

support of members. Notwithstanding the arduous nature of the calling of the coal-miner, I point out that the coalminers of this State have a particularly good industrial record, one that is second to none in the Commonwealth. I feel sure that, viewing the matter from that angle, seeing that it is so necessary that we should make provision for the supply of fuel in this State—that is, our native coal—it will be conceded that we should be prepared to give to our own coalminers at least similar conditions to those that apply to coalminers in other parts of the Commonwealth. I know there has been a lot of discussion in regard to the shortage of coal in recent times, and that there has been a lot of criticism concerning the stoppages of work that have taken place in many mining centres throughout Australia. So far as coalminers in this State are concerned, there is little we can criticise them for in that direction. I understand that a large percentage of our coalminers are in one or another of the Armed Forces. Their places have been taken in many instances by men of advanced years. While it can be said that at present the production of coal in Collie is not, unfortunately, up to the quantity which is really required, I do not think we can blame those who are engaged in the industry at present for that shortage.

Hon. J. Cornell: All that the Minister has said can equally well be said of the goldminers of this State.

The CHIEF SECRETARY: That is all right, but my remarks at present apply to the coalminers of this State. I do not think the hon. member will quibble at what I have said.

Hon. J. Cornell: No, but I could not have one section of the community singled out for special treatment and leave another section in the air.

The CHIEF SECRETARY: The hon. member is at liberty to deal with that side of the subject later if he wishes. I move—

That the Bill be now read a second time.

On motion by Hon. Sir Hal Colebatch, debate adjourned.

ADJOURNMENT—SPECIAL.

The CHIEF SECRETARY: I move—

That the House at its rising adjourn till Tuesday, the 16th February, at 2.15 p.m.

Question put and passed.

House adjourned at 2.57 p.m.

Legislative Assembly.

Wednesday, 3rd February, 1913.

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The SPEAKER took the Chair at 2.15 p.m., and read prayers.

QUESTIONS (5).

PETROL.

As to Per Capita Consumption.

Mr. DONEY asked the Premier: Will he seek from the Commonwealth Government a statement setting out the per capita consumption of petrol in each of the six Australian States and in the Federal Territory—the words “per capita” to be interpreted not as “per owner of vehicle or vehicles” but as per head of the population?

The PREMIER replied: Yes, but it is unlikely, for security reasons, that the information would be made public.

MILK.

(a) As to Quality.

Mrs. CARDELL-OLIVER asked the Minister for Agriculture: Is he aware that there are many complaints regarding the poor quality of milk distributed in the metropolitan area, especially the non-keeping qualities of pasteurised milk, and that it is often found to be dirty?

The MINISTER replied: No.

(b) As to Prosecutions.

Mr. NORTH asked the Minister for Agriculture: 1, Is he aware that prosecutions have been launched against Mr. Cookesly of Cottesloe and against Mr. Abernethy, the farmer who supplied him, respecting milk in each case allegedly below standard? 2, Is it within the province of Mr. Cookesly to obtain his supplies elsewhere? 3, If the conditions today militate

against best quality milk, what action does the Milk Board propose to meet such a situation?

The MINISTER replied: 1, It is not known that a prosecution has been laid against Mr. Cookesly. It is known that Mr. H. J. Abernethy was prosecuted recently but the case was dismissed. 2, Yes. 3, Whatever remedial steps are possible under existing conditions.

FOODSTUFFS.

As to Emergency Stocks.

Mr. SAMPSON asked the Minister for Mines: As a considerable time has now elapsed since many local authorities purchased a supply of food goods to provide for evacuees following possible invasion, will he recommend that those goods, in connection with which deterioration is likely, be disposed of and fresh stocks obtained?

The MINISTER replied: The Minister for Mines is not aware of any local authorities holding reserved stocks of food goods, but if details are supplied to him he will look into the matter.

APPLE AND PEAR ACQUISITION BOARD.

As to Prices, etc.

Mr. SAMPSON asked the Minister for Agriculture: 1, As the opportunity of purchase of ammunition by orchardists is strictly controlled by rationing and the ravages of the "twenty-eight" parrot in regard to apples and pears are rapidly increasing, will he endeavour to increase the quantity of ammunition available and, since the payments for apples and pears, under acquisition, do not provide a living for growers, thus assist to ensure marketable fruit; or, better still. 2, Will he take steps to assist to bring acquisition to an end and to have a subsidy of 2s. per case provided and growers permitted to carry out their own marketing of apples and pears?

The MINISTER replied: 1, Substantial supplies of ammunition may be obtained by application to the State Superintendent, Apple and Pear Board, Perth. 2, Answered by No. 1.

LEAVE OF ABSENCE.

On motion by Mr. Wilson, leave of absence for two weeks granted to Hon. H. Millington (Mount Hawthorn) on the ground of ill-health.

BILL—MARKETING OF EGGS ACT AMENDMENT.

Second Reading.

MR. SAMPSON (Swan) [2.19] in moving the second reading said: The Bill seeks to amend the Marketing of Eggs Act, 1938. It is an exceedingly small measure which has already been passed by the Legislative Council and is now presented for approval by this House. The measure really amounts to a matter of two words only, and refers to the constitution of the Western Australian Egg Marketing Board. Subsection (4) of Section 3 sets out that the "number of elective members who shall sit on the board shall be two, both of whom shall be producers." The Bill seeks to amend that provision by deleting the words "two, both" and inserting the words "three, all" in lieu. The subsection would then read that the number of elective members on the board shall be three, all of whom shall be producers. The Bill can justly receive the support of every member of this Chamber, and I shall indeed be surprised if any objection is raised to it.

Mr. Cross: You are an optimist!

Mr. SAMPSON: I will amend my statement and say that there may be one member who will oppose the measure. The sole point involved in the Bill concerns the election by egg producers themselves of their elective members on the board. Recently there has been established in Perth an egg powdering plant that is doing excellent work. It is realised that egg production is a very important industry in Western Australia where the climate, not so hot as in the tropics and not so cold as in the frigid zone, has proved that poultry farming is a very proper industry for this State. The desire is that all those elective members who sit on the board shall be representative producers. The other members of the board are to be nominated by the Governor in the prescribed manner, and one of these is to represent the consumers and at least one of the remaining two must be a person of mercantile and commercial experience. I do not know that much more need be said regarding the Bill. Personally I desire to encourage an industry that has its difficulties despite the fact that the State is suitable for poultry farming. Some time ago I attended a send-off to an egg producer at Wongong. That gentleman had carried on poultry farming for 18 years, having left his trade to take up the work.

At the end of that period, during which he had done his best to secure better methods of marketing the output of the industry, he decided to return to his trade.

Mr. Cross: He was a failure, was he? Some would fail in any circumstances.

Mr. SAMPSON: I admit that he was not altogether successful as a poultry farmer. However, he returned to his trade and he was able to tell those who attended his send-off that he now works fixed hours which are reasonable, and that if he works overtime he receives overtime pay.

Mr. Warner: What is his occupation?

Mr. SAMPSON: He is a saw-sharpener.

Mr. Warner: No wonder he could not persuade the chooks to lay!

Mr. SAMPSON: He is a very hard-working man. What we lack in the poultry industry is true organisation. I submit the Bill to the House. It merely provides for securing to the egg producers representation on the board equal to that of other sections of the community. I move—

That the Bill be now read a second time.

On motion by the Minister for the North-West, debate adjourned.

MOTION—ALUNITE DEPOSITS.

As to Mr. J. Chandler's Services.

Debate resumed from the 2nd December on the following motion by Mr. McDonald:—

That in the opinion of this House the arrangements of the Government for the working of the Lake Campion deposits should include a reasonable financial recognition of the services to the State of Mr. J. Chandler, the discoverer of the deposits.

MR. McDONALD (West Perth—in reply) [2.26]: I wish to say a few words in reply to the debate on this motion. The Minister for Industrial Development has spoken to the House of the great importance of these deposits. It seems possible that they will prove of great value to the State, and represent an industry of major importance to Western Australia. This has been so far borne out that the Government has become responsible for the finding of a very large amount of capital for the purpose of additional development of these deposits. The question now before the House is whether anything should be done for the man who made the discovery.

The Minister said that, after all, a man who was a prospector in the goldmining areas and found a mine might lose any benefit from his discovery if he was not able to get capital; that other people might come along, try the mine and secure all its value and profits; that unless the original discoverer was sufficiently clever or active or fortunate, he might be completely frozen out. That is quite true; but if a prospector for and discoverer of a goldmine of exceptional value reported its existence to the State, and the State decided ultimately that it would acquire this particular mine and work it, then I think something more is to be expected from the State than from the ordinary commercial speculator. After all, we look upon the State as an authority which should stand for equitable dealing, and not for anything which might be unfair to people who have meritorious claims to consideration.

The Minister for Industrial Development: This motion might have some merit if the industry at Lake Campion were fully established and successful.

Mr. McDONALD: I would put it this way. This motion might have more claim to recognition if the industry were established and successfully operating at Lake Campion.

The Minister for Industrial Development: The State is taking all the risk at the present time.

Mr. McDONALD: But the industry is so important that the State is prepared to risk about £90,000 of the people's money in the initial stages of developing the deposits and putting the product on the market. I do not suggest that this man would be necessarily reimbursed by a sum of money. I say that he would be quite content with recognition in the shape of, say, a couple of shares in the body which has been formed to exploit these particular deposits. After all, the State has a great many of the shares, the great preponderance of the shares, in the organisation which has been set up to work the deposits. A couple of those shares could be transferred to Mr. Chandler without interfering in any way with the existing agreement. Under that agreement he would have no right to interfere in the control or management of the working of the deposits; and he would then be given a share far less than that which has been given to other people concerned in

the deposits. But there would then be some recognition, apart from Mr. Chandler's name being associated with the place, of the value of his pioneering work, and the discovery which stands to the credit of Mr. Chandler. It was suggested by the Minister for Industrial Development that Mr. Chandler had made no request for some recognition; but in a statement which I myself forwarded to the Minister the following appears:—

Resumé of Mr. J. Chandler's claim for recognition in any agreement entered into between Martin brothers and the State Government, or Martin brothers and the Federal Government, or Martin brothers and both the State and the Federal Governments, I as discoverer of the deposits am deeply concerned as to any agreement that may be made in connection with the holders outside my reward area. My reward area is of considerable importance, but can be left out, as the remainder could be worked. Consequently I would be frozen out of what is still in my possession, the reward area.

That is a resumé of Mr. Chandler's claim to recognition. I suggest to the Minister and the House that a couple of shares in this organisation could be given to Mr. Chandler in recognition of his work as discoverer, and of his work in trying to test these deposits without burdening the State or anybody else. Of course the shares will not be worth anything unless, as the Minister has stated, the ore deposits turn out to be of merchantable value. Without going into what may happen on the goldfields, I suggest it would be a very wise thing for the State in such a case as this to set up a precedent that where the State takes over the benefit of a discovery in the national interest, it is not going to freeze out and ignore the man who is the pioneer and discoverer.

I wish to add that Mr. Chandler has not only discovered these leases, but has worked them for some time, trying to prove their commercial value. He tried to get a pilot plant for testing purposes, but he could get no response from the State. It was not until the last two or three years, when the war made these deposits of importance, that the State gave assistance to get a pilot plant. Without disparaging the work done by Martin brothers or their associates, I would say that the possibility of working the deposits was obtained by our University at public expense—not obtained by Martin brothers, who now participate substantially in the agreement; obtained because the State

stepped in under the pressure of war and made available funds for proving the possibility of working the deposits. Martin brothers participated in the benefits from that work of the State. If it is good enough for Martin brothers, whose claim to recognition I do not contest, most certainly it is a fair thing that the man who was first associated with the deposits, who found them and worked them and did his best to make them commercially valuable, should receive at least some recognition in any deal made by the State. I therefore leave this motion as a matter of justice and equity to the House, not in order that any undue benefit may be derived from its passing, but in order to obtain some small recognition, which can be by way of a couple of shares, to the man who found and tested the deposits which the Minister has repeatedly stated may be of immense, of almost incalculable value, to the future of Western Australia.

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

Ayes	..	..	..	..	13
Noes	..	..	..	..	16

Majority against 3

AYES.	
Mrs. Gardell-Oliver	Mr. Seward
Mr. Hill	Mr. Thorn
Mr. Keenan	Mr. Warner
Mr. McDonald	Mr. Watts
Mr. McLarty	Mr. Willmott
Mr. Perkins	Mr. Doney
Mr. Sampson	
NOES.	
Mr. Coverley	Mr. Marshall
Mr. Cross	Mr. Nulsen
Mr. Fox	Mr. Pantton
Mr. Hawke	Mr. Tonkin
Mr. J. Hegney	Mr. Trint
Mr. W. Hegney	Mr. Willcock
Mr. Kelly	Mr. Withers
Mr. Leahy	Mr. Wilson

(Teller.)

(Teller.)

Question thus negatived.

RESOLUTION—RAILWAY FREIGHTS AND FARES.

As to Suggested Increase.

Message from the Council now considered requesting the Assembly's concurrence in the following resolution:—

That in the opinion of this House the all-round increase of 12½ per cent. in railway fares and freights (as suggested by Mr. Raynor, Deputy Secretary of the Railway Department) would be an unfair tax on mining, agricultural and pastoral producers; and further, that no increase in railway charges should be imposed without submission to Parliament.

HON. N. KEENAN (Nedlands) [2.39]: I move—

That the resolution be agreed to.

The resolution was passed unanimously in another place. It had the support of all parties there and has come to us under those circumstances. It is clearly divisible into two parts.

The Premier: My word, it is!

