Another provision that appeals very much to me is that regarding estates of under £500. Under the provisions of this Bill the public trustee will not have to apply to the court for a formal grant of administration. He could take over the administration of the estate within three months or after three months have elapsed and in that way I think the estate would be wound up more expeditiously and much more cheaply. I have in mind that the great majority of people who die, leave something under £500 and also that their relatives are the ones who are unable to incur legal costs. In many instances they have not the faintest idea of what is required in the way of winding up an estate. The public trustee will have all the various Government departments at his disposal. There is a clerk of courts in almost every important centre throughout the State and undoubtedly these men will be agents for the public trustee. Similar officers operate in every State of the Commonwealth and they will undoubtedly collaborate with the public trustee. In that way the office should be able to function in a manner that will give general satisfaction.

The proposal to establish this office has been criticised on the ground that it will constitute another State trading concern. I do not think that criticism is very sound. Undoubtedly the office will have to pay its way. We do not want it to be a burden on the general taxpayers, but at present part of the functions it is proposed the public trustee shall carry out are already being undertaken by the Curator of Intestate Estates and by the Official Trustee and apparently no complaint has been made. Additional public servants will be engaged and they will have to be men of high capacity, but they will be carrying out a duty that I think is badly needed in every State. I am sure that the office will vindicate itself.

As stated earlier, I also think it will awaken the public conscience to an aspect of business which at present is not given much attention. There is provision that anyone can make a will and deposit it with the public trustee. That is a very good provision. Many people make wills and they are lost and later on when the person dies his wishes are not carried out. Poor people who have estates worth a few hundred pounds are not the ones who hand over their business to the trustee companies. I think that when the Government office is established and the public comes to realise the value of it, it will be found to be of great benefit to the community. I expect the House will agree to the general principles of the Bill. It is of a fairly comprehensive character and has apparently been drafted after careful consideration of measures operating in the other States. Probably some minor amendments will be needed. I have pleasure in commending the Bill to the House.

On motion by Hon. H. L. Roche, debate adjourned.

House adjourned at 9.37 p.m.

Legislative Assembly.

Wednesday, 22nd October, 1941.

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

QUESTION—GOLDFIELDS WATER SUPPLY.

Sale of Scrap Steel.

Mr. TRIAT asked the Minister for Works: 1, Who purchased band joints taken from the Goldfields water pipeline on the section from Meckering to Northam, for scrap iron? 2, What was the price paid by the purchaser? 3, Was the price inclusive of loading and freight to Perth?

The MINISTER FOR WORKS replied: 1, Hadfields W.A., Ltd. 2, The sale was negotiated by the W.A. Government Tender Board and covered all scrap steel on the Goldfields water supply system, of which the band joints were only a portion. The price paid by the purchaser was £2 per ton. 3, Yes.

QUESTION— LIQUID FRUIT COMPANY.

Hon. W. D. JOHNSON asked the Treasurer: Regarding the inquiry by question and proposed motion by the Hon. C. F. Baxter in another place in connection with the Government monetary advance to the Liquid Fruit Company, on what page and under what return in the Public Accounts recently circulated is the amount of such advance shown?

The TREASURER replied: The Government guarantee of a bank overdraft for the Liquid Fruit Company does not appear in the Public Accounts for 1940-41 as the guarantee was not signed until after the expiration of that financial year.

QUESTION—ROAD CONSTRUCTION.

Bitumen and Cement.

Mr. NORTH asked the Minister for Works: 1, Is the mileage of main roads yet awaiting construction in Western Australia sufficiently large to warrant a change over from bitumen to cement concrete? 2, Can bitumen roads be reconditioned with cement penetration? 3, Does cement concrete road construction employ fewer men and more plant per mile than does bitumen? 4, Is cement concrete road construction plant available in Western Australia or of such a nature that it can be constructed locally?

The MINISTER FOR WORKS replied: 1, No change-over is contemplated. 2, No. 3, Yes. 4, Yes.

BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Read a third time and transmitted to the Council.

MOTION—TRAMWAY EMPLOYEES.

As to Dismissals.

Debate resumed from the 15th October on the following motion by Mr. Cross (Canning):—

That all papers relating to the engagement, employment and dismissal of Thomas Henry Kenworthy, John Frederick Birss and James Alan Few from the Western Australian Government Electric Tramway Service be laid on the Table of the House.

THE MINISTER FOR RAILWAYS (Hon. E. Nulsen—Kanowna) [4.34]: In reply to the member for Canning (Mr. Cross), who has taken action in this matter, I shall be very pleased to furnish an explanation. He complained bitterly with regard to the experience of three men formerly engaged in the Tramway Department. At the outset, I desire to make it clear that I am personally most sympathetic towards the men concerned, and I can also make the same statement on behalf of the Tramway Department. There is no question that the three men were engaged, as the hon. member indicated. They were of a very fine type; their characters were good; the work they carried out was quite satisfactory. The department has no quarrel with them in that respect. I am exceedingly sorry that owing to their not being quite physically fit, the men were not able to carry on with their jobs.

The doctor examined them and declared them to be fit, saying that they were O.K. I presume he also took into consideration that they were suitable in every way to be appointed to the positions for which they had made application. The member for Canning desired to know the reason why the department departed from previous practice in such matters. To a certain extent, the reason centred in the fact that in 1934 the Government Railways Act was amended, in consequence of which it was made obligatory upon those engaged in the service to participate in a death benefit and endowment fund. That, of course, imposed greater liabilities on the Commissioner of Railways who claims he would not be doing his duty if he did not protect the various funds and the interests of the Government. Participation in the fund became a condition of employment in the service.

Hon. C. G. Latham: Then it would not be a charge against the Commissioner of Railways.

The MINISTER FOR RAILWAYS: That is so, but the Commissioner holds a responsible position and has to protect the interests of the Government and the funds to a certain extent.

Mr. Cross: It took seven years after the amending legislation had been passed before any change was effected.

The MINISTER FOR RAILWAYS: There are other obligations to be taken into consideration. Entrants to the service now

have to make contributions under the provisions of the Superannuation and Family Benefits Act. There again the liability imposed upon the Commissioner was increased, and I emphasise the obligations imposed upon that officer to protect, from a financial point of view, both the Government and the funds to which I have referred. That entails the necessity to ensure that persons appointed to positions in the tramway service are completely fit.

With all these added obligations, the Commissioner claims that he would be failing in his duty if he did not consider the financial side associated with this problem. He has pointed out that doctors are very prone at times to pass men as medically and physically fit, despite which there is always a possibility of their becoming a liability on the funds and on the Government as well. In addition to those I have mentioned, there is the provident fund, participation in which is voluntary, but nevertheless that in itself imposes a further obligation upon the Commissioner. Then again, the position under the Workers' Compensation Act has to be considered. Members will see clearly that the Commissioner of Railways must necessarily require the tramway employees to be physically fit, and will agree that he has a very difficult task to carry out.

Mr. Cross: What will the Commissioner say if an independent doctor certifies that all three men are medically fit?

The MINISTER FOR RAILWAYS: The Commissioner will have to answer that question himself. At the present time I do not know exactly what he would say, nor do I think any other member of the House is in a position to answer that query. Although I am sympathetic, I suggest that the Commissioner of Railways has to carry out his duties to the best of his ability. I believe that when the tramwaymen approached the Arbitration Court to secure an improvement in their working conditions, they stressed that their duties were severe and arduous. They have to bear severe physical strain, and as a consequence many conductors go on sick leave—more so on the tramways than on the railways or in like positions.

Mr. Cross: Why was not that discovered until a month after these men had started work?

The MINISTER FOR RAILWAYS: Instructions were given to departmental heads not to engage any men unless the medical certificates were clean. If they were not clean, the matter was to be referred to the Commisisoner for his approval or disapproval. In this case the certificates were not submitted to the Commissioner until a month had elapsed since the engagement of the men.

Mr. Cross: It took the department a month to do that!

The MINISTER FOR RAILWAYS: Probably a month went by before the papers were reviewed. I believe they were first reviewed in the superannuation office. The Deputy Commissioner of that period was notified, and the certificates were forwarded to him. He discovered that they were not clean, and that is the reason why action was taken. I am sympathetic in every way towards these three men. I know them to be of fine type and character. I can also state that their work was altogether effective. The Commissioner recognises that fact, and he regrets extremely to have had to take the action he did take for the protection of the funds and of the people of this State.

Mr. Sampson: It is his job to do that.

The MINISTER FOR RAILWAYS: The departmental doctor examined the men more particularly in view of the fact that the monetary obligations have increased since 1924. The Commissioner definitely informed me that if he did not protect the Government and the various funds, he would consider that he was failing in his duty. I may inform the mover that if anything can be done for the three men, positions will be given them. The situation, however, is highly difficult from the pecuniary aspect. Numbers of people may say that all a conductor does is to stand at the back of the tram, or walk along to take a few tickets, and that there is nothing much in it. Nevertheless, a conductor has to be fit. The work is, in fact, rather strenuous. Experience has shown that a considerable percentage of tramway conductors break down.

Hon. C. G. Latham: Girls do that work in most countries outside Australia.

The MINISTER FOR RAILWAYS: I know nothing about countries outside Australia. I have no hesitation in laying the papers on the Table so that members may examine the position for themselves. I think they will be perfectly satisfied that

the Commissioner is carrying out his duty, as he has said, without any prejudice whatever. He is not in the slightest degree prejudiced against these three men. If he could conscientiously put them back in their positions tomorrow he would be extremely pleased to do it. The mistake was in engaging them. Had the departmental heads reported to the Commissioner, probably those men would never have been engaged and nothing would have been heard of the matter in this Chamber. The member for Canning (Mr. Cross) is to be complimented on bringing the matter before the House.

Hon. C. G. Latham: Let us all do that sort of thing!

The MINISTER FOR RAILWAYS: The position has now been disclosed.

Hon. C. G. Latham: I will bring along some men, too.

The MINISTER FOR RAILWAYS: If members have cases they can conscientiously bring forward here, I shall be glad to deal with them. I do not think the Leader of the Opposition can produce anyone who has been treated harshly. The Commissioner is entirely impartial, and the Government is willing to give everybody work if possible; but if we did something detrimental to the finances of the State the Leader of the Opposition would be one of the first to squeal and say, "You're not doing your job; why do you put on such men?"

Hon. C. G. Latham: I do not squeal; I speak.

Mr. J. H. Smith: Why should the tramways put on sick men?

The MINISTER FOR RAILWAYS: I do not say they should.

Mr. J. H. Smith: Why should any Government department do it?

Mr. SPEAKER: Order!

The MINISTER FOR RAILWAYS: If a man is physically fit and complies with the departmental requirements, I see no reason why he should not be engaged. I hope the House perfectly understands the position from the Commissioner's standpoint. Although he may sympathise with the three men he has a job to do; and he is only carrying out that job to the best of his ability.

MR. FOX (South Fremantle) [4.47]: I know something about one of the men who were dismissed from the tramway service, and presumably his case is typical of that of the other two. I quite understand the tramway authorities requiring physically fit men as drivers, but surely the same standard of physical fitness is not necessary in the case of a conductor.

The Premier: The men go up from one position to the other.

Mr. Cross: Not always!

Mr. FOX: Men are needed, especially as so many have gone oversea. One man I know of was injured while engaged on Government work. He was on compensation for a time.

Mr. SPEAKER: One of these three men?

Mr. FOX: Yes. As I say, he was on compensation for a period, and was most anxious to get back to work, and the Government doctor recommended that he be paid a sum of £100 in full compensation for his injuries. Most doctors want men to get back to work quickly, since otherwise the injuries may become an obsession developing into neurasthenia, with the result that the period on compensation becomes considerable. This man, however, was most anxious to get back to work on his own initiative. Consequently he followed the doctor's advice and accepted £100 in full settlement for all injuries arising out of his accident. He consulted Dr. Mackenzie, who pronounced him fit to work as a tramway conductor. Dr. Mackenzie is a man of wide experience, and has done a good deal of work for the Government in compensation cases. I know of no man better fitted to pronounce on fitness for work. Dr. McKenzie said this man was fit for a light job, and thought that the conducting of a tram was a light job. I consider that if a man is not fit to work on a tram and do a light job of that nature he has been badly treated by the department in that he was ever appointed.

After the man is dismissed from a job that is considered by a medical man experienced in workers' compensation cases to be of a light nature, the least the department can do is to re-open the case, and give the individual concerned the compensation he would have received had he taken his case to the court, and produced the evidence he could then have produced had he decided to take that course in the settle-

ment of his claim. He preferred, however, to give himself a trial at work, and was prepared to continue at work had he been permitted to do so. A remarkable position is likely to arise. A man may secure a position, and suffer a degree of injury that will prevent him from doing this class of work. Is the Government then going to cast him out on the world, and not allow him to get work anywhere? Whom would one expect to employ the man in such circumstances? Is he to attend the Child Welfare Department for the rest of his life?

Consider the position that would be created in the mind of such a man! He would find that he was not able to get any work, although he had a family dependent upon him. He might be quite fit to do certain classes of work, but might be deprived of the opportunity to do so because of the remote possibility of his being a charge upon some superannuation fund or having to receive some compensation. We are not here to countenance that sort of thing. Here is a case in which a fully qualified medical man, one who has an intimate knowledge of workers' compensation cases, declared that an individual was fully able to do this particular class of work. Surely the tramway department could have given the man a chance to see whether he was fit to carry out such work. I hope as a result of this debate that if it is at all possible men of this description will be given an opportunity to do this class of work. It is time a classification was made of men fit to do certain jobs. We may see an able-bodied man, who is perhaps big enough to carry a bale of wool, put on to the job of collecting tickets; and on the other hand see a skinny individual doing very strenuous work. An injustice has been done to these three men, and I hope the Government will consider the advisability of putting them back to their jobs. If that step is not taken the Government should then permit these men to have their compensation cases reopened. I know that the individual about whom I am speaking has no legal claim against the Government. If he went to a private insurance company that concern would consider it a matter of business——

Mr. SPEAKER: The hon. member is getting away from the motion.

Mr. FOX: It amounts to the same thing. There is an obligation on the part of the Government to see that justice is done to these men. There are two ways of doing them a measure of justice. Complete justice can be meted out to them by putting them back on their jobs.

Mr. SPEAKER: The hon. member is getting wide of the motion.

Mr. FOX: You are pretty hard, Mr. Speaker. I hope as a result of the debate that justice will be done to these men. They should not be cast out on the world altogether and told they are not fit to work, simply because some financial responsibility may be cast upon the Government or other people on account of a superannuation scheme or something that may crop up under the Workers' Compensation Act.

MR. MARSHALL (Murchison) [4.55]: I understand that the principal reason why the department took action against these three men is because of some physical disability which may ultimately place them more speedily under a superannuation scheme.

The Minister for Railways: And other funds.

Mr. MARSHALL: I do not know to what funds the Minister is referring. It would not be possible for a person to claim compensation because of his occupation in connection with the tramways unless he was injured in that occupation.

Hon. C. G. Latham: There may be a contributory sick fund.

Mr. MARSHALL: That would be a matter of union rules.

The Premier: It would be a departmental matter.

Mr. MARSHALL: I am not au fait concerning the medical fund associated with the Tramway Department. I suggest, however, that the rules and constitution would protect the funds against carrying a liability that was not genuinely attributable to the occupation of the man concerned. The objection, so far as the superannuation fund is concerned, does not stand. I have been approached by several men who have been recently engaged. Their complaint is that the department will not accept them on the fund. It states that they are only temporarily enjoying employment, and that when the war ceases, and the men whose jobs they have taken return, those men will be reinstated and the temporary hands will no longer fill the positions.

The Minister for Railways: These three men were to have been permanently employed.

Mr. MARSHALL: I am not arguing against that. They could be permanently employed. The department could say to men, "On the understanding that you are not to be a liability on the superannuation fund, you can retain your jobs."

The Premier: There is an Act of Parliament which states that railway men may join the fund. We cannot over-ride that.

Mr. MARSHALL: Let us say that these men are employed, but that their application to come under the superannuation fund is rejected! They may be employed for more than six months, in which case they would be permanently employed, and they should not then be denied the right for which they seek. There is apparently some loophole in the law whereby the department can refuse to accept an application of that kind. Men may be employed on the tramways for 12 months or two years, but may still be subject to dismissal on the return from the battlefront of those whose jobs they are filling. If that action can be taken, in one case, why cannot it be taken in another? I am not speaking with regard to the hospital or medical funds, because I know nothing about them, but I do know there is still a way out.

Assume that more men who are physically fit join the Forces and go abroad, and thus reduce the number of physically fit persons who are available for this class of employment! What will happen? Are we to change over from male to female employees in order that we may secure physically fit persons to work on the tramways, or must we finally absorb into employment those men who are not physically fit? The question requires further consideration. We ask physically fit men to do their duty and enlist. If we are going to make that possible we must remember that we have only a limited number of physically fit men. Ultimately, therefore, we shall have to take on men who are not so physically fit.

What will happen to the men on their return from the war should it be found that they, too, are not physically fit to pass the medical tests? Are they to be excluded from employment on trams? The whole question involves a big principle, and I think it should be reviewed by the Minister. As time goes on there will have to be a review. I suggest that review might well be made now and justice be done to these men. It is not an insurmountable problem. If these men are capable of doing the work the other troubles can be overcome. By diligent application and proper negotiations the Minister can overcome the difficulty. The problem involved is well worthy of further consideration.

