Legislative Assembly.

Thursday, 25th September, 1941.

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

QUESTION—EDUCATION.

Bunbury Senior School.

Mr. WITHERS asked the Premier: 1, Has his attention been drawn to a statement in the "West Australian" of the 24th September, headed "Disgrace to Bunbury," in connection with the condition of the senior school? 2, If so, will he immediately have an investigation made of the whole position, particularly with a view to a new school site, as advocated by me for many years?

The PREMIER replied: 1, Yes. 2, The question of a new site has been under consideration by the department for some time and is not yet finalised. The condition of the present building is a matter for the Public Works Department. The District Architect's reports do not disclose a state of affairs as indicated in the Press. However, a further comprehensive report has been called for.

QUESTION—DEFENCE, INTERNEES.

Harvey Potato Growing.

Mr. HILL asked the Minister for Agriculture: 1, Who owns the land on which the internees at Harvey are growing potatoes? 2, Who pays rates, etc.? 3, Whence did the internees obtain the power and implements to do the work? 4, Who financed and provided the seed and manure? 5, Was seed from the Agricultural Department used? 6, What is it intended to do with any surplus of potatoes not needed by the internees? 7, In the event of the crop being a failure who will stand the loss?

The MINISTER FOR AGRICULTURE replied: 1, The land on which the internment camp near Harvey is situated is owned by the Crown and is leased to the Commonwealth Government. 2, See reply to No. 1. 3, 4, 5, 6 and 7, The whole of the operations in connection with work carried out by the internment camp authorities is being controlled and financed by the military authorities, fertiliser and seed being purchased through the usual trade channels. We are advised that potatoes grown will be used at the internment camp, and quantities produced over those requirements will not be sold but will be utilised in other military establishments.

QUESTION—SWAN RIVER.

As to Pollution.

Mr. NORTH asked the Minister for Works: 1, Since the closing of the Burswood Sewerage Works has the river been completely clear of sewerage effluent? 2, If not, what other pollution is still taking place?

The MINISTER FOR WORKS replied: 1, Yes, in so far as the Metropolitan Water Supply, Sewerage and Drainage Department is concerned. 2, Within the knowledge of the department there are a few septic tanks discharging into the Swan River. In addition, there is a considerable amount of natural drainage which reaches the river.

QUESTIONS (2)—RAILWAYS.

Payments to Midland Railway Co.

Hon. W. D. JOHNSON asked the Minister for Railways: What was the total sum paid from Government railway income to the Midland Railway Company on account of railway services rendered for the years ended the 30th June, 1938-39, 1939-40, 1940-41?

The MINISTER FOR RAILWAYS replied: 1938-39, £142,591; 1939-40, £126,709; 1940-41, £150,379.

Cheney Spark Nullifier.

Mr. DONEY asked the Minister for Railways: 1, Has either the original or the improved Cheney spark nullifier ever been tested on a Western Australian Government locomotive? 2, If so, what was the number of miles run by the locomotive or locomotives used in such test or tests, together with the relevant dates?

The MINISTER FOR RAILWAYS replied: 1, No, but trials have been made with a Midland Railway Company's locomotive on both Government and company's lines in the presence of Government railway officials. 2, On these trials 112 miles were run in October, 1921, and 96 miles in June, 1922.

BILL—TRAFFIC ACT AMENDMENT.

Read a third time and transmitted to the Council.

BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Second Reading.

THE MINISTER FOR LABOUR (Hon. A. R. G. Hawke—Northam) [4.36]) in moving the second reading said: Most of the amendments in this Bill have been framed to assist the administrative side of the work of the Court of Arbitration. The balance of the proposals seeks to alter the Act in such a way as to give additional rights to workers already covered by the Act, and to bring under its jurisdiction a section of workers not at present covered. The new section of workers proposed to be brought under the Act is that known to the community as domestic workers. It has been generally considered throughout the community, over many years now, that domestic workers have been under-paid and over-worked in the majority of instances. From time to time certain organisations have advocated having the conditions improved and wages of domestic workers raised. These workers have, generally speaking, had an unfortunate experience because the wages they have received and the conditions under which they have worked, particularly in regard to the hours of labour, have been such as to make employment in domestic service altogether unattractive.