Hon. N. KEENAN: I will indicate the two parts. The first is—

That in the opinion of this House the all-round increase of 12½ per cent. in railway fares and freights (as suggested by Mr Raynor, Deputy Secretary of the Railway Department) would be an unfair tax on mining, agricultural and pastoral producers.

I propose to deal only with the effect of the unfair tax on mining and to leave it to other members to point out to what extent such an imposition would be an unfair tax on agricultural and pastoral producers. The second part is a request that no increase in railway charges should be imposed without submission to Parliament.

The Premier: If that is the opinion of Parliament, the Act had better be amended.

Hon. N. KEENAN: I intend first to deal with that portion of the resolution stating that the imposition of the increase would be an unfair tax—indeed, an intolerable burden—on gold producers. I would remind the Chamber what is often forgotten, that from the very inception of the railway service on the goldfields it has been highly payable. A goldfields rate was imposed on the very first day that railway communication was established with Kalgoorlie, with Coolgardie, even, I think, with Southern Cross, far in excess of the ordinary rate. It was so much in excess that the contractors for the construction of the line made a fortune out of it during the short time they were allowed to enjoy the line after its construction and before handing it over to the Government.

The Premier: That was not the Government's policy but was done by the contractors.

Hon. N. KEENAN: What was?

The Premier: The imposition of an excessively high rate.

Hon. N. KEENAN: I am merely pointing out the fact. To wander into the realm of the authorship serves no purpose. It is a fact that the rate has always been highly payable and there is no justification for an

increase in the case of the goldfields, whatever justification may be alleged for its imposition in other parts of the State. It has been and still is a highly payable rate. To add 12½ per cent. in the present condition of the goldfields would be to hit the people there when they are least able to bear the blow, when every penny counts and when, consequently, the effect of an increase would be colossal in its magnitude. Nobody knows better than the Government itself, or, at any rate, the Minister for Mines, what a keen struggle the mines have to carry on. There has been a great increase in the cost of all that is used in mining, and of course a big increase in food costs on the goldfields. All that would be increased by an additional 12½ per cent. in railway charges. Sales tax is added on to the landed cost, and consequently the sales tax would be superimposed on that 12½ per cent. It is unquestioned that the goldfields could not bear that burden, and no words of mine are needed to indicate that it would be an act of suicide to attempt to enforce such an imposition.

I turn now to the other portion of the resolution, requesting that increases in railway charges should not be imposed without being submitted to Parliament. That does not mean in any sense the amendment of the Railway Act or any other Act. It means that before a step of this kind is given effect to there should be an opportunity to discuss in Parliament what would be the result of such action. Should we wait until Parliament has risen, and take advantage of the recess, to put in force a crucial matter like this?

The Premier: Who do you imply did that?

Hon. N. KEENAN: I am not implying that it has been done at all, but we want to prevent its being done.

The Premier: Do you imply that this Government will do it?

Hon. N. KEENAN: No. This part of the resolution seeks to prevent its happening.

The Premier: Why then mention the recess?

Hon. N. KEENAN: This resolution desires to prevent such a move being made when Parliament is not sitting. In effect it says, "If you want to increase our railway rates by 12½ per cent. do so while Parliament is sitting so that members may criticise the proposal."

The Premier: That means altering the law.

Hon. N. KEENAN: No, it is to alter a rule of conduct. Things, to which exception may be taken if Parliament were sitting, should not be done in the recess. Viewed from that angle very small exception can be taken to the phraseology used. But my principal concern is the possible attempt to impose an undue and impossible burden on the goldfields, and I feel sure that every goldfields member will support me in urging that point.

MR. SEWARD (Pingelly): I support the motion and express the hope that the House will not agree to the increase.

The Premier: There is no proposal to make any increases.

MR. SEWARD: We have not been able to get a statement to that effect from the Minister responsible.

MR. DONEY: Is there any intention to do so?

The Premier: Not so far as I know.

The Minister for Railways: The whole thing is a bogey.

MR. SEWARD: It is not supposition and it is not a bogey. The statement was made by a responsible officer of the Railway Department in the person of Mr. Raynor, Acting Secretary for Railways. Endeavours have more than once been made this session to get an expression of opinion from the Minister that it is not the intention to make the increase.

MR. CROSS: You are pretending that the department is going to do it.

MR. SPEAKER: Order!

MR. SEWARD: If the Minister for Railways will give the House an assurance that it is not proposed to introduce these extra freights without the concurrence of the House I am perfectly willing to accept that assurance and sit down.

MR. CROSS: Why adopt an attitude—

MR. SPEAKER: Order!

MR. SEWARD: The Minister will not give us that assurance with the result that the country people—and by the way the motion might be amended to read “country people generally”—are seriously concerned at the Minister's statement. It was only a few years ago when added freights were imposed on country districts.

The Minister for Railways: What statement did the Minister for Railways make indicating that the 12½ per cent. would be added?

MR. SEWARD: What statement did he make to refute that made by a responsible officer of the Railway Department?

The Minister for Railways: The Minister has never considered it.

MR. SEWARD: The second highest official in the department made a statement to the Grants Commission.

The Premier: He is about the fifth highest.

MR. SEWARD: He is acting Secretary, and Mr. Tomlinson is acting Commissioner. Interjections will not get us any further. All the Minister has to do is to make a definite statement that there is no intention to impose these extra freights and the whole thing will be finished. As the Minister remains silent I assume that he is not going to make that statement. Some years ago an extra 10 per cent. was added in the case of country people.

The Minister for Railways: When?

MR. SEWARD: Speaking offhand I should say in 1939. I will refresh the Minister's memory. The “C” class freights were, on that occasion, increased with the result that the Kalgoorlie freight rose from £3 16s. per ton to £4 3s. 7d.; Katanning was increased from £2 14s. 4d. to £2 19s. 9d.; Geraldton from £3 18s. 9d. to £4 6s. 7d.; and Wiluna from £5 18s. to £6 10s. 6d. If this extra 12½ per cent. is to be imposed on top of that increase members will see what an insuperable burden will be placed on the country users of the railways as against the city users. I will in a moment give some examples dealing with the city users. Since the occasion when these last increases were made a further and most unjustifiable increase was made in regard to wheat haulage, which, again, the country residents had to pay. I refer to the fact that wheat taken to its nearest port, say Geraldton—as it happened to be in this case, due to the fact that no boat was there to lift it owing to the exigencies of war—had to be moved to some other port, either Fremantle, Bunbury or elsewhere, for loading. That wheat was moved, not at the special wheat rate, but at the grain rate—a higher rate—and it had to be shifted because of something over which the grower had no control.

The Premier: The grower did not have to pay it.

Mr. SEWARD: He did on this occasion.

The Premier: That was a general charge against the Wheat Pool.

Mr. SEWARD: It came out of the expenses of the Wheat Pool and the money available to the grower.

The Premier: It was paid by the Commonwealth Government.

Mr. SEWARD: This is the first time I have been told that. I have always understood that it was paid directly by the grower.

The Premier: You know that the price of wheat is some amount, less freight.

Mr. Watts: On this occasion that was not so.

Mr. SEWARD: I am not referring to the ordinary charges. I know that wheat is purchased at so much per bushel less freight and handling charges, etc., but this was an added charge imposed solely because of the exigencies of the war, and it is a charge which certainly should not be borne by the wheat grower.

The Premier: Should it be borne by the Railway Department?

Mr. SEWARD: No, by the Commonwealth Government. If the department was put to extra expense because of war conditions it had a legitimate claim against the Commonwealth Government. The burden should not have been placed on the unfortunate producer. I have given these instances of country people being charged extra on "C" class traffic. When I say "country people" I include the residents of country towns as well as the others, because the storekeepers have to pay these added freights with the result that they are severely hit and, if another 12½ per cent. is added, Kalgoorlie, which went up by 7s. 7d. per ton, will go up another 9s. or so. In addition we have the increase in the case of small goods. I had a case of an increase of about 150 per cent. on a consignment of eggs. It used to cost the grower in this particular case about 6d. to send his eggs to Perth, but when the new freight was imposed it cost him 1s. 6d.

I want now to give an instance of how the city people fared as compared with the country people. These increases, generally speaking, have been imposed in order to recompense the railways for reduced traffic. Looking for a moment at the goods traffic and livestock carried on the railways, in

1929 the average earnings per ton were 14s. 2.3d.; in 1934 15s. 6.1d.; in 1939 19s. 7.2d. and in 1942 £1 0s. 8.3d. So from 1929 to 1942 it has gone from 14s. 2d. to £1 0s. 8d. Yet we are told that the country people must pay these big increases in order to make the railways pay.

Let us take the passenger fares! Country passenger traffic averaged, in 1934, 5s. 5.3d.; in 1939 6s. 6.2d., and in 1942 7s. 2d. There again we find a big increase. Contrast that with the suburban traffic! In 1934 it returned 3d. per passenger; in 1939 2¾d. per passenger and in 1942 3¼d. per passenger. In the eight years it increased from 3d. to 3¼d. per head. It can, therefore, be seen that it is the country users of the railways who are paying these added imposts.

The Premier: That is because the passengers are travelling longer distances. There has been no increase in fares.

Mr. SEWARD: If the Government made the general taxpayer meet any increases, there would be some equity because the man who does not use the railways would then be taxed, but here the Government is taxing the man whom it should encourage to use the railways. It must be remembered that the railways are doing a national service and are run on unprofitable lines, but in the interests of the State. They should be recompensed from general revenue instead of increases being put on to the unfortunate people using them, and thereby doing their best to make the undertaking a payable proposition. It is appropriate on this motion to mention the present position of the railways as far as passengers are concerned, because it is important that the railways should maintain their present patronage so that they will be better able to pay their way. If the Minister were to see the conditions prevailing on our railways today he would know that some change is required. It is almost impossible to get a seat in the diesel car. Twice in recent weeks when the House was meeting at 11 a.m. I found, on ringing Katanning, that 99 people were travelling on the diesel car which had accommodation for 80. The next week it carried 101 passengers. Last Friday morning I was travelling in a compartment with seating accommodation for 40 adults and 10 people were sitting on their luggage. We could hardly move in and out of the train. If an accident occurs to one of these passenger trains a holocaust will result. The Albany

train pulled in to Spencer's Brook the other night with 340 passengers on board. It had accommodation for 250.

The Minister for Railways: Do you suggest that we should not carry more than the proper complement?

Mr. SEWARD: If a person pays his fare he should not be forced to stand up. It is not right to have women and children standing from Narrogin and Wagin to Perth.

The Minister for Railways: Should we leave them behind?

Mr. SEWARD: No. A steam train should be put on and if there is then not sufficient accommodation priorities for travel should be issued. I sympathise with the Minister in his difficulties, but he has steam trains and should use them.

The Minister for Railways: We have not sufficient steam trains.

Mr. SEWARD: Then the Minister should issue priorities and prevent unnecessary travel. He should do something to prevent the overcrowding that is going on at the present time. I assure the Minister and the Government that the country people are seriously concerned. If effect is not going to be given to this suggestion then let the Minister say so. So far, we have not been able to get that assurance. I therefore support the motion and hope that the House will agree to it.

MR. WATTS (Katanning): Like the member for Pingelly, if there were any definite undertaking from the Minister that there will be no increase—

The Premier: How could he give that?

Mr. WATTS: — in railway freights and fares, I would not support the resolution, which in that event would not possibly even have made its appearance on the notice paper.

The Premier: How could the Minister give any such undertaking in view of all the circumstances regarding what may happen in the next 12 months?

Mr. WATTS: I will not enter into a discussion as to the advisability or otherwise of the Minister giving any such undertaking, but merely say that if he were to give any such intimation the resolution would be unnecessary because I feel, for one, that I would be able to rely upon the Minister's undertaking. In my opinion, the Government itself is responsible for the motion before the House. If it had given plain

answers to plain questions asked in this House in November, I doubt very much if the resolution would have been moved at all. On the other hand, we have heard from the Government that the officer who made the statement complained of was not one of any great importance and that he did not say that the increase of 12½ per cent. in freights and fares was proposed. Let us see what the report that appeared in "The West Australian" in November last with reference to evidence given before the Commonwealth Grants Commission, had to say on the point. The report stated—

The financial position of the State railways was explained by Mr. P. C. Raynor, Deputy Secretary of the Railway Department.

At that time Mr. Raynor was acting as Deputy Secretary of Railways. He was Deputy Secretary of Railways when he gave evidence for the department before the Commonwealth Grants Commission. If that is not evidence given by a responsible officer of the Railway Department, I want to know what responsible evidence is. There can be no doubt whatever that Mr. Raynor, acting as he was at the time as Deputy Secretary of Railways, was a responsible officer giving responsible evidence.

The Premier: He had no authority from the Government to make that statement.

Mr. WATTS: If he made the statement that he is reported to have made—and I will read the report of his evidence from "The West Australian"—and that officer was not a responsible officer or—

[Mr. Withers took the Chair.]

The Premier: Had no authority to make the statement.

Mr. WATTS: —or had no authority to make the statement attributed to him, then the answers given by the Minister for Railways to my questions were unjustifiable. So whichever way the Government chooses to put the matter, it will be in the wrong, and that is the position.

The Premier: The Government does not think so.

THE DEPUTY SPEAKER: Order!

Mr. WATTS: The report in "The West Australian" of Mr. Raynor's evidence continued—

Rigid economy in every possible direction and the enforced accumulation of a heavy liability for the future in the shape of postponed maintenance and deferred holidays provided the explanation why in a year in which earnings advanced by £424,000—

The House might take note of that statement.

