How can we make terms?

Hon. A. SANDERSON: Surely the hon. member could ask the House to refuse to take away this subsidy until the school had control of the land.

Hon. Sir. J. W. Hackett: How many votes would I get?

Hon. A. SANDERSON: I should say a good many.

Hon. Sir J. W. Hackett: I should not.

Hon. A. SANDERSON: I hardly know what the hon. member means. So far as the measure itself is concerned I have not seen anyone in regard to it, except Mr. Connolly, with whom I had a chat about the Bill. I asked him if he had looked at the Bill and if he realised what it meant.

Hon. Sir E. H. Wittenoom: We thought that you were going over to the Labour party.

The PRESIDENT: The question is the appointment of a select committee.

Hon. A. SANDERSON: I trust the House will agree to the motion to refer the Bill to a select committee, in order that some definite scheme may be put before the country, and if the effect of that definite scheme is to kill the Bill, I think we ought to be very pleased.

Hon. J. D. CONNOLLY (North-East): I will second the amendment. If this Bill is passed in its present form it will be unsatisfactory both to the public and to the governors of the High School. There will be no effective Act in force for the government of the school in the future and we are not told how that school is then to be financed or governed. I venture to say it will be impossible for the governors to carry on without statutory authority, and neither will they know what position they are in. In regard to the drafting of the Bill I have already pointed out the defects. While the Bill proposes to amend the Act in one direction so far as the subsidy is concerned, it does not touch the original Act in that respect. I think the proposal of Mr. Sanderson is a reasonable one and should be adopted by the House. The committee can hear evidence on different points and present its report and it will then be for the House to say whether that report should or should not be adopted. There was an interjection made by Sir Winthrop Hackett, the chairman of governors——

Hon. Sir J. W. Hackett: I am not chairman.

Hon. J. D. CONNOLLY: Although I did not catch it, it was something to the effect that there was some preconceived idea against the Bill.

Hon. Sir J. W. Hackett: That has not the remotest connection with anything I said.

Hon. J. D. CONNOLLY: The interjection was made in an undertone and I did not exactly catch it. I imagined it to be something to that effect from what Mr. Sanderson said. So far as Mr. Sanderson and I are concerned, it is perfectly true that he asked me one afternoon in the tram if I had read the Bill or realised what it meant. I confessed I had not then read the Bill. I fail to see from that how anyone could form the idea that there was preconceived opposition to the Bill. I am not opposed to the Bill. I say again that the school has done admirable work and it stands high among the secondary schools in Western Australia, and indeed in Australia, and I think it should be allowed to continue under fair conditions. If this Bill is passed it will continue under some condition, but I cannot say, and I do not think anyone else can say from this what will be the position of the governors of the school, or the Government of the day under such a vague Bill. For the purpose of laying down clearly the conditions under which the school should be continued, the best course would have been to withdraw the Bill and substitute a comprehensive measure, but as that has not been done the House is faced with this position: will they adopt or reject the Bill? It is an unfair position to place the House in. I would not like to vote either way myself, therefore it is better to send the measure to a select committee and the Bill can then be placed before the House in precise form in the terms of the committee's report.

Hon. J. F. CULLEN (South-East): I am in a little difficulty as to how to vote on this amendment. When the second reading of the Bill was moved by the Colonial Secretary I, following two other members, expressed a preference for the consideration of the full question at the present time. But after hearing the Colonial Secretary and one of the governors of the High School, Sir Winthrop Hackett, I am inclined to follow the course of procedure which the Government, after consultation with the governors, have taken. When speaking on the second reading I expressed my very high admiration for this school and my anxiety now is as to whether hon. members who have spoken are friendly or hostile to this school, whether they have ingenuously addressed themselves to the question, or whether some discount may have to be made.

Hon. J. D. Connolly: Are we entitled to take the same view of your remarks?

Hon. J. F. CULLEN: If the hon. member thinks fit. This school occupies the same place in this State as the old Sydney Grammar School does in New South Wales. It is the historic foundation that has laid the whole State under a deep debt of gratitude. I think the Government's attitude to the school is reasonable. The point has been reached when secondary schools have been established by the Government, and if the Government had not taken the attitude they have I think there probably would have been pressure brought to bear on any Government to take this course. I think it is a reasonable proposal that has been set forth by the Premier and the Colonial Secretary and it is this: the statutory endowment will have to cease after reasonable notice but that the property that has already been vested in the governors should remain so vested, and the land promised and reserved definitely for that purpose shall be at the disposal of the governors for the purposes of a high school.

Hon. A. Sanderson: Should it not be done simultaneously?

Hon. J. F. CULLEN: That was my opinion at the first blush, that the whole thing should be done simultaneously, but I naturally look to the Government and the governors of the school to say what is the most convenient course to pursue.

Hon. A. Sanderson: Are the governors unanimous?

Hon. J. F. CULLEN: I assume if they were not being treated as they thought fairly, in fact in the best way they could expect, I think we should have heard from them. I assume Sir Winthrop Hackett would not have left us in the dark as to any opposition.

Hon. A. Sanderson: Do you think the governors are unanimous on this point?

Hon. J. F. CULLEN: I think the governors have accepted the situation.

Hon. A. Sanderson: In accepting this Bill?

Hon. J. F. CULLEN: They would naturally like to retain the one thousand pounds, but in view of the condition of things they recognise that it is reasonable that a period should be put to the special grant, and as to doing the whole thing in one act or in two acts, I say I expect guidance from the governors and the Government.

Hon. J. D. Connolly: Will not the select committee get the governors' opinion?

Hon. J. F. CULLEN: I am a little doubtful as to all that is behind the select committee.

Hon. W. Kingsmill: And what is in front of the Bill.

Hon. J. F. CULLEN: I asked the hon. member whether his whole attitude was hostile or friendly, and I accepted his statement.

Hon. A. Sanderson: Hostile to some of the governors I admit, but certainly not to the school.

Hon. J. F. CULLEN: I do not say that this select committee necessarily should work mischief. I do not think that it necessarily will incur risks to the school, but I am not quite satisfied in my mind that the attitude of all who have expressed a desire for this committee is friendly to the school. As I mentioned before, in New South Wales, although secondary education has been established on a liberal scale by Parliament, the old grant to the grammar school, and the old connection between the Government and the grammar school has been retained because of the historical relations and the grand work that school has done. I want to see the fairest of fair treatment meted out to the High School. I say straight away, I think it is fair treatment that this school should have power to sell the property now occupied by them and invest the money in building an adequate foundation on the splendid site above Parliament House, and as to the continued connection of the Government with the High School, I would rather have liked to see the same State foundation still with the liberal endowment.

Hon. A. Sanderson: But they have not got it.

Hon. J. F. CULLEN: Both the Premier and the Colonial Secretary have openly and publicly in Parliament stated their attitude on the question. Is it likely that any Government, seeing that the two responsible spokesmen of the Government have only followed out the intentions of the previous Government, is it likely that there will be any falsifying of it? I am quite satisfied to believe fully the bona fides of the previous Government, or any Government, and as the governors and the Government have taken a certain course of dealing with this one question now, and giving the governors time to thrash out the question with the Government——

Hon. A. Sanderson: Only one governor has spoken on this subject.

Hon. J. F. CULLEN: I think there is only one in the House.

Hon. A. Sanderson: Yes.

Hon. J. F. CULLEN: The Bill has been before the public for some weeks. It has been discussed outside Parliament as well as inside and there has been no intimation of any demur on the part of the governors.

Hon. A. Sanderson: Because they expected the select committee to be appointed.

Hon. J. F. CULLEN: The select committee has only been mentioned within a couple of days. I say again, if I were a governor of this school I would naturally accept the thousand pounds a year as long as the country chose to give it to me. But, as a taxpayer, even as a governor, I would recognise it was natural that the responsible Government of the day, after having established a system of secondary education, would naturally think a reasonable period would have been put on the grant. Apart from this grant, the land placed at the disposal of this establishment is a splendid endowment, which any educational establishment should be well satisfied with.

Hon. A. Sanderson: They have not got it.

Hon. J. F. CULLEN: I shall have to vote against the proposal for a select committee, not that I object to the fullest inquiry, but I am not quite satisfied as to the good intentions of all who advocate the appointment of the select committee.

Hon. W. KINGSMILL (Metropolitan): I regret extremely that the hon. member who has just sat down is not satisfied with the good intentions of those who support the appointment of the select committee. I wish to be as ingenuous as possible in laying before the hon. member the reasons which actuated myself in advocating the appointment of a select committee. My reason for advocating the appointment of a select committee is the extremely indefinite nature of the Bill. There is certain property to be disposed of but no mention is made in the course of the Bill of the terms wherein the High School is to be terminated, and what is to take its place. Is it to be supposed that we should take away from the High School the one thousand pounds and make the school a present of property which is worth £10,000 to £15,000?

Hon. J. F. Cullen: They have it already?

Hon. W. KINGSMILL: They have not and this Bill does not give it, and as a member of the select committee, if I am chosen as such, I shall make it my duty to see that it is stated specifically in the Bill. For the reasons which I stated on the second reading I do not wish to discuss the merits of the case. Some of the speeches delivered might have well been given as evidence before the select committee, if appointed, when it is appointed. I support the appointment of the select committee because I think the Bill is indefinite in the extreme, and I consider the excuse put forward, that now is not the opportune time for making any definite arrangement is a trivial excuse that has not been justified in any way. I do not see that now is not the opportune time. I do not see that a postponement for making a definite arrangement should not take place. The appointment of a select committee means the bringing together, shall I say, of the opposing spirits, the Government and the governors. With regard to the attitude of those two bodies there is a considerable amount of vagueness. One member who spoke said there had been no consultation between the governors and the Government, and another member said there had been a consultation, and that this Bill was the outcome.

Hon. Sir J. W. Hackett: Who said there had been a consultation?

Hon. W. KINGSMILL: I understood the hon. member to say there had been no consultation.

Hon. Sir J. W. Hackett: I have not had any consultation with the Government and I have not seen the Government.

Hon. W. KINGSMILL: Quite so. On the other hand Mr. Cullen says that this Bill is the outcome of a consultation between the Government and the governors. There is such an amount of mystery and indefiniteness about this Bill——

Hon. J. F. Cullen: It is definite, so far as it goes.

Hon. W. KINGSMILL: Then in my opinion it does not go far enough. I have already laid down my idea—it is only an idea, but a very strong one with me—as to the form this Bill should take, namely, that it should have been a Bill containing, first of all, a repeal clause; secondly, an appropriation clause for the payment of £1,000 per annum for three further years.

Hon. J. F. Cullen: That is already appropriated.

Hon. W. KINGSMILL: I would point out to the hon. member that if a repeal clause was put in the Bill that appropriation would be wiped out.

Hon. J. F. Cullen: You would repeal it and then re-enact it.

Hon. W. KINGSMILL: Certainly, for three years, and the Bill should contain a further clause defining accurately the attitude of the Government in regard to the land which the school may or may not have a claim on. I think Parliament is justified in asking that a definite measure of that nature should be laid before it. It would also be an admirable thing for a select committee to consider the action

of the Government with regard to retaining control over a secondary school when they already have a secondary school in this City of Perth. Is it possible that the Government are going to pass legislation distinguishing between sections of the community in this manner; that they are going to have one secondary school where possibly high fees will be charged for the children of the rich, and another secondary school, where no fees will be charged, for the children of the poor? Are they going to inaugurate this class legislation? I am sorry indeed that the Government did not consider this Bill more carefully before it was drafted. In my opinion there is every necessity for the appointment of a select committee, and I will support the motion.