MR. THORN (Toodyay) [5.1]: I agree with the views expressed by the member for Murchison. It seems to me a lack of foresight, or mismanagement, for the department to have engaged these men without making sure that they complied with the necessary conditions. I also agree that we will undoubtedly be faced with a position that a number of men not physically fit will have to be utilised to release men who are physically fit. I can visualise the Commissioner of Railways, and the Government, being faced with difficulties of that nature in the future. As the member for Murchison (Mr. Marshall) stated, under the National Security Act, men who have left their positions in the railways and tramways are entitled to be reinstated when they return.

Mr. Cross: Yes, and they have to be, too!

Mr. THORN: Why cannot there be some clause in the term of employment at present to make provision for the employment of this class of man?

Hon. C. G. Latham: Temporary employment?

Mr. THORN: Yes. Some of the difficulties to be faced are that they will contribute to the superannuation scheme and medical fund. The Government will be faced with the problem of returning that money when the soldier is given his position back.

The Minister for Railways: That has all been realised and provided for.

Mr. THORN: Apparently the men mentioned by the member for Canning measured practically up to the necessary standard. If that is so, some grave error has been made when the medical officer reports that these men are fit to be employed, and afterwards it is discovered——

Mr. Cross: Not by the doctor but by a junior clerk.

Mr. THORN: ——that there is something wrong with their health. I strongly suggest that some means be found whereby terms of

temporary employment can be drawn up to provide for the employment of these men during the war period.

The Minister for Railways: Unfortunately it is not temporary men who are wanted but permanent men.

Mr. THORN: That may be unfortunate but when a difficult situation arises it has to be met. In other States the tramway services are employing females. They have to stand up to the strenuous conditions mentioned by the Minister. I often think that in many instances women can display more stamina than men.

Mr. SPEAKER: Order! Women are not mentioned.

The Minister for Mines: I thought they were the weaker sex.

Mr. THORN: The Minister for Mines knows that is so.

The Minister for Mines: How?

Mr. THORN: The Minister knows something of nurses.

Mr. SPEAKER: Order! I ask the hon. member to return to the motion.

Mr. THORN: I ask the Government to consider the points raised by me and those raised by the member for Murchison. They are liable to crop up before we are much older.

HON. C. G. LATHAM (York) [5.6]: If we are under any obligation to the member for Canning it is for the information gleaned from the statement made by the Minister. The statement made by the member in asking for these papers conveyed very little information compared with that conveyed by the Minister. I disagree with the views expressed by the Minister when he invites every member of this House to come along with every tin-pot complaint. I do not worry Ministers, and I do not think other members do if they can solve the problems themselves, and when they are not of great importance.

The Minister for Railways: Do you infer that this is a tin-pot matter?

Hon. C. G. LATHAM: No, but the Minister has given us an invitation to bring all our complaints to him. This House does not exist for that purpose and we should discourage it as much as possible. The member for Canning (Mr. Cross) could have obtained all this information from the Minister's officers. Members from that side of the House stand in an equal position with those of this side, and I have not yet been refused by any Minister the right to interview him in his office or discuss matters, and, so far as the Ministers think it advisable, they give me information and I am satisfied. Evidently there has been a mistake.

Mr. Cross: There has been a blunder, and I want it shown up.

Hon. C. G. LATHAM: I do not like the word "blunder," and I use the word "mistake." A mistake has been made inasmuch as the officer responsible for staff employment has evidently not informed these men that they need to be physically fit. That ought to be clearly understood by applicants for Government positions. We have set up legislation in this House to protect these people. We cannot protect the medically unfit and accept the responsibility for them.

When the Minister makes the statement that a conductor's job is a very strenuous one, let me say that it bears no comparison with that of the man who swings a pick-and-shovel, or that of the man who swings an axe. It bears no comparison with the work of a miner. It is a tin-pot job compared with some of the work done by our Australian natives. It is an easy job. It is nice to say that they cannot do this work!

The Minister for Railways: I did not say they could not do the work.

Hon. C. G. LATHAM: No, of course the Minister did not! If it were not for the financial obligations to which we are committed, I would say that we should employ a lot of these C class family men in these positions. When I was a Minister it was very difficult to find employment for many men, because we only had hard work to offer. We could have enabled many men who did not desire to be a charge against the State to earn a living for their wives and families as tram conductors if we could have obtained this class of employment. It is time that this matter was reviewed to see how these men could be placed. The greatest problem when there is a superabundance of labour is to find proper employment for these men. It is not an easy matter for us to settle in this House, but it is something which the Minister, and possibly the Commissioner, need to consider.

The Commissioner of Railways is nominally responsible for the control of the tramways, but he is not directly responsible because he has officials in charge. He has a manager and so on. I do not blame the Commissioner because, after all, he cannot be made responsible for the details of the wide ramifications of the departments he manages, from the ferries up to the railways and tramways. Our departments have to realise, and the Premier, too, that we are in duty bound to find employment on their return for the men leaving our services to go oversea. It is no use putting on permanent employees and being overloaded when they return.

The Minister for Mines: That will not be done.

Hon. C. G. LATHAM: From the statement of the Minister for Railways I suggest it has been done.

The Premier: There are men at 65 retiring.

Hon. C. G. LATHAM: Yes, and young men are being permanently employed and taking their places. I have not looked at the file. It will be of some interest to me now, since the Minister's statement. I regret the motion moved by the member for Canning. It may be a very important matter to him, but to me it is very trivial. The debate has developed to such an extent that it now seems some maladministration has taken place, or some misunderstanding between the Minister and his officers. Do not let us get the idea that a man who stands on trams and collects tickets has a very hard job.

The Minister for Mines: He has to collect the money.

Hon. C. G. LATHAM: Yes, he is responsible for that. I can imagine myself in my younger days, and the member for Boulder (Hon. P. Collier) probably can too, being delighted if we could have got such a light job.

Hon. P. Collier: I have never had a light job in my life.

Mr. SPEAKER: Order! There is nothing about the member for Boulder in the motion.

Hon. C. G. LATHAM: Perhaps in the last three years we have. These fellows have to earn a living, and I will admit that tramway employees must have keen eyesight, but they have good comfortable positions and enjoy permanent employment, something which thousands of men would be very grateful to obtain. I do not want to see trivial matters brought to this House. There is much more important work to be done here than to have grievances aired. I suggest to the member for Canning that he goes to the Minister and discusses the matter with him. The information conveyed to us this afternoon would have readily been made available to him. Is it publicity he wants? Surely not! Not today; I can hardly believe that. If it is, I am extremely sorry that this class of information is to be used for the purpose of providing publicity just prior to an election.

MR. WARNER (Mt. Marshall) [5.13]: The main point in this discussion has been overlooked. It is that men who are employed—not physically fit men—come under superannuation. That is the point the Minister is watching on behalf of the Commissioner of Railways. I agree with the member for Canning (Mr. Cross) that these men who were originally passed as fit, and employed, and who, on a further examination were proved to be otherwise, are unfortunate. The main thing to be watched is the position the Government will be in if C class men are given these permanent jobs, as suggested by some members, and come under the provisions of the superannuation scheme.

I also agree that the men who have left the various services to go oversea should be replaced in their positions if they return from the war, and are not as perfect as when they left because of war injuries. I would not suggest that this Government, or any other Government in power, should refuse to reinstate them in their jobs if they are able to carry out the work. The job of a tram conductor is not the hardest for a man in the railway or tramway service, but some of his special senses have to be keenly alert. Although the work is not very arduous, the point we have to watch is the effect on superannuation. If C class men are allowed to participate in superannuation, I do not know how the fund will fare.

MR. CROSS (Canning—in reply) [5.15]: I think the Minister and members have missed the real point.

Hon. C. G. Latham: Well, you have the papers.

Mr. CROSS: I have not seen the papers, though I made an attempt to get access to them. That is why I have moved for their tabling. The real point is that a mistake has been made in the department, and I think it was caused by dual control. These men were not put to work before they had been medically examined; they were first thoroughly examined by the doctor. After the examination, the doctor —and he is the department's expert—said that in his opinion the men were fit to be conductors. Their eyesight was tested, and I point out that a man may pass a hundred per cent. in the eyesight test and still be suffering from slight astigmatism or other minor complaint. This would be entered on the medical certificate, but it would not be detrimental to a man's entering the service. The hon. member opposite has something wrong with his eyes and has not known of it, although he has been passed by military doctors.

Hon. C. G. Latham: To whom are you referring?

Mr. CROSS: To the hon. member. Over 20 years ago I passed 100 per cent.——

Mr. SPEAKER: Order! There is nothing to reply to on that.

Mr. CROSS: I am merely quoting it as an illustration. I could still pass 100 per cent., but I was suffering from——

Mr. SPEAKER: Order!

Hon. C. G. Latham: We know you are suffering from it now.

Mr. CROSS: But I was passed as being fit.

Hon. C. G. Latham: You are not one of the three men concerned.

Mr. CROSS: One of the men, prior to going on the trams, was driving a 5-ton truck on work for the Main Roads Department. He had been heaving on to trucks rocks weighing a couple of hundredweight.

Hon. C. G. Latham: Hurrah!

Mr. SPEAKER: I point out that the hon. member is not replying to the debate.

Mr. CROSS: I am replying to the debate.

Mr. SPEAKER: There is nothing in the debate about astigmatism.

Mr. CROSS: It has been said that one of the men is not fit. The doctor said there was a slight weakness in the wall of the stomach, but, after subjecting him to a thorough examination, he wrote on the certificate, "This man is fit to be a conductor." As I stated in moving the motion—and the Minister did not reply to this point—when the man returned to the Traffic Superintendent with his certificate of fitness, the superintendent said, "You can start." That has been the practice ever since the Government took over the tramways. Now, however, the man receives a letter from the Railway Department—not from the Commissioner but from a junior who has discovered certain remarks about a slight disability—stating that he must be put off. This, notwithstanding the fact that the doctor had declared him to be fit!

The Minister for Railways: Who said that?

Mr. CROSS: Not the Commissioner of Railways in the first place, because he knew nothing about the matter until I gave notice of the motion.

The Minister for Railways: The Commissioner was away in the Eastern States.

Mr. CROSS: Yes. The discovery was made by Mr. Bromfield, a member of the Superannuation Fund Board. All three men, I am informed, have been examined by an independent doctor, just as they were examined by Dr. Mackenzie. Dr. Mackenzie had declared all three men fit to be conductors, and the independent doctor endorsed his opinion.

This will not be the end of the matter. I want to know definitely what is on the certificates, and that is why I want the papers tabled. The matter will be taken up by the union, as it has every right to do. As the member for Toodyay (Mr. Thorn) remarked, a big principle is involved. If the department gets away with this—allowing somebody to say the men shall not be employed after a doctor has declared them fit—men returning from the war later on with some slight disability will probably be denied the opportunity to return to their work. I wish to stress the point that Dr. Mackenzie, the department's expert, certified that the men were fit, and somebody else says they are not fit. I believe that has occurred through dual control. I have moved for the tabling of the papers so that we may see what the doctor said. I have not seen the papers, but I believe the information given to me is true. I can assure members that certain action will be taken. If the department is wise, it will reinstate these men. The public is entitled to know

why the men, if they were not fit, were given a start, and why, if they were fit, they were put off.

Hon. N. Keenan: Did the doctor make a mistake?

Mr. CROSS: No.

Hon. N. Keenan: Well, who made a mistake?

Mr. CROSS: The department! The doctor is the department's expert, and he expressed the opinion that the men were fit to be conductors. Yet somebody else can step in and say they are not fit. If somebody else is to be the judge of fitness, why send men to the doctor? I hope the motion will be carried.

Question put and passed.

BILL—MONEY LENDERS ACT AMENDMENT.

Second Reading.

Debate resumed from the 15th October.

THE MINISTER FOR JUSTICE (Hon. E. Nulsen—Kanowna) [5.23]: I have examined the Bill and congratulate the hon. member on having introduced it. The measure proposes to limit the interest permitted to be charged on any loan by money lenders under the Money Lenders Act, 1912-37, to a rate of 20 per cent., and also to disallow the charging of compound interest, that is, interest on interest. In my opinion, it is high time we recognised how the people of this country are being exploited by the money lender. My belief is that at no time was money meant to be used as a commodity. Money in the first place was created for the purpose of facilitating distribution, not to enable people to make money out of money. If the Bill becomes law, a person who borrows a £5-note at 20 per cent. interest will pay, on the basis suggested in the Bill, only 1s. 8d. per month. That is not a large sum, but if I had my way I would not allow the charging of any interest on money!

Members: Hear, hear!

The MINISTER FOR JUSTICE: I observe the smiles of members. There is no doubt that we are all more or less traditional and orthodox, and, when it comes to dealing with these matters, seemingly we lack the elasticity necessary for the progress of the people.

Hon. C. G. Latham: Do you think anyone would lend money without interest?

The MINISTER FOR JUSTICE: Perhaps not, but probably it would be better if people did not lend at all. Money should be used only to facilitate distribution.

Hon. C. G. Latham: The Treasurer has to pay interest on the money he borrows.

The MINISTER FOR JUSTICE: The hon. member knows that we do not control the fiscal policy; in fact, we have nothing to do with it. We have to go cap-in-hand to the Commonwealth to get the money necessary to enable us to carry on the affairs of the State. If there is to be any alteration in the monetary system, it will have to emanate from the Commonwealth authorities.

Mr. SPEAKER: I think the Minister is now getting away from the Bill.

The MINISTER FOR JUSTICE: I am sorry, but must blame the Leader of the Opposition for the digression. I am pleased to support the Bill, because I realise that we must have monetary reform, and this is a step to protect the small borrower. Yet 20 per cent. is a high rate of interest. The people who make a business of lending money will be lending not one sum of £5 but hundreds, so the business will still be a lucrative one. I hope to be here in the years to come when the maximum rate of interest permitted on small loans will not exceed 5 per cent., and when on large loans only 1 per cent. will be allowed, which would compensate the lender for any expense to which he would be put.

Mr. Berry: Why does not the Government take over and control all this business?

The MINISTER FOR JUSTICE: I could not hear the interjection.

Mr. SPEAKER: Take no notice of interjections!

The MINISTER FOR JUSTICE: It will be some time before those rates come about, but the new Prime Minister has not yet been long in office.

Mr. SPEAKER: The Minister is getting away from the subject.

The MINISTER FOR JUSTICE: I support the Bill.

MR. McDONALD (West Perth) [5.28]: I think the member for Canning might extend his activities to quite a number of fields. I hold no brief for the money lender, but he is not the only one who wants to make a fairly good thing. What about the

Commissioner of Taxation? If a taxpayer is one day overdue in paying his taxation, he is charged 10 per cent. on the tax, which is equal to about 3,650 per cent.

Mr. Warner: He is a privileged boy!

Mr. McDONALD: Many such penalties should be considered, because they are much too high. Sometimes the tax penalty is exacted in a very determined manner from a taxpayer who is in difficulties. This Bill involves the abolition of interest on interest. I support that proposal. I did so last year when the hon. member introduced a measure containing a similar provision. The Bill also proposes to limit the rate of interest to 20 per cent. per annum. Personally, I support that. In some cases I think it will create hardship.

Last year I mentioned the case of some people in poor circumstances. Although the moneylender is a person in whose hands I do not want to see anybody fall, there are occasions when he is the only person to whom people in poor circumstances who are in serious difficulties can turn, and it is well worth the payment of interest—even more than 20 per cent.—to get the money in a time of emergency, when it will make all the difference in the world to the person in distress. On the other hand, the Bill will dry up credit to a large extent. I think it is plain to most of us that we have gone too far with the credit system, which can only be accompanied by big interest rates to cover bad debts. Under that system people —and especially people unable to afford it—buy commodities for which they cannot pay cash, whereas if they followed the orthodox system they would save up their money until they could pay cash. I do not view the Bill with alarm. Although it may dry up a considerable amount of credit in the moneylending occupation, the benefit may outweigh the hardships that might arise from time to time. I support the second reading.

HON. N. KEENAN (Nedlands) [5.32]: I do not propose to offer any opposition to the Bill, which really is one of a simple character. But I listened with astonishment to the Minister. He seems to live in a world of entire ignorance. Apparently he does not know where this money lending goes on.

The Minister for Justice: I do. I know only too well.

Hon. N. KEENAN: Does the Minister know the principal places where it goes on, in big industrial establishments?

The Minister for Justice: It was not created there.

Hon. N. KEENAN: No. Neither was the Minister created there. What has that to do with it? The fact of the matter is that there is a great deal of humbug about legislation of this character, because where the principal lending goes on—and at a high rate of interest—is in industrial establishments, especially large industrial establishments such as, for instance, the Midland Junction Workshops. Every workman there who wants to put a pound on a horse—or 10s. if he has only half as much information as he might otherwise have—borrows the money from a well-known man in the works at an interest rate of 1s. in the pound. That is as well known as is the existence of the works, and it cannot be stopped, because it is human nature. As the member for West Perth (Mr. McDonald) has pointed out, the effect of the Bill will be to reduce credit and that, in the long run, may be beneficial.

The Minister also said that he was entirely opposed to the payment of interest at all on any money lent. He would be a delightful man to borrow from! If only he had money, would he not be rushed? A man giving money away and wanting no interest! That again is ridiculous humbug.

Mr. Withers: Most members of Parliament do that, you know.

Hon. N. KEENAN: I am not going to enter into a controversy about what the member for Bunbury (Mr. Withers) thinks. It is humbug for a Minister to talk about lending money for which no interest will be charged. Of course, the money would not be lent.

The Minister for Justice: Interest was never meant to be charged.