—working expenses, despite the addition of burdens listed, increased by £268,000. Operational expenses due to extra wages and fuel costs and the large volume of business handled were higher than in the previous year but maintenance expenditure showed a substantial decline and it was only by evaluating working not done and liabilities deferred that the year's operations could be viewed in their proper perspective. The loss on working for the year 1941-42 had proper provisions been possible for accrued liabilities, would have been at least £365,000 higher than the £62,477 actually recorded. The rise in costs recently was greater than the rate of earnings. At present the railways earnings were at their peak.

That is very questionable: I think they are increasing all the time during the current year.

The deficit of £62,400 for 1941-42 was likely to be higher this year. It would be approximately £220,000. Maintenance had been suffering during the war. A large amount of loan money—at least £1,000,000—would be needed to bring the railways up to a modernised standard. There were no reserves for repairs, renewals and reconstruction. Increases in fares and freights were under consideration. All round rises of 12½ per cent. were proposed.

The Premier: That was an answer given under cross-examination.

Mr. WATTS: Yes, in answer to Dr. Wood.

The Premier: Well, he spoke without his book.

Mr. WATTS: Following on that, I asked the Minister for Railways some questions.

Mr. McDonald: Did the Commissioner of Railways repudiate the statement of his officer?

The Premier: No. It is the duty of officers to give consideration to matters of this sort, but that does not say that the Government will adopt their recommendations.

Mr. McDonald: Quite so; I merely asked whether the officer's statement on this occasion had been repudiated.

The DEPUTY SPEAKER: Order! The member for Katanning will proceed.

Mr. WATTS: On the 11th November I asked the Minister for Railways the following question—

Is it intended to submit the proposal to Par-Railways to make an all-round increase on railway freights and fares of 12½ per cent. as published in the Press on Saturday last in the report of evidence given by the Deputy Secretary of the Railway Department to the Commonwealth Grants Commission?

I further asked him the question—

Is it intended to submit the proposal to Parliament before bringing it into operation? If the report is not correct, will he inform the House in what circumstances such a report appeared in the Press?

I gave the Minister an opportunity to inform the House and the people of the State at the time whether the statement of Mr. Raynor had been made without authority. This is the answer I received from the Minister—

The Government will take full responsibility, but the matter has not yet been considered by Cabinet.

There is no suggestion whatever in the reply to my question to indicate that Mr. Raynor did not have the requisite authority to make the statement, although that has been suggested in the House this afternoon. The following week I asked the Minister for Railways further questions regarding this matter. My questions read—

1. If, as he stated last week, the Government knows nothing of any proposed increase in railway freights and fares of 12½ per cent. all round, will he take action to ensure that such statements are not made by responsible officials?

2. Will he assure the House that if any recommendation for such an increase is made to him by the Commissioner, Parliament will be given an opportunity to say yes or no to the proposal before any action is taken to put such a recommendation into effect?

The Minister replied—

1 and 2. No. The statement made by the official was not inaccurate.

The Minister did not say that no increase was contemplated or was likely to be imposed. He merely said that the official's statement was not inaccurate. That means to say that the official may have said 12½ per cent. when he meant 15 per cent. or perhaps 10 per cent. However, the Minister's reply continued—

A recommendation was in course of transit to me by the Deputy Commissioner of Railways in accordance with Section 22 of the Government Railways Act. That recommendation has not yet received the consideration of Cabinet.

And so up to that point and up to the present we still do not know what is the Government's point of view regarding this matter. We have asked questions in a reasonable and proper manner, and we have been fobbed off with insufficient and, in my opinion, discourteous replies.

The Premier: Discourteous?

Mr. WATTS: Yes, discourteous; because, if a member asks whether an official had authority to make a statement and does not receive a reply, I claim that is discourteous.

The Premier: No.

Mr. WATTS: In this instance, a member asked a question in a proper and reasonable manner, and he was entitled to an answer to the question—but there was no answer.

Mr. Marshall: Is that the only answer of that sort you have noticed?

Mr. WATTS: It is merely one of dozens of such instances, but I am dealing only with the one before me at the moment. This type of discourtesy should not be permitted to continue. I see no reason why a question that is couched in a proper manner—indeed, I suppose a question would not be allowed to remain on the records of the House if not couched in a proper manner—and in definite terms, should not be answered in a reasonable and comprehensive manner. We find that is not always so. Subsequently a member of the Legislative Council brought this matter before the notice of that House, as a result of which, by a unanimous decision of that Chamber, the resolution under discussion is now before this House. I suggest it is worthy of support. I agree that if the Minister could give us a sufficient assurance that nothing of the kind is contemplated, as far as I am concerned the resolution could go into the waste-paper basket. So far we have received nothing of the sort.

We know that the railway revenue is substantially greater this year than it was during the previous 12 months, and we know perfectly well, too, that the Government imposed an increase on railway freights two or three years ago which was estimated to produce additional revenue aggregating £50,000. Some protest was made against that in this House, but the Government was in a position to get its way and the extra charges were imposed. But in the difficult conditions existing today, particularly in the rural industries, we are not in a position to bear the imposition of any additional charges. Those engaged in the rural industries are the ones that have to bear these extra charges. Whether they send their goods to Perth for sale or whether they buy goods in Perth to be railed to them, the inevitable result is that the extra charge falls on them. Therefore I have no hesitation in saying that we who represent constituencies outside the

metropolitan area cannot possibly contemplate any increase of railway freights and fares.

As I have said, we have the statement made by the Deputy Secretary of the Railway Department in November last, not contradicted by the Commissioner of Railways or any responsible person, and a series of questions which have not been given proper answers in this House, as they should have been. Then I turn to the report of the Commissioner of Railways for the year ended the 30th June, 1942, and find that the revenue of the railways has been steadily rising during the last four years. Admittedly working expenses have been steadily rising also, but the revenue has definitely increased. Earnings per average mile worked have risen from £822 in 1939 to £912 in 1942. The earnings per train mile have risen from 128.51d. in 1939 to 147.62d. in 1942, and the working expenses have risen from 103.96d. in 1939 to 111.78d. in 1942. Whereas in 1939 there was a difference of only 25d. between earnings and working expenses, in 1942 there was a difference of 36d. per train mile. So there is no evidence whatever that the increase in earnings has not been sufficient to offset the increase in working expenses; in fact, the contrary is the case.

Although I make full allowance for the difficulties being experienced by the Railway Department and the assistance given in the national interest, the department is not impressing the public with its ability to provide a satisfactory service. On the contrary the service is steadily getting worse, as the member for Pingelly indicated.

The Premier: He can always find room to complain.

Mr. WATTS: I find myself in exactly the same position as the member for Pingelly. I cannot get a train that runs anywhere near to time.

The DEPUTY SPEAKER: Has that anything to do with the motion before the House?

Mr. WATTS: Yes. The Government is not justified in imposing increased charges, especially if it cannot give the people a proper service to warrant the increased charges. If the Government came forward with a proposition to reorganise, co-ordinate and improve the service, so that it would be perhaps 50 per cent. more satisfactory, Parliament might be prepared to contem-

plate an increase of even 12½ per cent. in the charges. Most of us do not mind paying 6d., 1s., or even 2s., in the pound more for something that is worth it, but we have a decided objection to paying any sum in excess of what we are paying for a service that is a lot worse than it was some years ago. Therefore I am fully justified in arguing along those lines. However, I do not intend to proceed further on those lines. I strongly support the motion and hope it will be carried. In the face of the evidence before the House, the Commissioner of Railways did intend to make such an increase, and his responsible officer said so to the Grants Commission, and the Minister, when given the opportunity, would not deny or qualify the statement. Therefore this motion is justified.

THE PREMIER: The circumstances out of which this controversy arose are such as might occur at any time and not be the result of deliberate policy. When evidence is being tendered to the Grants Commission various departmental officers are called upon to explain the position of their departments, so that the Commission may get an idea of the prospects of revenue and expenditure and make up its mind regarding the needs of the State for a grant. In pursuance of that policy the Under-Treasurer, who presented the case to the Commission, called, amongst other witnesses, an official of the Railway Department, Mr. Raynor, who is a very good officer, but by no means—

Mr. Triat: Tactful?

The PREMIER: He is tactful enough, but he is by no means a very senior officer. There are the Commissioner, the secretary, the assistant-secretary and Mr. Raynor.

Mr. Doney: He was certainly occupying a senior position at the time.

The PREMIER: Because the assistant-secretary, Mr. Raymond, who usually undertakes these duties, was away with a commission for a few weeks, and Mr. Raynor was acting. In presenting evidence to the Grants Commission, one does not want to paint too bright a picture.

Mr. Boyle: Mr. Raynor gave a prepared statement.

The PREMIER: I stated by way of interjection that the reference to increased charges was not part of the prepared statement. It was brought out in cross-examination. As I was saying, a prepared statement should

not paint too bright a picture in regard to the finances of the State. We try to give a fair exposition, but it is better to take a gloomy view so as to impress the Commission on the matter of assistance needed by this State.

Mr. Seward: Mind the Grants Commission does not get hold of that statement.

The PREMIER: Members of the Grants Commission are very shrewd and have a full understanding of human nature. In making a request for a grant nobody would paint an excessively rosy picture of the financial prospects of the State. We endeavour to be fair and give all possible information, and the Commission has expressed a high appreciation of the completeness of the information given it. Consequently the Commission understands the position. Mr. Raynor said that as far as the railways were concerned the position had not been too happy. He pointed out that two or three years ago the loss was £200,000 or £300,000 and though the position had improved, he could not paint a rosy picture of the future. He said that costs were mounting in every possible way. Everybody will agree with that statement. He pointed out that the department was faced with the burden of meeting a considerable increase in the basic wage, which had gone up 7s. or 8s. Then the railways had to find money for the pay-roll tax as well as a large sum for payment to the War Damage Commission. There were other things that led to increased costs apart from the difficulties arising from manpower.

All those adverse circumstances were explained to the Grants Commission, and properly so. One of the Commissioners, Dr. Wood, said, in effect, that the witness had painted a very gloomy picture and asked what the department proposed to do. The witness said there was no proposal, but the department had considered that if necessary—I do not know whether he qualified the statement—it might increase railway freights and fares by 12½ per cent. To do that, however, is the province of the Commissioner. Legislation bearing on that matter provides that the Commissioner may, with the approval of the Minister, from time to time fix the charges to be paid for freights and fares by persons using the railways. And that is why the Minister's answer to the Leader of the Opposition was that the Government would accept full responsibility,

as set out in the Act, for any increases that might be imposed. The outlook of the railways depends largely on the State's financial position. If that financial position is such that even in the event of the Railway Department losing £100,000, or £200,000, or even a quarter of a million, while the rest of the revenue was buoyant, rather than put an additional impost on the users of the railways we would say, "We will stand the deficit of the Railway Department."

Everything depends on how the finances are shaping. We do not treat the railways as a distinct entity in Government services and say that whatever happens in the Railway Department is bottled up there and we have to make the railways pay, and therefore if we cannot make them pay we shall have to raise freights, or retrench, or abolish some of the many advantages given to the people through the railway administration. Instead, the whole question of Government finance is surveyed in all its bearings—what is happening in the mining industry, what is happening in the Lands Department, whether the farmers are having a good season and the Agricultural Bank can live up to its interest obligations. We consider whether the Metropolitan Water Supply is paying its way, whether the Fremantle wharf is handling a lot of shipping or no shipping, whether the goldfields are keeping up. We visualise the whole ambit of Government services in all their aspects, taking everything into consideration. We also have to consider whether the Commonwealth Grants Commission has been liberal or has been niggardly. This year we have an increase of £125,000 or £130,000 in our grant.

If the Railway Department's financial position fails to improve, the Commissioner may have to inform the Government that an increase of freights and fares is necessary. Then it will be for me as Treasurer to inquire whether it is necessary for all State departments to raise charges or whether a concession can be given here or there. Until the whole position has been surveyed, we cannot give an intelligent and useful reply to such a question as asked by the member for Pingelly. I think the Leader of the Opposition will recognise that the Minister's reply was intelligent and truthful. And I think the Leader of the Opposition will also recognise that this is a satisfactory, truthful and courteous explanation of the answer given by the Minister for Rail-

ways. The survey will take some time. Instead of having as we had last year a deficit of £50,000 or £60,000 for January, we anticipate a surplus of £20,000 or £30,000 this year, as the figures in today's "West Australian" indicate. When the railway financial position was unfavourable, I might have said that the Government would have to consider an increase of railway freights. But the Government's feeling was that we could hold off increases for another month, and then again perhaps for a further month after that. The Government is fully cognisant of the fact that any increase in our railway freights represents a burden on the people. The Government has not imposed such a burden; and if we can get round without doing so, we shall not do it. Moreover, I have given a definite promise to the Commonwealth Government, as other State Premiers have done, that so far as is humanly possible the Government of Western Australia will see that there is no deficit in the State's finances, so that the Commonwealth Government will have the whole of the financial resources of Australia to draw on for war purposes.

This Government is endeavouring by every possibly economy so to arrange the State's finances that there will be no deficit. The Mines Department is being severely curtailed. Only last week the Minister for Mines almost with tears in his eyes, informed me that the Big Bell Mine on the Murchison was due to close down for lack of manpower—not for any other reason. Such things may come upon us at any time. It is a calamity and a catastrophe that a mine of that description, which led the way in treatment of low-grade ore, a mine that has been going for two or three years now, has been placed in such a position. It is being closed down for lack of manpower. I as Premier have assured the Commonwealth Prime Minister that we shall balance the ledger if we possibly can. In two or three months it may be possible for us to report that Government finance here is such that we can get round. Cabinet would say that no increase of railway freights would be necessary at that date, but that everything depended on circumstances. We have the member for Pingelly inquiring, "Why don't you tell us what you are going to do?" Many of us wish to know what is going to happen after nine months or 12 months, so that we can take our precautions. We cannot know, and

therefore I tell the hon. member, courteously, that the Government is unable to give a straightforward answer in regard to railway charges or water supply rates or the public debt; that circumstances will dictate what we shall do.