Hon. D. G. GAWLER (Metropolitan-Suburban): I join in the debate merely for the purpose of expressing my doubt, as one who has not followed closely the ramifications of the parent Act and its amendments, as to the exact position. I would suggest that those who support this amendment to refer the Bill to a select committee cannot be said to be hostile to the Bill, because in the main portions of the measure there is a considerable doubt. The main portion of the original Act was that which gave the subsidy to the school, prescribed the fees to be charged, and dealt with the school's property. The main portion of this Bill, on the contrary, deals only with the right of the school to charge fees, and with the discontinuance of the subsidy, and the measure leaves the question of the school's property absolutely undecided. I cannot understand how such a position can commend itself to the governors of the High School. We are told that the governors agree with the attitude that the Government have taken up.

Hon. A. Sanderson: They are not unanimous on that.

Hon. D. G. GAWLER: Well, I will assume that they are. But the public are concerned to some extent in this Bill, and speaking for a moment as a member of the public, I would point out that the question as to the ownership of the property near Parliament House is absolutely unsettled. I understand that this is a reserve for the purposes of a High School. Surely that does not give the present High School any rights over the ground at all. I understand that even the Colonial Secretary does not go so far as to say that the High School has at present any definite existing rights in that piece of land. Could not the present Government or any future Government devote that piece of land, not to the purposes of this High School, but to some other high school?

The Colonial Secretary: It was reserved for the purposes of this High School.

Hon. D. G. GAWLER: I understand from the Colonial Secretary that the Government propose to say to the High School governors that if they erect a building at a cost of £10,000 or £15,000 the Government will give them the land.

Hon. J. F. Cullen: Quite right.

Hon. D. G. GAWLER: But the next Government might require a building costing £30,000 or £50,000. The whole arrangement is most indefinite.

The Colonial Secretary: It is not indefinite at all.

Hon. D. G. GAWLER: Well, I do not think it is definite. I hope that in supporting the amendment I shall not be taken to be hostile to the High School, for my one desire is that the whole matter shall be cleared up.

The COLONIAL SECRETARY (Hon. J. M. Drew): The hon. Mr. Sanderson has moved for the appointment of a select committee to report upon this Bill, but neither he nor any other member who has spoken in support of that course has adduced one solitary argument in its favour. I listened carefully to the mover of the amendment and I am in considerable doubt as to what he sees in the Bill to object to. I know that he is strongly hostile to the Bill, and that the birth of his hostility dates from the time he met Mr. Connolly in the train. The hon. member admits that.

Hon. A. Sanderson: Certainly not.

The COLONIAL SECRETARY: The hon. member is hostile to the Bill, but

why is not at all clear. Are the Government too generous, or are they not sufficiently generous?

Hon. W. Kingsmill: We do not know.

Hon. A. Sanderson: Why not state it clearly in the Bill.

The COLONIAL SECRETARY: It is not necessary to put it in the Bill. This is only a measure to amend a small portion of the existing legislation. At this stage it may be of interest to the House to hear a précis of the existing legislation in regard to this school. The Perth High School was established by a measure passed in 1876, entitled "An Act to make provision for the Higher Education of Boys." That Act provided for the appointment of a Board of Governors as a body politic and corporate, with perpetual succession. The financial obligations which the Government laid down were that during the first three years of the school's existence there should be paid out of revenue sums of £700, £600, and £500 respectively, and thereafter yearly a sum equal to double the amount of school fees received, not exceeding £500. This Act fixed a maximum fee which the governors could charge for "imparting an exclusively secular education." Further powers were conferred on the Board of Governors in 1883, enabling them to raise money on mortgage; and the number of governors was fixed by the amending Act of 1892 at six, provision being at the time made for the periodical retirement of one third of the members of the board annually. Until 1897 the Government subsidy to the institution remained at £500, but was in that year increased to £1,000, at which amount it now stands. That is a brief summary of the existing legislation. The High School Governors are a corporate body with perpetual succession and with powers to mortgage. Mr. Connolly stated that if this Bill was passed there would be no Act in force for the government of the school in future. That is ridiculous. All the existing legislation will continue to be in force except the two sections that make it obligatory on the part of the Government to contribute £1,000 per annum, and place a restriction on the amount of the school fees to be charged. There will continue in operation all the machinery for the government of the school, and it is only right that the Government having so much money and property invested in this High School should continue to exercise control over it as they have done in the past. Mr. Connolly stated that the school should be allowed to continue under fair conditions, but he made no attempt to say what he considered fair conditions. Two or three hon. members have spoken in enigma. I wish they would state straight out what they mean. If they wish fair conditions to be imposed they should specify what they consider to be fair conditions, otherwise the whole thing is clouded in mystery.

Hon. A. Sanderson: It is.

The COLONIAL SECRETARY: Exactly, it is like the hon. member's speeches. I know that he is hostile to the Bill, but for what reason I do not know. Has there been any consultation between the Government and the governors? There has, quite a lengthy one, and the result of that consultation was that all parties were satisfied. The governors met the Attorney General and the Premier and were perfectly satisfied then, and so far as I know are perfectly satisfied now.

Hon. J. D. Connolly: That has been denied by at least one of the governors.

The COLONIAL SECRETARY: Are the governors unanimous? I do not know. It does not concern us in the slightest, because this grant has got to go. If it does not go in this way it may be discontinued under less fair conditions. Mr. Kingsmill said that the Bill was indefinite in the extreme, but he did not endeavour to say in what way. I hope the House will not on the little evidence submitted, allow this Bill to go to a select committee.

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

| | |
|---|---|
| Ayes .. .. .. | 13 |
| Noes .. .. .. | 9 |
| Majority for .. | 4 |

AYES.

| | |
|---|---|
| Hon. E. M. Clarke | Hon. R. D. McKenzie |
| Hon. H. P. Colebatch | Hon. M. L. Moss |
| Hon. J. D. Connolly | Hon. W. Patrick |
| Hon. D. G. Gawler | Hon. C. Sommers |
| Hon. V. Hamersley | Hon. Sir E. H. Wittenoom |
| Hon. A. G. Jenkins | Hon. A. Sanderson |
| Hon. W. Kingsmill | (*Teller*). |

NOES.

| | |
|---|---|
| Hon. J. F. Cullen | Hon. R. J. Lynn |
| Hon. F. Davis | Hon. E. McLarty |
| Hon. J. E. Dodd | Hon. B. C. O'Brien |
| Hon. J. M. Drew | Hon. R. G. Ardagh |
| Hon. Sir J. W. Hackett | (*Teller*). |

Amendment thus passed; the select committee appointed.

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

## BILL—INDUSTRIAL ARBITRATION.

*Second Reading.*

Debate resumed from the previous day.

Hon. W. PATRICK (Central): It is somewhat disappointing to find that, after hundreds of years of fighting on the part of our forefathers and immediate predecessors to bring about freer and better conditions among the people in this and other countries, it should be necessary to introduce a measure of this kind to bring about what is called industrial peace. I do not believe in compulsory arbitration. Notwithstanding the fact that the name of Australia is being repeated in the old country and in America as a shining example of the success of arbitration, I consider that up to the present arbitration has been a complete failure in Australia—in Western Australia in common with the rest of the Commonwealth. We will have an opportunity of discussing the Bill in Committee and of examining it clause by clause and deciding whether we will agree to or oppose various provisions, so that now I merely intend to deal with the general principles of the measure. I consider that it would be a big mistake, in regard to the constitution of the court, to dispense with a judge and put a layman in his place; but were it considered advisable to appoint a layman, it would be a bigger mistake still to fix on a limited period of, say, seven years; because from the moment a president is appointed for such a short period as seven years, he would feel that his position was insecure, and we could not possibly expect him to sit and decide as independently as a judge of the Supreme Court. I consider that the provision of the present Act, having a judge of the Supreme Court, is much better than the proposed amendment. I am not so clear on the matter of whether it would be better to have assessors, or two practically permanent men appointed by either party; that is purely a matter of opinion; but, so far as the president is concerned, I am quite convinced it would be a big mistake not to have a judge. The powers of the court are something altogether too great. As pointed out by Mr. Gawler, it is not a court; it is really a body appointed by Parliament to carry out legislative duties, instead of really administering an Act of Parliament. This is the opinion of Mr. W. H. Irvine, one of the ablest lawyers in Australia—

> The function of this so-called Arbitration Court is not to determine rights under the law at all, but to make the law. It is a subordinate legislative department of government. I am not sure that at the present moment it is not one of the most important legislative departments in existence in Australia.

I quite agree with that. There is no department outside Parliament that has such powers as are proposed to be given to the Arbitration Court under this Bill, and I find that, in the opinion of the law authorities in this State, the powers of the court are even greater than we have been given hitherto to understand. At a meeting of the Australian Labour Federation last week, among other business, there was a letter from the Hon. W. C. Angwin (Honorary Minister) replying to a letter from the federation stating that the Crown Law authorities advised that the Arbitration Court had power to limit the number of hours workers were to be employed to less than those prescribed in the Early Closing Act. But that goes further than Mr. Irvine or Mr. Gawler indicate, because it ap-

pears the court has power to vary the conditions laid down in an Act of Parliament. I consider these powers are altogether too great to be in the hands of anybody other than Parliament. This court is not only to have these enormous powers, but it is only open to a section of the community. In another generation or less, the people who go through our statute-book, assuming that this Bill is carried as it is printed, will be perfectly amazed at any Parliament in an intelligent community proposing to give such powers; because it leaves out a great proportion of the community from the supposed benefits and protection of the Act. The Act not only limits its benefits to one section, but applies to all industries. The Bill appears to be a great improvement on the present Act in some matters, especially in relation to the penalties to be applied to both employers and employees; still there are some extraordinary clauses. For instance, Clause 61 says —

> When an industrial union of workers is a party to an industrial dispute, the jurisdiction of the court to deal with the dispute shall not be affected by reason merely that no member of the union is employed by any party to the dispute or is personally concerned in the dispute.

I do not intend to make any comment on that. It is quite sufficient to read it to show the monstrosity of it. Then we have Clause 111 which says that any person adjudged by the court to be guilty of any contravention of Clause 105 shall not be entitled to certain rights. Clause 105 refers to penalties for disobeying the Act. Now Subclause 3 of Clause 111 says—

> No order shall be made subjecting an offender to disabilities under this section if such offender shall prove that his offence was committed pursuant to and in compliance with a resolution passed by an industrial union or association whilst such offender was a member thereof.

Possibly the Minister may be able to explain this away, and possibly he may agree to delete it, but it seems to me to enable any person to get out of any penalty by a side wind. I do not suppose that was the intention of those who drafted the Bill, but that is the plain intelligent meaning of it so far as I can understand it.

Hon. J. E. Dodd (Honorary Minister): Those are additional penalties. There are other penalties provided.

Hon. W. PATRICK: There should be no means of getting out of any penalty if the Bill is to be of any use at all. In Clause 3 among other things "industrial matters" are matters relating to the claim of members of an industrial union of workers to be employed in preference to non-members. Again it is provided in Clause 85, Subclause 1, paragraph (d), that the court may—

> Direct that as between members of industrial unions of employers or workers and other persons (not being sons or daughters of employers) offering or desiring service or employment at the same time preference shall, in such manner as is specified in the award or order, be given to such members, other things being equal.