Hon. N. KEENAN: Lots of things were never meant; I could exhaust the time of the House in cataloguing them. But what would be the object? Nothing practical would be achieved by doing such a thing.

The Minister for Justice: Christ chased the money lenders out of the temple.

Hon. C. G. Latham: They had no right to be in it.

Hon. N. KEENAN: There are other things that might be chased out, for instance, hotels and places where S.P. bets

are made. Human nature must be taken for what it is worth, with all its shortcomings as well as its virtues. Although I am quite agreeable to the provision that interest should not be charged on interest, the Minister ought not to be too enthusiastic about that, because the Agricultural Bank does it.

Opposition Members: Hear, hear!

Hon N. KEENAN: The Minister somehow forgets the sins he is inclined to by damning those he has no mind to!

The Minister for Justice: The system must be changed.

Hon. N. KEENAN: I do not desire to delay the House. I am not opposing the Bill, but I hate this air of cant in which we are apparently indulging nowadays. We are talking hot air which means nothing to us, but which unfortunately does mean something to people outside Parliament, and it has no relation to what happens in practical life.

HON. C. G. LATHAM (York) [5.37]: This Bill is preferable to the one introduced by the member for Canning (Mr. Cross) last year. In that measure he made provision for interest at 60 per cent. per annum. I tried to get members to disagree with that provision, but unfortunately was not successful. The hon. member has now seen the error of his ways and proposes to reduce the rate of interest by two-thirds. On that account this Bill is to be preferred to that introduced last session. I listened carefully to the speech of the Minister for Justice. I do not like to be in opposition to him, because personally he is quite a good chap, but he has applauded the member for Canning for introducing this legislation. Year after year similar legislation has been introduced, but it has been far from perfect. When we reach the Committee stage I shall move to reduce the rate to a reasonable charge, which I consider to be 5 per cent. I agree with the Minister's statement that today we are running wild so far as borrowing money is concerned. I do not think the Minister is right, however, in making the statement he made a while ago. He cannot hold those views about non-payment of interest and be a member of the Government which he knows very well is charging interest on interest.

The Minister for Justice: The Government cannot change.

Hon. C. G. LATHAM: Probably an attempt will be made to change it before long. We shall make a special effort. Governments should not always follow old methods; they should progress with the times. I am glad the Minister is a junior member of the Cabinet; otherwise I would take him very seriously. The Minister for Lands, who controls the Agricultural Bank, is aware that that institution charges interest on interest. The Minister for Works is aware also that his department charges interest on interest. The departments must do so in order to pay interest to the people who have lent the Government money.

The Minister for Works: The department has a couple of hundred thousand pounds outstanding.

Hon. C. G. LATHAM: I was not referring to that.

The Minister for Works: I regret to report it.

Hon. C. G. LATHAM: I do not know whether interest is charged on that sum. I am referring to the work carried out by the Water Supply, Sewerage and Drainage Department. That department makes advances to people and charges interest on interest. It must do so, because otherwise the public would want to borrow wholesale from the Government without paying interest. What does it matter if we pay interest?

The Minister for Justice: Are not you in favour of changes?

Hon. C. G. LATHAM: Yes. As I said, I propose to change this Bill. On the last occasion when similar legislation was introduced, the interest rate was fixed at 60 per cent. per annum. This measure reduces the rate to 20 per cent. I shall give the House an opportunity to reduce the rate still further to 5 per cent., which is enough to charge anybody by way of interest. Who are the borrowers? The poorer people, I regret to say, and they are the people who are penalised the more! I am surprised at the Minister's commending the Bill, which provides for so high a rate of interest. It is not the wealthy people who will want to borrow money. Perhaps it is far better to make it more difficult for the poorer people to borrow money.

The Minister for Justice: Without this legislation the money lenders could charge exorbitant rates.

Hon. C. G. LATHAM: No. There is a law dealing with unconscionable interest, even if it is an unwritten law.

The Premier: It is written.

Hon. C. G. LATHAM: Yes. It is in the Money Lenders Act itself. If we decide to deal with this matter, let us have right ideas. The member for Murchison (Mr. Marshall) has ideas about paying interest on borrowed money. He will doubtless agree with me that we should make a start by ensuring that the poorer people shall not be compelled to pay as much as 20 per cent. per annum, which is far too high. When the Bill reaches the Committee stage, I hope the member for Canning will agree to the rate being reduced to 5 per cent., as this will be more in accord with the views of members. Personally, I consider the rate should be still lower. Five per cent. is too high.

Mr. Thorn: Make it 1 per cent.!

Hon. C. G. LATHAM: People requiring money for industrial purposes should be able to secure it at 3 per cent., as they cannot afford to pay a higher rate. Even Governments are reducing interest rates; the highest rate now offered by the Commonwealth Government is 3½ per cent.

Mr. Tonkin: I beg your pardon! The Commonwealth Government is paying over 5 per cent. on some loans: the highest rate is 3½ per cent.

Hon. C. G. LATHAM: I am talking of the present loan, which is being offered at par at 3½ per cent.

Mr. Tonkin: But the other loans are current today.

Hon. C. G. LATHAM: Yes, but I think the interest is reduced to 4 per cent. If interest rates are reduced people will be prevented from borrowing money.

The Minister for Works: Do not make it too attractive.

Hon. C. G. LATHAM: It would not be attractive; do not make any mistake! If interest rates are reduced to 5 per cent. we shall have happier homes, because I think there is nothing more pernicious or objectionable than for people to buy goods they do not need. I have continually spoken in this House against the cash order system. For years we kept it out of the State.

Mr. SPEAKER: I hope we will not get into a discussion on cash orders.

Hon. C. G. LATHAM: Interest is paid on that money. A person obtaining a cash order for £1 actually receives less than £1; the difference is to provide for interest. One of the problems of the Commonwealth Government is to raise the present huge loan for war purposes; yet the people cannot be induced to refrain from buying luxury goods. If I congratulate the member for Canning upon introducing the Bill, I shall not do so for the reason that the Minister congratulated him. I shall commend him for giving me the opportunity to move in Committee to reduce the rate of interest proposed to be allowed by this Bill to 5 per cent.

MR. J. H. SMITH (Nelson) [5.45]: I propose to support the Bill and I ask the House not to be influenced by the utterances of the Leader of the Opposition. To my mind his remarks were sheer bluff, having the object of defeating the measure. His cynical statements did not cut any ice with me.

Mr. Marshall: Hear, hear!

Mr. J. H. SMITH: He endeavoured to draw a red herring across the trail. His remarks were ill-chosen, particularly in view of the fact that a resolution was carried last year, which all members will recall, relating to monetary reform and he was one of the very few who voted against it. Yet he is endeavouring to influence the House by saying that he proposes to move an amendment to reduce the interest to a maximum of five per cent. It is the most hypocritical utterance I have ever heard from any member of this Assembly during the great number of years I have had the privilege of sitting here. It was made with an ulterior motive.

Hon. C. G. Latham: I will show you up in a minute!

Mr. J. H. SMITH: Contrast the utterances of the Leader of the Opposition with those of the Leader of the National Party! The latter says he is afraid that if the interest is limited to 20 per cent. it may prevent poor people from obtaining important concessions when they badly require money. Then the member for Nedlands (Hon. N. Keenan) drew another red herring across the trail.

Mr. Warner: We will have a lot of fish soon!

Mr. J. H. SMITH: So it goes on all the way through the piece. He is antagonistic to anything of a reformative character. I laud the Minister for Justice for having the courage of his convictions, and for saying that if he had his way he would wipe out interest altogether and that he would support the Bill providing for a maximum of 20 per cent. The Leader of the Opposition, the Leader of the National Party and the member for Nedlands all know that many people have suffered in the past as the result of the impositions of money lenders. The Bill is an attempt on the part of the member for Canning (Mr. Cross) to fix a maximum. Under the Bill they will be able to charge only 20 per cent. I saw the member for Murray-Wellington (Mr. McLarty) smiling just now and heard him say that if the proposed amendment were carried—and this is another red herring—and money lenders were able to charge only five per cent., no one would lend any money.

While I am in this Assembly I behave in a straightforward manner. I resort to no subterfuges and draw no red herrings across the trail. I do not seek to secure sympathy from any direction. I am in favour of every reform we can make. The member for Canning introduced a measure last year limiting the interest that money lenders could charge to 60 per cent. That was on very small loans. It was thrown out in another place, where it was stated that if the figure had been 20 per cent. the Council would have agreed. In this instance the member for Canning has asked us to provide for a maximum of 20 per cent. I ask every fair-minded member to agree to the second reading, and I hope no heed will be taken of the red herrings that the Leader of the Opposition and others have endeavoured to draw across the trail of a good Bill. I laud the one member of the Government who has had the courage of his convictions, and has declared what a curse interest is in this community and throughout the British Empire.

MR. TONKIN (North-East Fremantle) [5.50]: When the Leader of the Opposition was speaking in regard to interest rates he made a statement, which I doubted at the time, concerning the ruling rate of interest that the Government was called upon to pay. Apparently we were at odds on the matter as I misunderstood what he was saying. I have long held the view that interest rates paid on money borrowed by the Government or by private persons must be very drastically reduced. To show members what interest rates are ruling with regard to State loans, I propose to quote from the Public Accounts with regard to current loans operating in Western Australia today. There is a loan due to mature on the 1st June, 1945, amounting to £2,000,000 and carrying a nominal rate of interest of five per cent. As it was issued at £96, its effective rate is £5 9s. 6d. There is another loan of £3,000,000 due in 1965 which is carrying a nominal rate of 4½ per cent. It was issued at £95, so the effective rate is £4 17s. 9d. Another loan of £665,000 is due on the 31st December, 1943. It carries a rate of six per cent. Another loan due on the 15th July, 1952, of £1,541,148, carrying five per cent. was issued at £99 10s., the effective rate being £5 4s. 10d. A loan of £500,000 is due on the 1st July, 1975. The nominal interest rate is five per cent., but the loan was issued at £99 10s. so the effective rate is £5 4s.

Hon. C. G. Latham: Those are in London, are they not?

Mr. TONKIN: Yes, I think they are.

Hon. C. G. Latham: All the loans are in London.

Mr. TONKIN: Not all! There is a loan of £2,500,000, due in 1975 carrying a five per cent. nominal rate, but issued at £98, so the effective interest rate is £5 5s. We can find numerous examples of current loans carrying rates in excess of five per cent., a rate which this State cannot possibly bear. Any legislation that tends to reduce interest rates, whether in respect of Governmental borrowing or private borrowing, is a step in the right direction and an indication that we appreciate the fact that money has carried far too high a value and that in the past Governments and individuals have been asked to pay too much for it. In comparison with the wage paid for both mental and manual labour, the price exacted for money lent is far higher than it should be. We have to face the position and any legislation indicating the way in which we are thinking, the way leading to a reduction of interest rates, will have my support.

Question put and passed.

Bill read a second time.

In Committee.

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

Clauses 1 to 3—agreed to.

Clause 4—New sections:

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

That in line 21 of Subsection 1 of proposed new Section 11A the word "twenty" be struck out and the word "five" inserted in lieu.

I have been challenged with being inconsistent but I have not been inconsistent. I believe it is necessary to charge interest on loans. The Bill asks the borrower to pay 20 per cent.

The Minister for Works: The security affects the rate.

Hon. C. G. LATHAM: I agree. The Government should be able to borrow money at three per cent.

The Minister for Works: I think so, too!

Hon. C. G. LATHAM: Then I am giving a margin of two per cent. for people who have not the same security to offer! I do not think that any person who is a decent business man should take the risk of lending money to a person who has a very poor security to offer, because it must be clear that there will be involved the risk of loss of money. The member for Nelson accused me of hypocrisy.

Mr. J. H. Smith: I do!

Hon. C. G. LATHAM: If ever there was a man who stood for hypocrisy it is that same gentleman!

The CHAIRMAN: I want the Leader of the Opposition to understand that the amendment is to strike out "twenty" and insert "five."

Hon. C. G. LATHAM: I know!

The CHAIRMAN: I do not want an hon. member to make any reflection on another hon. member, and I do not want the Leader of the Opposition to get into an argument of that kind. If he does I shall have to take action.

Hon. C. G. LATHAM: When the time comes, Mr. Chairman, you can take action!

The CHAIRMAN: There will be a better chance of a comprehensive discussion if the hon. member deals first with the amendment.

Hon. C. G. LATHAM: I want to point out why I am advocating this amendment. I am being judged on my conduct in this House on previous occasions. I have opposed motions that have implied that Governments can borrow money without paying interest. That is a pretence, because to do so is impossible. I object to members in this House charging me with hypocrisy. The member for Nelson says one day that he believes in a high rate of interest and then on another day that he believes in none at all. I cannot see where there is any consistency in that attitude. I believe in a low rate of interest. Though I do not want to see money lying idle, I think it would have been wise if some people who today are borrowing money under the Money Lenders Act had not borrowed at all. Plenty of people get through without borrowing. Whenever people have reached the stage of wanting to do things in this State and having no money with which to do them, a beneficent Government has always helped them. It was suggested to me not long ago that a woman ought to pay a high rate of interest on money she had to borrow to bury a near relative. There is no need to do that. There are benevolent societies that assist such cases. The member for Nedlands spoke of a man borrowing money for the purpose of setting up a starting-price bookmaking establishment. I do not know that we need worry about that sort of man or care what rate of interest he is charged. But as we are fixing a limit under this measure, I propose that that limit shall be £5 and not £20.

Mr. CROSS: I sincerely regret I cannot agree to the amendment——

Hon. C. G. Latham: Do not express regret!

Mr. CROSS: —much as I would like to do so. I suspect the Leader of the Opposition has moved it with the idea of ridiculing the Bill. I introduced the measure in order to place a limitation upon interest charges for which at the present the sky is the limit. In many instances excessive rates of interest have been charged. Taking into consideration all the circumstances and the class of business done by moneylenders not on the best of securities—the business is certainly done on securities because money will not be made available without some form of security—I believe that a maximum rate of 20 per cent. is reasonable.

Hon. C. G. Latham: Do you think people would have any chance of paying that rate of interest and the principal as well?

Mr. CROSS: Today there are people paying interest at a rate of 100 per cent., and the object of the Bill is to put an end to that practice. Of the various States only Queensland has legislated with a view to placing a limit on the interest to be charged by registered money lenders. In that State a maximum rate of 20 per cent. has operated for the past two or three years with considerable success. In other parts of the Commonwealth any charge the money lender may care to impose has to be paid by those who borrow. The proposal in the Bill represents a step in the right direction. The Leader of the Opposition referred to cash orders, but in respect of that form of dealing more than 20 per cent. is often charged.

Hon. C. G. Latham: No, less than that is charged.

Mr. CROSS: It is another racket! I urge members to agree to the provision in the Bill.

Mr. J. H. SMITH: For once I am prepared to support the Leader of the Opposition in his sincere desire to reduce the rate of interest to 5 per cent. I would act contrary to my convictions if I did not do so. We are dealing with the Money Lenders Act, and when I mentioned the word "hypocrisy" I did not mean to be insulting. What I had in mind was to draw the attention of the Leader of the Opposition to the fact that when he was the Mininster in charge of the Agricultural Bank that institution charged interest at the rate of 5 per cent. and penal interest as well.

Hon. C. G. Latham: I cut out that practice when I was a Minister.

Mr. J H. SMITH: It was never cut out.

Hon. C. G. Latham: I say it was.

Mr. J. H. SMITH: Always interest upon interest has been charged. If the Leader of the Opposition is sincere in his desire to reduce the maximum interest chargeable by money lenders to 5 per cent., I shall support him. Nevertheless, it will serve no good purpose.

Hon. C. G. Latham: Yes, it will.

Mr. J. H. SMITH: Under Clause 4 we are endeavouring to limit interest charges to 20 per cent. while still allowing interest upon interest to be charged! Today the sky is the limit and anyone that gets into the toils of the money lenders can never escape. While I hope the Committee will agree to the amendment, if that course succeeds there will be no money lending in the future. Possibly members of another place will seize upon the Bill in its amended form as an excuse for throwing it out. Whereas formerly when similar legislation was presented, members of another place stated that 60 per cent. was too high, now they will say 5 per cent. is too low—and out will go the Bill again.

Hon. C. G. Latham: They could amend the Bill.

Mr. J. H. SMITH: In the circumstances I have outlined our efforts would go by the board and the object of the member for Canning, who wishes to help many people who are suffering today from the iniquitous burden of interest charges, will be defeated.

Amendment put and negatived.

Clause put and passed.

Mr. Cross: Divide!

Members: But the clause has been passed!

The CHAIRMAN: I have declared the amendment negatived and the clause passed in its present form.

Hon. C. G. Latham: I must ask you to put the amendment that I moved.

The CHAIRMAN: I have already done so and declared it negatived. I do not propose to repeat decisions already announced.

Mr. Sampson: You are a bit too quick for us, Mr. Chairman.

The CHAIRMAN: I have already declared the clause put and passed.

Mr. Sampson: It is very hard to follow.

The CHAIRMAN: If members will not pay attention to the business of the House, they will naturally find it hard to follow what is being done. The obligation is imposed upon them to observe what is going on. If they find it difficult to follow the proceedings in Committee, members will themselves have to get over that difficulty.

Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—AGRICULTURAL BANK ACT AMENDMENT.

Second Reading—Ruled Out.

Order of the Day read for the resumption from the 1st October of the debate on the second reading.