The fact that we are able to get round financially without an increase in railway freights is encouraging. No man, however intelligent he may be, could satisfy the hon. member's curiosity. All I can say is that if the financial position does not deteriorate, if circumstances remain as they appear to be at the moment, there will be no increase in railway freights. I consider that to be a very complete, straightforward answer. It is not an answer which could be given in replying to a question asked in the Chamber. There was no discourtesy, either, in the Minister's reply that this Government would take full responsibility for whatever was done. The railways are suffering under tremendous disadvantages. I know that their wages bill and war damage insurance premiums have increased enormously. Maintenance has not been carried out in the way it should be, though not allowed to fall below safety point. For instance, we are not painting station buildings nor carrying out renovations. Neither is the hon. member painting his house.

[The Speaker resumed the Chair.]

Hon. N. Keenan: You are leaving a lot more undone.

The PREMIER: That may be so, but nevertheless the financial position of the railways is not getting any worse. We have had tremendously heavy charges loaded on to the railways. There has been an increase of £250,000 in the wages bill owing to basic wage variations. That takes a great deal of overcoming. Then there is war damage insurance. We have spent £40,000 or £50,000 in this connection for no useful purpose at all.

The Minister for Railways: Then there is the pay-roll tax.

The PREMIER: Yes, 2½ per cent.! If we can get over the difficulty by making other Government departments manage, we will not increase railway freights. I could deal with this motion for quite a long while and tell members what my experience has been as Minister for Railways. For six successive years after my appointment—although

the previous Government had increased railway freights enormously—we had no increase in freights. On the other hand, reductions were made. During the financial depression the basic wage fell from £4 7s. to £3 9s., but no decrease in railway freights was made by the then Government, which was comprised of members opposite. When the basic wage rose again we introduced the State Transport Co-ordination Act, co-incidental with which we reduced railway freights by £100,000 a year. The only increase in rates that we have made was some two or three years ago, when we reimposed some of the reductions—to the extent of about half—that we had made. Compared with the railway position of 10 years ago, rates have not been increased. That is the record of this Government, which has been in office for about 16 of those 19 years.

Mr. North: That would mean that the railway rates are actually lower today in relation to the purchasing power of the pound.

The PREMIER: Yes, if the hon. member desires to go into the realm of high finance. The member for Pingelly introduced another aspect. He spoke of the diversion of wheat from Albany or Bunbury to Fremantle. As a matter of fact, each ton of wheat carried by the department—from an actuarial standpoint; I can take no other basis—results in a loss to the department. The average cost per ton per mile is about 1.7d. Wheat is carried over the railways for 1.1d. or 1.2d., an average of ½d. per ton less than the average cost to the whole system. Wheat does not materially add to the profit of the department in such circumstances. We accept that responsibility, however, in the interests of the development of the State. We are anxious to give every consideration to the agricultural community, whose principal product is wheat. We desire to carry this product at the cheapest rate; but, in turn, the agricultural community must agree to the department's carrying the wheat the shortest distance possible. If the Government spent £1,000,000 in harbour works at Geraldton, then it would contend that the wheat should be carried to that harbour, rather than be carried the longer distance to Fremantle. Each mile adds to the loss of the Railway Department. Consequently, the department said, "We will take the wheat wherever you like, but if you want a cheap rate, which means a loss to the department, you will have to send it to the nearest port.

If you decide to divert it from a port to another port which is much further away and so increase the loss, you will have to pay for it."

Mr. Hill: That does not apply to the south.

The PREMIER: Yes.

Mr. Hill: All the Albany wheat goes to Bunbury.

The PREMIER: I have answered the point raised by the member for Pingelly. I do not wish to detain the House too long, but, with regard to the second part of this resolution, I remember vividly that when I first became Minister for Railways, the then Commissioner of Railways came to me and said, "I am Commissioner of Railways and certain statutory powers have been granted to me. The Government also has certain statutory powers. Do you want the railway system to be run as a commercial concern would be run, or do you want to incur big losses by giving concessions here and concessions there?" I replied, "I have not had time to look into the position but, generally speaking, we do not want any alteration in the system. We want due economy exercised in every possible way; but if you consider that a capital expenditure of £100,000, £200,000 or £500,000 will enable you to reduce costs, I think I will be able to assist you to get that additional capital." During the eight or ten years that I was Minister, the Government spent £1,000,000 in improving the system. We provided for bigger trainloads, better grades, bigger engines, better trucks—in fact, all things possible were done to cheapen costs. Notwithstanding that the basic wage was increased from £3 17s. to about £4 7s., the department was able to face that 10s. increase to every one of the 8,000 persons employed by the Railway Department without increasing freights and fares by even an additional halfpenny. That was because of the facilities provided for the department by the capital made available to the Commissioner. That is the way in which the railways have been managed for the last 10 or 11 years.

The latter portion of the motion implies that we will alter the policy set up by an Act passed by this Parliament. That Act provides that railway freights can be altered by the Commissioner with the consent of the Minister. That means, of course, that the Minister would bring the matter before Cabinet. It would not be a Ministerial, but

a Government decision. If the Commissioner thinks fit to alter freights, he must first get the Government's permission. The Act provides that that shall not be the subject of a Parliamentary decision, as it is undesirable that a Parliamentary debate should take place on such a matter. Many little alterations are made in railway freights and charges, such as siding charges, passenger fares, excess booking fares, cloakroom charges, mail charges, etc. We do not want a first-class debate in Parliament on such matters. The department is a business undertaking and ought to be able to make such adjustments. Members must bear in mind that the railway system has been deliberately run at a loss on many occasions in order to assist people in the far-back areas. There have been very few increases in railway freights during the last 20 years. Those losses have been countered by economical administration and the provision of huge amounts of capital. I do not know what the figures are.

Offhand, I was not prepared to speak to this resolution and would not have done so but for what has been said. I think, however, that about £3,000,000 of extra capital was supplied to the Railway Department. The Diesel engines about which reference was made today were bought from capital provided by the Government. I wish we could obtain more of them. If we had another 20, it would make a tremendous difference to the passenger services of this State, but we cannot procure them owing to war-time conditions. I could give numerous instances of capital expenditure by the Railway Department. As I said, this resolution seeks to alter an Act of Parliament which provides that the Commissioner may, with the approval of the Minister, alter freights and fares. If Parliament carries this motion, it will say, in effect, "We will alter all that, notwithstanding it has been the law of the land for the last 40 years," just because a railway official, under severe cross-examination, to which he was not quite accustomed, gave away something the Railway Department had at the back of its mind but which had never been referred to the Government.

Mr. Watts: And after all this, is not likely to be.

The PREMIER: No, he will not do it again. I have had another instance within the last couple of days in regard

to what officials are making public without the matter having been considered by the Government. I want to take up the matter and see that such a thing does not occur again. The Government takes responsibility in regard to these matters. It is quite prepared to accept responsibility. If the Government thinks that, in order to surmount the financial difficulties, after having exhausted every possible means of economy, an increase in railway freights is necessary, the Government will take full responsibility for making such an increase. But its record over the last 20 years indicates that it has never had to take that course, and it is to be hoped that it will not be necessary; but if it is considered necessary it will be done in the way prescribed in the Railway Act, which has been the law of the land for 40 years.

I do not want to take up any more of the time of the House, but I was concerned that the Leader of the Opposition should have thought that the Government, through the Minister for Railways, had been discourteous. I think I have explained that there was no discourtesy. We were not in a position to give a straightforward answer, and we are not yet; but it appears that for this financial year we shall be able to get round the financial difficulty and, if we can do so without incurring a deficit, no consideration will be given to any increase in railway freights during the remaining four or five months of this financial year. What will happen in the next 12 months nobody knows, but I hope it will not be necessary to increase freights. The record of the Government proves that it has been quite unwilling to increase freights. So far as this House is concerned, even if we had to suffer some slight disability, I am sure members would be behind the Government in formulating other means of raising additional money to make it unnecessary to increase railway freights, which would have repercussions all over the State. I can give the House an assurance that it appears to me, as head of the Government and after giving consideration to the whole of the activities of the Government, that there will be no increase during this financial year. What may happen in the future, neither I nor anybody else can say.

MR. DONEY (Williams-Narrogin): I have been impressed with the Premier's re-

marks, but not quite sufficiently. He still did not give that specific assurance for which we were looking. We did not want from the Premier an assurance covering the actions of the Government in regard to State finance during the next 12 months, but we did want something specific in regard to the assurances and problems generally wrapped up in the resolution before the House. So far as I am concerned, I would have been prepared to accept the Premier's interpretation of the affair, and quite likely the Premier's interpretation is correct—

The Premier: Not quite likely! It is!

Mr. DONEY: — but I want to point out that a portion of his remarks was entirely at variance with the public references to this matter. The Premier, when outlining for the benefit of the House what took place when Mr. Raynor was giving evidence before the Commission, stated that Mr. Raynor probably said, in reply to a question, that in certain circumstances the Government would probably consider this increase. But there were reporters present, and the resultant public statement made Mr. Raynor say that it was proposed to do this. That does not sound as though it were merely a product of Mr. Raynor's imagination during the course of cross-examination by the Commission. It sounds rather as though the railway authorities had been discussing this matter, that the proposal had arisen and had arrived at that stage that made it safe for Mr. Raynor to put it forward as the Government's intention. I was hopeful the Premier would have said there was no intention now or within any reasonable period in the future to do what Mr. Raynor threatened.

The Premier: Apparently you cannot understand English; that is what I did say.

Mr. DONEY: I do not understand English to anything like the extent I would like to understand it, but I imagine I understand it nearly as well as does the Premier—to put it mildly.

The Premier: I did say that there would be no increase for this financial year.

Mr. DONEY: During the present financial year. That means only for the next five months; but that is to say that the Premier or his associates had it in their minds, when Mr. Raynor made this threat, that they intended doing it. I agree with anyone who cares to assert that today the Government has no intention whatever of imposing this

increase, but I do think that, despite the explanations made by various authorities, there was, at the time Mr. Raynor made the statement, that intention. But quite properly, to my mind, the Government has been impressed by the fact that there is a very strong feeling indeed in the country —

Mr. Withers: I always thought you were fair!

Several members interjected.

Mr. Withers: That is definitely unfair. I will repeat it.

Mr. DONEY: If the Speaker will permit me, I am submitting to the House that today the Government has no intention of inflicting this additional charge on the rural areas, but I am of opinion that at the time when Mr. Raynor made the assertion the Government intended to do it.

The Premier: Will you accept my assurance that the Government never considered it?

Mr. DONEY: I am impressed by the fact that the goldfields members—

The Premier: My assurance is that the Government never considered it. It was never put to the Government. I knew nothing about it until I read it in the paper. Will you accept that? Is that straight enough?

Mr. DONEY: I wish the Premier had been as precise as that when he was speaking. Having what I now regard as a complete assurance that the Government dissociates itself entirely from what Mr. Raynor described as a proposal, that will complete my remarks. So far as I am concerned, in those circumstances the debate may cease; but I would point out the fact that leaving the matter as it stands at present is a sorry reflection on the standing and general reliability of Mr. Raynor, and I would have preferred something from the Minister for Railways to indicate not that Mr. Raynor acted without authority but that Mr. Raynor did not carry that responsibility entirely on his own shoulders.

MR. CROSS (Canning): Those people who drafted this resolution succeeded, by their imagination, in erecting a pretty solid Aunt Sally, and there has been a very serious attempt to knock her down. I suggest that members opposite, realising that the railways have been run at a loss for years and that they have had service at less than cost, saw the writing on the wall and know in

their own hearts that they should pay at least for the cost of that service.

The Minister for Labour: They have no hearts.

Mr. CROSS: What is the position? They say we should prevent anything like that from taking place. As a metropolitan member let me say just what has happened in the last financial year. The Railway Department made a loss of £62,477. That loss was incurred in the country areas because the metropolitan traffic is profitable. Where does the money come from to meet that loss? The tramways and trolley-buses made a profit of £38,818; the ferry services £1,035, and the Electricity Supply £22,484. Now, £62,337 of profits from the metropolitan undertakings went to liquidate the debts incurred by our railway services in the country. The metropolitan area could rightly demand an increase in country fares so that the people in the country should at least pay the cost of the services they receive. This is an over-fair Government; it has been too generous and then country members come here and try to hide the position in this way! I am disgusted that such a motion should be brought down. Railway freights and fares have never in history been dragged to Parliament. To do so would bring about all sorts of lobbying so as to reduce the freight on superphosphate still further and have it carried at a loss. We would also have the member for Swan trying to get honey carried at 3d. per ton. If the motion is not withdrawn I hope it will be thrown out with a vengeance, because it is an Aunt Sally set up with a view to making certain, through Parliament, that country responsibilities may be dodged.

MR. KELLY (Yilgarn-Coolgardie): When Mr. Raynor's statement first appeared in the Press I was inundated with requests from different associations throughout the country to make representations to assist in preventing any increases in freights being imposed. Like other members at the time I viewed seriously the possibility of these freights being increased, not only to one particular section but to everybody in the State. I made a number of investigations and became satisfied from what I discovered, and from the Premier's reply to the questions asked some time ago, that there was no intention on the part of the Government at that time, or at any previous time, to raise the freights,

and that the circumstances surrounding the possibility of raising them had come about as the result of duress in the questioning of Mr. Raynor by the Grants Commission. I am perfectly agreeable to accept the Premier's frank statement that the Government had, at no time, any intention to raise the freights.