Now I am entirely opposed to preference to unionists. I think it is a monstrous proposal that any section of the community should be put in the position that they may not be able to get work. It seems to me that it strikes at the very root of all liberty, a thing we are supposed to consider as democratic. This measure is just as far away from democracy as any measure can be, so far as this preference to unionists is concerned. Under the Bill the court has power to regulate wages and fix hours. The court is not asked to consider whether an industry can afford to pay the wages, and in no place in the Bill is it stated whether the workers are to be capable workmen in their special trades. There is one gigantic assupmtion throughout the whole of the Bill, and throughout all legislation of this character, namely, that there is somewhere an unlimited fund from which unlimited money may be drawn to pay wages. This is a gigantic delusion. As far as the ordinary merchant is concerned, as far as the ordinary

business man is concerned, as far as the contractor is concerned, it does not trouble him for one moment, so long as his contract has been made in advance, what wages he has to pay, whether it be 15s. or 20s. a day, so long as he can move it on to the next man; but we must remember that, rich as Australia is, there is only a limited fund from which all payments can be made. It is a very simple matter to get at this fund. All one has to do is to look at Mr. Knibbs' *Year Book*, and find out the amount of wealth that is created in Australia from year to year. Now who creates that wealth? Which portion of the community of Australia creates that wealth? In 1909, the latest *Year Book* I can lay my hands on—and if there has been any alteration in a later edition it will be found to be in favour of my argument—in 1909-10 the aggregate wealth produced in Australia was £174,000,000 for the whole year, for the whole of the Commonwealth. That is Mr. Knibbs' estimate. Of this amount £111,000,000 was produced by the graziers, the farmers and allied industries such as dairying, bee-keeping, and so on. The mining industry produced £23,000,000, while £40,000,000 was produced from manufactures. Now, so far as the £111,000,000 and the £23,000,000 are concerned it was undoubtedly a gigantic sum of money for such a small community to produce; and there was £40,000,000 added to the wealth of the country by manufactures. Now, there is a great difference between the £40,000,000 produced by manufactures and the rest of the millions created by the primary industries. We all know that manufacturing in Australia is carried on under a highly protective tariff and that all the manufactured goods produced in Australia are for local consumption and local consumption only. The result is that the average manufactured article produced in Australia is about double the price which it would be if it were produced in competition with the free markets of the world. The position is this: that out of £174,000,000 more than two-thirds of it was genuinely produced by the primary industries, the greater portion of which was produced by the graziers and farmers. Now in this measure from beginning to end—it applies to all industries of course—but from beginning to end there is no consideration whatever paid to the fact that while you can raise wages as much as you like, so long as people can get the money to pay them, in manufacturing industries and in an industry such as the timber industry, so far as the local market is concerned, so far as nine-tenths of the produce of the grazier and the agriculturist is concerned you cannot raise the price by one farthing. The wages of the primary producer cannot be raised at all, and the necessary result is that practically the whole burden of any increased wages falls on the backs of those same primary producers. I am sure the average farmer, even in this State, does not know how he is victimised in a great many cases. Let me give you an example. This example has nothing to do with party politics, for the money was taken by the last Government, just as by the present Government; but let me show you how the Government of the State, through the Fremantle Harbour Trust, encourage the farmer of Western Australia. You all know that there is an implement used by the farmers which is called a reaper and binder. Hundreds of these implements are sold in this State. Now, these are the charges made on a reaper and binder after it arrives at Fremantle from the outside world. It is called eight tons. It really weighs but little more than half a ton, but it is called eight tons measurement, and the wharfage is 6s. a ton. That amounts to £2 8s. The harbour rate is 4s., and handling charges 3s., or a total of £2 15s. This represents the landing charges on a reaper and binder at Fremantle. I may say the charge for the same work in Melbourne is 2s. 6d. That is how we encourage the farmer in Western Australia; and when we are dealing with a measure of this kind in respect to which the farmer will be perfectly helpless, and cannot ask any more for his produce, it is the duty of Parliament to see that the farmer is protected. It is monstrous to say we should pass an Act of Parliament to give special privi-

leges to one portion of the community which dose not produce a fraction of the wealth of the community, and not take into consideration at all the man who goes into the wilderness and hews out and develops a farm.

The Colonial Secretary: He is getting a lot of State money to assist him.

Hon. W. PATRICK: I do not know about that. I met a farmer in Northampton a few days ago, who told me that he had received a notice from the Lands Department—and I say he is one of the finest settlers in the whole neighbourhood—stating that he would be required to pay his arrears of rent with five per cent. added from the 31st December next.

The Colonial Secretary: For how long was he in arrears?

Hon. W. PATRICK: He has only been on the land two years; this is only his second year.

The Colonial Secretary: I know the case.

Hon. W. PATRICK: Well, it does not matter whether the leader of the House knows the case or not. I know the gentleman, and I am perfectly certain that he would not make the statement unless it was true. Of course it is quite possible that if he goes down on his knees to the Minister for Lands the Minister may give him a few months or a few years longer, but that condition of things should not exist. He is in one of the dry areas where they had nothing at all last year for the reason that there was no rain. The Bill, of course, covers the whole business of the State from a lolly shop to the biggest factory. The Bill controls all industries. While talking on the subject of the primary producer, I would like to read a letter sent by Mr. Hughes to the Inter-State Conference at Hobart, in reference to the proposed demands for an alteration of the Constitution of the Commonwealth in order to give the Commonwealth Government the additional powers which they asked for a couple of years ago. Mr. Hughes wrote—

> Such alterations in the Constitution as are necessary to give effect to the new protection, that is to say, a fair and reasonable wage to all workers, a fair and reasonable price to the consumer.

Not a word about the man who produces, not a word. He is not expected to be taken into consideration at all, although as a matter of fact, he is far and away the most important citizen of the Commonwealth.

Hon. J. Cornell: Read the whole of that letter.

Hon. W. PATRICK: If I did it would not alter the position one bit. I am going to read a quotation from the honourable gentleman himself presently.

Hon. J. Cornell: You only read what suits you. I was at the conference myself, and I know the contents of the letter.

Hon. W. PATRICK: Mr. Hughes did not say that he had any special sympathy outside the consumer and the worker; yet there are other workers besides the trades unionists. I consider there is something behind all this kind of legislation, and I think Mr. Cornell gave us an inkling of what is behind it. He said "political action will go on until the workers get what they are entitled to, namely, the fair product of their labour." And again, "We should always have before us that high ideal which should characterise the human family, namely, the full product of his labour to the labourer." And he added, *mirabele dictu*, and contrary to the spirit of this Bill, "and every opportunity to labour." Every opportunity to labour is not given in this Bill, except to a section of the community. Of course those remarks of the hon. gentleman, if they mean anything at all, mean the creed which has been exploded by socialists such as Sydney Webb and Bernard Shaw, and others of that school, a creed exploded long ago.

Hon. J. Cornell: Bernard Shaw is not an economist.

Hon. W. PATRICK: He is a socialist. At any rate I do not know that I need say any more at the present moment. My main object in rising was to draw attention to the fact that the most important portion of the people of the State, of the people of the Commonwealth, are the producers, and that this Bill cannot possibly help them

in any way. We must always remember that while the mining industry has been dying, not only in this State but throughout Australia, the farming industry has been growing at a tremendous rate during the last 15 or 20 years. I intend to support the second reading, but I shall also support any amendments in the direction I have indicated when the Bill is in Committee.

Hon. Sir E. H. WITTENOOM (North): I am afraid I must undertake what inevitably happens in a case of this description, namely, a certain amount of repetition, for I have listened to the many admirable speeches which have fallen from different hon. members, and it would be impossible for me to address myself to this question without, at all events, repeating to some extent their arguments and alluding to their references. In the first place I would like to apologise for what might have seemed to the leader of the House last night an unseemly delay of the work, but I take this opportunity of assuring him that nothing of the kind was intended. When the question was put last night I waited for anyone to speak, and feeling the question was to be put I moved the adjournment. It was not my fault, and I certainly apologise if I have in any way delayed these proceedings. Supposing we did delay these proceedings to some extent, I am of opinion that a Bill of this kind requires the most careful and serious consideration. It is a most important Bill, and certainly one of the most important measures that must come before this House. Anyone who has studied it will find that a great many of the clauses are exceedingly involved, and there is in them a good deal of what I call insidious legislation, and unless one reads them carefully he might pass provisions for which in future he will be sorry. I give a simple illustration by taking Clause 111, which has been referred to, and members will find that the sting is in the proviso. To make my argument clear I will repeat it. The side note reads—

> Disability upon contravention of preceding provisions or wilful breach of award or agreement.

Under Subclause 3 it does not matter what happens or what action anyone takes in connection with a strike or stoppage of work, it distinctly says—

> No order shall be made subjecting an offender to disabilities under this section if such offender shall prove that his offence was committed pursuant to and in compliance with a resolution passed by an industrial union or association whilst such offender was a member thereof.

One might easily pass a clause of that nature and think it very simple indeed. Therefore I think a certain amount of extenuation might be allowed us for taking time to consider this Bill very fully.

Hon. J. E. Dodd (Honorary Minister): Read that in connection with Clause 105.

Hon. Sir E. H. WITTENOOM: I have read it in connection with a good many clauses. We must remember that this Bill has been introduced by a Labour party; it has been passed entirely by a Labour Assembly; it has been dictated thoroughly by the Labour party, and the whole of the Bill is drawn in the interests of the worker.

Hon. J. F. Cullen: Some of the workers.

Hon. Sir E. H. WITTENOOM: I am obliged for that interjection. Not the slightest consideration whatever has been given for the other side. The employer has been in no way considered, and the whole of this Bill has been introduced from one side only. I do not blame the Government or the Labour party for introducing measures which will give the greatest benefits to their own party. I think perhaps they are to be credited for it: from their point of view they think they are doing right, but that is not what I call thorough legislation. I once had the fortune, or misfortune to belong to a Government; I was a member of the Forrest Government for some four years. Some members may have heard of that Government. Just fancy what would have been thought if that Government had brought in preference to non-unionists! But what did that Government do? They brought in ten or a dozen first-class measures in the interests of labour, when they

had an almost greater majority in the Assembly than there is of Labour members in that House at the present time. These measures included extension of the franchise, workmen's compensation, employers' liability, early closing, and all sorts of legislation when Labour had about seven representatives in that Chamber. What do we find now? When there is a tremendous majority in another place, a Bill is submitted that considers only one section of the community. Under these circumstances, does it not behove members of this Chamber to take the greatest time to consider the Bill? Does it not behove the representatives of the various industries in this country to consider the matter thoroughly from another point of view—consider it from the other side? Can we be blamed for doing so? We have been blamed. I do not think we should allow that to carry any weight, but we should consider this measure very thoroughly. In connection with the Government, there are members in this Chamber representing what is known as the Labour party; there has been no secrecy about it. There are several members in this House who say they have come here to represent the Labour party. Well I represent the working man as much as anybody. On the other hand, I suppose there is no man who represents so much capital in Western Australia to-day as I do, and therefore I think I have as much right to defend and look to the interests of the capitalists as these representatives have to look to the interests of Labour, and my efforts shall be of the most friendly and amicable that I can imagine to meet them and try to arrange something that will be mutually convenient for both. It is impossible for us to allow a Bill to go through which legislates for one side entirely; we must look at the other side. No one realises more than I do that capital is dependent upon labour, and I need hardly argue the point that labour is dependent to some extent on capital; I think each is interdependent, and as I have always said if we can possibly get the two to work together that is what we should try to achieve. It is no doubt a difficult question where one is trying for extreme points and one is trying for the medium. It is rather difficult but as we represent the medium we hope the extreme points will try to arrange matters with us. Of course there are some sections of the community who seem to think there should be no workers, and there should be no capitalists, and that there should be a perfect elysium, but, unfortunately, the Creator of the world seems to have destined that a certain number of men should be employers and a certain number workers, and as long as that state of affairs continues I am afraid we shall have to regulate and try to work matters between both. It is impossible to alter these conditions at present, and until they are altered it is as well to try to battle with the difficulties we have in view.

Hon. J. Cornell: Present conditions were not preordained.