It is reasonable to say that the majority of women and girls in domestic service have undertaken such employment only as a last resource. Very few women and girls voluntarily choose employment as domestics; they are compelled to accept such employment because of the fact that work in other directions is not offering. Students of social welfare consider that the whole problem of providing help in homes where such help is required would be largely overcome if the working conditions and remuneration of domestic workers could be raised appreciably above the existing standard. If remuneration and working conditions were so raised, the attractiveness of domestic service would be greatly improved, and consequently a better class would be encouraged to take up that type of employment. It is also thought that women and girls would be more inclined to train themselves to become more efficient in the various classes of domestic work that is offering.

Members will be aware that fairly recently a well-organised domestic training centre was established at the Perth Technical College. That centre is now in full operation and is training women and girls in the science of domestic economy.

Mr. Seward: How many are attending?

The MINISTER FOR LABOUR: Unfortunately the number is not large because of the fact that the accommodation is necessarily limited, but those who are attending and receiving training will become efficient in most, if not all, branches of domestic service by virtue of the special training, and the efficiency they will acquire will place them in a position to obtain very good working conditions and a very reasonable rate of remuneration for their services. But we cannot train a large number at the one time; there will still be a majority of untrained women and girls employed in domestic service. That unfortunate position, I think, will not be fully overcome until such time as this class of worker is given the right to approach the Court of Arbitration to have conditions and remuneration decided through the medium of that industrial tribunal.

Another important proposal in the Bill aims at altering the existing law regarding the period within which amendments may be made to an award following the delivery by the court of the award. At present no party to an award may, until a period of 12 months has elapsed from the delivery of the award, make application to have altered any portion of the award. The proposal is to give the court itself, when delivering an award, the right to reserve to any party to the award the opportunity to apply to amend any stated provision before a period of 12 months

has expired. There have been instances where the court has included in an award what were known as experimental provisions—provisions covering conditions of employment that had not previously been tested out in any State of Australia and certainly not in Western Australia. When those particular provisions were tested in actual practice, it was found that they did not work as well as the court and the parties to the award had hoped they would.

In one instance, trouble developed because of the unsatisfactory way in which an experimental provision worked in practice. A serious industrial dispute occurred and continued for several weeks, and was finally settled as a result of compulsory conferences convened by the court. Had the proposal in the Bill been part of the industrial arbitration law at the time the award was delivered, the court might very well have used the power to preserve to the parties the right to apply to amend the experimental provision in a lesser period than 12 months. The court, however, did not have the legal power at the time, and consequently could not give the right to make application for an amendment of any particular provision of the award until the expiration of 12 months.

We hope that in the reasonably near future industries entirely new not only to this State but also to other parts of Australia will be established here. The Court of Arbitration will be called upon to make awards governing the wages and working conditions to apply in those new industries. The court, to quite a considerable extent, will be making awards and incorporating in those awards provisions that will be entirely experimental. No one will be able to say with any degree of certainty how those provisions will operate in practice. We consider, therefore, that this power should be given to the court—the power to grant to any of the parties to an award when the award is being delivered the right to apply for an amendment in a lesser period than 12 months. Members will realise that this right to apply for an amendment of any particular provisions of an award will only operate when the Court itself grants the right.