MR. BOYLE (Avon): I am prepared to accept the Premier's assurance that the matter has not been discussed in Cabinet. I am also prepared to accept the statement in this House that this is a month-to-month matter, and subject to revision. The latter part of the Premier's speech gives us relief only to the end of this financial year.

The Premier: Who can see further ahead than that—you?

Mr. BOYLE: No. I do not say that the Premier can see further ahead, but that is only an assurance of a suspended sentence.

The Premier: No, it leaves the position as it was. There is no sentence at all.

Mr. BOYLE: The Premier definitely stated that if the financial position did not improve the Government would have to give serious consideration to this proposition.

The Premier: No. I said the financial position is such that it does not warrant it.

Mr. BOYLE: The Premier said that in the present month there is a surplus instead of a deficit. I accept his statement and would like him to assure members that there is no intention to increase railway freights and fares, because it is a sectional impost. It is an imposition of which 80 per cent. will be borne by people outside the metropolitan area. It is an imposition of 12½ per cent. on £4,000,000 of revenue, and will amount to £500,000 per annum. The people who will be hardest hit are the goldfields residents.

The Premier: Your figures are quite wrong.

Mr. BOYLE: The revenue last year was £4,000 short of £4,000,000. One-eighth of that will be something over £400,000. But the railway revenue has increased owing to the charges made for services rendered to the Commonwealth Government. The figures plainly show that 80 per cent. of our railway revenue is paid by people outside the metropolitan area.

The Premier: You didn't finish your sum, which was wrong.

Mr. BOYLE: Let us say that the impost will amount to £400,000.

The Premier: I thought you said it would be £1,000,000 on £4,000,000.

Mr. BOYLE: No, I said it would be £500,000 on a revenue of £4,000,000. If we take it at 12½ per cent., that is one-eighth, my mathematical proposition is correct.

Mr. Cross: You are magnifying the Aunt Sally.

Mr. BOYLE: I could not expect the member for Canning to follow me.

Mr. Cross: Nobody else can, either.

Mr. SPEAKER: Order!

Mr. BOYLE: I am trying to be fair to the Government and to the people I represent. We have in the country districts of this State a farming community whose revenue is fixed on a price-fixing basis. What it receives for its wheat, wool and fruit, is fixed under the National Security Act.

The Premier: How much has the income of such people increased in the last two years?

Mr. BOYLE: It has been fixed on an arbitrary basis.

The Premier: But in comparison with two years ago.

Mr. BOYLE: Their costs have increased considerably.

The Premier: That is what I have said about the railways.

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

Mr. BOYLE: I have pointed out that this is a sectional imposition. The 53 per cent. of the population of this State which lives beyond the metropolitan area will have to bear 80 per cent. of the increased rate, whatever it may be. The Premier has mentioned that wheat is carried at a loss. That is a debatable point. The Premier pointed out that in the last 20 years very few increases have been effected. From 1919 up till now wheat has increased by 2s. 9d. per ton.

The Premier: That was done when your Government was in power in 1922.

Mr. BOYLE: I do not care what Government was in power. I can rise above the question of what Government was in power at the time. A fundamental principle is involved, and I would never support any Government that imposed a special rate against special people. Another factor that we must bear in mind is that the whole of the interest charges on the capital of the railways is covered by the freights and fares.

It has been said that the history of deficits in the State Governments of Australia is the history of the deficits of the railways. But why should the people who have taken up their domicile in the country areas be saddled with 80 per cent. of these increases when £800,000 of the £1,000,000 of interest charges are in connection with railways that were political babies—some of which have never paid for axle-grease since they commenced? Our rural settlers are compelled to carry these charges, and if the railway deficit increases the Premier has definitely told us that the matter will have to be considered by the Government. I protest against that. It is admitted that our railways, with few exceptions, are developmental railways. Yet the people in the country have to bear the bulk of the loss. Take my head centre, Merredin which, without ledger accounts or prepaid traffic, had a revenue last year of £14,400. If these charges are imposed the people using that station will have to face an increase of £2,500 for what?—For one of the most disgraceful railway services in Australia.

The Premier: That would not amount to £2,500.

Mr. BOYLE: The point I wish to make is that the residents of the country are to be asked to pay increased freights and fares for the present unsatisfactory service. At this stage I ask the Government to provide better accommodation for soldiers who are going on leave. Within the last few days I have seen mothers standing on platforms nursing babies—

Mr. SPEAKER: I do not think the hon. member can connect that with the motion.

The Premier: You try to ride on one of the privately-owned motor-buses and see how you get on.

Mr. BOYLE: I am not an authority on them; I am speaking of what I know. Within the last few days I have had occasion to see conditions such as I have indicated. I do not want to enter upon a disquisition of what people in the metropolitan area suffer. After all they have a hundred-and-one means of getting to their destinations. There is a railway running from Perth to Fremantle and a bus service operating alongside it.

Mr. Marshall: And trolley-buses running alongside the buses.

Mr. BOYLE: Yes. The trains are less than half full and the buses are crowded. I accept the Premier's assurance that nothing will be done before the end of the financial year. That will give us a reprieve of at least four or five months. I urge the Government to take into consideration the fact that the industries in country districts have not limitless resources. All these impositions will be added to the cost of the goods they produce. Yet, as I have pointed out, their prices are fixed. There is no hope of getting increased prices for wheat, wool, fruit and such like commodities. Yet the producers have to pay higher prices for superphosphate and all other necessary commodities, the rates for which have gone up by leaps and bounds.

The Premier: Railway freights excepted.

Mr. BOYLE: I estimate that the increase in the cost of living to people in the country as against those in the city would be 15 per cent. There was an increase in railway freights and fares in 1939 amounting to 15 per cent. on certain classes. The Minister for Railways shakes his head. Perhaps he can tell us.

The Minister for Railways: Two-and-a-half per cent.

Mr. Seward: Ten per cent.

Mr. BOYLE: At any rate, in 1939 there was some increase.

The Premier: And some reductions were made at the time.

Mr. BOYLE: The railway position is most peculiar. This department accounts for about one-third of the total revenue of the State or about £4,000,000. The Premier said that Mr. Raynor had made an unguarded remark. I know Mr. Raynor well; he is an able officer.

The Premier: That is so.

Mr. BOYLE: Other people who have appeared as witnesses before commissions have made unguarded remarks.

The Premier: Under cross-examination.

Mr. BOYLE: Yes. I would not hold an official culpable for that.

The Premier: No.

Mr. BOYLE: The statements of evidence are carefully prepared. Before I come to this House with any complaint, I make it a rule to interview the management of the railways and I know something of the difficulties being experienced today. But I also know the difficulties that users of the railways are suffering. To have country trains

running two to four hours late is quite a common thing. Still, there are doubtless circumstances to account for it. When it comes to finance, however, that is the concern of the Government, and the Premier has told the House that, if the railways show a deficit, he is going to be pulled up by the Loan Council.

The Premier: I did not say that.

Mr. BOYLE: I think the Premier told the House he had promised the Commonwealth Government that there would be no deficit this year if it could be avoided.

The Premier: That has nothing to do with the Loan Council.

Mr. BOYLE: The Grants Commission would work on that.

The Premier: There is an undertaking between the Federal Treasurer and myself that I will endeavour to make all the money possible available for war purposes and not have a deficit if I can help it.

Mr. BOYLE: I hope the Premier does not achieve that at the expense of country residents in this State. According to Mr. Raynor's statement, various sums of money for social services have to be borne by the department. Speaking from memory I think those sums aggregated about £250,000. I think the basic wage increases represented £127,000 and superannuation about £47,000. Is it seriously contended that 80 per cent. of the cost of those social services should be borne by residents of the country?

The Minister for Railways: Mr. Raynor has no authority to announce the policy of the Government.

Mr. BOYLE: I do not think he did so.

The Minister for Mines: That is the way you are taking it.

Mr. BOYLE: I admit that Mr. Raynor made an unguarded statement, but I have made hundreds of unguarded statements before commissions. That sort of thing is done unconsciously. An average witness finds himself up against three or four skilled cross-examiners and he gets away from his prepared script. I soon learnt that it was safer to go before a commission with a prepared statement and try to avoid any question outside it. Mr. Raynor is a young but very able officer.

The Minister for Railways: A very able and conscientious officer.

Mr. BOYLE: Notwithstanding remarks to the contrary, I consider that the control of

our railways is as good as anything I have seen in the Eastern States. As a young man I worked with all the present heads of our Railway Department and I know they are conscientious men. But they are confronted with difficulties.

The Minister for Railways: Would you say that the railways of Western Australia are comparable with those of the Eastern States?

Mr. BOYLE: I say that without hesitation, and that our officers, man for man, measure up to those in the other States. My grievance when I was in the railways was that the department imported nearly all those who are now heads from New South Wales. However, that is the responsibility of the management. The responsibility of the Government is an entirely different matter. The Government's responsibility is one of finance and it must hold the scales fairly between all the people of the State. If the Government after the 30th June decides to increase railway freights and fares by 12½ per cent., it will not be holding the scales fairly because 47 per cent. of the population of the State is centred in the metropolitan area and 80 per cent. of the increased charges will be imposed upon people living in the country.

MR. HILL (Albany): I am glad that the motion has been introduced. Since the present Premier has held office the losses incurred by the railways and ports, have aggregated about £3,000,000, and unless drastic changes are introduced, we shall have to face an increase of railway and port charges, an increase of taxation, or perhaps both. I am strongly against an increase in railway freights if it is to be made on a percentage basis. To my mind that would be most unfair because it hits hardest those who are in the worst position to pay. It hits those furthest out because their railway charges are fixed on a mileage basis and they must pay more than people living nearer to the metropolitan area. Take wheat, for instance! The further wheat is hauled, the greater the amount the farmer has to pay by way of freight.

Much has been said about the loss to the railways on the haulage of wheat, and I am reminded of a remark made by Mr. G. W. Stead some time ago in discussing this matter. The allegation was that wheat was hauled at a loss. Mr. Stead said

that that statement was probably correct, because the wheat hauled from shorter distances was probably hauled at a loss, but that wheat hauled from longer distances would be hauled at a profit. Under the proposal of a 12½ per cent. increase in freights, a man who had to pay £1 in railrage would have his cost increased by 2s. 6d., whereas a man who had to pay £3 in railrage would find his cost increased by 7s. 6d., which is most unfair. We have heard quite a lot about the loss on the carriage of wheat and on the carriage of super. The shortest distance is not always the cheapest. On the Great Southern railway we have Wagin, which is in the Bunbury zone, 21 miles nearer to Bunbury than to Albany. Very often wheat is sent from Wagin to Bunbury via Narrogin, thus making a trip of about 161 miles to Bunbury instead of a trip of 133 miles to Albany.

It has been suggested by the member for Kalgoorlie that we should increase the carrying capacity of our trains by relaying our lines with heavier rails and obtaining heavier locomotives. We would be able to achieve the same objects by cutting down grades. An "F" class engine can haul 380 tons on a one-in-sixty grade, 505 tons on a one-in-eighty grade, and 605 tons on a one-in-one-hundred grade. Something like £600,000 has been spent on the grading of the railways of Western Australia since our present Premier became Minister for Railways in 1924. Out of that amount £73,000 has been spent on a one-in-eighty grade between Collie and Brunswick; but not one penny has been spent in re-grading the Great Southern railway south of Narrogin. Had a total of £73,000 been spent on cutting out the few pinchers between Narrogin and Albany, there would have been better than a one-in-one-hundred grade between those two places. In fact, between Mt. Barker and Albany the load could have been 850 tons, and between Wagin and Moosbeem about 800 tons.

Again, between Katanning and Carburup there could also have been a load of about 800 tons. The blunder made by our Premier when he fixed the port zones on a mileage basis was comparable to his mistake of asking the superphosphate company to erect its works at Bunbury—the wrong place for backloading. If members will refer to "The West Australian" of the 25th April, 1929, they will see that the Premier asked the com-

pany to put the super works at the Port of Bunbury. I repeat, those works are in the wrong place for backloading. At the present time the whole of the super required for the Bunbury zone to the north and east of Bunbury is carried from the metropolitan area. Nearly one-half of the super produced by the Bicton works is hauled at a very heavy loss to the Albany zone.

The Premier referred to the general work of our railways. I contend that instead of talking about increased freights, we should adopt a policy which would enable more economical working of the railways. What we should do today is to cut down our costs, and we could do that by better administration. The Premier referred also to the carriage of prams. It is rather interesting to note that a woman in the metropolitan area travelling by train has her pram carried free, but that a woman travelling in the country districts has not only to pay a higher rate per mile for herself but also to pay for the carriage of her pram. Let me give an experience that I had this morning. Our train from Albany had arrived at Spencer's Brook on time, but we had to wait 40 minutes over the time of departure for the Kalgoorlie Express to pass us. The Kalgoorlie train does the run from Spencer's Brook to Perth in about 18 minutes less than the Albany train. We caught the Kalgoorlie train at Chidlow's, and we were obliged to wait for the other train to pull out of Chidlow's before we could go in to the station. When we arrived at Midland Junction, the Albany Express became converted into a suburban train, and had to pull up at every station.

MR. SPEAKER: This has nothing to do with the motion.

MR. HILL: I support the motion because it represents a protest against the uneconomical working of our railways, and I sincerely hope it will be carried.