Hon. Sir E. H. WITTENOOM: I cannot hear what the hon. member says, and therefore cannot answer him. I am sorry Mr. Moss is not here that I might congratulate him on the thorough manner in which he grasped and elucidated the details of this Bill. I think it is a great advantage to us to have a man who takes so much trouble to make himself thoroughly conversant with everything contained in a Bill, and goes into the details as he does. I congratulate him on the admirable speech he made, and thank him on behalf of those interested for the amount of time he must have given to compile it. I also had the pleasure of listening to the speech of the Honorary Minister, and I must say he was exceedingly temperate. I do not think he was enthusiastic about it; he certainly anticipated a lot of criticism, if not opposition. I conclude from his own words that he judged that would be the result. He said, "I know members of the Chamber who are firmly opposed to arbitration in any shape or form." I do not know which members he was referring to, but I quote his remarks to prove my statement that he anticipated criticism if not opposition. I can only say on behalf of myself that I intend to exercise my right of criticism, and I am going to criticise this measure when we get into Committee; but I will try to help

the hon. member to place before the State of Western Australia a Bill which will be satisfactory to all portions of the community. Whatever opposition I may offer to this Bill, or anyone else for that matter, it will be immediately said that it was due to the Bill having been introduced by a Labour Government. That is what was said before. Indeed I can give a much more recent utterance; I think it was yesterday when Mr. Dodd said some opposition which was noticed was simply the outcome of opposition to the present Government. On this occasion I assure members that it would not matter what government was in power, whether the Wilson government, the Forrest government, or the Fisher government, or any other; whatever government introduced a Bill of this description, it would have my criticism. I hope it will not be put down in any way to the fact that this Bill has been introduced by a Labour Government. That has been said before, and I believe last session I was wrongfully accused of having contributed to the downfall of the Arbitration Bill; in fact, it is repeatedly said that this Chamber threw out that measure. Everyone in this Chamber knows that that is absolutely incorrect; this House did not throw it out. This House accepted the second reading; it did its best to amend the measure and was so successful that it got down to almost three small points.

Hon. J. F. Cullen: Down to two points.

Hon. Sir E. H. WITTENOOM: Those in opposition gave way in every possible direction and fortunately for the Government we held out on one, which enabled the Government to say they would not have the Bill and to blame the Legislative Council for having thrown it out. I think they were exceedingly astute in doing that, but I will not say they were correct because one or two of the clauses which contributed to the downfall of the Bill had nothing whatever to do with strikes. They were not affected by the question of strikes in the smallest way, and I think the Government considered it a godsend that they had an opportunity to refuse the measure. I hope they will not take the same lines on this occasion. I did everything I could on the last occasion to get the Bill passed, and I will do the same on this occasion. I am always accused when I say anything in opposition to Labour that my opposition is solely due to the fact that I am supposed to resist anything brought down by the Labour party. I do not want to retort and say *tu quoque*, but I might almost say with regard to Mr. Dodd that if he wore spectacles as I do—fortunately he is much younger—they were entirely union spectacles. I feel certain that if the hon. member were to die and if a post-mortem examination were to be held we would find "unionism" written across his heart. I do not blame him. He has made unionism a great success and he has done a great deal of good, and I am always one of those who say that unless a man is enthusiastic, whether he be right or wrong he will never be successful. Some of the best things in this world have been done by fanatics, the best remedies and the greatest inventions are put down to people who have been half cranky. Unless a man is thoroughly enthusiastic he will never be successful and I must say of the hon. gentleman that he is bound up in unionism and he has made a success of it. But I would implore him to look at it from another point of view. I look at things from the union point of view. Let the hon. gentleman look at them from the employers' or the capitalist's point of view and then we shall join issue and get something for both parties. I always say the employer ought to receive some sort of recognition. Let me take one point in connection with this Bill, and that is preference to unionists. It sounds splendid, and the men naturally say what a grand scheme. These unionists who have worked up things and who have improved the state of the workers all say, let us have preference to unionists. But what does it mean? It sounds as if everyone should get into a union, pay so much, and derive all the advantages from it. That of course would be a splendid arrangement, but the secret of preference to unionists is that unless you are a unionist you cannot get work, and consequently you must join

a union, and once you are in you are a political thing, you must vote as you are told, and so carry the political side of the question. That is what I say preference to unionists means. They get you into a union and once there you have to vote in such a way as the union dictates.

Hon. J. Cornell: The Labour party have been successful without preference to unionists.

Hon. Sir E. H. WITTENOOM: Then what do you want to bother about it for? I would suggest that if we are to have these socialistic matters, if everything is to be carried from a socialistic point of view, as Mr. Cornell would like it to be, I would make a suggestion to him which I hope he will accept. Let him take over the Northern Territory. You all say it is good for the white man and that he can live there; well, take it and let every socialist go there; let them start in business there, let there be no wages, no pay, no masters, no employees; everyone to share alike. There would be an elysium for hon. members!

Hon. J. Cornell: What about those who would be left behind to work out their own salvation?

Hon. Sir E. H. WITTENOOM: The party left behind might be sad, but there might be some compensations. What I have suggested I think is a splendid idea, because the Federal Government are going to make an awful mess of the Northern Territory. If the socialists of Australia take it over they will not find it too hot because they say that white men can live there. I have interests up there, but I would willingly hand them over.

Hon. J. E. Dodd (Honorary Minister): You are only anxious to get rid of them.

Hon. Sir E. H. WITTENOOM: No, they are a paying concern. I offered to sell the Colonial Secretary some cattle the other day from there, but passing from joking to seriousness, I really must take very strong exception, first of all to the appointment of the president of the court, secondly to preference to unionists, and then to the question of grading. I come to the appointment of president. Will any man tell me that he would expect a person to do justice to a position of this kind, a person who may be picked out from anywhere and put in there for seven years, knowing that at the end of that time if he did not give satisfaction to the party to which he belonged that his appointment would cease? Is it reasonable to expect that we can get fair play from anything of that kind? Then we find that not only do they want to take the power to make the selection from any Tom, Dick or Harry and appoint him president, but they give him no jurisdiction whatever; in fact I think I ought to say they give him every jurisdiction. It is unlimited jurisdiction, and the consequence is he has no laws to guide him. He is a law to himself. Mr. Patrick just now quoted from a speech made by Mr. Irvine, and I am going to quote from it also, but to a greater extent to show exactly how we put a man outside Parliament if we appoint him on the lines proposed in the Bill. This is what Mr. Irvine says in speaking about the Arbitration Court—

> The reason of its failure is that it is not a court at all. I am not saying anything whatever in criticism of the president of the court. You cannot make a thing a court by calling it a court. You cannot make functions judicial by calling the place where they are administered a court. Judicial functions and the functions of the court are those which determine the rights under the law between parties. There must be law before we can determine any rights between parties. The function of this so-called arbitration court is not to determine rights under the law at all, but to make law. It is a subordinate legislative department of government. I am not sure that at the present moment it is not one of the most important legislative departments in existence in Australia. What it does is legislation. It is not a court. I think I shall be able to show that a large proportion of the trouble which has arisen is due to that fact. I should like to read a few remarks from a competent authority to show

that the work is really not the work of a court at all. . . . . Here we have something which is not a court, but which is as much a legislative body not in determining rights under the law, but in determining the conditions under which people are to be allowed to enter into contracts, as any other that could be mentioned. This is pure legislation.

Now we get the authority of no less a person than Justice Higgins. He says—

It is the function of the Legislature, not of the Judiciary to deal with social and economic problems; it is for the Judiciary to apply, and when necessary, to interpret the enactments of the Legislature. But here, this whole controversial problem, with its grave social and economic bearings, has been committed to a Judge who is not, at least directly, responsible, and who ought not to be responsive to public opinion. Even if the delegation of duty should be successful in this case, it by no means follows that it will be so hereafter. I do not protest against the difficulty of the problem, but against the confusion of functions—against the failure to define, the shunting of legislative responsibility. It would be almost as reasonable to tell a court to do what is "right" with regard to real estate, and yet lay down no laws or principles for its guidance.

Hon. J. E. Dodd (Honorary Minister): Where did Justice Higgins make that speech?

Hon. Sir E. H. WITTENOOM: It is a quotation given in the Commonwealth Parliamentary debates of 10th July, 1912.

Hon. J. Cornell: But Justice Higgins never made it.

Hon. Sir E. H. WITTENOOM: We see from that the danger of giving men unlimited powers. I am with you in giving these powers, but I say that you must select the right man, and the only man that I see who can be selected is a judge of the Supreme Court, who has an appointment for his life; but when you appoint a man from here, there, and everywhere, who knows that when seven years are up and he has not given satisfaction to whatever party he belongs he will have to go, how can you expect him to do justice to the position? I do not think the matter will stand reasoning for five minutes.

Hon. J. E. Dodd (Honorary Minister): Can you tell us where Justice Higgins made that speech you quoted?

Hon. Sir E. H. WITTENOOM: If the hon. member does not mind waiting until to-morrow, I will send a wire to find out. I think it was in the first case he had to decide, the King *v.* McKay. Mr. Irvine, who quoted the speech, does not say where he got it from, but I think it was portion of Mr. Justice Higgins' judgment. Now I come to the next question and that is preference to unionists. I have spoken so strongly on that that I do not think I need say any more about it. I do not think there should be preference to unionists. My opinion is everyone should be able to do just as he pleases. Next I come to the question of grading, and I do not think, from the remarks of the Honorary Minister, that even he has quite cleared this matter up. Mr. Dodd said—

In reference to the grading of workers, may I be allowed to say that in my opinion grading does not necessarily mean that the court is going to grade every employee somewhat differently. I think I can best explain it by giving an instance in the industry which I know best, the mining industry. In that industry there are what are called mullockers, and they are engaged in different kinds of work. One may be trucking from a shoot and another may be trucking from what is called a dead end. Now, in the dead end, the work is much more laborious than trucking from a shoot, and what I would term grading in connection with mullockers is that the court may order that more shall be paid to the mullocker trucking from a dead end than to the man trucking from a shoot, as is already done by many managers at the present time.

If the English language expresses anything it is that grading means that the court shall interfere with individual

workers, and I take it from the wording of the Bill itself that such is so. I was under the impression at first—many people outside have asked me how this grading applies—and many are under the impression that grading is simply applied by an award of the Arbitration Court, but I gather from reading the clause that it goes further. The clause says—

> The court may by any award provide for the classification or grading of workers employed in any industry to which the award applies.

It plainly infers that this grading shall come afterwards, not at the time the court makes the award, because it distinctly infers that it shall only be applied after the award. Under these circumstances I am afraid I shall not be able to support that.

Hon. J. E. Dodd (Honorary Minister): That is not the intention at all events.

Hon. Sir E. H. WITTENOOM: I am glad to hear that. We agree in this Bill that the court shall say what is a dispute, and I do not intend to object to that. We also say that the court shall have the absolute right of saying what shall be the minimum wage, but to say what shall be given to Tom, Dick and Harry is simply taking my money and dictating how it shall be spent. I do not think that the hon. members who support the Government would be in favour of that if they were large employers of labour.

Hon. J. Cornell: If the theory is sound on the minimum it is sound on the maximum.

Hon. Sir E. H. WITTENOOM: But this is a question of grading, and what right has anyone to come in and say that this man is to have so much and another man so much more?

Hon. J. Cornell: What right have we to say that there shall be a minimum?

Hon. Sir E. H. WITTENOOM: We do not say that there shall be a minimum; the court says that. But the hon. member wants to walk into a business and say to the proprietor "You have 20 men employed and your minimum is 10s.; give Brown 12s., Jones 18s. and somebody else 20s.," and so on.

Hon. J. Cornell: It will not apply to individuals; it will apply to the work.

Hon Sir E. H. WITTENOOM: There are some other amendments which I shall not deal with now but will leave to the Committee stage. I would suggest, however, some additions which could be made to the Bill. For instance, every ballot in a union should be a secret ballot. Wherever a ballot is taken on the question of knocking off work it should be a secret one, and there should also be a provision giving the right to every man who is in a union to resign without being penalised. So far as I can understand, once a man joins a union and does not choose to vote as the leaders dictate, he has to go out. He goes, say, to my shearing shed and I put him on at picking up wool; immediately the shearers say "We cannot work with him because he was kicked out of a union. If you continue to employ him we will knock off work." I have to say to the man "You will have to go." He goes to another person's mine and is given employment there, but again the miners object to working with him for the same reason, and that poor devil has no hope of getting a living. No one will work with him because he would not vote the way he was told in the union. He has no freedom whatever. To correct that state of affairs a clause should be inserted in the Bill providing that there shall be no victimisation of those who choose to leave the unions. There is a great deal of protection in the Bill for the agitators and organisers of unions in case any employer should think that he could do without the services of those men, but if a worker does not choose to vote with his union he is bundled out and there is no protection for him.