Mr. SPEAKER: I have given consideration to this Bill and have come to the conclusion that it must be ruled out of order as entailing an appropriation of public

money and must, therefore, be preceded by a Message from His Excellency the Lieut.-Governor. Both the Agricultural Bank and the Industries Assistance Board are Crown instrumentalities, and the advances by both bodies are made out of public moneys, appropriated by Parliament. Thus, proceeds of sales of crops by the board are also, while in the hands of the board, public money. Therefore to divert to other persons moneys that should go to the Crown is an appropriation of public moneys.

In support of my ruling I will quote the following passage from May's "Parliamentary Practice," 12th ed., pages 459 and 460:—

> Examples may be given of matters which need recommendation from the Crown, namely, advances on the security of public works when funds in addition to the funds already available for such purposes must be provided to meet such advances; advances to landlords or tenants beyond the scope and objects of the Public Works Loans Acts; Bills relating to savings banks which create a charge upon the Consolidated Fund or other public liability; the imposition of stamp duties by private or provisional order Bills; the extension of the time for the repayment of the deposit which has become liable to forfeiture in the case of a private Bill; the release or compounding of sums due to the Crown; the repeal of an exemption from an existing duty, as the burthen of the duty is thereby augmented; the charge of certain payments upon the Civil Contingencies Funds; a proposal to repeal an existing drawback on the export of sugar, as it effected an increase of charge upon the importers who desired to export sugar; and a provision granting costs against the Crown or the revenue officers, and thereby imposing a public charge.

Several of the exemptions quoted above could apply to this Bill. I would like, however, to quote further from the same authority, which strengthens me in my ruling—

> Prior to 1875, it had been held that a proposal for the remission of statutory advances made by the Treasury did not come within the Standing Orders. This exemption no longer exists, as these advances are made recoverable by statute, as specialty debts due to the Crown.

The above quoted passage applies fully to the Bill now under consideration. I must therefore order the Bill to be withdrawn.

Dissent from Speaker's Ruling.

Mr. Boyle: I move—

> That the House dissents from the Speaker's ruling.

I cannot understand, after having carefully studied the incidence of the Bill, that it in any way affects the revenue of the State. I would agree with your ruling, Mr. Speaker, and would not have introduced a Bill of this description had I not taken particular precautions to safeguard the position. Mr. Speaker has stated that the Bill will mean a charge against the revenue of the State. As a matter of fact, the money affected by the Bill would represent the proceeds of farmers' crops. That is definitely laid down.

The Premier: But appropriated to what?

Mr. Boyle: After making provision respecting the statutory charges, such as interest and advances made under the Industries Assistance Act! Mr. Speaker's ruling would mean, if accepted, that the whole of the proceeds of a farmer when handed over to the Agricultural Bank would automatically become portion of the revenue of the State. That is precisely what the effect would be. It would mean that 7,600 farmers in Western Australia who are indebted to the Agricultural Bank would find, if Mr. Speaker's ruling were accepted, that the proceeds of their crops did not belong to them but, because they had secured advances from the Agricultural Bank or through the Industries Assistance Board, had been hypothecated to the State.

The Premier: That is a very distorted view!

Mr. Boyle: I do not think so. I consider that to be the effect of Mr. Speaker's ruling.

The Premier: Yes, in your opinion.

Mr. Boyle: It is not a matter of my opinion; that will be the effect. I will turn to May's "Parliamentary Practice" and refer the House to page 513 of the 13th edition. They will find that "May" definitely and distinctly lays it down that unless a definite charge is made upon the public revenue, the Standing Orders that operate naturally respecting such a procedure are not applicable. Wherein does this measure impose a charge upon the public revenue of the State? It cannot be said that the whole of the proceeds of a farmer under the Agricultural Bank are part of the finances of the State. If we were to accept that point of view and regard them as part of the finances of the State, why does not the Treasurer account for them in the Public Accounts?

The proceeds of the wool clip and the wheat crop from the 4,000 odd farmers under the Agricultural Bank, would represent an aggregate of several millions of pounds,

but never at any time, as far as I know, has that amount been taken into account by the Treasurer.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. Boyle: Before quoting further authorities in support of my argument, I think it is necessary to explain the two salient points of the Bill which you, Mr. Speaker, have ruled out of order. I wish to show that I took, as I thought, every precaution to avoid coming into conflict with the Chair, or doing anything contrary to the Constitution or the Standing Orders. The Agricultural Bank farmer is ruled by two particular Acts. One is the Agricultural Bank Act of 1934, which authorises advances to be made on capital account. In the matter of seasonal advances or sustenance, living expenses, etc., he comes under the provisions of Part II. of the Industries Assistance Act, which is not a revenue Act in any sense of the term, but one which enables borrowed money to be advanced to the farmer who must, in turn, repay it.

The Premier: It is Crown money diverted to that purpose.

Mr. Boyle: The moneys to which I refer are the advances made to farmers. My Bill safeguards the interests of the Government in that regard by providing for the repayment of those moneys which have been advanced for cropping, shearing, etc. The first exception I make to the provision of the percentage payments to farmers is shown in the right of the Commissioners to receive the amount of interest payable by the borrower for one year. I refer to Section 51 of the Act.

The second exception is as to the rights of the Commissioners to receive in each year the amount (if any) advanced by them under the provisions of the Industries Assistance Act, 1915-1940, to enable the borrower to grow and harvest the crops, shear the sheep and market the wool or wool clips of the borrower for that year (including therein the amount advanced to the borrower in that year for sustenance) together with the interest thereon at the prescribed rate. I made provision so that the Treasurer could not say he was being deprived of revenue. What I wish to do is to put up some line of demarcation to show where revenue ceases and the interests of the farmer begin. Under the law as it is today, the Industries Assistance Act makes provision for the farmer, having paid all those charges to which I have referred to be subject to all his proceeds going into the Industries Assistance sustenance account, although that money is not revenue.

The Premier: It is Crown money, whatever else you may call it.

Mr. Seward: I should like to see you prove it.

Mr. Speaker: Order!

Mr. Boyle: I am endeavouring to convince the Premier of the difference between revenue and proceeds. He says this is revenue.

The Premier: I did not say anything of the kind. I want that statement withdrawn. The member for Avon has a nasty habit of misrepresenting anything anyone says. I am not going to allow him to get away with that. His statement is entirely wrong, and I ask for a withdrawal.

Mr. Boyle: If the Premier thinks the statement is wrong, I withdraw it.

The Premier: It is wrong.

Mr. Boyle: If it is Crown money, it belongs to the Crown.

The Premier: Yes, if it is Crown money.

Mr. Boyle: If it is made up of farmers' proceeds, is it Crown money?

The Premier: Yes, it is Crown money.

Mr. Boyle: Then I maintain this is money which does not belong to the Crown.

The Premier: Where else do the farmers get it?

Mr. Boyle: They get it from the ground, from their own hard labour.

Mr. Speaker: Order! Will the hon. member address the Chair.

Mr. Boyle: Section 22E of the Industries Assistance Act lays down that——

> The board may cause the accounts of all settlers and other persons to whom advances have been made under Part II. of the principal Act to be balanced on a date to be fixed by the board, and may in its discretion permit the amount due on any such account to be repaid by instalments extending over a period of five years.
>
> During such period the proceeds of the crops of each season of every settler or other person as aforesaid may be distributed by the board in manner following:—
>
> (a) In payment of accrued interest and one-fifth of the liability of the settler or other person to the board, and the cost of bags for his wheat;

(b) By retaining and placing to the credit of the ordinary account of such settler or other person so much of such proceeds then remaining as the board may think fit to apply towards his operations during the then current or next following season, and in payment of his land rents, rates, taxes, and insurance premiums and other obligations mentioned in paragraph (c) of Section 9 of the principal Act.

I want to show that the farmer, even though he does observe the statutory payments, is subject under Section 22E, to having his proceeds placed in the Industries Assistance suspense account, where the money remains until wanted either by the Bank or the board in the making of further advances. My desire is to give to the farmer for his own use some portion of his proceeds. I wish now to quote from "May," 13th Edition, page 513, as follows:—

It was held, 30th June, 1857, that a Bill to repeal a section of the Superannuation Act that created a superannuation fund by means of annual deductions from official salaries, did not come within the scope of these standing orders, because, although the Bill effected a diminution of public income, it did not increase salaries or the public charge in respect to salaries.

On page 515 of the same edition of "May" I find the following:—

Other cases of procedure may be mentioned in which the recommendation of the Crown has not been held necessary, such as the transfer of certain charges from the Consolidated Fund to the supplies annually voted by Parliament, as no increased charge upon the people was effected.

The charge upon the public is not increased, because the money is not taken into revenue. Our own Constitution Act has something to say on the point. I refer to Section 64 of the Act of 1889-1899, as follows:—

All taxes, imposts, rates and duties and all territorial, casual and other revenues of the Crown (including royalties) from whatever source arising within the colony over which the Legislature has power of appropriation, shall form one Consolidated Revenue Fund to be appropriated to the public service of the colony in the manner and subject to the charges hereinafter mentioned.

Section 65 states——

The Consolidated Revenue Fund shall be permanently charged with all the costs, charges and expenses, being subject nevertheless to be reviewed and audited in such manner as is directed by the Audit Act, 1881, or as may from time to time be directed by an Act of the Legislature.

Section 68 states——

No part of the public revenue of the colony arising from any of the sources aforesaid shall be issued except in pursuance of warrants under the hand of the Governor directed to the Treasurer.

The Premier: We know all that. It has nothing to do with your case.

Mr. Boyle: I think it has. I am endeavouring to prove that my Bill makes no attempt to place a charge upon the revenue of the State. I contend that the proceeds of the farmer's work do not necessarily constitute revenue of the State, except so far as that is laid down under Statute.

The Premier: What about the proceeds that are derived as a result of the advance of Government money!

Mr. Boyle: I do not wish to prolong my remarks any further. I disagree with your ruling, Mr. Speaker, and point out that in "May" there are over 40 pages of authorities under which private members of the House of Commons have moved for the taking of certain sums. I ask the House to agree to my motion that your ruling, Mr. Speaker, be disagreed to.

Mr. Watts: I support the member for Avon (Mr. Boyle) in his motion to disagree with your ruling, Mr. Speaker. I realise, however, that you have given it only after careful consideration. It is possible that even the most careful consideration may not have led you to a complete understanding of the position. If we can assist the House to arrive at a better understanding than is apparent at present, I for one shall be glad to assist. Section 51 of the Agricultural Bank Act is the substantial section with which this Bill seeks to interfere. It provides that the lien or first charge which is created in favour of the Commissioners of the Agricultural Act is limited to a charge in respect of one year's interest. That is to be found in subparagraph (i) of Subsection 1 of Section 51. The charge which the Commissioners have is limited to one year's interest.

It cannot be said that that section gives the Commissioners the right in any sum other than one year's interest. It is expressly provided that where the interest exceeds the interest payable for one year the maximum charge for interest against the crops, wool,

or wool clips, livestock, or increase in progeny of any one season shall be in respect of one year's interest. The hon. member in bringing down his Bill seeks to give to the farmer the right to retain a certain percentage of the gross proceeds of the farm. He says that that right of retainer shall be subject to the right of the Commissioners to receive the amount of interest payable by the borrower for one year. He has made allowance for the amount of interest which Section 51 prescribes as being the maximum amount of interest which the bank can claim under its statutory lien. He goes further and provides that where any funds have been advanced to the farmer in that year to enable him to grow and harvest his crop and shear his sheep and market the wool, this right of retainer shall be subject to the claim of the Commissioners in that regard also.

So it seems to me that the member for Avon in bringing down the Bill has done nothing to interfere with the remedies to which the Bank, by virtue of the statute, is entitled. If the powers of the Bank go further than specified in the Act, if we are to believe that not only the amount of the statutory charge they are given by the Act is to be their particular purchase, but also all the volume of the farm, then this ruling, if it be a correct one, will go down to history as marking the day on which the farmers of this State became, as it were, villeins or serfs such as those who were known in the early days of English history and were abolished by our forefathers.

There would be no point in an Agricultural Bank farmer saying, with respect to any products of his farm, "This is mine because I produced it." Notwithstanding that the interest prescribed by the Act has been paid, notwithstanding that the amounts advanced for the carry-on have also been paid, still, if this ruling be as correct as you, Sir, believe it to be, then there is no part of the proceeds of the farm which the Agricultural Bank farmer can call his own. I think it will be highly regrettable if that should be the state of affairs which is going to exist if the House accepts the ruling which you have given this evening. I for one shall be sorry to believe that under the legislation which is upon our statute-book in the shape of the Agricultural Bank Act, for instance, such is the position which we have achieved, that in a free or allegedly free and enlightened community such as this the result of the Agricultural Bank Act, as will have been determined if this ruling be not disagreed with, is that every atom which the farmer produces, if he is an Agricultural Bank debtor, is money of the Crown.

I hope the House will not arrive at any such conclusion. I believe that the member for Avon has made very definite attempts to preserve in his Bill that to which the Agricultural Bank is entitled by its statute. We may not be prepared to say that the statute itself is all that it should be, but the fact remains that it is the law of the land and I submit that the hon. member has kept well within that law. As I have said, if there be more in this Bill than is required to preserve the rights of the Commissioners, if your ruling, Mr. Speaker, is to become the accepted position in regard to the transactions of Agricultural Bank debtors with the Commissioners and with the Crown whom the Commissioners represent, then our farmers in this State are indeed, if they have anything to do with the Agricultural Bank, in a parlous and unfortunate position.

Mr. Withers: They would be in a pretty parlous position without the Bank!

Mr. Watts: The member for Bunbury (Mr. Withers) chooses——

Mr. Speaker: The hon. member cannot discuss the member for Bunbury.

Mr. Watts: That hon. member has just interjected that the farmers would be more unfortunate without the Bank.

Mr. Speaker: The hon. member should take no notice of interruptions. They are highly disorderly.

Mr. Watts: Without reference to the member for Bunbury, may I say there is ample justification, if this ruling as I say is the right one, for an observation that I read in a recent article—

> Consider the Agricultural Bank Act as an avenue of escape.

It certainly provides no avenue of escape if this ruling be the correct one, for, as I have said, by your ruling, Sir, you have indicated to me that the whole of the proceeds of an Agricultural Bank farmer are the property of the Crown irrespective of whether he has paid the annual interest due under Section 51, or whether he has repaid the amount of the advance made to him for the purpose of carrying on the shearing of sheep and the rest of the matters mentioned in the Bill. I for one hope that

this House will not subscribe to placing the farmer in a position of that nature, which to my mind represents a return to the Dark Ages.

Hon. C. G. Latham: I was very sorry to hear the ruling you have given, Mr. Speaker. While I suppose no individual is infallible, and I dare say you will admit, Sir, that you are not infallible, I am most reluctant to allow the House, without some remarks, to go to a vote endorsing an opinion of the Speaker that may be wrong. After all, Speakers of the present day and in the past and in the future have made and will make mistakes. Parliament, however, is not entitled to make mistakes. Parliament is entitled to give due consideration to any rulings that may be given. Why should I believe, like you do, Sir, that the whole of the revenue which the Agricultural Bank holds as trust funds on behalf of its clients—because they are only trust funds from which the Bank is entitled to recoup itself certain moneys including interest—is Crown funds? I contend that after the interest has been paid or the Bank has recouped itself of the interest and any other charge due, the balance of the money belongs to the farmer.

If I correctly interpret the Bill of the member for Avon, then I understand him to say that from proceeds of the remaining portion there shall be paid over to the farmer certain sums of money. That is not interfering with Crown funds at all. They are only trust funds held by the Bank.

The Premier: Is not the Crown responsible for trust funds?

Hon. C. G. Latham: I do not say the Crown is not responsible for trust funds, but at the same time those trust funds are not the property of the Crown.

The Premier: Yes, they are!

Hon. C. G. Latham: No; they are not the property of the Government. If this Parliament says that the Crown has no right—I say it has no right—to hold trust funds without the desire and wish of the individual, as it is doing under Section 51 of the Act——

The Premier: These are Crown funds.

Hon. C. G. Latham: The Bank is holding money which is not Crown money under the Act, but the proceeds of the earnings of those individuals. If we accept your ruling, Mr. Speaker, then the Government must give most serious consideration to that piece of legislation which says to the farmer, "We are not going to make any provision whatever for your maintenance or your sustenance or your wages or anything else; but everything you earn must belong to us." That is bad law, and therefore I can hardly believe it to be the Government's intention that the provision should be read thus. I do not believe it. Does the Minister for Lands tell us that because a man is an Agricultural Bank farmer the whole of his interests are Government property? Will the Minister tell us, if that is so, that there is provision that there shall be certain advances to the farmer for his maintenance and his keep, and for the maintenance and keep of his wife and family? There is not any. That is the regrettable feature.

I have pointed out time after time that this House had no right to pass legislation which took into account the whole of the farmer's proceeds without making some provision for his requirements in the way of expenditure. That unfortunately is what the Act has done. Now, Sir, in your ruling you have said that the whole of this money, the whole of the earnings of a farmer if he happens to be an Agricultural Bank client, is the property of the Crown. Sir, I hope you have made a mistake. I cannot divert my thoughts from that direction, and therefore I am in duty bound to support the member for Avon. I hope the House will not make the mistake that I think you, Mr. Speaker, are making.

Mr. McDonald: The question now before the House has no reference to the merits or otherwise of the provisions of the Bill. It might, in our opinion, be the most desirable Bill in the word. We might be unanimously in favour of it. But if it was, in fact, without the compass of the Constitution Act in relation to the appropriation of revenues, then of course it would be the Speaker's duty to rule it out of order. If members, regarding the matter purely and simply as a question of constitutional right, thought the Speaker's ruling was right, it would be their duty to support the ruling.