HON. N. KEENAN (Nedlands—in reply): What I desire principally to say is that I accept the Premier's statement that this matter has never been before him, and that unless something disastrous is looming in our financial position it is not his intention to sanction a 12½ per cent. increase in railway freights. As I state, I accept the Premier's assurance without any qualifications not only because it is necessary that that should be done by the House, but because I know that the Premier would not

have made that statement unless he meant us to understand everything that it implied. But it is a great pity the Premier's statement was not made in another place. The original debate on the motion took place in another Chamber, and lasted many days, over three adjournments. The report of that debate appears in Numbers 17 and 18 of our "Hansard."

The Premier: I was away in the East then.

Hon. N. KEENAN: Over 17 members of the Council spoke on the motion. The member who proposed the motion should have been given the answer which the Premier has given here. It is important to know what the Chief Secretary said; it was something different from what the Premier said here. The Chief Secretary said the proposal for increases was made by the Commissioner of Railways to the Government.

The Minister for Railways: I had not received an intimation from the Railway Department.

Hon. N. KEENAN: I am not speaking of what the Minister for Railways said. The Chief Secretary in another place, speaking of the action of the Commissioner of Railways argued that the proposal had been made by him to the Government. He decided that it was quite right for Mr. Raynor to tell the Grants Commission what he said, because he would be telling the Commission something that it was entitled to know. If what Mr. Raynor said was true, then what the Chief Secretary said was also true. That is the explanation of the way in which this resolution has come before the House. In another place it did not receive the support of those members who were not supporters of the present Government. They criticised it on the ground that perhaps it was something connected with the finances of the State and accordingly should have been considered more carefully. The resolution was, they said, submitted in a hurry; nevertheless it was supported by every single member of the Upper House who is a supporter of the Government—by Hon. C. B. Williams, Hon. W. R. Hall, Hon. E. M. Heenan, in fact by all the goldfields members. I do not think it was supported by the Honorary Minister. The resolution was, however, carried without a voice being

raised against it. Now that the Premier has made his clear and candid statement, I accept it without qualification.

There is another phase upon which I hope I shall be able to say a few words, and that is the suggestion of a flat rate. In the course of his remarks, the Premier—of course properly—guarded himself against making any promises for the future which he might not be able to keep. If the State's financial position deteriorated he said he would have to consider—and I quite agree with him—the raising of additional revenue by increasing railway freights. Should that be necessary, I would like a definite assurance that we shall not have inflicted upon us anything so silly or unjust as a flat rate. As I remarked when moving the adoption of the resolution, the goldfields have paid, and are paying today, a payable rate. I do not think the Premier will question that. Goodness knows what must have been the profit made from the goldfields in the long spread of years that the railways have been carrying goldfields freight! It was said at one time that it was cheaper to send freight from Fremantle to some place on the goldfields line—I think some place near Merredin—and then to re-book it. Actually, the charge was so high that it paid to incur that extra handling. Of course, it would be an impossible proposition in most cases, but it is an instance showing what an extraordinarily high rate the goldfields residents have been paying.

The Premier: It was about a quarter of what they paid previously for cartage by horse teams. That is why they paid it.

Hon. N. KEENAN: Is that the philosophy of the Premier? Because they were charged £8 or £9 a ton for cartage from Southern Cross by horse teams, therefore it is right to charge them £6?

The Premier: I did not agree to do it at all. It was the contractors who did it.

Hon. N. KEENAN: The contractors were allowed to charge only special rates, and they made a huge fortune in a few months. I think the contractors had the railway for less than two months.

Mr. Marshall: Six months, I think.

Hon. N. KEENAN: They had it for some limited period of time.

The Premier: Two or three years.

Hon. N. KEENAN: No. Wilkie Bros. had the railway from Southern Cross for only a short period of time.

The Premier: They had it for two or three years. They rushed the line through so that they could charge those extortionate rates.

Hon. N. KEENAN: I am afraid the Premier is misinformed on that point. I can remember Wilkie Bros. giving a big spree not long after the railway was opened.

The Premier: Not when it was opened, but after it was connected.

Hon. N. KEENAN: Where?

The Premier: Between Southern Cross and the fields. They had two years within which to build the railway, and they completed it in six months.

Hon. N. KEENAN: Their first contract was the line to Coolgardie, and it was completed as quickly as they could construct it. They certainly enjoyed the result of their work for no considerable time. I do not think it was more than a few months, because one of my recollections is the colossal spree they gave in Coolgardie.

Mr. SPEAKER: Order! I do not think the hon. member is now replying to anything that was raised during the debate.

Hon. N. KEENAN: I want an assurance from the Premier—not on this occasion, because he cannot speak to the resolution again—that there will be no attempt made to enforce a flat rate, if it becomes necessary to make any increase at all. I am, of course, assuming now that unfortunately the position will become worse, and therefore it will be necessary to have recourse to an increase in railway charges. I want a distinct understanding that there will not be an increase of 12½ per cent. all round on passenger fares and freights from Fremantle to Perth or Kalgoorlie. That would constitute a grave injustice. In the circumstances, I do not feel that I should pursue the matter further.

The Premier: Withdraw your motion.

Hon. N. KEENAN: My seconder is not in the House. Without the consent of my seconder I certainly will not withdraw the motion.

The Premier: You have the responsibility.

Hon. N. KEENAN: I am afraid I cannot do anything in reference to the matter.

Question put and a division called for.

The PREMIER: There was only one "aye."

Mr. SPEAKER: I heard two.

Division resulted as follows:—

Ayes	..	..	..	..	16
Noes	..	..	..	..	17
Majority against					1

AYES	
Mr. Boyle	Mr. Sampson
Mrs. Cardell-Oliver	Mr. Seward
Mr. Keenan	Mr. Shearn
Mr. McDonald	Mr. Thorn
Mr. McLarty	Mr. Warne
Mr. North	Mr. Watts
Mr. Patrick	Mr. Willmott
Mr. Perkins	Mr. Doney

(Teller.)

NOES	
Mr. Coverley	Mr. Nulsen
Mr. Fox	Mr. Panton
Mr. Hawke	Mr. Tonkin
Mr. J. Hegney	Mr. Triat
Mr. W. Hegney	Mr. Willcock
Mr. Johnson	Mr. Wilson
Mr. Kelly	Mr. Withers
Mr. Leahy	Mr. Cross
Mr. Marshall	

(Teller.)

Question thus negatived.

MOTION—MR. WATTS'S INVENTIONS SELECT COMMITTEE.

As to Adoption of Recommendations.

MR. McDONALD (West Perth) [4.32]: I move—

That in the opinion of this House the Government should give effect to the recommendations of the Select Committee appointed to inquire into the utility of the railway devices invented by Mr. W. Watts.

The House was good enough in December last to appoint a Select Committee, comprising the member for South Fremantle, the member for Claremont, the member for Pingelly, the member for Bunbury, and myself, to inquire into the utility of certain inventions of Mr. Walter Watts, for many years an employee of the Western Australian Government Railways. The report has now been presented, and members will find it on their desks. The report is a short one, but even so I do not propose to go into the details, which are largely technical. It may be said that Mr. Watts was for a great many years foreman and blacksmith at the Midland Junction Workshops, and the committee was impressed by the almost unique knowledge he possessed of the technique and working of railway switches and crossings.

During his period of service with the department and since, Mr. Watts has been not merely highly efficient in his work but also an enthusiast, and has invented and patented a number of appliances dealing mainly with switches and crossings. In addition, he has

one appliance which deals with the point at which the ends of railway lines meet each other, the idea being to make a bridge which will hold the lines at the junction in the same alignment both laterally and vertically. This last invention is called the trussed sole-plate support. The committee has to acknowledge the very great assistance it received in the course of its investigations from Mr. Watts and his witnesses and from the Western Australian Government, through Mr. Hood, the Chief Civil Engineer, and the other technical officers whose services were made available by the Commissioner of Railways for the information of the committee. One of the inventions, namely the pivot joint, was adopted by the Government Railways some 30 years ago, and is in very general use on our railways today. For that invention the department paid Mr. Watts a total of £300. Mr. Watts has since improved on this pivot joint, and he calls this the improved pivot joint.

The other inventions, apart from the original pivot joint invented by Mr. Watts and adopted by our State railways, relating to switches and crossings, were not adopted by the department. They were given certain tests which have extended over many years, but in the opinion of the responsible officers the department was not justified for various reasons in adopting the inventions mentioned concerning switches and crossings. After very careful inquiry the Select Committee came to the conclusion that the evidence—

is not sufficient to justify them in taking the responsibility of recommending the general adoption of any of Mr. Watts's devices in the existing track, other than his original pivot joint, which is already in use.

I desire to add to that main finding the fact that in adopting inventions for the running tracks of railways there are a certain number of factors concerned, one of which is economy, and another of which—a very important one—is safety. After hearing the officers of the department and the professional and practical witnesses called by Mr. Watts, the committee came to the conclusion that although the inventions may have and do have merits, the balance of the evidence was not sufficient to enable the committee to say that the department was wrong or has been wrong up to date in not adopting the inventions.

As one witness put it to the committee, if we have a motorcar which is a year or two

old we do not necessarily sell it simply because a new model comes on the market, because by doing that we would incur a good deal more expense, and the old model would be really quite good enough for all practical purposes. That was applied to the devices on the existing track which were said by the department to be on the whole in accordance with standard American practice, which is the leading practice in the railway world, and on the whole to be giving serviceable use to the Railway Department. It was also pointed out that it could not be said in one respect that our existing devices were wholly inefficient, because the costs per mile of track maintenance in Western Australia were very low, being £137 per mile in this State as compared, for example, with £771 per mile in New South Wales, and varying larger amounts in the other States of Australia and New Zealand.

The committee, therefore, did not feel justified in reporting to the House that the department had been wrong in not adopting these devices of Mr. Watts, other than the one which had been adopted many years ago. However, following on suggestions made by departmental witnesses the committee made a number of other suggestions. The first was that in the event of any new track being laid—which may happen if there is uniformity of railway gauges, and that may occur before many years have passed—the opportunity should be taken to incorporate the trussed sole plate support in a length of 50 miles for the purpose of affording a full and adequate test of this device. The second recommendation also refers to the event of new track being laid and is that—

The committee is of opinion that serious consideration should be given to the adoption of the improved pivot joint in points and crossings in such track.

The third recommendation relates to the existing track where the present appliances are considered by the department to be reasonably satisfactory. The recommendation is simply that, in the case of our existing track, the trussed sole plate support and improved pivot joint should be installed in a few positions in order to give them a track test, because these inventions have not been given a track test in our existing lines. The committee goes on to express the opinion that the inventions deserve further consideration by professional and practical railway men. The committee did not comprise

railway experts although the member for Bunbury was a member of it, and he possessed knowledge of railway working which was of assistance. The committee recommended, therefore, that the Railway Department officers when meeting at interstate conferences, might take the opportunity to bring these inventions before the railway people of other States with a view to discussing the possibility of their utility and, in particular, of their being given tests in the various railway systems.

The last recommendation is, strictly speaking, outside the scope of the authority given by the House, but the committee felt justified in suggesting to the department that the sum of £300 that had been paid to Mr. Watts for the use of his original pivot joint patent was rather small. That patent has now been used for something like 30 years, and the committee thinks that the department might well give consideration to some additional amount being paid to Mr. Watts for its use as it is admitted to be very useful and a patent which has given good service to our railways. The motion that the House should give effect to these recommendations does not mean that the committee is challenging the opinion of the departmental officers that the devices that have not hitherto been used are not, at all events at present, suitable for use in the railways. The committee, however, is making its recommendations with a view to Mr. Watts's devices receiving further and more adequate tests in the existing track and also in the event of new lines being laid—for example under the uniform gauge plan. The recommendations, therefore, do not involve the department, the Government or this House in more than concurring in the opinion that the most commendable inventions of this excellent servant of our railways should, and are entitled to, receive something in the shape of further examination and tests in the department as the opportunities arise. I move accordingly.

MR. WITHERS (Bunbury): I have pleasure in seconding the motion. I want to say at the outset that the work of the committee was most interesting, more particularly to me as an experienced railway man. The patents exhibited by Mr. Watts were all practically new to me as well as to the other members of the committee. I, with the member for West Perth, want to

say that we are not in a position to make any definite recommendations as to the adoption of the devices. We give due credit to Mr. Watts for his wonderful patience, energy and knowledge in connection with track devices. There is no doubt that over a period of years he has given of his best with the intention of bringing our railway system, if possible, more up-to-date. One thing that Mr. Watts has been up against—and this must be appreciated by members—is that there are engineering standards in connection with railway practice that have been proved successful over a period of years.

As has been pointed out, America is possibly the leading country so far as those standards are concerned, and they are universal throughout the world. It is, therefore, only natural that difficulty should be experienced in getting engineers to adopt any new device even though it may appear to be an improvement on the present system. It is possible that such devices may cause catastrophes. For this reason it is easy to understand the conservative attitude of railway engineers. Mr. Hood, and the others who gave evidence on behalf of the Railway Department, were most helpful. They were not in any way aggressive in their objections to the claims put forward. They were all in sympathy, if not in accord, with Mr. Watts's ideas.

The Premier: Always remembering the railway maximum—safety first.

MR. WITHERS: That is what I had in mind. The committee reached the stage of appreciating that any device likely to be used, other than the trussed sole-plate support, would have to be used in the railway yards where there was no fast traffic, because it would not be wise to introduce new devices where fast traffic might cause disaster. But, as stated by the member for West Perth, there is still a field for further investigation in connection with these patents. Although they are new today I feel sure that if they are given, over a period, a trial, the time will come—possibly not in our day—when people will say, "This is another Watts's device." When these devices have been tested in our railway yards and found to be as effective as they are claimed to be, it is possible that present-day prejudices will be overcome.