Hon. J. E. Dodd (Honorary Minister): That is not a fair statement.

Hon Sir E. H. WITTENOOM: At any rate, we will make it clear, so that if anything does happen we will know where we stand. As I have said before, the Bill has a lot of irreconcilable provisions, but as we are all actuated by the

desire to get a workable measure I hope that in Committee we shall be able to make these provisions work together. I am always afraid that compulsory arbitration can hardly be a success because we can never stop men from striking. We can never compel men to work. Compulsion means one of two things, either we can fine a man and make him lose the little money he has gathered together, or we can put him into gaol and thus he loses his character and reputation. The employer as a rule has something to be fined, which he has probably gathered together with a great deal of difficulty; therefore, he is bound to carry out an award, but the worker—I say it without any intention of giving offence—in a great many cases has not much; he cannot be fined, and therefore the only alternative would be to send him to gaol. Of course no one wants to send him to gaol, and probably in many cases if he went to gaol he would not mind it much, because after all, he has not committed a crime. He is in much the same position as the Irish rebels who used to glory in being sent to Western Australia, because they considered that they had been doing what was right and were martyrs to a good cause. How then are we going to compel these men to carry out an award? Suppose men go to the court and the court says "You ask for 10s. and we give you 8s.": the men can say "We will not take it." How are we going to compel them to do so? It cannot be done, and therefore the whole thing is lopsided. Mr. Cornell stated that what is in this Bill is the minimum of what the unions will accept, and if the House does not choose to accept it all, the Bill will be thrown out and the Government will bring in another measure to repeal the Arbitration Act that is now in existence. There is nothing like plain speaking, and as we know exactly what we are up against we shall have to work under those threats. Personally, I shall do the best I can to get a workable Bill. I am not very enthusiastic as to whether we shall have a settlement or not; indeed, I am not quite sure that the Government altogether want a settlement. I can hardly believe that any Government who wanted a settlement of this matter would bring down a lopsided Bill like this in which the employer is not considered at all. Perhaps they have left the measure in the rough for this House to improve. My own opinion is that the views of the Government are given with a very big smile on their faces, and they will naturally say to themselves, "It will be a great advantage to the Government if the Bill is passed, and a very great disadvantage to those on the other side if it is not passed." I shall have very much pleasure in supporting the second reading, but I shall reserve to myself the right to endeavour to make a few amendments when the Bill gets into Committee.

Hon. W. KINGSMILL (Metropolitan): It seems to me that if this Bill is fortunate enough to pass its second reading it will be due to a series of acts of self-abnegation on the part of hon. members, who have come forward and condemned the principle of compulsory industrial arbitration without mercy. The second reading debate of this Bill is a sort of political altar upon which each member, striding forward with timid steps in some cases, and in other cases boldly, has laid his little bundle of votive offerings of energy towards the Bill and has agreed to accept the principle. So far as I am concerned, I intend to support the second reading, because I do believe in the principle of compulsory industrial arbitration as much as I believe in any other proposed solution of this difficulty. The late Government, I understand, had it in mind to introduce a system of wages boards. A system of wages board, which after all is more a system of prevention than of cure, has already practically been tried in this State in the provision which exists in the present Act for boards of conciliation.

Hon. J. F. Cullen: That is not a fair trial of wages boards.

Hon. W. KINGSMILL: It may not be a fair trial of wages boards.

Hon. J. F. Cullen: The two things are entirely different.

Hon. W. KINGSMILL: The wages boards and conciliation boards are both systems of prevention rather than of cure.

but so little advantage has been taken by the general public and those interested in the system of prevention that has been offered to them, that I am rather inclined to believe that the present principle underlying the Bill which is now before us is more likely to be operative for good than the one which has been disregarded. At all events, the people of Western Australia have indicated their preference in no uncertain manner, and I personally feel inclined to give the wishes of the people of Western Australia some little consideration in this respect. The whole principle of dealing with industrial disputes is due, as Mr. Dodd has said, to the growing collectivism of the community, and from what that hon. gentleman did not say, as much as from what he did say, I understood him to be rather rejoiced that this collectivism is coming about. Personally, I do not know that this is a matter which we can very much congratulate ourselves upon. It seems to me that the great things of the world have been achieved by those who were, above everything, non-collectivists, and that this state of affairs has come about that those who are not collectivists, working men perhaps many of them, who will find themselves excluded from the ring fence through the preference in this Bill, will find it impossible to live in a country which has reached such a state of industrial development as Western Australia has reached; they will have to seek fresh fields and pastures green where their individualism will not be looked upon by their fellow workers as a crime but rather as a proof of their force of character and originality.

Hon. J. Cornell: Then they will have to go to the Northern Territory.

Hon. W. KINGSMILL: That interjection brings back to my mind an experiment of a few years ago when gentlemen of the type of the hon member——

Hon. J. Cornell: I do not accept that.

Hon. W. KINGSMILL: Perhaps I am paying the hon. member too high a compliment. I refer to the time when a number of gentlemen banded together and selected in Paraguay that settlement known as New Australia. They started under the happiest auspices to give practical effect to those very theories which the hon. gentleman is so fond of voicing in this Chamber. And what do we find? That cursed individualism crept in again, not altogether for the bad, sometimes for the good, that certain men objected to doing what were their socialistic duties, and that one by one human nature asserted itself among them, and the last end of that settlement was a thing to be remembered, a thing to be thought of, an example to be avoided.

Hon. J. E. Dodd (Honorary Minister): They were not socialists.

Hon. W. KINGSMILL: It is so very difficult to define what Socialism is. They called themselves socialists; they laboured under the delusion that they were socialists. Perhaps some of those in this House are not socialists. I know that the Labour party are not socialists. They are far from it, because the Labour party must have something to live on, whereas the socialists say they can live on one another.

Hon. J. Cornell: You are labouring under the delusion that you are an individualist.

Hon. W. KINGSMILL: Perhaps so, but at the present moment I am not discussing my own delusions, I am discussing those of the hon. member. The Bill is very little improvement on the present measure. The aim of the hon. gentleman who introduced it is, I understand, to do away with those alleged technicalities which makes access to the Arbitration Court so very difficult, but I think those technicalities are more apparent than real. If hon. members have studied the history of arbitration in this State they will see that the technicalities which have been involved have been only one or two. The principal technicality has been that which centres around the definition of the word "industry," and I would be very glad to see that technicality swept out of existence. If we are to accept the principle of arbitration—and I accept it in default of anything better—then undoubtedly we should not, either by the interpretation of terms in the Act, or in any other way.

place any obstacle in the way of people aproaching the Arbitration Court. The definition of "industry" is more satisfactory than that which has hitherto existed; but I do not see why the word "industry" should be defined; it is unnecessary. We could leave it to a court fairly constituted. I am not saying that the court proposed in the Bill is fairly constituted, but I think we may leave to a court fairly constituted the definition of the word "industry," always recognising that the proceedings of the court are to be conducted according to the principles of commonsense and equity. I understand that under this Bill the court itself has to decide as to whether a dispute exists, or whether it does not. The present court so far as I have been able to ascertain from reading the records of it, having had occasion some little time back to make a study of it, while it has decided that no dispute existed, still it has gone on to try the merits of a dispute which did not exist. So in that respect the technicalities of the Act have not affected the court being approached by either party. Now, with regard to the proceedings of the court, I had occasion a little time back to make acquaintance with its proceedings, and nothing more refreshingly non-dignified than the proceedings of this court it has never been my good fortune to run against. Indeed, it reminded me of what proceedings would be in Committee of the House if there were no Standing Orders, and if members were allowed to speak as often as they liked, and, if necessary, two at a time. It seemed everybody had an opportunity of laying his case before the court, and the only matter that surprised me was that some of the more interested spectators did not join in the proceedings. There is one thing I think wherein the House should be very careful in regard to this Bill, and that is with regard to the initiation of disputes. I think it cannot be too clearly laid down that disputes, which seek to be adjudged before this court, should be initiated, not by the union, but by the aggrieved individuals. I have had instances of this in the past. I could name two or three instances where little bodies of workers who have been going on contentedly, well satisfied with their lot, have been approached by unionists, and, through a false sense of shame, have been dragged into disputes, sometimes to their disadvantage, so that their last stage was worse than the first. In the interests of the workers, then, it is necessary that the initiation of disputes should be left to aggrieved individuals, and not to industrial combinations. Now, with regard to the constitution of the court, the same proposition is made in this Bill as was made in the Bill which was considered by this Chamber last session—that power should be given to the Government to appoint the president, who need not be a judge of the Supreme Court. I take it this power would not be sought by the Government if they had not in contemplation the appointment of such a person. I would object to that proposition, whether it came from this Government or from any other Government. However fairly they might intend to act there must be a certain amount of unconscious bias; that which appears good to them may appear bad to their opponents, and that which appears fair-minded to them may appear prejudiced to those politically opposed to them. That being so, if the person is not to be a judge of the Supreme Court, I do not think the appointment should be in the hands of this Government or any other Government. I am not wedded to the principle that the judge of the court should be a judge of the Supreme Court, but I am wedded to the principle that the appointment should be made by no political body. I would suggest—of course it goes without saying that the suggestion would not be accepted; because we know practically what is going to happen to the measure; we know, as Mr. Cornell, no doubt inspired, has told us, "This is the minimum to be accepted; one alteration and the Bill goes out; and then good-bye to the principle of arbitration."

Hon. J. Cornell: Not on detail.

Hon. W. KINGSMILL: Would the hon. member call this a detail? I see that the hon. member is too cautious to answer. Things the alteration of

which suit him will be detail; things the alteration of which will not suit him, will be classed as principle. But I am not paying so much attention to Mr. Cornell as I do to Mr. Dodd, because Mr. Dodd said practically the same thing that if any alteration were made in the Bill which rendered it unpalatable to the Government, he would like to see the present Act repealed and a return to the state in which we found ourselves before this war for arbitration began. I should be sorry to see that. I should be sorry to think that the Government regard this Arbitration Bill as on a par with the laws of the Medes and Persians, unalterable. I should be sorry to think that this Chamber exists for nothing industrially. I hope that a more reasonable frame of mind will exist when the Bill goes through Committee, and that the Government will be prepared to accept some alterations. I look upon some alterations as inevitable, whether they be alterations in detail or alterations in principle. As I was about to remark, I would suggest that if the president is not to be appointed by the Government a very fitting body to appoint him would be the judges of the Supreme Court themselves. If the Government decided to appoint a layman they should abrogate their right of appointment and place it in the hands of a body of men who would be unprejudiced and unbiassed politically.

Hon. F. Davis: What peculiar fitness would they have for the task?

Hon. W. KINGSMILL: I may ask what peculiar fitness the Government have for the task?

Hon. F. Davis: Just as much, if not more.