So far as the Bill itself is concerned, it appears to me to be complementary to the measure which was introduced here and passed by this House last session, known as the Growers' Charge Act. For that reason, in support of the principle which the House adopted last year, I would be prepared to

give support to this Bill so that all farmers would be substantially on the same basis and so that there would not be one section having statutory rights to certain maintenance charges and another section having no such rights at all. As regards the Bill itself, I am sorry that the opportunity is not available to the House on your ruling, Sir, to debate it, and for it to be supported by members like myself who feel that logically it would be the part of this House to support a Bill which merely provides that a principle already adopted shall be operative in favour of another class.

I regret that in the time at our disposal we have no opportunity to look into the matter more carefully. I was not aware that the question was to be raised or that there would be a difficulty, and it is not easy to make up one's mind with certainty on a somewhat intricate question without even an opportunity to examine what is said by "May" or to follow up the authorities further. However, I am not prepared, Mr. Speaker, to dissent from your ruling. From my examination it appears to me that the ruling is probably correct. I have not had time to examine again the Agricultural Bank Act, but the Bill abrogates the Industries Assistance Act, and I have had a look at that Act. I do not propose to take up much of the time of the House, but I wish to mention that by that statute, when an advance is made to a farmer, it operates as an automatic mortgage and bill of sale of the lands, crops and chattels of the farmer. That being so, the crops and chattels and their proceeds are automatically transferred to the Industries Assistance Board. The legal property is transferred to the Industries Assistance Board, and the property in the proceeds of the chattels becomes the property of that board; in other words, the property of the Crown.

The Crown is entitled to retain the proceeds and pay, not only the interest but also the principal moneys advanced and the whole of the principal moneys advanced. People who buy the crops of a farmer under the Industries Assistance Board are required, under the Act, to pay the proceeds to the Treasurer or the board itself and not to the farmer. That is because the legal property in the proceeds has been transferred, by force of the Act, to the Industries Assistance Board or to the Crown. If there is a surplus from the proceeds of the assigned crops after the satisfaction of interest and all advances made for the purpose of putting in the crop, the Crown may, if it thinks fit, instead of retaining the proceeds of the crop to satisfy the whole of its debt—principal and interest—exercise a discretionary power to utilise some of the surplus money in the payment of other debts and liabilities of the farmer.

As far as I can see, the Industries Assistance Act is abrogated by the terms of this Bill to the extent that moneys which otherwise were Crown property could be demanded back by the farmer for his maintenance. It seems there would be an appropriation of moneys which belonged to the Crown. "May" says in the 13th Edition, page 508, that messages are required where it involves the release of sums due to the Crown. Even if the money had not become the property of the Crown but had just been due to the Crown, no part of the money could, apparently, be released without the Governor's message.

In India, as stated in "May," the same edition, at page 510, a similar rule appears to apply. A message is required where it is a case of compounding or relinquishing any debts due to, or other claims of, the Crown. If a message is required before a debt or part of a debt due to the Crown, or a claim of the Crown, can be relinquished, it seems to me, much as I regret the ruling or the terms of the Act, that a message would be required before part of the moneys which had become the property of the Crown by virtue of the Act could be relinquished.

I feel, therefore, after very hasty examination of the position, that I am not able to differ from your ruling, Mr. Speaker. I want to make it perfectly clear that I do so upon an examination of what is the only issue before the House—the requirements of the Constitution Act, and without any regard to the merits of the hon. member's Bill which, apart from this particular matter, I would support.

The Minister for Lands: I regret, Mr. Speaker, that your ruling is likely to prohibit a contribution from me on the merits of the Bill. I have given the matter sufficient thought to have submitted arguments which would have convinced the member for Avon (Mr. Boyle) and others that this Bill would not do what it purports, nor what he anticipates would be its effect. Since, however, this is a matter that should

be argued only on the technicality of whether the Bill is in order, or whether a message is required, I will remember to confine myself to points showing that a message is required for a Bill of this nature.

I was very interested in the remarks of the member for West Perth (Mr. McDonald) who is an eminent King's Counsel. I was interested when comparing his analysis with that given on the same technical point by another barrister in the person of the member for Katanning (Mr. Watts). The remarks of the member for Katanning made very clear what is his profession in life. He argued that Section 51 means very little. This much abused Section, 51, suddenly becomes of little importance; it merely gives to the Crown the right to take one year's interest. So that for Section 51 we find, from the member for Katanning, a new interpretation. This oppressive section, which has been the subject of much criticism, much debate, and many attempts to amend, is at last discovered in its true light and with its true merit. The hon. member ignored entirely the effect of this Bill on the rights of the Crown under the Industries Assistance Act, as also did the Leader of the Opposition.

Hon. C. G. Latham: I dealt with the Agricultural Bank clients.

The Minister for Lands: This Bill, introduced by the member for Avon, contains in Clause 2 beginning with the usual dragnet word "notwithstanding"—the words "notwithstanding any other provisions of this Act." That is the Agricultural Bank Act! It then states, "or the provisions of any other Act," and further on that same clause deals specifically with moneys advanced under the Industries Assistance Act.

Hon. C. G. Latham: Under which you have made provision for re-advancing.

The Minister for Lands: Under which Act advances are made of Crown moneys. They are collected and re-advanced.

Hon. C. G. Latham: You maintain the farmer.

The Minister for Lands: The Agricultural Bank Act confers on the Commissioners certain rights, and under its provisions they become an instrumentality of the Crown. Section 6 of the Act, which defines the powers and authorities of the Commissioners, gives to them, in their corporate name, the authority to enforce payment of moneys or security for money and to enforce payment of any moneys or securities for money in favour of the bank, or transfer to it, and all funds vested in the Finance and Development Board and vested in the Commissioners by virtue of the Act. Paragraph (c) of Section 6 of the Act gives to them all the rights and authorities conferred on the Industries Assistance Board under the Industries Assistance Act. In Section 15 of the Industries Assistance Act is found just what those authorities are in respect to moneys advanced. Members know full well what these authorities are and it is not necessary for me to recite them; and under that section of the Industries Assistance Act moneys are advanced.

Hon. C. G. Latham: This Bill would not apply to the Industries Assistance Act.

The Minister for Lands: It does.

Mr. Speaker: Order!

The Minister for Lands: I do not know whether the Leader of the Opposition has read the Bill. I gave him an opportunity to speak, and whether he continues to interject or not, does not matter. I will show him that this Bill does, under the preamble, which I quoted, interfere with the operations of the Industries Assistance Act. Paragraph (b) of Clause 2 of this Bill confers on the Commissioners the right to receive, in each year, the amounts advanced under the Industries Assistance Act for that year.

In his defence of the Bill, and his objection to your ruling, Mr. Speaker, the member for Avon showed an entirely different attitude from his objections the other evening on the motion for the adjournment, when he claimed that he did not have sufficient time to prepare his reply. I am very conscious that the hon. member knows that this Bill is out of order because tonight he was armed with a number of authorities in defence of the Bill and against your ruling.

Mr. Boyle: I had to get those authorities to understand my position.

The Minister for Lands: It is obvious that the hon. member had an idea that the Bill might be out of order. He is not, this time, taken on the spur of the moment. The moneys advanced to a farmer for sea-

sonal carrying on under the Industries Assistance Act, or Agricultural Bank Act, are the moneys involved in this Bill. Let us analyse what happens in the advances so that I can prove to the House that these are Crown moneys. This Bill arranges for the payment of the current year's interest. It arranges for one year's Industries Assistance Board advances, but that is not all the finance a farmer receives. These are not the only sources through which a farmer obtains advances from the Crown. The hon. member well knows that the general practice is to readvance refunds of interest to the farmer.

Mr. Boyle: It is his own money.

The Minister for Lands: It is Crown money.

Mr. Boyle: It is money that he has paid in.

The Minister for Lands: It is Crown money; the interest on loans. This Bill drives a wedge between the first two parts of the amount mentioned and the balance of the debt currently due. It defers payment of Crown moneys; it so defers them that they may never be paid.

Let us take an instance of money being advanced where there is a second mortgage on the property. The second mortgagee decides that he will not carry the farmer any longer. What happens? The Agricultural Bank advances without the consent of the second mortgagee because it is prepared to take the risk, if the farmer is a decent man, to enable him to get out of his difficulties. There is no chance under this Bill, until the farmer's charge is collected, of any recoupment of those moneys, and I remind the hon. member that if the moneys so advanced under a crop lien are not wholly paid in three years, they become an unsecured debt. So is it not depriving the Crown of money due to it? Then we have not merely current advances under the Industries Assistance Act but also an amount due under the Industries Assistance Act and overdue.

This, I repeat, drives a wedge between part of the money due to the Crown and the balance currently due to the Crown. The words in paragraph (b) of Clause 2 of the Bill, which have reference to wool and wool clips and money advanced under the Industries Assistance Act for shearing, mean nothing. It is all very well for the member for Avon to protest that in this clause he provides for money advanced to shear the sheep and market the wool for that year. The hon. member knows, or should know, that no money is advanced on industries assistance account for that purpose. So those words mean nothing. I merely wished to give those illustrations to show that, without any discrediting of the motive for the introduction of the Bill or of a desire of the hon. member to meet a position that he thinks exists, there is in this Bill an appropriation of moneys belonging to the Crown and payment which must be deferred to the Crown because of the incidence of the Bill.

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

Ayes	13
Noes	24
Majority against ..	11

AYES.

Mr. Berry	Mr. Sampson
Mr. Boyle	Mr. Thorn
Mrs. Cardell-Oliver	Mr. Warner
Mr. Hill	Mr. Watts
Mr. Kelly	Mr. Willmott
Mr. Latham	Mr. Seward
Mr. McLarty	*(Teller.)*

NOES.

Mr. Abbott	Mr. North
Mr. Coverley	Mr. Nulsen
Mr. Fox	Mr. Panton
Mr. Hawke	Mr. Rodoreda
Mr. J. Hegney	Mr. F. C. L. Smith
Mr. W. Hegney	Mr. Styants
Mr. Keenan	Mr. Tonkin
Mr. Leahy	Mr. Triat
Mr. Marshall	Mr. Willcock
Mr. McDonald	Mr. Wise
Mr. Millington	Mr. Withers
Mr. Needham	Mr. Cross
	(Teller.)

PAIRS.

AYES.	NOES.
Mr. Stubbs	Mr. Collier
Mr. J. H. Smith	Mr. Holman
Mr. Mann	Mr. Raphael
Mr. Doney	Mr. Wilson

Question thus negatived.

Bill ruled out.

BILL—INCOME TAX.

Returned from the Council without amendment.

BILL—INSPECTION OF MACHINERY ACT AMENDMENT.

Second Reading.

MR. WATTS (Katanning) [8.22] in moving the second reading said: This Bill has been received from another place. The

first proposal is to delete paragraph 7 from Section 4 of the Act. The paragraph includes in the list of machinery that is exempt from the operation of the Act machinery driven by oil or petrol engine not exceeding six horsepower and used exclusively by an agriculturist, pastoralist or pearler in pursuit of his calling as such. It is proposed to substitute a provision which will exempt internal combustion engines or those driven by electricity which are used exclusively by agriculturists, pastoralists, dairy-farmers, market gardeners, orchardists or pearlers in pursuit of their calling, and upon which no labour other than that of the owner is employed.

In order that the House may understand the exemption and in view of the last few words having reference to use by the owner only, it will be well to explain that those words were added in another place on the suggestion of the Minister who was dealing with the Bill in that House. The definition reads—

> "Owner" means and includes the person being the owner of any boiler or machinery, as also the hirer, bailee, or mortgagee in possession thereof, and any manager, engineer, overseer, foreman, agent, or person in charge or having the control or management of any boiler or machinery.

That explains the paragraph which it is proposed to insert in the Act in lieu of the one already there. When the Act was passed, the exemption contained therein in regard to engines up to six horse-power being exempt from the operation of the Act when used for agricultural purposes, was probably regarded as amply sufficient. Quite likely it was amply sufficient then. In the course of years machines of greater power than six horse-power have come to be used on farming properties and those of the various producing industries referred to in that part of the Bill.

Frequently tractors are used as stationary engines. Tractors, of course, are almost invariably of greater than six horse-power and on many farms today—although I do not say on all farms—a tractor is used as a stationary engine. In the present position of the Act, a tractor used as a stationary engine would not be within the exemption, and in consequence would be liable to inspection as is other machinery under the Act. It becomes apparent, therefore, that it would be impracticable for inspection to take place of all machinery of that type scattered over Western Australia. Even if it were desirable, it would be an intolerable position for the inspectors to find themselves in to have to go over a very large part of the State inspecting such machinery on farming and similar properties. So it is proposed that in lieu of the exemption which is now contained in the Act with regard to machines up to six horse-power, there should be a general exemption.

The need for some exemptions other than those actually contained in paragraph 7 of Section 4 of the Act has been realised from time to time. It must be borne in mind that under Section 14 the Governor-in-Council has certain powers of exemption and these, on one or two notable occasions, have been taken advantage of. In September, 1922, an Order-in-Council was gazetted which exempted the following machinery from the Act:—

> Electrical motors used exclusively by agriculturists, pastoralists, orchardists and dairymen, and used for irrigating or dairying purposes only, in pursuit of the owner's calling, upon which no labour other than that of the owner is employed and which are not used for driving circular saws, corn-crushers, refrigerating plants, ammonia compressors or other dangerous machinery.

It will be noted that the provision we seek to have adopted is almost similar to the first part of that Order-in-Council down to the words "upon which no labour other than that of the owner is employed." Members will therefore recognise that the proposal in the Bill is not an unreasonable one. There was another Order-in-Council in 1936 which exempted machinery with the exception of refrigerating machinery exceeding five ton capacity, or machinery driven other than by steam which is used on banana or pineapple plantations situate on the banks or within a distance of two miles from the banks of the Gascoyne River.

Thus it is plain that the Government from time to time has recognised the need for exemptions other than those contained in the Act, and it is not unreasonable for us now to ask that a general exemption in the same wide terms should be incorporated in the Act itself. It will be noted that the 6 h.p. provision is in the Act; but surely if it is because such machinery is dangerous that it should be open to inspection, the 7 h.p. machine would be no more dangerous than would be a 6 h.p. machine used upon a farm or in some other agricultural pursuit.

In short, horse-power alone should not be the criterion. What should be the governing factor is, what danger is there likely to be to persons other than those actually concerned in the running of the machine for the farmer's use?

The second amendment in the Bill relates to Section 53 of the Act. That section provides for the holding of certificates by persons who are employed or acting as drivers in charge of engines driven by steam or of any crane or hoist. It is proposed to add to that provision the words "or of any winding engine."

The Minister for Mines: What will the effect be?

Mr. WATTS: A certificate will, therefore, be required by any person who is in charge of a winding engine before he can act as the driver or person in charge thereof. The next amendment also relates to Section 53. The amendment proposes to strike out the words "or any internal combustion engine" in lines 1 and 2 of paragraph (a) of Subsection 3. The deletion of the words is necessary, because internal combustion engines used for agricultural purposes have been exempted by the preceding paragraph of the Bill. It is unnecessary longer to retain the reference in the section to which I have just referred.

The last amendment proposes to give power of inspection of power-driven lifts. It is alleged—and I believe it to be right—that at present no express authority is given by the Act for the inspection of lifts unless they are used in a manufacturing or industrial process. Those words will be found in the Second Schedule to the Act. It is clear to me, and I think it will be clear to the House, that the words do not apply to an ordinary lift in a building used for the carriage of passengers up and down. I am aware that such lifts are inspected, and properly so. I also believe, and I have been so advised, that there is no right whatever, so far as the Act is concerned, for such inspection to be enforced unless the lift is actually used in a manufacturing or industrial process. Those words seem to me to include a lift that is used as part of some concern engaged in manufacturing or engaged in industry as a part of the processes which are conducted by the people concerned, and cannot be said in any circumstances to cover a lift used simply for the carriage of passengers up and down. It is desirable that the powers of the inspectors should be clearly expressed, so that they may have authority to inspect such lifts. I am aware, as I have said, that such lifts are inspected, and properly so, but if at any time a person should object to such inspection being made, then I contend the inspector would have no right to proceed with it unless he had the authority which this Bill proposes to give him. So far as I can ascertain, there is no provision in the Act for the inspection of lifts unless they are used in a manufacturing or industrial process; and it is proposed to strike out the words "and used in any manufacturing or industrial process" in the Second Schedule. I move—

That the Bill be now read a second time.

THE MINISTER FOR MINES (Hon. A. H. Panton—Leederville) [8.36]: The Government does not propose to offer any opposition to the Bill. The interesting part about the measure is that, with the exception of one clause, all the other provisions were contained in two measures which were passed by this House and defeated in the Legislative Council on the second reading.

Hon. C. G. Latham: This is a sign of repentance!

The MINISTER FOR MINES: A Bill similar to this was introduced in another place last year. I opposed it for the reason that the Government was not prepared to accept one of the amendments unless the measure contained a provision that no labour would be employed on a machine other than that of the owner himself. I contended then, as I still contend, that such a provision is necessary in order to protect workers from unsafe machinery. The Bill provides that the owner may use the machine himself. I am not very much concerned about that, so long as he takes the risk himself. The Government and the department, however, object to the employment of persons on machines that are not subject to inspection.