The position regarding the universal switch is quite understandable to railwaymen,

but the fact remains that, practically speaking, what may happen under working conditions with the use of that device can be determined only under actual operations. Mr. Watts pointed out in his evidence that his device had been installed in the Perth railway yards for some eight years, and that fewer derailments had occurred at that point than anywhere else in those yards. The drawback to the switch, however, is that, according to evidence given by a practical man, the springs have to be renewed at frequent intervals, sometimes on several occasions in the one week. Mr. Watts has considerably improved his original device. The Premier will appreciate—and the Minister for Railways also—that the rail would have to move over with the universal switch with a load on the line. That would be all right in a shunting yard where trucks are moving over the rails at frequent intervals, because they would tend to press the rail from the checkrail which would control it under load. However, the engineers had objections to the use of the device and the one I have indicated is the only objection I can see to it.

The pivot joint, as used by the railways, has proved successful. The improved pivot joint has advantages over its predecessor in respect of the housing, which is such that dirt is prevented from entering the joint. The new device is more rigid than the old pivot joint and the bolts do not have to be loosened and tightened at intervals. The housing is much improved and, as I pointed out, prevents the dirt from entering. Certainly the housing would mean extra cost in the manufacture compared with the present device, and the Railway Department officials take the view that they do not desire too many devices of a similar type in stock. However, as the member for West Perth pointed out, no harm would be done if the department manufactured a few of Mr. Watt's devices at no great cost. Once the department had the necessary moulds, the construction of the devices would not be very expensive. I commend the action of Mr. Watts in his endeavour to bring his devices not only before the authorities in Western Australia, but before those in the Eastern States, America and elsewhere, and to place at their disposal the benefit of the knowledge he has gained through a lifetime's experience in the manufacture of track appliances. That experience

is fully appreciated by the engineering staff of the W.A.G.R.

Mr. Broadfoot, who was Mr. Watt's chief for many years, gave evidence on his behalf. When the motion for the appointment of a Select Committee was under discussion, I wondered why Mr. Broadfoot had not rendered greater assistance to Mr. Watts in connection with his inventions. During the course of his evidence Mr. Broadfoot explained the position and indicated that that phase was not under his jurisdiction. Mr. Watts was more associated with the Ways and Works Branch, although he was under the indirect supervision of Mr. Broadfoot in his capacity as Chief Mechanical Engineer. I think I may say that the department has been generous in its treatment of Mr. Watts respecting his inventions that were worthy of consideration. The Select Committee does not seek to commit the Government to any great expenditure or to extend consideration beyond the bounds of practicability. I certainly hope the Government will give further consideration to this matter, and if possible make use of Mr. Watt's devices as suggested in the Select Committee's report.

Question put and passed.

MOTION—TRAFFIC.

As to St. George's-terrace Bus Stands.

Debate resumed from the 19th November on the following motion by Mr. Marshall:—

That in the opinion of this House all bus services operating from the city of Perth in an easterly direction, the city terminal being the south side of St. George's-terrace from Barrack-street eastward to Government House, should have their terminal changed to the north side of the terrace exactly opposite the present terminal.

MR. McDONALD (West Perth) [4.55]: I feel that this motion is not justified, and I propose to deal with it briefly. It relates to eastbound traffic and to what may be described as an island bounded by Riverside-drive, Barrack-street, St. George's-terrace and Adelaide-terrace. It is like a triangular racecourse, if I may use that expression. At present all buses proceed from the Causeway along the south side of Adelaide-terrace and St. George's-terrace, and have their terminus opposite the old G.P.O. On the outward journey they turn down Barrack-street and along Riverside-drive, thence across the Causeway. All the time the buses have the inside running. The alternative proposition indicated in the motion is that

buses, instead of entering the city as at present, shall proceed along Riverside-drive, turn north up Barrack-street, turn right into St. George's-terrace and park opposite the old G.P.O. on the northern side of the terrace. Under those conditions the buses would have the outside running and would make right-hand turns. They would turn twice across traffic, once at the foot of Barrack-street and once again when they turn from Barrack-street into St. George's-terrace. Under that alternative system the buses would cross tram lines three times, whereas under the existing arrangement they do not have to cross tram lines at all, make any right-hand turn or cross traffic at any time.

Mr. Cross: Do not they have to cross traffic at the Causeway, which is a danger point?

Mr. McDONALD: But at the Causeway they cross virtually in line with the traffic.

Mr. Cross: We are lucky we have not had a bad smash there.

Mr. McDONALD: It may be a matter of luck, but the fact remains that there has been no bad smash at that point. When the Horseshoe Bridge was constructed, it was predicted that there would be big smashes and the same was said when the Edith Cowan Memorial was erected at the top of Malcolm-street—but no accidents have happened at those points. It is a fact that the more dangerous a place may be, the greater is the care taken by the people to avoid accidents. I understand the present system of parking on the south side of the terrace has the approval of the Perth City Council, the Traffic Branch of the Police Department and other authorities concerned. It is one that was envisaged when Riverside-drive was made, the object being to give an easy exit from the city and avoid crossing traffic. The system now in force, which I think should be continued, is also utilised for west bound traffic because that traffic in the central part of the city is brought down Mount's Bay-road into William-street, and then taken westward along St. George's-terrace in such a way as to avoid crossing against other traffic.

Under the system suggested, with the stand on the north side of St. George's-terrace, the buses will have to follow up Barrack-street behind the trams. When a tram stops, the bus will have to stop. When people get out of trams, the bus will have to wait

until, with their prams and young children, they pass from the back of the tram to the nearest kerb. All that means delay for buses and difficulties against traffic in one of the busiest sections of the city. When buses come westward along St. George's-terrace, drivers can see in advance whether the parking place is filled up and can stop down towards Victoria-avenue, on the south side of the terrace, wait until a parking place is free, and then move up.

Mr. Cross: They often park in the middle of the road.

Mr. McDONALD: Under the arrangement for parking on the north side of the terrace, a bus driver could not find out whether there was any space until he had arrived at the intersection of St. George's-terrace and Barrack-street. Then the driver must look to his right; he could not remain there, but would have to turn into St. George's-terrace, and, if the parking place was filled, would have to go well down the terrace and perhaps turn at Victoria-avenue before he could find a vacant space on the northern side. For all these reasons and after having made such inquiries as I could amongst those concerned, I am convinced that no sound argument can be advanced for departing from the existing system; in fact, there appears to be very strong reason for retaining the present method by which buses serving the eastern suburbs enter the city. Therefore I oppose the motion.

MR. MARSHALL (Murchison—in reply): The suggestion of the member for West Perth will not obviate the difficulty. The only good point raised by him was that of the buses following trams in Barrack-street from Riverside-drive and the turn to the right. That, practically, is going on to-day with one of the bus services. This service is the most busy of all; on the average the buses run about every ten minutes. It is remarkable how consistently those buses come in, load up and go out. Much of the traffic gained by those buses, in my opinion, has been taken from the tram and ferry services.

Mr. Cross: That is not borne out by the figures.

Mr. MARSHALL: I will not argue that point, but it is astounding how those buses have reaped such a rich reward in so short a space of time. This wonderfully good service had hardly been established before there

was a constant flow of traffic to the buses. I do not know whether other transport systems have been or are being deprived of their passengers, but it is astounding that such a recently installed service should be so well patronised day and night. If it is not robbing other systems of their clients, the service must have been long overdue, and thousands of people must previously have been deprived of transport facilities.

I remind the member for West Perth that there is any amount of space on the south side of St. George's-terrace, right back to Victoria-avenue, or even further. That was used when the traffic was much heavier than it is now. The buses used to enter the city by the terrace and make a complete right-about turn in Barrack-street.

Mr. Patrick: The North Perth buses also used to stop there.

Mr. MARSHALL: Yes. Now, however, when the volume of traffic has been greatly depleted, we cannot enjoy the privileges that are given to another bus service. The member for West Perth does not recognise the difficulties of a mother with children having to cross St. George's-terrace, both when she alights from a bus and when she is joining a bus for the homeward journey. She has to face all the traffic when crossing the terrace. Mothers with their children are entitled to some consideration. Whatever danger might be eliminated by obviating the right-hand turn in Barrack-street would be intensified for women and children having to cross the terrace twice on each visit to the city. This danger warrants favourable consideration being given to the motion.

The member for West Perth should realise that these bus services are well organised. The buses run to a schedule; there is no such thing as parking buses on those stands. The buses run in, put down their passengers, pick up others and move off. They do not park there at all. A driver travelling north up Barrack-street would know exactly where he had to stop in the terrace, and he would know that space had been reserved for him. The argument of the hon. member on this point does not carry any weight.

As regards cutting across traffic in Barrack-street, would the hon. member say that cutting across west-bound traffic at the Causeway—having regard to the fact that when city-bound trams are crossing the Causeway they are on the wrong side of the road—was less dangerous? Whatever danger

may be apparent to a driver, he has to give way to right-hand traffic without cutting through, and he could be caught by a tram coming straight at him when he reached the correct side of the road. That is the position there. One or two cars, in order to avoid a collision, have been flung into the river. Trams coming into the city travel on the north side of the road. These cars come out of the Riverside-drive, cut through the west-bound traffic, and come on the correct side into the city. If that is not more dangerous than to take a half right-hand turn into Barrack-street, I am at a loss to understand the reason.

Another bad feature of the Causeway crossing is that on this side of the Causeway there is an arch which provides for fair-sized sailing vessels and yachts and launches to pass in the deep water under the Causeway. Under those conditions an oncoming tram cannot be seen until you are on top of it or it is on top of you. In consequence, one is confronted with immediate danger without knowing that there is any danger whatever. The argument advanced by the member for West Perth does not carry the weight which the hon. member emphasised it did. It is unfair that there should be any preferential treatment. If there is any virtue in four or five buses having to come in on one side, then they should all come in on that side and all go out on that side. There has been a request to shift all these buses over to the north side, and a report has been put up stating, in effect, that they ought to be on the other side. Having given consideration to all arguments for and against, I am of opinion that the motion should be carried.

Question put and passed.

BILL—COMPANIES.

In Committee.

Resumed from the previous day. Mr. Marshall in the Chair; the Minister for Justice in charge of the Bill.

Clause 161—Provisions as to liability of officers and auditors:

The CHAIRMAN: Progress was reported after Clause 160 had been agreed to.

Hon. N. KEENAN: I move an amendment—

That in line 5 the words "(whether an officer of the company or not)" be struck out.

Amendment put and passed.

Hon. N. KEENAN: I move an amendment—

That in line 4 of paragraph (a) of the proviso the word "six" be struck out and the word "three" inserted in lieu.

The paragraph provides that the clause shall have effect only on the expiration of six months from date of commencement. If the provision is wise, there is no reason to delay its operation for six months. Nothing is done by the paragraph; only obligation is created.

The MINISTER FOR JUSTICE: I agree to the amendment.

Amendment put and passed.

Hon. N. KEENAN: I move an amendment—

That paragraph (c) of the proviso be struck out.

Clause 418 provides that the court can, where a breach of the Act has taken place by an officer without any fault on his part, relieve him of liability. That, in my opinion, is ample. Why add here the right of the company to indemnify the officer? All the rest of the clause is prohibitive.

The MINISTER FOR JUSTICE: I regret I cannot accept this amendment. The proposed deletion would penalise an officer who has done his duty. If judgment is given in favour of an officer, I see no reason why he should have to be at the expense of defending himself against, say, a spiteful person. That would be penalising the officer. But if the officer did something wrong, he should receive no consideration. He still has the right to appeal to the court.

Amendment put and negatived.

Clause, as previously amended, agreed to.

Clause 162—agreed to.

Clause 163—Provisions for facilitating re-construction and amalgamation of companies:

Hon. N. KEENAN: I move an amendment—

That Subclause (5) be struck out.

The subclause is totally unnecessary. I refer members to page 8 of the Bill, where they will find the definition of the word "company." It is absolutely unnecessary to repeat a definition already set out in the Bill.

The MINISTER FOR JUSTICE: I agree to the amendment.

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

Clauses 164 to 166—agreed to.

Clause 167—Returns to be made by no-liability companies:

Hon. N. KEENAN: This clause deals with returns to be made by no-liability companies, but paragraphs (vii) to (xi) are unnecessary. They are altogether foreign to a no-liability company, which does not issue shares at a discount. I therefore move an amendment—

That paragraphs (vii) to (xi) of Subclause (1) be struck out.

The MINISTER FOR JUSTICE: I have discussed this amendment with the Crown Law Department and agree to it.

Mr. TONKIN: If these paragraphs have no application to no-liability companies, why were they inserted in the Bill?

Hon. N. Keenan: Goodness knows!

Mr. TONKIN: I defer to the superior knowledge and wider experience of the member for Nedlands, but I would nevertheless point out that it would be possible for a no-liability company to issue shares at a discount. It could issue shares purporting to be paid up to 2s. 6d., but for which only 1s. 6d. had been paid.

Hon. N. Keenan: The protection the shareholder would get would be in respect of the amount he had paid up.

Mr. TONKIN: That is true.

Hon. N. Keenan: If he had paid up only 1s. for a 1s. 6d. share, he would still owe 6d. on that share.

Mr. TONKIN: I am prepared to accept what the member for Nedlands has said, as it has been confirmed by the Crown Law authorities, but it seems remarkable that we should have been asked to accept the contents of the Bill, which has been before a Select Committee and yet contains these paragraphs with no bearing whatever on no-liability companies.