Hon. W. KINGSMILL: The Government admittedly represent one class only of the parties to the disputes to be settled before this very court. I admit the same argument applies to a Government which may be in power representing the Liberal party. Though they may be taken to a lesser extent, I think, still they may be taken as representative of one party only to the very disputes which may be initiated and have to be tried before this court. It is a monstrous thing that of those who are parties to disputes one only of those parties should have the power of appointing the man in whose hands is placed the decision of these disputes. Now, with regard to the two principles which are likely to cause most trouble in Committee, that of grading, and that of preference to unionists, the attitude of the Government towards the grading principle is somewhat peculiar. I understand that under the Public Service Act the court of appeal endeavoured to take unto itself the very power which the Government now propose to place in the hands of a court of their own creation, the power of grading; yet the Government, in the case of the civil servants objected most strenuously. Why, then, do we find them so wedded in the case of the workers to this principle unless it is that as they have created it so they may expect the court to make things quite absolutely and entirely their own way? It seems to me their attitude on these two questions, which have a very distinct analogy one to the other, is extremely contradictory; and I wait with interest the reply of the hon. member in charge of the Bill, if he thinks this subject worthy of discussion. Then, again, we find that this court, which may be composed of one layman as president and two partisans as ordinary members, may form itself into a court of summary jurisdiction from which there is no appeal.

Hon. J. E. Dodd (Honorary Minister): Is there no appeal from a court of summary jurisdiction?

Hon. W. KINGSMILL: Being made a court of summary jurisdiction does not destroy its capacity as an arbitration court. If it does, there would not be the slightest objection; but that is not so; it is first and last a court of arbitration. However, I hope the Bill will be made clear on the point so that if the court sits as a court of summary jurisdiction an appeal should be permitted. There is a good deal of difference of opinion as to the appearance of lawyers in this court and as to the necessity for including the

rules of evidence and doing away with most of the ordinary procedure of courts. I am not inclined to draw such sharp distinctions as members of the legal profession always appear to be wishful to draw between the lay mind and the legal mind. Perhaps it is due to the instinct of self-preservation and self-protection that they wish to draw this distinction; but while I admit there are differences, honestly I cannot say I am always of opinion that the fact of a man being admitted to the Bar puts him, so to speak, on a plane apart from his fellow creatures, which is sought to be done. And, as regards the rules of court, I think those rules are very like the rules of our debates. They are the product of ages of consideration, of vast accumulated experience of the courts, and we do ill if we adopt a system which seeks to do without them. By people who do not understand the reason for them the Standing Orders and rules of Parliament are looked upon as so much red tape, so much useless procedure, so much pomp and flummery; but when the history of these matters is examined it is generally found that underlying each and every rule there is some very good reason. And so it is, I think, with the rules of evidence. It seems to me that the rules of evidence were not created for any idle purpose, but in order that good evidence might be sifted from bad, and that as little bad evidence, as little irrelevant evidence as possible, should be tendered, and that the evidence submitted should be good and to the point. The argument that this court is not a court has been used very much during the debate. I think, after all, that is more a question of terminology than anything else. I think, in fact, it is a splitting of straws. We must remember that this court has to deal with one of the most complicated problems, one which is the most variegated in its aspects which it is possible for any court to decide. Therein lies the reason why rules cannot be adopted as a guide for the court; I think that is a reason for the obloquy in this connection which has been showered on this Court of Arbitration. I do not care much whether you call it a court or a subordinate branch of the Legislature; it matters very little so long as it tries the cases submitted to it satisfactorily and sensibly to the parties concerned. One word as to the most important part of this Bill, namely the possibility of making a distinction between the industrial aspect of unionism and its political aspect. In spite of the fact than hon. members often say it is impossible to separate these two aspects, it seems to me it is not impossible, that in the minds of hon. members the wish is father to the thought. They do not wish that these aspects should be separated. Naturally hon. members of that political party have the greatest possible gain to expect from the non-separation of these two principles. But I would appeal to them, if they are dealing with industrialism, to deal with industrialism and leave politics out of the question. If they are prepared to act fairly a state of affairs could be brought about under which a strict partition of the funds could be made, as to which shall be used for political purposes and which for union purposes alone, and under which every man would be free to say whether he proposes to subscribe to one or the other or both of these funds. In the interests of the freedom of political thought I think this is eminently desirable. As hon. members will see, the Bill is one largely for work in Committee, and as I will at that stage be taking only an impartial interest in the discussion hon. members will realise that it is not necessary for me to say more than I have said on this question. I have pleasure in supporting the second reading.

Hon. F. DAVIS (Metropolitan-Suburban): The Bill appears to be largely a question of view point. Very diverse opinions have been expressed as to its practicability and the likely results of its operations if given effect to, and it is cause for wonder as to how the very widely divergent opinions can possibly be reconciled, even when the Bill gets into Committee. I do not take the view of it, as expressed by some hon. members, that the Bill is practically worthless; neither do I hold, on the other hand, that the Bill is a perfect panacea for all evils.

That, probably, would be claiming too much for it. But I do believe that it is necessary to the minimising of friction in industrial matters, and to the securing of industrial peace. That is my reason for supporting the Bill. Some hon. members have contended that it will not secure industrial peace. Possibly peace in the sense that some mean will never be secured while our present system lasts; but, at any rate, a fair amount of industrial peace, or what may be termed, broadly speaking, industrial peace, can be realised by means of its provisions if put into effect. For this reason: that while the negotiations are being conducted in the Arbitration Court, the wheels of industry are not dislocated, but the work goes on just as before, until the question is decided. To that extent, undoubtedly, arbitration does secure industrial peace, and for that reason it is worthy of support. It has been suggested by one hon. member that it would be almost as well to do away with arbitration altogether. His pessimistic tone indicated that he would not be sorry if no Arbitration Act existed at all. Now, if that were done we would be brought face to face with the position as it obtained prior to arbitration becoming law. Those who lived in the State at that period and who know the amount of suffering that was entailed on those not actually participating in the conflicts, and on the community generally, will, I think, admit that the Arbitration Court has certainly been a great advantage to the community as a whole.

Hon. V. Hamersley: Has the suffering been less since?

Hon. F. DAVIS: Undoubedly. I knew scores of cases in which, prior to the passing of the Arbitration Act, the suffering was intense, although the unfortunate victims were not actually taking part in the conflict. I refer particularly to the families of those engaged in industrial disputes. It has been said that one-half of the world does not know how the other half lives. That is indeed true. No doubt the suffering entailed in these industrial conflicts is very little known to those not actually engaged in them. Unfortunately I have had too many opportunities of witnessing the acute distress of those victims of industrial conflicts; and when hon. members realise that this was occasioned especially by lack of arbitration, I feel sure they will, without any demur, give effect to the Bill before the House. In view of that fact can it be wondered that I should strongly support an Arbitration Bill devised to avoid that suffering? There is not only that aspect of the case, but also that of the loss of wealth that should have been produced while those industrial conflicts were in progress, and the fact if we had not arbitration the bitterness and the suffering would be far greater than anyone can possibly imagine unless he has had a good deal of experience in connection with this matter. Objection has been taken to the fact of the workers being class conscious. They have had reason for many scores of years past to be class conscious, in view of the difficulties they have laboured under, and I see nothing that would make them more so than a bad Arbitration Act, or no Abritration Act at all; because the ill-feeling caused by strikes would be very prejudicial to the community as a whole, and would take a long, long time to efface when, subsequently, the dispute was settled and things resumed their normal course. The Bill provides that the definition of "industry" should be broadened. I suppose it has been one of the great defects of the present Act that the term "industry" has been taken as being so narrow that it has occasioned a great deal of delay and friction. In numbers of cases it has not been possible for those who wish to avail themselves of the provisions of the Act to do so. To my mind it is worth while to have an Act which is workable, and which carries the thing to its logical conclusion, or to so amend it that it will be such, or, if not intended to have it as such, that it should be swept away altogether. It should be thoroughly workable in order to give it its full effect. To my mind one of the most important clauses in the Bill is that which provides for the basis of a minimum wage. The definition provides for a reasonable standard of comfort for the average

worker, having regard to the obligations of such average worker. All of us who have read or thought much and been concerned to a large extent in industrial difficulties and troubles, will know that for many years, in fact for the last century and a quarter, during which manufacturing has taken such great strides, there has been one continuous effort to make the wage of those engaged in manufactures and labour generally what might be called reasonable living wage. I know there are those who hold that a bare subsistence wage is all that can be expected by a man engaged in labour, but I hold that a good deal more is due to those who produce the wealth. Taking labour as applied to land and manufacture, it has produced all the wealth we have in the world. Wealth cannot be produced except by close combinations. Wealth will be produced by labour applied to land and manufacture and, seeing that labour is one of the essential features in the production of wealth, it follows in natural sequence that labour should have a full share of the product.

Hon. W. Kingsmill: What is that—the lot?

Hon. F. DAVIS: I did not say that labour was wholly responsible for the production of wealth. I say that labour should have a full share.

Hon. D. G. Gawler: The trouble is to find the share.

Hon. F. DAVIS: The Bill provides a standard by which the court can direct it; but as the reasonable standard of comfort of the average workman is certainly not as high by a long way as I would like to see it——

Hon. D. G. Gawler: That is the minimum?

Hon. F. DAVIS: Yes.

Hon. W. Kingsmill: What does that mean—a shower bath to five shearers?

Hon. F. DAVIS: The hon. member is now taking an extreme case. That is the minimum, but it is not so high a standard as I would like to see, or as I hold it should be. It is laid down that the Court should base its awards on a reasonable standard of the comfort of the worker.

Hon. J. F. Cullen: Regardless of the value of the work done.

Hon. F. DAVIS: How could the court fix it regardless of that? The court has to be guided by the evidence given before it; and on the evidence the court is able to decide. That is judged by the standards of our present system. The court as constituted has not been altogether incompetent or foolish in its awards.

Hon. J. F. Cullen: The Bill does not deal with value at all.

Hon. F. DAVIS: But the court does.

Hon. J. F. Cullen: Not at all; the court has no power to deal with the value of work.

Hon. F. DAVIS: Reference has been made during the debate to the effect that it is difficult to regulate wages and conditions because of the difficulty of regulating the cost of living, and other speakers have contended that the cost of living is to a certain extent regulated by the wages awarded to the workers in the various industries. I have an extract from a resident of one of the Fiji Islands who deals with the cost of living, and he gives the list of the prices for goods landed and sold by the various storekeepers. He shows clearly that the profit averaged fifty per cent. and went up as high in some cases as 200 per cent., and he points out that in Fiji there are no labour unions. The name of the writer is Harold L. Dale.

Hon. W. Patrick: There are no white men there of any consequence.

Hon. F. DAVIS: Of course there are.

Hon. W. Patrick: No; all the work is done by niggers.

Hon. F. DAVIS: He points out that the high cost of living cannot be attributed to the high wages or labour unions as they do not exist, and the contention that the high cost of living is regulated by wages and therefore it would be unwise to raise wages, is not borne out by facts.

Hon. J. F. Cullen: That is a very poor illustration; there is no light from it whatever.

Hon. F. DAVIS: It has been stated that it is wrong for members of the unions to have anything to do with politi-

cal subjects, and it has been suggested that their funds should be kept in two sections, if they desire to deal with political subjects, one to be devoted to industrial and the other to political matters. For the life of me I cannot see why a trades union should not deal with any question it chooses, politics included. Why should it not? It is a meeting of workers to deal with questions affecting their own interests, and why any body of men should claim that they should not deal with certain subjects is a mystery to me. It would be as reasonable for me to say that it is not right for the medical or legal men or dentists or accountants or any other class to deal with any political subject but that they should deal only with subjects affecting their own profession. That view would be unwise.

Hon. D. G. Gawler: The suggestion is no man should contribute to the political part unless he wants to.