I point out to the member for Katanning (Mr. Watts) that he has been misinformed as to one provision of the Bill, that relating to the insertion of the words "or of any winding engine" after the word "hoist" in Section 53. That is really not an alteration at all, because that section deals with certificated attendants. This Bill deals with inspection of machinery. Until such time as Section 53 (1) is amended to include the words "winding engine" no provision can

be made even for the training of drivers for electric winding engines. The Act was passed before the big electrical winding engines on the mines were brought into use. A Bill was introduced on two occasions to provide for the insertion of the words "winding engine" in the section I have mentioned, but in each case it was defeated. The department is anxious to assist in passing this measure so as to get at least a small crumb of what it endeavoured to obtain on two previous occasions. I do not oppose the second reading.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—MARKETING OF EGGS REGULATION.

Second Reading.

MR. CROSS (Canning) [8.41] in moving the second reading said: I dare say this Bill will be welcomed with open arms by the members of the Country Party.

Hon. C. G. Latham: There is some doubt about that.

Mr. SPEAKER: Order!

Mr. CROSS: I believe that when they have examined it thoroughly they will welcome it. I think I shall be in the unique position of being congratulated by members on the benches opposite for bringing down a Bill to help this section of the primary producers.

Mr. Sampson: A nice change for you!

Mr. CROSS: Quite candidly, Mr. Speaker, I have been interested in this industry. I have also been interested in the measures that have been introduced in this Chamber from time to time dealing with the egg industry, especially the marketing of eggs. I supported the previous Bill, which provided for an acquisition scheme that has proved to be unsatisfactory. I am anxious, as I think I shall make plain, to secure justice for this section of the producers. They must remain on their holdings seven days a week and every week of the year, and therefore I consider they are entitled at least to a payable price for their product and an opportunity to secure a scheme for its orderly marketing similar to those in other industries. All parties engaged in the industry are agreed that the present Marketing of Eggs Act is unsatisfactory; indeed, some sections of the industry assert that it is useless.

Numerous conferences have been held between various sections of the industry and between commercial poultry farmers and the poultry section of the primary producers. These have all arrived at the conclusion that the present legislation should be repealed or drastically amended in their interests. I was requested by a number of the producers to bring down this Bill. I have discussed it with quite a number of producers and even with dealers and retailers, and there was no dearth of people anxious to give me every assistance in producing a workable Bill. I have not been able to attend as many meetings as they desired, but have met certain of their wishes and gone as far as I could to introduce a measure which I think members opposite, when they have looked into it, will consider to be of benefit to the industry.

Mr. Seward: We have picked out a few snags already!

Mr. CROSS: Knowing that drastic amendments would make it difficult for members to follow the position, I thought it best to repeal the present Marketing of Eggs Act and the Bill makes provision for that. I have induced a number of producers to set down in writing their wishes in connection with the Bill, and I think that members will find that it reveals a genuine attempt to place the marketing of eggs on a basis that will prove satisfactory both to producers and consumers. I gave close consideration to the matter in order that the Bill, when it becomes an Act, will not cause friction and dissatisfaction between the various interests in the industry.

Some poultry producers desire that everybody who keeps poultry should be registered and want every shop and retailer of eggs to be registered and licensed. It will be evident to members that such provisions would raise a storm of protest and dissatisfaction not only amongst thousands of small shopkeepers in the State who sell only a few dozen eggs per week—and many do so merely for the convenience of customers—but also amongst many so-called back-yard poultry keepers who have a few fowls which they keep in order to obtain eggs for home use. In the preparation of the Bill care has

been exercised not to interfere with the rights of people who desire to maintain a few poultry in order to have eggs for their own use and who may have an occasional dozen for sale.

Mr. Sampson: You are going to open the doors to——

Mr. CROSS: Let the hon. member wait until I have explained the measure. I am not going to open any doors. When the Bill is in operation private people who have only a few fowls will have the right to keep them and will not be affected. There are a number of old-age pensioners, some in the electorate of the member for Swan (Mr. Sampson) who have 50 or 60 fowls and augment their small pensions by selling a few dozen eggs per week. They will not be affected by the Bill. The producers will still be able to sell to the shops and they will still be able to sell them direct to the consumers. The Bill provides that all small producers of eggs, or those who do not sell through licensed dealers or retailers, will not in any way be affected. Neither will the small shops and retailers; they will not be required to alter their present trading methods.

The Minister for Mines: Will they not have to take out a license?

Mr. CROSS: No. It is evident that if all those who own poultry or all shopkeepers had to be registered, the policing of the Act would be impossible except at great cost to the industry. I consider that the industry has sufficient difficulties already without having imposed on it a system entailing a tremendous amount of money to police it. The main object underlying the introduction of the Bill is the prevention of wide and violent fluctuations in the weekly and even the daily prices of eggs. Such fluctuations were known to take place until recently and occurred on the local market. During 1939-40 the price of eggs varied as much as 7d. a dozen in the course of a few days and during the export season, when speculation in eggs which were to be exported was engaged in, prices fell as low as 8d. a dozen compared with an export price of approximately 1s.

The fluctuations in price were caused by surplus eggs arriving on the market, all of which were not required for immediate consumption. In practice, it has been found that a very small surplus has enabled speculators to depress the market by many pence per dozen, with a view to profiteering from the sale of those cheap eggs at a later period during a temporary shortage. Speculation has occurred at the expense of the consumer and the producer. The Bill is designed to prevent that. In 1939, when eggs were sold by auction, the market was depressed by a surplus of only a few cases of eggs. The fall of the market price was approximately 5d. a dozen for some thousands of cases of eggs under offer. The Bill proposes to enable such small surpluses to be removed from the market, thereby stabilising the price and enabling both producers and retailers to avoid unwarranted losses.

During the last two years, particularly since February, 1940, efforts have been made to remove surpluses from the market by the operation of a voluntary stabilisation committee. This committee is composed of members of producers' organisations, dealers and some exporters, and although the scope of such a voluntary organisation was, and even now is, limited its efforts have resulted in a considerable evening up of prices during the past year. It is recognised, however, that this voluntary scheme might break down. There may be some disagreement among the committee or the producers or the dealers, and particularly those dealers who have to deal with export eggs. Those who deal with export eggs are anxious that statutory powers should be given to the committee to continue its activities. After very careful inquiry amongst the various interests concerned in the industry, I believe that to provide such powers would be in the best interests of the primary producers.

A method by which such an evening up of prices could be effected would be by a guaranteed price for eggs to be arranged for in respect of any eggs that the merchant may have under-sold at the end of a specified trading period. In actual practice the end of the usual trading period in the egg industry is weak. Under the Bill the board would not acquire any surplus eggs under the existing Marketing of Eggs Act but would guarantee to pay to the merchant the difference between the stabilised price fixed by the committee and the price at which the eggs might eventually be disposed of. As an instance, I would point out that if at the time of the surplus the stabilised price were 16d. per dozen, the producer would receive 16d. per dozen for all eggs delivered to

licensed receivers, irrespective of whether they were actually sold at that price or not. If the eggs were sold at that price some time later—say seven or 14 days—at 14d. per dozen, the receiver would receive a sum of 2d. per dozen from the board. This would be paid from a fund built up by the stabilisation collections provided by the producers.

Mr. Sampson: Can the payment of that be insisted on?

Mr. CROSS: Yes, under this measure. Conversely, should the eggs be eventually disposed of at an increased or higher rate than the stabilised price, the egg receiver would pay the difference to the board and it would be placed in the stabilisation fund. It is considered that this method will effectively prevent speculators from profiteering by the existence of a small surplus, and will place the egg producer and the receiver in a position where they will be able to plan their business with a degree of certainty.

As a result of the activities of the voluntary egg stabilisation committee, the auctioning of eggs has been discontinued altogether and receivers now pay producers direct the stabilised price for their eggs. The producer knows he is protected by the committee from subsequent loss. Thus it will be realised that some fund must be created from which stabilisation advances can be made, and it is because of the difficulties that may occur in regard to collections for the fund that statutory powers are desired. The mechanism by which the operations of the board and also the contributions to this stabilisation fund are to be implemented, is actually extremely simple. It only requires that dealers who are defined in the Bill and certain large retailers shall be licensed. Those operators who are at present acting voluntarily will be the channel through which the collection of contributions will be made, and there will be no necessity for a large army of inspectors to police the regulations that will be promulgated. We believe that the cost to the industry of such a scheme will not necessarily be large—I shall take good care that it will not be—and certainly if there were to be a very expensive system, the cost to the industry would be more than it could afford.

Mr. Seward: What do you say will be approximately the cost?

Mr. CROSS: Not more than £2,000 a year.

Hon. N. Keenan: To the consumers?

Mr. CROSS: That is what it will cost.

Mr. Sampson: What control will be exercised?

Mr. CROSS: I gave an illustration earlier regarding the position affecting a few thousand cases of eggs, when the price was forced down to 8d. a dozen by some speculator at a time when there was only a very small surplus. Had the egg position been stabilised at that time under the present proposed system, in that one week over £347 would have been saved to the producers. To put this scheme for orderly marketing into effect the Bill provides that the Governor can, when requested by 50 producers, issue a proclamation fixing the date on which a poll can be taken to elect the members of the board. Under the Bill a board of five is suggested. Two of the members will be elective and will be the representatives of the producers. In addition they must themselves be producers. The other three are to be appointed by the Governor.

Mr. Seward: Anyhow, that is no good!

Mr. CROSS: One of the three additional members will be the representative of the consumers; one will represent the Agricultural Department and the other will be the chairman. The board will be a body corporate and will have a common seal and perpetual succession. It will have power to sue and may be sued. It will be able to hold personal or real property in the name of the board. It will not represent the Crown in any way. It will have power to make regulations, and to appoint officers who will be paid out of its funds. It will have power to grant licenses to dealers and retailers, and to license suitable storage places. It will also have power to refuse or cancel licenses. With regard to the last-mentioned power, I have taken into consideration some of the statements made by the Leader of the Opposition respecting such cancellation. I have therefore provided that when the board cancels a license and the individual concerned is dissatisfied, he will have the right of appeal to a magistrate.

The Minister for Lands: How do you propose to control the producers?

Mr. CROSS: They do not require to be controlled.

The Minister for Lands: What are they going to do with their products?

Mr. CROSS: Sell them if they so desire. I will deal with that phase later on. Reverting to the question of inspectors, the Bill provides that the Minister may authorise inspectors to do the work of the board but when doing such work the inspectors will be under the control of the Agricultural Department. The board will have power to require returns to be furnished.

The Minister for Lands: Are you sure that the Bill does not involve the appropriation of a grant of money?

Mr. CROSS: No, not with the board that is to be constituted. Actually the functions of the board are to regulate and organise the orderly sale and distribution of eggs, together with the storage of eggs in suitable places; to issue and cancel licenses and to define the functions, authorities and duties of inspectors. In the last-mentioned respect the Bill makes provision in a most definite manner that the inspectors operating on behalf of the board will not be in a position to over-ride inspectors appointed under the Health Act. The board will also have the power during glut periods to order eggs to be stored or to be removed from store. If eggs are removed from store and sold at a low price, compensation will be paid to the producers from the stabilisation fund.

Mr. Sampson: And a private member can do all this!

Mr. CROSS: Where eggs are sold at increased prices, the difference will have to be paid into the fund. Thus, losses in storage or through sales at under-value prices will be paid by the board from the stabilisation fund. That fund will be operated through a separate account, and dealers and retailers will make monthly cash payments in respect of eggs sold during the month. But they will not be required to pay more than 25 per cent. of their gross proceeds into the stabilisation fund. This money will be deducted from the purchase price paid. I repeat that the maximum amount that can be charged for the stabilisation fund is 25 per cent. of the gross proceeds. When contributions are necessary, it will be noted that the producer must receive at least the value of his contribution in return. Experience in connection with other stabilisation funds, particularly under the Dairy Marketing Act, demonstrates that producers receive returns representing several times the value of the contributions made during the period of surplus, by reason of the higher prices maintained through such period of surplus.

An example of that is to be found in the financial returns which were obtained regarding surplus eggs stored voluntarily from the 3rd March to the 10th April of this year. During that period 1,421 cases of eggs of the 42,630 dozen were stored. The cost was £377 19s. 3d., which worked out at 1.112d. per dozen, or a very small fraction over 1d. per dozen. The cost of the storage would be paid, according to the provisions of the Bill, from the stabilisation fund created as a result of contributions received from the producers. Those eggs were ultimately removed from storage and sold at full market rate over a period of five weeks. Assuming that this surplus had not been relieved each week, and prices had been reduced by only 2d. a dozen, which is less than past experience suggests would have resulted, the industry would have derived a benefit of £1,352 as a result of cost of storage approximating £377.

The Bill defines poultry as being fowls and ducks. It also defines eggs and includes egg pulp as well as eggs in liquid or in powdered form. A producer is defined as a person who keeps poultry on his property with a view to making a profit by sale of eggs or any of the egg products. The Bill defines a producer as a person who keeps more than 150 head of female poultry.

Only producers possessing 150 head of fowls will be entitled to vote in the election for the board. The small farmers throughout the country districts will not be affected. That will overcome the difficulty that has arisen regarding the licensing of every person who happens to have a few head of poultry. Then again the Bill sets out that a retailer shall be a person who sells retail more than 300 dozen eggs per week, while a dealer means any person who purchases or receives eggs for the purpose of re-sale wholesale or sale wholesale. It will be noticed that under this definition only four or five firms will be included. This measure has been well thought out.

Mr. Sampson: What makes you say that?

Mr. CROSS: With regard to the income of the board and the cost of running it, dealers and retailers will contribute towards the expenditure in carrying out the board's functions. I have already pointed out that

the retailers who will pay are those defined as such in the Bill. That means to say the smaller shops will not be affected at all. The amount to be paid by each dealer or retailer annually will be fixed by the board on the basis of its estimated expenditure. The Bill provides a maximum. Producers and dealers wanted a higher percentage than the measure stipulates. They wanted at least 2 per cent. The Bill, however, permits only 1 per cent. on gross proceeds taken on a declared market value per dozen of eggs, which it is anticipated will approximate one-eighth of one per cent. One per cent. is the limit that will be permitted for expenditure by the board in the carrying out of its functions.

The Bill also guards against unduly high salaries being paid to members of the board. The maximum amount permitted to be paid to the chairman is two guineas per meeting. Other members will receive a maximum of one guinea per meeting.

Hon. C. G. Latham: Plus travelling expenses?

Mr. CROSS: Yes. They will be allowed travelling expenses such as fares, and also out-of-pocket expenses. A man coming to Perth from York could not be expected to meet out-of-pocket expenses from his guinea.

Mr. Sampson: Will the board be limited to one meeting per day?

Mr. CROSS: The expenses of the poll to be taken will be borne by the 50 people or more who petition the Governor-in-Council to hold a poll. The measure further provides that the board's books must be audited and shall be open to the inspection of the Auditor-General or of any person appointed by him to examine them. When the board comes into existence, there shall be vested in it all the assets, funds and securities at present held by the Voluntary Stabilisation Egg Committee.

It might not be desirable to apply the measure to the whole of the State. If so, the Governor-in-Council, on the recommendation of the Minister, may by proclamation exempt any part of the State from its operations. Producers and dealers consider the proposals of the Bill workable, and are convinced that they will prove of advantage to the industry.

Hon. C. G. Latham: Who drafted the Bill?

Mr. CROSS: The benefits would be greater because the market price would be maintained as regards all eggs produced and sold direct by small producers and others who did not contribute directly to the stabilisation fund. Under the Bill they will not be called upon to do that. My belief is that there will not be much friction. Close inquiry shows that in spite of letting people out—not registering them under the measure at all—the major portion of the eggs go to a very few dealers and retailers. It is astounding to learn how few firms sell as many as 100 dozen eggs per week. In fact, the number of firms selling that quantity or more weekly in Perth is only about five. The licensing of those five firms will make it very easy to administer the Bill. The board will have power to make regulations.

This Bill will not achieve the greatest object I have in view. What I have been wanting to do for years is to obtain a guaranteed egg—not more than a few days old. It is not a workable proposition to mark an egg with the date on which it was laid. I hope that when the Bill becomes an Act the board's marketing regulations will prevent shopkeepers from displaying eggs in the window. Recently I saw in a shop window in Victoria Park a display of eggs; the heat sends eggs bad very quickly. Eggs should not be permitted to be displayed in windows at all. The board could make a regulation to that effect. The Bill will prove a benefit to the industry, which needs to be benefited. Those engaged in it are agreed upon what they want.

Mr. McDonald: Does the Bill cover election eggs?

Mr. CROSS: All kinds of eggs. I have already brought down a few Bills, but to not one of them have I given as much consideration as I have bestowed on this one. It represents a genuine attempt to assist an industry which I believe should be assisted. I hope members will give it favourable and careful consideration, and I have pleasure in moving—

That the Bill be now read a second time.

On motion by the Minister for Lands, debate adjourned.

BILL—LAW REFORM (MISCELLANEOUS PROVISIONS).

Second Reading.

MR. McDONALD (West Perth) [9.25] in moving the second reading said: This is rather a technical Bill, but it deals with broad human relations, and for that reason I feel sure it will interest the House. In England during the last 10 or 15 years a great deal has been done to reform the common law; that is, the law which has been built up on decisions of the courts and is not the subject of statutes. They have in England, I believe, in the House of Commons a committee known as the Statute Law Revision Committee, which deals with anomalies in statute law; but in addition to that committee there have in recent years been set up Law Reform Committees to inquire into those branches of the law not the subject of statute, which have become archaic and are unsuitable for modern times. As a result of the labours of these Law Reform Committees, two Law Reform Bills were passed by the House of Commons in 1934 and 1935. The Bill now before the Chamber is taken verbatim from provisions in those Acts of the House of Commons in 1934 and 1935, with two exceptions, and those exceptions do not deal with fundamental matters.