Mr. WATTS: My recollection of this matter when it was before the Select Committee is that I was in the same frame of mind as the member for North-East Fremantle. It was reported to me personally—whether the matter was brought before the Committee or not I cannot remember—that there was no necessity for these provisions relating to a no-liability company, because the circumstances which they seek to cover will never arise. I could not satisfy myself, however, that they would never arise and therefore I raised no objection to the paragraphs remaining in the Bill. Even if the

circumstances are never likely to arise, surely no harm would be done by leaving the paragraphs in the Bill. If, however, the circumstances did arise, we are in a position to demand that information of this kind should be furnished. I hope the Committee will not agree to the amendment.

Hon. N. KEENAN: The Leader of the Opposition is under a misapprehension, as is also the member for North-East Fremantle. Such circumstances can never arise in a no-liability company. In the case of a limited company, it is of supreme importance that subscribers to and creditors of a company should know whether shares are issued at a discount, because otherwise they might be misled. But in the case of a no-liability company there is no uncalled capital. It is simply payment from day to day. There is no possibility of collecting any single payment except money actually in the call, and there is no possibility of shares being issued at a discount by a no-liability company. As for the argument that to leave these clauses in would do no harm, it would do no harm either to have a clause to say that a secretary shall not have red hair or any other such ridiculous provision.

Amendment put and passed.

Hon. N. KEENAN: I move an amendment—

That in lines 7 to 10 of paragraph (xvi) of Subclause (1) the following words be struck out:—"and if the balance sheet is in a foreign language, there shall be annexed to it a translation in English certified in the prescribed manner to be a correct translation."

We are certainly not going to have here carrying on business companies which will produce balance sheets in a foreign language, the Japanese, for instance—

Hon. W. D. Johnson: Or the Chinese; they will come here after the war.

Hon. N. KEENAN: If they form companies, they will have to produce balance sheets in our language and not in a foreign language.

The MINISTER FOR JUSTICE: I have discussed this matter with the Crown Law Department and its views are the same as those of the hon. member.

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

Clause 168—Calls and forfeiture for non-payment:

Hon. N. KEENAN: I move an amendment—

That in line 7 of Subclause (1) the word "and" be struck out and the word "or" inserted in lieu.

This clause relates to calls and forfeiture for non-payment, and the effect of the amendment will be that in the case of a registered office being in a place other than Perth, it will not be necessary to advertise in a Perth paper. This clause reserves a right to a Perth newspaper proprietor by making it compulsory for an advertisement to be made in Perth, even though the registered office is situated somewhere else.

The MINISTER FOR JUSTICE: I cannot agree to the amendment. This matter was discussed fully by the Select Committee which maintained that every possible advertisement should be given to the forfeiture of shares; that everybody should be given a chance to know that shares are to be forfeited or sold. Consequently it is necessary to publish the fact, not only in a local paper, but in "The West Australian," because while there are persons who will read only the local paper, there are others who read the Perth newspaper and, seeing that "The West Australian" is the recognised daily paper of the State, it is considered advisable that the advertisement should appear in that paper.

Mr. Tonkin: What about "The Worker?"

The MINISTER FOR JUSTICE: If it were so desired, the advertisement could be published also in "The Worker." There is nothing to prevent that, but it would not be fair to confine the advertisement to the newspaper in the particular district concerned.

Amendment put and negatived.

Clause put and passed.

Clause 169—agreed to.

Clause 170—Redemption of forfeited shares:

Hon. N. KEENAN: I move an amendment—

That in line 3 after the word "time" the words "on or" be inserted.

The MINISTER FOR JUSTICE: I cannot agree to the amendment. If it is "on the day" the shares are to be forfeited or sold, that would be up to 12 o'clock that night. We would have to make some definite time. If the shares were sold before the day expired the shareholder would have a claim, so it must be before the day.

Hon. N. KEENAN: This is a struggle about a matter that might frequently have happened in the old days when we had no-liability companies. What happens is that on the day fixed for forfeiture, the owner suddenly wakes up to the fact that if he does not pay he will lose his shares. Would the Minister say to a man who comes along on that day, but before forfeiture has actually taken place, "No, you are too late?" I do not like it.

Mr. TONKIN: I am in agreement with the desire of the member for Nedlands, but I appreciate the point raised by the Minister. We could meet the wishes of the hon. member by deleting certain words and inserting others in line 3. Could I move an amendment to that effect?

The CHAIRMAN: The hon. member may do so after the present amendment has been dealt with.

Amendment put and negatived.

Mr. TONKIN: I move an amendment—

That in line 3 the words "before the day" be struck out, and the words "prior to that" inserted in lieu.

That would mean that right up to the time of sale the owner could tender the amount owing on his shares.

Hon. N. Keenan: I do not think so. The day begins at midnight.

Mr. TONKIN: I am not using the word "day." My amendment reads "at any time prior to that fixed." Would not that go right up to the actual time of sale?

Hon. N. Keenan: If you said "prior to sale," you could leave out the word "day."

Mr. TONKIN: I have no intention of including the word "day."

Hon. N. Keenan: The time would expire at midnight prior to the day fixed for sale.

Mr. Watts: But there is no time mentioned.

Mr. TONKIN: I will take a risk and move my amendment.

The MINISTER FOR JUSTICE: I do not like the amendment. I am not certain just what its effect will be. I want to be sure that when these shares are offered for sale the person who owns them cannot come along and claim them. From the interjections there seems to be some doubt about the position. I can see no harm in leaving the clause as it is. The difference of a day is only the difference between 12 midnight and 9 a.m. on the following day. I do not

mind, so long as I am certain, but I do not want to leave a clause that will be challenged.

Mr. WATTS: The member for North-East Fremantle may possibly solve the problem that the member for Nedlands wants solved, but it is difficult to say off-hand that these words will suit the purpose. I am going to ask the Minister to agree that the clause be postponed. I would like to move in that direction.

The CHAIRMAN: We cannot postpone the clause until all amendments have been dealt with or withdrawn. Unless the member for North-East Fremantle is prepared to withdraw his amendment, I cannot put the question that the clause be postponed.

Mr. TONKIN: If the Minister will give an assurance that the Committee will have an opportunity to deal with the matter later, I will withdraw my amendment.

The MINISTER FOR JUSTICE: I have no objection to a recommittal of this clause.

Amendment, by leave, withdrawn.

On motion by Mr. Watts, clause postponed.

Clauses 171 to 174—agreed to.

Clause 175—Liability of directors of company for wages:

Hon. N. KEENAN: I move an amendment—

That in line 2 of Subclause (1) after the word "company" the words "and who has been unable to recover same from the company" be inserted.

This is only a reasonable proposition.

The MINISTER FOR JUSTICE: I agree to this amendment.

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

Clause 176—agreed to.

Clause 177—Memorandum and articles of association of co-operative companies:

Hon. N. KEENAN: I move an amendment—

That paragraph (b) be struck out.

The paragraph provides that before declaring a dividend out of the profits of the then last financial year the directors of the company may provide for the payment of a dividend on the shares which have been issued and were held by shareholders during any one or more of the three preceding financial years in respect of which no dividend had been declared, provided that such dividend shall be payable to the persons registered as owners of the shares at the date of the

declaration of the dividend. Under a provision like that some shareholders would be very lucky. The dividends are to be paid not only to those who have held shares during a sterile period but to the lucky person who may have bought shares in more favourable circumstances. That is a case of greasing the fatted pig. I know of such an instance. There may be five sterile years and then a year of great prosperity. A man may become disgusted during the lean years and sell his shares to a person who buys just before the year of great prosperity. The latter will collect the dividends. The idea is repugnant.

The MINISTER FOR JUSTICE: I have given much consideration to paragraph (b) and have discussed it with people outside the Crown Law Department, including the Leader of the Opposition. I have reached a conclusion similar to that indicated by the member for Nedlands, and I agree to the amendment.

Hon. W. D. JOHNSON: I hope the Committee will not agree to the amendment, and I am disappointed that the Minister neglected to discuss the matter with me.

The Minister for Justice: The hon. member neglected to discuss it with me.

The CHAIRMAN: Order! Will the member for Guildford-Midland address the Chair?

Hon. W. D. JOHNSON: Everyone knows my enthusiasm regarding co-operative effort and my association with the co-operative movement. The Minister knows that I have discussed this clause and that those associated with the co-operative movement provided evidence which was given by Mr. Harper before the Select Committee. The position is that there may be lean years in connection with a co-operative concern during which it is considered inadvisable to pay any dividend because special exigencies of the time necessitate the conserving of funds in anticipation of some difficulty. In course of time that difficulty may not make itself apparent, and the position is recovered. Unless some such provision as that in the Bill is retained, the members of the co-operative concern will not have an opportunity to receive what they have really earned.

Hon. N. Keenan: No, this will allow the dividend to be paid to the present shareholders.

Hon. W. D. JOHNSON: I know that, but in connection with co-operative concerns

shares very seldom change hands because such a transaction would have no advantage. Shares are always available at par. If the amendment is agreed to, a great injustice will be done to shareholders in co-operative concerns who have been waiting for three years for dividends that have been withheld for specific reasons, but which may subsequently be paid. I hope the Committee will not delete this co-operative provision because it represents part of the working arrangements of co-operative companies.

Hon. N. KEENAN: The member for Guildford-Midland is under a misapprehension. The paragraph means that the dividends will be paid to the person who holds shares at the time the dividend is declared. He may not be the person who has held the shares during the preceding three years.

Hon. W. D. JOHNSON: Such shares very seldom change hands.

Hon. N. KEENAN: I say it would be a disgraceful and unwarranted proceeding to pay the dividends to a present holder who had not held the shares during the lean period. The member for Guildford-Midland referred to the position where the shareholder has held shares throughout the whole period. That presents no trouble at all. In that case the shareholder is paid the dividend for the full period. Paragraph (b) will enable a person by a subterfuge to get a dividend declared in respect of years when he was not a shareholder.

Hon. W. D. JOHNSON: During a lean period of three years money that could be paid out in dividends is retained against possible eventualities that do not develop. The money that is in hand can then be paid out in dividends over the three years.

Hon. N. Keenan: To whom is it paid?

Hon. W. D. JOHNSON: To the shareholder who, in connection with co-operative companies, is invariably the man who has held the shares during the three preceding years. There may be instances of some shares being disposed of, but in practically every case the shareholder would be the man who had held the shares throughout the full period. If the amendment be agreed to, an injustice will be done to those shareholders who have held their shares throughout the three-year period during which they have been deprived of dividends in the circumstances I have indicated.

Mr. WATTS: Evidence was given to the Select Committee by the chairman of the Co-

operative Federation and its solicitor, who presented a series of statements and information that convinced me at the time that this paragraph should be included. I feel that sufficient reasons were advanced possibly to convince the member for Nedlands that it should be retained, and in order that the matter may be considered, I ask the Minister to report progress.

Progress reported.

House adjourned at 6.2 p.m.

Legislative Assembly.

Thursday, 4th February, 1943.

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The SPEAKER took the Chair at 2.15 p.m., and read prayers.

QUESTIONS (4).

VERMIN DESTRUCTION.

As to Rabbits on Railway Property.

Mr. DONEY asked the Minister for Railways: 1, Has he read paragraph (3) of a reply (embodied in a report by the Chief Inspector of Rabbits tabled on the 28th January) by the Minister for Lands to my question of the 27th idem, which sought to secure that the Railway Department itself destroy rabbits on its own reserves and enclosed lands? 2, Has he noted the implication that in regard to rabbit destruction the Railway Department itself initiates no action, considers itself exempt from responsibility therefor, and will agree to co-operation with vermin boards only in certain selected circumstances? 3, Can the department, having regard to the increased number of burrows on railway lands, regard the position set out in Question (3) as satisfactory or justifiable? 4, Will he issue instructions for ploughing in all existing bur-

rows and/or of destroying the rabbits? 5, Otherwise, will he discuss with vermin boards concerned the matter of a co-operative arrangement tending to secure uninterrupted attention to the matter of rabbit destruction and (in the event of vermin boards agreeing to do the work) to assure to them a recoup of any expenses incurred by them—preferably payment of a concrete annual amount? 6, Will he read a report, by the Deputy Director General of Manpower, appearing in "The West Australian" of Wednesday the 27th January, headed "Rural Labour. Drift from Farms"; and will he seek the Deputy Director General's assistance should it be necessary?

The MINISTER replied: 1, Yes. 2, The Railway Department's policy is to destroy rabbits (a) where the burrows are endangering railway formation, and (b) where efforts to destroy rabbits are made by the owners of adjoining land. 3, Yes. 4, See No. (2). 5, The department would welcome approach from the vermin boards on this matter with a view to co-operation. 6, Should it become necessary, assistance will be sought in the carrying out of the policy laid down in No. (2) above.

MIDLAND JUNCTION WORKSHOPS.

Retired Employees Re-engaged.

Mr. NORTH asked the Minister for Railways: 1, How many workers at Midland Junction Workshops, past retiring age, have been re-engaged for full-time work during the war crisis? 2, Do any of these men lose their pension rights under these circumstances? 3, If so, was this by agreement between the Government and the men concerned?

The MINISTER replied: 1, Fifteen are now employed, including those whose employment did not cease at age of 65. 2, Section 75 (1) of the Superannuation and Family Benefits Act defines the course to be followed in cases of employment or re-employment of pensioners and its provisions are being observed. 3, Answered by No. (2).

CONTRACEPTIVES.

Mrs. CARDELL-OLIVER asked the Minister for Health: 1, Is he aware that, in the vicinity of many shelters in the outer city area, contraceptives are left lying about and, in some instances, children have played with