Hon. F. DAVIS: I will come to that presently. I have received a circular from the Chamber of Commerce practically outlining a number of alterations to the Bill. There is evidence that that body take an interest in political affairs; they have a perfect right to do so; no one disputes it, and it is right that other bodies should take an interest in political affairs as they affect them, but why should they or their representatives claim that the workers should not take an interest in political matters at their meetings? If it is good in the one case it is good in the other, and if it is right in the one case it certainly cannot be wrong in the other. Though I do not wish to offend the feelings of members of the legal fraternity, I hold that the provision to prevent lawyers from practising in the Arbitration Court is in the interests of those who will come before the court. It has been said that if lawyers practise in the court, the cost would not be raised materially, or the cases might be dealt with more economically for the parties appearing, but on the other hand we have Mr. Sanderson speaking of a fee of 5,000 guineas as a beggarly fee, and of another of 70 guineas referred to by Mr. Moss as a paltry sum. If his contention is a criterion of the fees of members of the legal profession it is reasonable to assume that the cost of cases will be materially increased if lawyers are allowed to practise in the Arbitration Court. For that reason I venture to say, apart from the statements made by these two gentlemen, that our knowledge of the law and of the employment of legal talent shows us that the cost is nearly always increased. Working men's trades unions or associations have not so much money that they can afford to utilise it in the employment of legal talent.

Hon. D. G. Gawler: The lawyers' fees are regulated by scale; they cannot charge more than a certain amount.

Hon. F. DAVIS: That is the case in the law courts but I do not think it applies to the Arbitration Court. One other point that occurred to me as being somewhat unusual was the objection taken by one speaker at least to the method of deciding questions at a trades union meeting. He contended that certain questions should not be decided by a show of hands but by a secret ballot. I come back to the point referred to a few minutes ago; supposing any member of the Labour party were to claim that the decisions recorded or the questions decided in a meeting of employers, or say the Chamber of Commerce or Chamber of Manufactures should be decided by secret ballot instead of a show of hands, what would they say? Their reply would be to mind his own business, and rightly so. Why on earth should exception be taken to the conduct of a trades union meeting? It is going rather far to lay down rules and regulations for unions to which the objectors do not belong, and in many cases have not even attended, and therefore do not not know how the business is carried on. One of the clauses of the Bill which was dealt with last session at great length, and which created a good deal of discussion, was that of the appointment of the president of the court, and a good percentage of the members urged strongly that a judge should be the president of the court. I said then, and I say again, that to my mind it does not necessarily follow that a judge is the best man for

the position. A judge all his life long has been more or less concerned in matters of law; he has not mixed with the working or business world to any very great extent, and only to the extent to which matters have been brought before him does he know of business concerns. The man who has been in business for some years would ordinarily be a better man to decide. He would have a better knowledge of business affairs generally than a judge of the Supreme Court could have, and for that reason he would be better able to deal with questions that vitally affect the employers and employees than a judge of the Supreme Court, and I say such a man should be appointed if it is considered desirable. The Bill does not say definitely that he shall be appointed; it leaves the question open. I was very much interested in a remark made by one member to the effect that it was economically unsound to attempt to regulate wages. If that is so, how could industries be regulated? There must be some ultimate tribunal which will decide what the wages are to be, and what are to be the conditions of workers in various industries, and for that reason I contend that the Arbitration Court is a sound method of dealing with industrial disputes.

Hon. D. G. Gawler: You cannot override the laws of supply and demand.

Hon. F. DAVIS: That is a matter of opinion. The law of supply and demand involves points on which I do not agree with many members. It has been suggested that instead of having an Arbitration Court to deal with industrial disputes there should be wages boards. I venture to say that if such a thing did take place and such a change were made, it would be to the disadvantage of the community generally. In Victoria they have had experience of wages boards, and the result has not been by any means satisfactory. For one thing an unreasonably long delay in getting their business through the boards has militated against the success of the system. I read of one case some little time ago; unfortunately I omitted to make a note of it, but the incident is still fresh in my memory. It was an instance of a case which took nearly two years to be decided; in other cases it is quite possible for representatives to stay away from the meetings and by doing so prevent the boards from being properly constituted and conducting the business. The chief objection I see to wages boards is the possibility of victimisation by the employer. Where three or six men from each side meet around a table and discuss questions freely, as they must do if they wish to arrive at finality, the opinions expressed by the representatives of the workers are noted by their opponents, and it has been found in practice that in the course of time those men in many cases lose their employment. Of course it is most difficult to sheet home to an employer that he is victimising a man because of this. It is done in such a quiet way that it is exceedingly difficult to prove victimisation, but instances go to show that in a number of cases this has been done. The great virtue, if it can be called a virtue or advantage of an Arbitration Court is that the men concerned only appear by an agent and the one who appears is not necessarily a member of the union, and there cannot be victimisation to the extent which would be possible where members of the union meet an employer or number of employers face to face and discuss the question around a table. The Arbitration Court minimises the possibility of men being victimised, and for that reason I have always strongly opposed the constitution of wages boards and fought for the principle of arbitration in an Arbitration Court. For that reason I strongly support the Bill, and I trust that when in Committee it will not be emasculated beyond all recognition, though I am afraid it will be. To my mind it will be far more honest if members who are opposed to a great number of the provisions of the Bill vote against the second reading and prevent the Bill from going further, but to vote for the second reading and in fact agree to the principle and then so emasculate it that it will be practically of no use, is not to my mind fair or reasonable treatment. I trust when the vote on the second reading takes place those who intend to emas-

culate the Bill will vote against it. In doing so they will at least be honest and we will know what to expect. I shall support the Bill as it appears, and I trust it will get fair treatment at the hands of hon. members.

On motion by Hon. R. D. McKenzie, debate adjourned.

## BILL—BILLS OF SALE ACT AMENDMENT.

*Second Reading.*

The COLONIAL SECRETARY (Hon. J. M. Drew) in moving the second reading said : The necessity for this amending measure is demonstrated by a recent decision of the Supreme Court. Under the Bills of Sale Act, 1906, before a Bill of Sale can be registered there must be filed a notice of intention as set out in the form of a schedule to that Act, embracing a description of the property comprised in the Bill of Sale. A solicitor sent in a notice of intention to register a bill of sale but the notice did not set out that the bill of sale comprised after-acquired property. The judge held that there were not sufficient particulars of the property covered set out in the notice and therefore that the proper notice had not been given. Consequently the registration of the bill of sale should not have taken place, and the bill had to be treated as not having been registered, and therefore was void against an execution creditor. The consequence of that decision is that there are a score of bills of sale registered to-day that are not worth the paper they are written on. This Bill is intended to do away with objections such as that, and provides that a notice of intention to register a bill of sale shall be deemed to comply with the Bills of Sale Act, 1906, although any after-acquired property comprised in the bill of sale is not mentioned or referred to in the notice of intention. The proviso to Clause 2 merely states that this amendment does not affect the rights of any person who has already obtained a judgment under which a bill of sale has been declared void. I think I have made myself clear. There have been probably hundreds of bills of sale registered in the past, and in almost every bill of sale there is a provision to cover property and chattels that are acquired after a bill of sale has been registered, but in almost every instance solicitors have not regarded it as necessary to state in the notice of intention that the bill of sale comprises after-acquired property. I move—

*That the Bill be now read a second time.*

On motion by Hon. J. F. Cullen debate adjourned.

## BILL—EDUCATION ACT AMENDMENT.

*Second Reading.*

The COLONIAL SECRETARY (Hon. J. M. Drew) in moving the second reading said : The object of this short amending measure is to give fuller effect to the elective provisions of the Act passed in 1893. Section 14 of that measure provided for the filling of extraordinary vacancies in district boards of education no nominations by the Governor, and such nominated members were thereby appointed for specified terms. For instance in the case of a newly constituted district the Governor nominates the entire board; and similarly in those cases in which for any reason an election cannot be held, or, if held, the electors fail to elect a board or member. There have been resignations and the Governor has nominated someone to fill the vacancy, but somehow or other, owing to carelessness in drafting the original Act, there was no provision made to remove members. There may be good grounds for a removal; members may have misconducted themselves so as to become a public scandal.

Hon. J. F. Cullen : Has any case arisen?

The COLONIAL SECRETARY : A case has arisen, in fact, I believe many cases have arisen in the past but no steps have been taken, and it is recognised as necessary to have this power in order that the Governor who appointed the board should have the power to remove.

In almost every other instance equal provision is made for the cancellation of appointments.

Hon. W. Patrick : Are they appointed for life?

The COLONIAL SECRETARY : For a specified time, I think it is three years, but in almost every instance where there is power to appoint, there should also be power to remove. I beg to move—

*That the Bill be now read a second time.*

Hon. J. F. CULLEN (South-East) : There can be no objection to this Bill except that it is a multiplication of little twopenny Bills that really no cause has arisen for. I do not think that a single case exists to-day which proves the necessity for this Bill. I only rose, however, to protest against the multiplication of measures on the statute-book and to suggest that this should be avoided.

The Colonial Secretary : There is a necessity for it, otherwise it would not be introduced.

Hon. J. F. CULLEN : The Bill itself is harmless and from that view no objection can be taken.

Question put and passed.

Bill read a second time.

## BILL—STATE HOTELS.

*Second Reading.*

The COLONIAL SECRETARY (Hon. J. M. Drew) in moving the second reading said: This is a very small Bill but it embodies a great principle. It gives the Government general powers to establish State hotels subject to certain restrictions, subject to the district having previously declared in favour of State hotels, and subject to the veto of a majority of the people resident within an area likely to be affected by the contemplated action. There is no doubt as to the trend of public feeling in connection with this question. Parties are divided on many questions; the Liberal party and the Labour party differ on almost every phase of legislative activity, but they are agreed with few exceptions on this point that in newly settled localities if there is to be a hotel it should be conducted by the State. The Government have had ample proof of this fact during the time they have been in power. They have received petitions from different parts of Western Australia urging the establishment of State hotels and these petitions have been signed by a vast majority of the population irrespective of their political opinion. The Government are not anxious to enter into the liquor business. They realise to the full the evils resulting from the abuse of liquor, but with a view to minimising these evils and ultimately bringing about the nationalisation of the liquor traffic, it is proposed, with the consent of the Legislature, to open State hotels wherever there is a danger of the private licensee gaining a foothold. It is essential in my opinion that in the interests of the common good, the State should gain control of the liquor traffic, and the first step towards that end is undoubtedly nationalisation. It is most difficult for the State to secure the desired control while private individuals continue as they have continued in the past to worm themselves into this business. Every private individual who secures a license adds to the difficulties in the way of nationalisation. Vested interests or what are called vested interests are created and they cannot be easily disturbed. Prevention in this case, it seems to me, is better than cure. The best prevention is State control from the very outset. The idea of the Government is to as far as possible apply the knife to the growth of vested interests and the process proposed is the establishment of State hotels in all new centres. Whenever the necessity arises for hotel accommodation the Government, if this Bill is passed, will be prepared to step into the breach and supply that accommodation. Gradually, by this means, we propose to effectively combat one of the greatest evils that afflicts humanity. The history of State hotels dates from the days of the James Government. The Gwalia hotel was established without Parliamentary authority. It has been nine years in existence and during the whole of that time it has been under the search-

light of public criticism. Necessarily as a Government institution, it should be so, but I think it has escaped the sharps and arrows of criticism to an extraordinary extent. Occasionally of course there have been complaints about the management, but they have been of a very petty character and they would not stand the test of critical examination. The general opinion of all classes I have met is that the hotel is in every respect well conducted, excellent liquor is supplied there and through the successful efforts of its managers in preventing persons who are known as drunkards from obtaining liquor it does in every respect justify the hopes of its founders. The Gwalia hotel has undoubtedly established a reputation which stands by itself, so far as the conduct of public houses is concerned.

Hon. J. D. Connolly: It is not difficult to run an hotel there consdering they have a monopoly.

The COLONIAL SECRETARY: The accommodation is given the first consideration. Orderliness is insisted upon and rowdiness is unknown, and no person under the influence of drink is supplied by the manager. The same may be said of the Dwellingup hotel, which was established at the close of last year. Before this hotel was opened an abominable decoction known as "pinkey" was hawked about the district. I think I have heard Mr. McLarty refer to this drink several times in this House.

Hon. C. Sommers: Who is the manager of that hotel?