Some provisions of this Bill may be open to difference of opinion. There is one provision in particular to which I myself am not entirely wedded. Indeed, I think there is a good deal to be said against it. The Bill refers to the term "tort feasors." I wish to explain that that is only the technical term for wrongdoers. I might have replaced the expression "tort feasors" by "wrongdoers," because I am somewhat in sympathy with the member for Murchison (Mr. Marshall) in his desire for ordinary language in statutes. This Bill, however, will not be read by the public; and I have therefore retained the term "tort feasors," which is well known to lawyers, in the same way as technical terms like "stopes" and "winzes" are familiar to mining men.

The Bill is divided into four parts. The first part deals with the liability of the husband for torts or wrongs committed by his wife. The most familiar wrong or tort in these modern days is that of a motor driver who is negligent and runs into another vehicle or a pedestrian; but of course there are other wrongs or torts, such as libel and slander, assault, and what is called nuisance, where for example somebody puts up an offensive trade next to a dwelling house and makes the occupation of that dwelling house very difficult for the inmates. All those are technically wrongs; that is to say, they are injuries for which redress can be obtained by a suit in a civil court. Some wrongs are also criminal offences, such as assaults. Even negligence on the part of a motorist may be a criminal offence as well as a wrong if it is so reckless that the injured person is killed. But the negligence on the part of the motorist by which somebody is injured, but which is not reckless, is not a criminal offence but still amounts to a civil wrong.

At the present time a husband is liable for any wrongs committed by his wife. If she is driving his motor car for her own purposes and runs down a pedestrian, then that pedestrian can sue both the husband and the wife. That rule is a very ancient one. It is based upon historic conditions. In the very early days on marriage the wife's property substantially became the property of her husband, and the courts in those days held, quite reasonably, that if the husband took, by virtue of his marriage, his wife's property, then he should also undertake any liability she might incur. That is the origin of the rule, and it has continued right down the centuries, although by the Married Women's Property Act, passed some 50 years ago, a married woman is now in the same position as a man so far as holding property is concerned; and the husband now has no rights in property which belongs to his wife.

Mr. Marshall: He has all the liabilities and no benefits.

Mr. McDONALD: That is so. This liability still remains. If the wife should use defamatory words amounting to libel or slander, the husband would be liable equally with the wife to any person who seeks to recover damages for the defamation. In England that position has been altered by a statute. The husband's liability for the wife's wrongs has been abolished.

An argument of some weight might be raised against this amendment to the law —even though it has been adopted in England—in the case of a wrong committed by the wife who is not insured and who by driving negligently injures a pedestrian to such an extent that he loses, say, his leg. If

that is the case, and she has no property of her own, it leaves the pedestrian in the position of not being able to recover any compensation or damages from the wife, until such time as the husband dies and leaves her part of his estate; but in the meantime the injured person may have died. It may be suggested that there is some argument for the husband being liable in those circumstances. On the other hand, if the husband does his duty and takes out an insurance policy, there will be a fund available to compensate any person injured by the driver of the car. Again, with, as I expect there will be shortly, compulsory third-party insurance, every car, whether driven by the husband or the wife, or anybody else, will be adequately insured, and any person injured will be certain to recover suitable compensation for the negligence occasioning the injury.

That, shortly, describes the first part of the Bill. It is not retrospective, but it provides that the rule of law whereby the husband is liable for his wife's wrongs shall be abolished, and she shall be solely liable.

Mr. Marshall: A genuine effort for the equality of the sexes!

Mr. McDONALD: Yes. The second part of the Bill deals also with wrongs, or torts, and I might best explain it by means of an illustration. The present rule of law is that if two people are jointly concerned in the commission of a wrong, each person so concerned is liable to the person injured. The person injured may sue either of them, or he may sue both. If there are three, or more, he may sue the whole three or more. If, however, one of the persons concerned in the commission of the wrong is compelled to pay the damages to the person injured, the person who pays the damages cannot recover any contribution from his colleagues concerned in the commission of the crime.

The illustration is this, and it not uncommonly happens: Two motor cars meet at an intersection and collide. They have been driven negligently. One car after the collision runs across the road, mounts the footpath and severely injures a pedestrian. In the illustration I have mentioned, the injury is due to the negligence of both drivers, and the pedestrian can sue the two if he likes. If he gets judgment against them for the amount of, say, £1,000, he may recover that £1,000 from driver A., who may be compelled to pay it, and in which case driver A. is not able to recover any compensation from driver B. He is left to carry the whole burden. The object of this part of the Act is to alter that state of affairs and provide that where two or more persons are jointly responsible for the commission of a wrong, as in the illustration I have just given, and one pays, he may recover from the others, who are equally concerned in the commission of the wrong, a fair contribution according to their responsibilities for the injury.

The Premier: Would he have to take action to establish his right, or can the court, of its own motion, do it?

Mr. McDONALD: Both. Under this part of the Act, if the injured person sues both the negligent drivers, the court has power, on the hearing, and having decided that both are negligent, to apportion between the two wrongdoers the amount of damages to be paid. This portion is adopted verbatim from the English Act, and what the court does is this: A. and B. are found to be negligent in causing damage to the plaintiff. The damage suffered by the plaintiff is assessed at, say, £1,000. The judge considers the circumstances, and decides that the negligence of A. is such that he is almost entirely to blame, and that although B. is negligent he is very little to blame. Therefore, the same principle would be adopted as in a case decided not very long ago, where the judge determined that one of the defendants should pay nine-tenths and the other one-tenth of the damages. If, however, the injured person only sues one of the wrongdoers where two or more have committed the wrong causing the injury, and recovers damages from that one, then the one who has paid the damages can, by a separate suit, go before the court and recover from the other party his fair share of the damages. Members will agree that this reform is a proper one.

The Premier: If one negligent party is sued, can he bring into those proceedings the other party?

Mr. McDONALD: The Premier, in his long association with the Crown Law Department, must have absorbed quite a lot of law. In the circumstances I have mentioned, where two car drivers were guilty of negligence and injured a third party who sued one of the persons responsible for the injury, then the party sued could bring into the same proceedings the other party, and

so ensure that the court would in those proceedings apportion the damages between the wrongdoers according to their respective responsibilities.

In a case of this kind it may be that the two motor cars collide at an intersection, and one continues on, mounts the footpath and injures a pedestrian. Although the drivers of both cars are held to be negligent, it may be that one driver approached the intersection very carefully, say, at 12 miles an hour, and thought the intersection was clear, but failed to give a necessary traffic signal, or failed in some other manner to exercise a proper degree of prudence. The other driver may have come hurtling down to the intersection at 50 or 60 miles per hour regardless of human life or other traffic. In such a case, the judge would decide that the negligence of the first driver was comparatively slight and order him to pay only a small part of the damages and the other driver a very substantial part.

That is the object of the second part of this Bill. It provides that if one of two or more wrongdoers is compelled to pay the whole of the damages, or more than his share, he may recover from the other wrongdoer or wrongdoers the part which he or they should pay; and it provides that if two or more wrongdoers are brought before the court, the court may apportion the damages between the various wrongdoers according to their responsibility for the damages suffered by the plaintiff. None of these provisions is retrospective; they do not affect the criminal law. I think I have sufficiently explained the second part of the Bill dealing with the case where a wrong is done to a person by two or more people who are jointly responsible.

The third part of the Bill is somewhat more difficult. If I may again use an illustration, let me take the case of a motor driver who, by negligent driving, injures a pedestrian. Assume that they both live and the pedestrian loses his leg. He may then sue the negligent motor driver and recover the loss of wages, perhaps a year's wages, £200 or £300; he may recover medical and hospital expenses, damages for pain and suffering and damages for the disability he suffered through the loss of his leg for the rest of his life. He might quite easily recover £1,000 from the negligent motorist as special and general damages. That would be in a case where both the injured person and the wrongdoer live.

Take the case of a wrongdoer, the negligent motorist, dying before the injured party can obtain judgment against him. In that case, by a very old rule of law, the injured party loses all his rights. An axiom of law is that the personal action dies with the death of either of the parties in a case of this kind. Although the injured person may have suffered a loss equivalent to £1,000, if by ill-luck the negligent motorist dies before the injured person can obtain judgment or payment of damages, the injured person has no remedy at all. That is one aspect.

Now take the other aspect where the injured person himself dies before he obtains judgment or damages. In that case he again loses all his rights. He may have lost wages for a year; he may have paid £200 or £300 in hospital and medical expenses and, quite apart from the pain and suffering and the fact that the injury killed him in the end, he or his estate would have no rights at all against the negligent motorist. In other words, it is better to kill than to maim a pedestrian.

The third part of the Bill abolishes this ancient rule of law. If the negligent motorist dies, the injured person retains his right to recover from the wrong-doer's estate damages for his injury if the estate is able to pay. This third part of the Bill, also abolishing the ancient rule of law, provides that if an injured person dies, his executor or administrator can pursue the remedy against the negligent person who occasioned the injury.

Mr. Needham: Does that obtain now?

Mr. McDONALD: No. This requires a little explanation, because it involves a new principle of law and has been the subject of a fair amount of discussion before the English courts. If the injured person dies the executor or administrator would be able to recover under the Bill the amount which the injured person had paid in hospital and medical expenses and the amount he had lost in wages in exactly the same way as the injured person could have done had he remained alive. But, in addition to the preservation of these rights, the executor or administrator of the injured person who has died may recover from the wrong-doer damages for the loss of his expectation of life.

The Premier: Would that not be the law now? In New South Wales, if a man gets killed, his dependants can sue.

Mr. McDONALD: That is another matter. If the man who is injured does not die, he can recover from the wrong-doer damages for the disability he has sustained for the loss of his leg, for the loss of health and substantial damages. If he does die, his estate could not get any damages under those heads.

By this Bill, and by the English Law Reform Act, the theory is that just before his death, there accrues to the injured person a cause of action against the wrongdoer for damages for the loss of his expectation of life. That right of action against the wrong-doer for compensation for the loss of expectation of life of the person killed survives to his estate. In the illustration I mentioned if the person who, living, could have recovered £1,000, had been killed by the accident, then instead of the estate getting nothing, it would get at least £1,000 that the man would have been able to recover had he remained alive. In fact, his estate would have got more, because instead of losing his leg he lost his life by the accident. What the estate gets goes to meet any liabilities the deceased person had, and goes as part of his estate under his will or to his next of kin. It is not, under this Bill, in the case of all wrongs that the action survives in the event of death. There are certain exceptions where the action does not survive. That is set out in the Bill, the exceptions being where the wrong is defamation, or damages for seduction, or damages for adultery under the Supreme Court Act incorporating the Divorce Act.

The Premier mentioned that there had always been a right of action notwithstanding the death of the person injured. That is true to a certain extent. There always has been, under a very old Act which we took from England, called the Fatal Accidents Act, a right of action by the dependants of the person who has been killed by somebody's negligence to recover compensation for the loss of the benefits which they might reasonably have expected to derive from the person who was killed if he had remained alive. So that if a husband, for example, is killed by somebody's negligent act, then the wife and children can sue the wrongdoer and recover damages equivalent to what they might have expected to receive if the husband had remained alive and had been in a position to help them. That remedy is still conferred; it is not affected at all.

The remedy which is now given by this Bill, under which the wrongdoer can be compelled to pay damages for loss of expectation of life, and for medical expenses, hospital expenses, and loss of wages which the injured person suffered before his death, is in addition to the remedy which already exists in favour of the dependants of a person who has been killed by somebody else's wrongful act. But the decisions of the courts interpreting this legislation have safeguarded the position by saying that there is no duplication of damages as against the wrongdoer. He does not have to pay twice, because the old remedy of dependants is still preserved.

I have dealt with the third part of the Bill. I now come to the fourth part, which I am afraid is again rather technical. By an ancient law called the Perpetuities Act the courts have endeavoured to see that property is not tied up. The policy of the courts, quite apart from legislation, has been that it is against the public interest that a man should tie up his property by a will or by deed so that people could not deal with it for an indefinite period of time.

The Premier: Was that the law of entail?

Mr. McDONALD: The law of entail was an attempt to tie up, but that has been broken down to a great extent. On the other hand, the law called the rule against perpetuities is this, that property cannot be tied up by deed or by will for a longer period than named existing lives and 21 years afterwards. For illustration, a man may have a farm—we will suppose, a very profitable farm. He may make a deed and provide that his son James shall enjoy the income of that farm for his life, and that after James's death the whole property in that farm, the full fee simple, shall go to such of James's children as attain the age of 21 years. That is a valid disposition.

Under the rule against perpetuities it is within an existing life, that of the son, and 21 years afterwards, until the grandchildren become of age. The property will then have fallen into the hands of people who will have complete disposition over it—namely, the grandchildren. But supposing in that case the provision had been that the son should have the income of the property for his life and that after his death it should go to such of his children—that is, the son's

children—as attained the age of 25 years, then that would offend against the rule against perpetuities; and after the death of the son the disposition to his son's children of 25 years would be completely void.

If, as is not infrequently the case, provision is made by a will which offends against the rule against perpetuities, then the provision which seeks to extend the tying up of the property beyond the stipulated period is quite void, and the property instead of going as the testator intended, either falls into the residuary estate and goes to other people or else goes, as if there had been no will at all, to his heirs. That has been altered in England, and it is provided there that where the disposition exceeds the prescribed period but would have been quite good if the period had been 21 years instead of a longer period, then it shall be deemed that the figures "21" had been inserted instead of the other figures which protracted the vesting of the property beyond the period allowed by law.

In other words, if "25" or "40," as the case may be, is the date at which the people are to take the property, then under this legislation the court strikes out "25" or "40" and substitutes "21," and makes the provision perfectly good. This is the provision which has been for some years in English legislation, and it is, I assure the House, a very desirable law, and one which will not only save litigation but also will prevent the wishes of testators from going astray, as they do sometimes even with wills made by quite skilful advisers. None of these provisions are retrospective in their operation. They do not alter statute law. They alter the common law. They deal with very ancient rules which may probably have outlived their time.

I introduced early in the session a Bill in which I intended to deal with contribution between joint tort feasors and the rule against perpetuities. I found that the Law Reform Committee of the Law Society of Western Australia had been busy on the same lines, and had also prepared a Bill which included those parts dealing with the liability of the husband for his wife's tort, and that part which deals with the survival of an action in case of death. So, with the Bill of the Law Society I incorporated my previous Bill into this measure. I would like to commend the members of the Law Society, and in particular the members of the Law Reform Committees, for their interest in the improvement of the general laws of our country; and I hope that their labours will be able to assist this Parliament in future. All these provisions are entirely of a non-party character. They are all taken verbatim from statutes already passed in England, with two exceptions. Perhaps I should explain those exceptions very shortly, so that members will understand them when they come to consider the Bill. One exception is this: In England it is provided, as it is in the Bill, that where a cause of action survives in the event of death, the estate of the person who has died must bring an action within a specified period. I think the Bill provides for six months after death, or six months after grant of probate or administration. That, as I said, is in accordance with the English Act. In this Bill, on the suggestion of the Law Society, a proviso has been added so that the court can, if justice requires it, extend the time within which an action may be brought in the event of death occurring to the person who has been injured. The other exception to the English law is this: I said that by the English law if an injured person dies, his estate can recover damages for the loss of the expectation of his life. In England that applies in the case of any person injured, whatever his age might be.

Two or three years ago a child of two was injured and killed. The father, on behalf of the child's estate, and as the child's administrator, brought an action for damages for the loss of the expectation of the child's life and the damages awarded were £1,000. In another instance a child of eight years of age was killed and the damages awarded for the loss of expectation of its life were £1,500. That is the English law. The Law Society thought that the allowing of claims for the loss of expectation of life in the case of very young people was rather commercialising the matter, and therefore the society provided in the Bill now before the House that damages for the loss of expectation of life can be recovered only when the person injured is 21 or more, and not where the person injured is under 21. The idea is that a person of 21 or more has usually—especially if he is a little older—undertaken responsibilities.

Hon. C. G. Latham: I think 21 is a little too old.

Mr. McDONALD: I will come to that point. Therefore, if the person injured is over 21 the damages for the loss of expectation of his life should certainly be given. But the Law Society thought that persons under 21 would not have the same obligations and that consequently the right to obtain damages for the loss of expectation of life should not apply.

The Minister for Lands: They would have tremendous expectations.

Mr. McDONALD: Yes. That aspect, as well as other aspects, might well be the subject of an expression of opinion by members. I wrote to the draftsman of the Law Reform Committee of the Law Society saying, "Under the Bill as you have drawn it, a young man of 20 years and 11 months would get no damages at all for the loss of expectation of his life, whereas a young man two months older—21 years and one month—would, under the English law, obtain substantial damages."

The Premier: The whole matter is very doubtful.

Mr. McDONALD: Why should the wrongdoer, who has to pay £1,000 or £2,000 damages for injuring a man that lives, go scot free if he happens to kill a man? That is the whole point. As the law now stands, it is cheaper to kill a man than to injure him. If a person is injured, the wrongdoer pays damages; but if the man is killed, apart from what his dependants may be able to claim, the wrongdoer goes scot free. If the injured man happens to be a bachelor and has no dependants, he can be killed with impunity. The wrongdoer would not even have to pay the funeral expenses.