The COLONIAL SECRETARY: I will come to that later, and quote some of the results of the management. This decoction not only intoxicated the consumers but maddened them. All that has passed away, and the institution is conducted on lines similar to the Gwalia hotel.

Hon. J. F. Cullen: Is there not any bad spirit in the district now?

The COLONIAL SECRETARY: It has all gone. It may be urged against the Bill that we propose to override the local option poll of 1910, at which many districts declared against an increase of licenses, but it must not be forgotten that at the poll 32 out of 42 districts declared in favour of State hotels.

Hon. J. F. Cullen: But they declared first against any increase.

The COLONIAL SECRETARY: That is so, but I think there was a certain amount of confusion. At any rate, this vote indicated that if there were to be more hotels, the people desired that those hotels should be run by the State. This Bill gives a closer and more perfect measure of local option than the Licensing Act contemplated. It gives to the people residing within a radius of three miles of a locality where it is proposed to establish a State hotel power to veto the project.

Hon. J. F. Cullen: But why cast the onus on the people?

The COLONIAL SECRETARY: We give the power to the people immediately surrounding the hotel. Previously the power was given to the people in the whole of the district, but the Bill arms those people in the vicinity of the proposed hotel site with power to say that the Government shall not open a State hotel in their midst.

Hon. J. D. Connolly: Under the Licensing Act it is necessary for an ordinary applicant to get a majority of ratepayers in the district to sign in favour of an hotel.

The COLONIAL SECRETARY: It does not follow that because that is in the Licensing Act the present Government will follow on the same lines.

Hon. W. Patrick: Would it not be better to wait for the new Licensing Bill?

The COLONIAL SECRETARY: No; we want to make a start without delay. There is ample safeguard against a public house being foisted on the community in antagonism to the popular will. The present Licensing Act contemplates the possibility of centres already well catered for in the way of hotels casting a vote without concern for the needs of other portions of the district, whose necessities have not been met. Hence it is that although a district may have declared against an increase of licenses, a declaration is inoperative in cases where there is no hotel within 15 miles. This ar-

bitrary fixing of the distance without regard to the circumstances does not work well. To give an instance: the Government intend to open an hotel at Rottnest. In order to be in a position to cater fully for the requirements of the public it is essential that there should be an opportunity to secure alcoholic beverages in moderation.

Hon. J. D. Connolly: Not at all; they should not be allowed there.

The COLONIAL SECRETARY: The hon. member may not think so, but why is it necessary to have this accommodation all along the railways at intervals of 30 miles, on the Perth railway station, and also on board ship? It is necessary at Rottnest because under the present circumstances many tourists go there and take with them cases of liquor, and drink to excess.

Hon. J. F. Cullen: Are there any snakes there?

The PRESIDENT: I think there is too much interruption of the Minister.

The COLONIAL SECRETARY: If an hotel is there, the consumption will be in moderation and unseemly scenes are not likely to occur. Then again, at Wongan Hills there is a desire that the Government should establish an hotel. A private individual is trying to get a license but it is not the desire of the people in that part that this should be granted. Their wish is that the Government should establish a State hotel.

Hon. J. F. Cullen: Why cannot the Government do it under the present Act?

The COLONIAL SECRETARY: We do not propose to do it without the authority of Parliament. Last year we brought down a Bill to establish a State hotel at Dwellingup, and whatever we do will be with the approval of Parliament. If Parliament says that we cannot do this, then we will proceed no further. The same thing obtains at Kununoppin. The people there want a State hotel and their request appears to be justified. If this Bill is passed it will give an opportunity to the majority of people in the vicinity to say whether a State hotel should be established in that locality. Hon. members may wish to know how the present State hotels are faring from a financial standpoint, and I think when they have heard the following particulars they will agree that the results are fairly satisfactory. Here is a report to the Under Treasurer, by the manager controlling the whole of the Liquor Department, of the financial transactions of the State hotel at Gwalia for the year ended 30th June last:—

> A comparison of the receipts for the year under review with that of the two previous years is as follows:—1909-10, wines, beers, etcetera, £9.028 10s., house £1,397 10s., billiards £150 13s., total receipts £10,576 13s.; 1910-11, wines, beers, etcetera, £7,798 3s. 5d., house £1,001 10s., billiards £57, total receipts £8,856 13s. 5d.; 1911-12, wines, beers, etcetera, £8,130 1s. 10d., house £947 8s. 6d., billiards £36 8s., total receipts £9,113 18s. 4d. Total increase for year as against previous year amounts to £257 4s. 11d. The expenditure for the past three years (exclusive of capital outlay, etcetera) is as follows:—1909-10, £8,220 17s. 6d., 1910-11, £7,169 1s. 3d., 1911-12, £7,397 19s. 5d., showing an increase of expenditure for the past year over that of the previous period of £228 18s. 2d. Comparing the profits (exclusive of depreciation) for 1911-12 as against the previous year the following small increase is shown:—Profit 1910-11, £1,687 12s. 2d.; 1911-12, £1,715 18s. 11d., increase for 1911-12, £28 6s. 9d. The profits of this hotel would be much greater were it not for the prevalence of sly-grog selling and the sale of beer and spirits around Gwalia by persons holding gallon licenses and retailing same by means of carts.

I may say that legislation will be introduced during this session for the suppression of illicit grog selling.

Hon. J. F. Cullen: Then there is still sly-grop selling?

The COLONIAL SECRETARY: Yes, right through the State. It will be necessary to bring in very drastic legislation.

Hon. W. Kingsmill: Why should not the Government run the carts?

The COLONIAL SECRETARY: The report continues—

> The balance sheet discloses the fact that the whole capital cost of the hotel has been paid for out of profits and in addition a sum of £6,480 17s. remains to the credit as under—Premises at cost, £8,916 11s. 10d.; furniture at cost, £1,549 15s. 8d.; glassware, etcetera (worth about £300), £280 13s.; stock on hand, £713 4s. 7d.; live stock, £15; total, £11,475 5s. 1d. The profits from the inception are (exclusive of depreciation)—To June, 1904, £588 16s. 4d.; 1905, £589 17s. 1d.; 1906, £2,547 7s. 10d.; 1907, £3,002 8s. 1d.; 1908, £3,000 14s. 2d.; 1909, £2,467 12s.; 1910, £2,355 15s. 6d.; 1911, £1,687 12s. 2d.; 1912, £1,715 18s. 11d.; total profits £17,956 2s. 1d.; balance being credited with Colonial Treasurer, £6,480 17s. Depreciation has been dealt with on the same lines as before, namely, 10 per cent. off building and 15 per cent. off furniture. Owing to additions it will be noted this provision has increased from £993 0s. 5d. for year 1910-11 to £1,124 2s. 5d. for year 1911-12. The building which has cost to 30th June last £8,916 11s. 10d. now stands in the books of this hotel at £4,152 6s. 2d., whilst furniture costing £1,549 15s. 8d. is shown at £97 3s. 6d. In calling attention to the method of writing down it must be borne in mind that ere long if the present practice is continued, the hotel assets (premises and furniture) will appear in the books as "nil," whilst doubtless, if the hotel was sold, the State would be recouped more than its original outlay thereon. After all, the procedure consists merely of book entries —this would also apply to interest which has not been taken into account —all the expenditure on capital outlay has been met from Consolidated Revenue Fund, and seeing that the whole outlay has been refunded from profits, any charge in connection therewith would only mean a cross entry.

Here is another statement of the financial transactions of the Dwellingup State hotel from the 2nd December, 1911, shortly after the Bill was passed by Parliament, to the 30th June, 1912, a period of six months and one week—

> Depreciation on building and furniture has not been shown, but if it is decided to take the life of the district for timber cutting at say 20 years, and there is no doubt from inquiries made that it will last that period, 5 per cent. per annum for depreciation on building will suffice. As regards the State hotel, Gwalia, 10 per cent. depreciation on building and 15 per cent. on furniture has been allowed, and some different method will require to be followed in future. Dwellingup will soon return in profits the whole capital outlay on it. Allowing 5 per cent. per annum as depreciation on building, 10 per cent. on furniture, and say 5 per cent. for interest, the net profit is reduced as follows:—Net profit as per profit and loss account, £1,244 10s. 10d.; less—building account, 5 per cent. per annum depreciation on £2,517 14s. 3d. for, say, six months, £62 18s. 10d.; furniture account, 10 per cent. per annum depreciation on £482 19s. 2d., say six months, £24 2s. 10d.; and interest on amount due Colonial Treasurer at 30th June, 1912, as per balance sheet, £2,291 16s. 6d., say, six months at 5 per cent., £57 5s. 11d. Balance of profit after deducting depreciation and interest, £1,100 3s. 3d. for six months and one week. The asset, glassware, crockery, and bedding, etcetera, of £173 1s. 6d. is not written down, as all renewals on this account are paid from working. As instancing the difficulty of writing down hotel assets, I would point out that, instead of our asset having decreased in value, same has increased many times over, and I have no doubt that if the hotel was sold at the present time at least £15,000 could be obtained for same. The hotel is well conducted by the present manager (Mr. O'Connor). The revenue is increasing monthly, and the percentage of profit, bearing in mind the quality of the liquor sold, is very good.

This is a report by Mr. Emery, manager and inspector of State hotels. Of course we do not lay much stress on the profits shown to be made. The object of the

establishment of State hotels is not to make a profit exactly, but to prevent the building up of vested interests and thus rendering ultimate nationalisation more difficult than it otherwise would be; but of course we are not warranted in running State hotels at a loss, and we are not displeased to show a fair amount of profit. It is proposed, however, to utilise the profits towards the utility of the establishments in the districts. Thus, at Gwalia, it is proposed to provide out of the profits a free reading room and a reasonably up-to-date library, which will be so placed that anyone desirous of using the reading room need not enter the portion of the premises devoted to the sale of liquor. This portion of the Government policy has received endorsement from a quarter which, having regard to the subject and the source from which the endorsement has come, must render it worthy of the utmost respect of Parliament and the people. Addressing the Anglican Synod this week, the Bishop of Perth touched on the subject of temperance reform, and in the course of his remarks he said—

> I strongly object to one section of the community forcing its views upon the other section in cases where each section has a right to act as it pleases. If to drink a glass of wine is morally wrong, as some say it is, then we should do all we can to prevent its sale; but when a moral wrong comes from the abuse and not the use of alcohol, then I cannot see the justice of forcing one section to be total abstainers against their wish. I am saying this because I think we are losing sight of the weapons with which we ought to fight. Our weapons are persuasion and the power of faith in a Saviour, and the use of the means of grace to enable men to be strong enough to resist temptation. Instead of that we are always appealing to Acts of Parliament and neglecting the great powers we have to help us. I am glad that the Government propose to establish State hotels where there are to be any new ones. I have for 30 years advocated these ideas, and I am glad at least to see Western Australia taking a lead in this direction.

As I said before, an opinion coming from such a source is entitled to the greatest possible consideration and respect.

Hon. H. P. Colebatch: Will you follow that advice in your Local Option Bill?

The COLONIAL SECRETARY: We will try to. Under this Bill it will not be necessary for the Government to apply to the licensing benches for licenses. It would be a ludicrous position for the Government to take up, the Government who have created these licensing benches, and who are the executive of Parliament, asking their permission as to whether they should establish a State hotel or not. If we establish a State hotel which is a failure or if it is badly conducted, we will be subject to the censure of Parliament. Although we do not propose to make application to a licensing bench, the manager of the hotel or the agent will be subject to all the pains and penalties of a licensee.

Hon. J. F. Cullen: Not at all. The Government will remit the fine.

The COLONIAL SECRETARY: The Government certainly would not remit a fine in such circumstances. It is also very probable they would dismiss the manager from his position. I move—

*That the Bill be now read a second time.*

On motion by Hon. J. F. Cullen, debate adjourned.

*House adjourned at 10.8 p.m.*