The Premier: But he would get four or five years' imprisonment.

Mr. McDONALD: I am not speaking of a man guilty of manslaughter, but of a man guilty of ordinary negligence. The limitation of the right to recover damages for the loss of expectation of life to persons over 21 years is a matter which, in my opinion, demands very serious consideration. I commend the Bill to the House. As I say, it is a product of the law reforms of England; it has been adopted by the British Parliament and is worthy of the consideration of this House. I move—

That the Bill be now read a second time.

On motion by the Minister for Justice, debate adjourned.

BILL—CITY OF PERTH SCHEME FOR SUPERANNUATION (AMENDMENTS AUTHORISATION).

Council's Amendments.

Schedule of three amendments made by the Council now considered.

In Committee.

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

No. 1. Second Schedule, paragraph 14, page 14: Add at the end of the paragraph a further proviso, as follows:—

Provided also that in any case in which the widow shall die after she has become entitled to a superannuation allowance and before she shall have received by way of such allowance an amount equal in the aggregate to the amount of contributions paid to the scheme by the contributor, the Board shall, out of the superannuation fund, pay to her legal personal representative for the sole use of any children dependent upon her at the time of her death the difference between the total amount which such contributor and/or his widow has received by way of superannuation allowance and the aggregate amount of his contributions under the scheme, but without interest.

Mr. NEEDHAM: The object of this amendment is to ensure that the dependent children of a contributor to the scheme will receive, in the event of the death of his widow, an amount which is the difference between the amount paid by the contributor and the amount his widow would have received had she lived. Nor would it in any way impair the actuarial basis of the scheme now in operation. The actuary himself has reviewed the amendment and is in full agreement with it. I therefore move—

That the amendment be agreed to.

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

No. 2. Second Schedule, paragraph 15 (2)—Substitute the words "superannuation allowance" for the word "benefit" in the fourth line.

Mr. NEEDHAM: Prior to this scheme there were by-laws in existence in the Perth City Council in connection with another scheme which tended to benefit contributors to it on their retirement. If the word "benefit" were left in this measure, there would arise a complication, particularly in view of the amendment we have just carried in regard to the carrying over of contributions

to dependent children. It is therefore proposed to delete that word and substitute "superannuation allowances." I move—

That the amendment be agreed to.

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

No. 3. Second Schedule, paragraph 18 —Add at the end of the paragraph the words "and a statement of such accounts, together with a report on the previous year's operations prepared under the direction of the chairman and signed by him, shall be available to the contributors."

Mr. NEEDHAM: The idea behind the amendment is to make a report of the previous year's operation of the scheme available to contributors, that report to be signed by the chairman. It does not mean that each contributor is to have a report sent to him. It is thought that if the organisation of which the contributors are members had such a report, that would satisfy the contributors. I move—

That the amendment be agreed to.

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

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

ANNUAL ESTIMATES, 1941-42.

In Committee of Supply.

Resumed from the previous day; Mr. Withers in the Chair.

Vote—Lands and Surveys, £56,150.

THE MINISTER FOR LANDS (Hon. F. J. S. Wise—Gascoyne) [10.15]: I do not intend to delay the House at any length in introducing these Estimates. With the exception of one or two comments, it is not necessary to elaborate the activities of the department. It is fortunate that on this occasion the seasonal prospects are better for this time of the year than they have been in a State-wide sense for many years. Not only have we seen the prospect of the breaking of the pastoral drought, but we have had better rains over the main agricultural areas than for some time. Although the rains near the coastal areas have not reached the average in most places, the spread of the falls has been of great benefit to all those engaged in rural pursuits. In the pastoral areas the seasonal prospects are better than they have been since 1935, and although there are still sections of the pastoral districts which have not enjoyed a good season, it can be said in the main that the drought has broken.

It has finished with at least 3½ million sheep fewer than when it began, and one of the major problems in the pastoral districts is the absence of any prospect of restocking within a reasonable period, not merely because of the cost but because of the unavailability of suitable stock for the purpose. There are station owners from the Gascoyne and Roebourne districts now in the Eastern States buying sheep by the trainload to bring over here at tremendous cost in order that they might form the nucleus of new flocks. The expense will be enormous, and when it is considered that on some of those properties the remaining sheep owe £10 per head, the difficulties facing these people can readily be appreciated.

Considerable comment has been made on the earnest endeavours made to find a solution of the pastoralists' problems. I desire to refer to the difficulties that have had to be faced. The Surveyor General, as a Royal Commissioner, presented his exhaustive report on the pastoral industry and made recommendations. He stressed the need for the availability of Commonwealth money to implement the plan he propounded. When it was found that such money was not available for that purpose, negotiations extending over many months were undertaken in an endeavour to surmount that initial difficulty. It is very fortunate indeed that we were able, without the money available to supplement the immediate financial needs, to arrive at any arrangement at all on a voluntary basis. Some members have expressed fears, and some disappointment. I wish to assure members that very much time and considerable thought were put into the scheme ultimately agreed to by all parties. As a result many thousands of pounds of overburden of debt have already been written off. I know of stations in my own districts where almost 50 per cent. of the existing debt has been written off by the institutions concerned. At the moment the Committee is considering the debts in respect of pastoralists who have applied, and it is hoped that a total approaching £500,000 will be voluntarily written off by the banks

and institutions concerned. I am very pleased we have achieved that result in spite of the unavailability of money.

It is very pleasing that conditions in the farming industry have also materially improved this year. It does seem that in a majority of cases—not in isolated cases—and in a majority of districts, that for the first time in many years farmers will have a considerable surplus after meeting the current year's expenses, and also some of the debts of other years. That position does not generally obtain, or wholly obtain, but it does in more than average circumstances apply to the farming districts. Where the Government has in past years endeavoured to give these men on the land some prospect to hope year by year that they would be able to repay the advances necessary under the Industries Assistance Act, this looks like the first year that the majority of farmers will not have to depend on industries assistance advances to carry them on.

I wish to inform members of something that might not be generally known, and that is the realisation of the hopes of the Commissioners of the Agricultural Bank of three years ago when they froze all the industries assistance advances for the previous three drought years in anticipation that that would be the last advance necessary under those conditions. Every amount frozen, or suspended at that time, has subsequently been written off. Tens of thousands of pounds advanced as seasonal advances during those drought years have been written off. We are hoping that this is the beginning of a series of years when the majority of our farmers will not be dependent on industries assistance advances to carry them on from year to year. Members generally will be pleased with that prospect. There will be, I know, considerable comment on the fact that farmers will be able to repay, not merely current advances, but some of the other debts which have been outstanding and worrying them year by year.

The capital amounts owing will not be repaid to any extent at all, but it will be a more pleasant prospect for those on the land to know that when all the proceeds have been apportioned and they have had handed back to them a balance it will, on this occasion, be a substantial balance. It is unfortunate that parts of the State which have formerly been very favoured will be some of the worst cases this year. That applies particularly to the Great Southern districts. Some of the worst accounts of the Agricultural Bank will be located in that part of the State rather than in the parts which have suffered in previous years, particularly in the district of the member for Mt. Marshall (Mr. Warner) where prospects on this occasion are that these people will receive sufficient money of their own in many instances to meet their current debts, their current needs, and have sufficient with which to carry on for almost one year, and perhaps more in many instances. That is the position, and it is a happier one.

Year by year we have proceeded to make the burden of those on the land easier in respect to revaluations, writings down of values, writings off of interest, revaluations of repurchased estates, and also revaluations of land purchased under conditional purchase conditions. Twenty-eight repurchased estates have been revalued. We have written off £79,909, and we have reduced the rental payments by over £300,000. New leases have been issued in 203 cases extending the term of the new leases to 40 years as against the previous 30-year term. Tremendous reductions have taken place in connection with conditional purchase areas and, district by district, we have continued to revalue. We have written down rentals to a basis, as near as could be gauged, to give the farmer some prospect of meeting not merely his rental but also all his other commitments in his job of farming. The total, for three years, of conditional purchase writings down is in excess of £250,000. The marginal areas are being handled in a different way under the scheme submitted by us to the Commonwealth Government. If the restriction on wheatgrowing is to continue an instruction has been given that the minimum price permissible under the Land Act is to be the price charged to settlers in these areas.

Every consideration shall be given to them in financing stock and to taper off gradually from wheatgrowing operations. As members know the wheat stabilisation scheme is in a state of flux. It may be that the Commonwealth Government cannot continue the guaranteed price on the basis of the 140,000,000 bushels for export, which was the basis of the former scheme,

and which insisted on certain areas going entirely out of production. There is a possibility, by force of circumstances, of all these things being reviewed. Members probably know that in Washington, America, at present an international conference respecting the international agreement for wheat is taking place, at which Australia is represented. Just what will emerge from the conference is a matter of conjecture, but I know that Australia's brief is being handled by a very able man, Mr. McCarthy of the Commerce Department, who knows the subject and who, I think, will see that Australia's wheat industry receives the utmost consideration in the light of Australia's dependence upon wheat and by comparison with other countries dependent on wheat for their economic welfare.

So, much continuing work has been done in the Lands Department in respect to revaluations and reclassification. In addition, we are endeavouring to take stock of Crown lands in safe rainfall districts, lands that are unoccupied but available for selection, to classify them into groups so that we shall know before hostilities cease just what areas are available offering a prospect of successful settlement. Further, we are inquiring into all of the potential crops that will suit the areas in those districts, with a view to having, as soon as necessary and whenever required, a complete stocktaking of what is offering to those who can successfully occupy the land on their return from oversea.

There are many difficulties in the way. We cannot for the moment measure the successful production of many crops—some can only be on a very frail basis of guess work—in an endeavour to anticipate what international trade might bring to us at the cessation of hostilities. In connection with new crops that have come to us, I intend to address the Chamber on the Estimates of another department. The Lands Department is at present in close co-operation with two other departments endeavouring to assess all the land, whether vacant, not previously occupied, or abandoned for any reason, particularly in the areas of safe rainfall which offer to future settlers a prospect of successful occupation.

One matter that has been mentioned very freely lately is the difficulty confronting us with regard to our wheat storage. The Bulk Handling Act coming under the Lands Department probably suggests that it would be pertinent to make some observations on wheat storage at this stage. There is a distinct clamour in country districts where, under the Bulk Handling Act in normal times growers would be entitled to bulk handling facilities and where the Minister could insist upon their being installed. Unfortunately, not merely because of labour shortage but also because of the impossibility of getting the necessary materials, it is extremely unlikely that any additional storage facilities will be constructed in country centres for the coming harvest.

The responsibility of Bulk Handling Ltd., as agent for the Australian Wheat Board, is very great. It is anticipated that at the end of this harvest, with all its labour difficulties, with all the reasons attendant on the likelihood of storms and of crops going down before they were harvested, there will be at the end of this harvest 46,000,000 bushels to 50,000,000 bushels—over 1¼ million tons—of wheat in this State awaiting shipment above our own domestic needs and requirements. That is not a pleasing prospect, particularly when we shall be preparing fallow very shortly for another crop and with the world position in respect to shipping further deteriorating. So the position in respect to wheat storage is a very serious one for this State.

We had a light crop last year, although it turned out to be millions of bushels better than our first anticipation, and in other States the experience was similar. Other States, with their benefits of large populations, have been able to consume almost all of the wheat in store prior to last harvest and produced in last harvest. The larger States in population have been in a very favoured position. They certainly had a bad harvest, but with the diversity of their rural and industrial occupations, they have not shared in the loss we have suffered. Nor have they been confronted with the responsibility of the storage of tens of millions of bushels of wheat. I think we can confidently expect that in January, 1942, there will be 1¼ million tons of wheat in store in this State.

Hon. N. Keenan: How much of it will be under cover?

The MINISTER FOR LANDS: Possibly 36,000,000 bushels, perhaps more. It may be possible by the use of bulkheads to cover almost all of it before it is threatened by

the seasonal conditions of the early winter months. The country bins have a storage space of 17,306,000 bushels, country bulkheads 15,637,000 bushels, and at the ports it is hoped that when the emergency depots are completed there will be storage for 34,000,000 bushels. So we might have cover for all the wheat awaiting export and all the wheat retained in the State for our domestic use.

But there is much to be done before that point can be reached. At Geraldton, Fremantle and Bunbury arrangements are now in progress for additional storage in a very big way. We still have in the State some wheat of the 1939-40 harvest, not very much, it is true, in comparison with the total, but there is still quite a quantity. Putting all of it together, 1939-40 and 1940-41 wheat, there are nearly 15¾ million bushels still in this State awaiting shipment. So the position following this harvest is likely to be very serious. There will be, from members representing country constituencies, considerable pressure for adequate facilities. The farmers in many districts will be in a very difficult position, but so also will be the agent of the Australian Wheat Board who is responsible for the wheat. We have been greatly concerned at the prospect of weevil infestation.

Although wheat from Western Australia has in former years borne an excellent name in that respect, it is a tremendous responsibility, with our system of storage, to obviate serious infestation involving damage, involving prohibition of export to many oversea countries. Moreover the cost of treatment under our system is considerable. Although we have in this State a system of bulk handling which is highly suitable and useful when there is a flow of wheat through the bins and through the ports, it is a very different matter when that bulk handling facility is considered to be one suitable to perpetual storage—an entirely different matter. There are no facilities obtaining in this State, as for example in the big sidings at Sydney, for turning the wheat, or for drying it by turning over from one side to another. When peace comes, undoubtedly the Western Australian system will be the cheapest form of bulk handling in Australia. But, I repeat, when it is forced into the position of being used for complete storage rather than temporary storage, the proposition is very different.

Some comment has been made in connection with the Estimates of another department on the seriousness of the labour shortage in Western Australia. For several months the Government has, in an endeavour to anticipate the difficulty, examined all alternatives, and has presented to the appropriate Commonwealth authorities the particular difficulties of this State in this connection. We have made representations to the former Commonwealth Government and given to it for its consideration many alternatives to alleviate the position. In communication with them this week, we have insisted that there is no parallel in any Eastern State by which to measure the difficulties likely to arise in Western Australia. When it was stated in the "West Australian" of Saturday last that according to a Minister in New South Wales there was ample labour in country districts to be transferred from one district to another to meet the harvest position and that there was no need to worry about it, it seemed as if that expressed the position for the Australian harvest. We have, however, drawn attention to our own position in this State.

Mr. Stitfold is the officer appointed to handle the matter with the man-power officer in this State and with the Commonwealth authorities. A committee is to be set up representing interests most vitally affected by labour shortages, representing the mining industry, our secondary industries and our farming industry. We shall know, and shall have examined every possible source of labour in an endeavour to alleviate the position which is not merely threatening but which is with us. We have endeavoured to convince the Commonwealth authorities that all trainees or youths in compulsory training should be released from their obligations in country districts until early next year. We have made representations to them in connection with men already in camp. We have asked them to consider the position of releasing, under suitable guarantees and with suitable safeguards, the maximum number of internees.

We have put forward even the prospect of utilising the services of women, and we are hoping that in a matter of days we shall receive some pronouncement from the Commonwealth on many of the points that have been raised. While we realise that it

is a responsibility caused by war circumstances, the Government is anxious not merely to co-operate with the Commonwealth but also to insist and press as far as we can for the maximum alleviation of our position. When I rose to speak some threats came from the other side of the Chamber if I took too long. I think it is not necessary to take long. All hon. members know of the functions and activities of the Lands Department. Before resuming my seat, however, I would mention something which has a country bias, and in which the Lands Department is engaged wholeheartedly with the Commonwealth Government. I refer to mapping and planning.

Five months before the war broke out, in anticipation of the needs of the Commonwealth, we made an absolutely complete review of the maps and plans available in this State. Very much was out of date. Since that time, due to our offers to the Commonwealth and its acceptance of our offers, we have obtained an elaborate system of mapping here as advanced as the mapping of very thickly populated parts of the Eastern States. I would have liked to exhibit some of these works in this Chamber. Any hon. member interested in them, when passing the Lands Department could call in and I should be pleased to show him some of the marvellous work that has been achieved by the Survey and Drafting Branch of the Lands Department for the Commonwealth Government. We have aerial maps on the scale of an inch to the mile, which, on paper, with ground measurements, with altitudes and contours shown, reflect as if from the air every local feature, every fence, every clump of trees in tremendous areas of our coastal country.

Hon. N. Keenan: Have you sent those maps to the military?

The MINISTER FOR LANDS: Yes. We had a Commonwealth officer with us yesterday who said that the maps we reviewed with him were the best of their kind he had seen in Australia. I would like to invite members to have a look at them, and I intend to keep a set in my office for that purpose. That is a work of intense importance in the defence of this country. We have maps of the metropolitan area showing every elevation of any street that can be named from Fremantle to Midland Junction. I do not wish to delay the Committee, but I commend to it the consideration of my Estimates.

Progress reported.

House adjourned at 10.49 p.m.

Legislative Council,

Thursday, 23rd October, 1941.

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

LEAVE OF ABSENCE.

On motion by Hon. W. R. Hall, leave of absence for six consecutive sittings granted to Hon. H. Seddon (North-East) on the ground of ill-health.

BILL—ROAD DISTRICTS ACT AMENDMENT (No. 2).

Further report of Committee adopted.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Reports of Committee adopted.

BILL—FIRE BRIGADES ACT AMENDMENT.

Recommittal.

On motion by Hon. L. B. Bolton, Bill recommitted for the further consideration of Clause 2.