Unless the Court when it is delivering an award grants this right to apply to one or other of the parties to the award it cannot apply, and the legal position will be the same in the future as it was in the past. Every provision in the award will have to be observed and carried out for the period of at least 12 months before any application for an amendment of the award can be made. If, however, the Court feels that some provisions are experimental and that it would be fair and reasonable to grant the right to apply for an amendment in a lesser period than 12 months, the Court in the exercise of its own judgment would be enabled to grant to the parties to the award the right to make application for an amendment in a lesser period than 12 months. When the Court grants this right to apply for an amendment under the provisions I have mentioned the order of the Court granting the right will state the particular provisions in the award to which the order will apply. In other words, the Court will not grant a general right to apply for an amendment of every provision in the award. It will grant a restricted right to apply for an amendment to some particular provisions, or perhaps to two or three particular provisions in the award, which in their nature are regarded as experimental. It is thought this amendment is very desirable in order that the Court may exercise its judgment to the fullest extent for the purpose of seeking to avoid any industrial disruption that may arise because some experimental provision in an award does not work out at all satisfactorily in practice.

The adoption of this proposal in the Bill will have the effect of giving the Court greater power than it has had in the past to provide against the possibility of industrial trouble arising through the operation of experimental provisions that from time to time are placed in awards. The Bill also aims to give to all the parties to any award the right to agree to vary the terms of the award, if all the parties can so agree. Where all the parties to an award agree that its terms should be varied they will have the right to approach the Court for the purpose of having the agreement they have arrived at considered and decided. If the Court in the exercise of its judgment considers that the agreement arrived at is desirable it will have power to register it, and the agreement will then become binding upon all the parties to the award. This proposal aims at encouraging the employers and the workers in the interests of this State to meet each other in conference whenever they consider

that desirable and necessary, so that they may, if it is at all possible, come to a unanimous agreement regarding the alteration to an award which they may want from time to time. The Bill also makes provision for a compulsory annual audit of the accounts of every registered union in the State.

Under the existing law no provision has been made for a compulsory audit by a qualified accountant. A registered union of employers or a registered union of employees is entitled to decide its own methods whereby its accounts are audited. Every member will be aware that there have been some unfortunate developments over the years in connection with the affairs of some registered industrial organisations. It is thought that the proposal in the Bill dealing with this matter will help to tighten up the whole system of dealing with the accounts of registered industrial organisations in such a way as to safeguard their best interests in the future. The point can be raised that the appointment of a qualified public accountant each year for the purpose of auditing the accounts of an organisation may impose upon smaller organisations a financial burden which they cannot possibly bear. That objection can be answered by the statement that the cost of auditing the accounts of a small organisation would be very low, and that a number of small organisations could join together and share the cost of employing a qualified accountant to audit their accounts once every year. It is felt that this particular amendment is desirable, and that no financial difficulties on the part of small organisations are likely to arise.

Another proposal in the Bill aims to extend the powers of the Court to interpret the provisions of an award. At present most awards are made for a period of three years, and the Court is given power to interpret the provisions of any award during the currency of such award. In other words, the Court is given the right to interpret the provisions of an award for the period for which the award is made, generally for three years. Most awards continue in operation even though the term of their currency has expired. An award may be for three years. It may operate during that period, and continue to operate beyond what is known as its legal period of currency. It continues to be absolutely binding in a legal sense upon all the parties associated with it. This particular proposal in the Bill aims to alter the Act in that regard, and to give the Court the right to interpret the provisions of any award so long as that award remains in force. This will mean that if an award was made for three years, but continued in force for 10 years, the Court would still have the right to continue to interpret any of its provisions, even though its currency of three years had actually expired. The amendment is a most desirable one. It will certainly assist the parties associated with any such award and will give the Court the power it needs to assist it in its work of maintaining industrial peace in this State.

There is a clause in the Bill that aims to prevent the acceptance of a premium by any person in the offering of any employment or in the making available of employment to any person. The Bill goes further than that and makes it an offence for any person to advertise that he is willing to grant a premium in return for employment. It goes further still by making it an offence for any newspaper to advertise any matter dealing with the offering of premiums for the provision of employment to any person. We know that over the years this practice of offering premiums in return for employment has grown. It is felt that the system is undesirable and should be brought to an end at the earliest possible moment.

Another part of the Bill aims to raise the status of the "Western Australian Industrial Gazette." This is a very important gazette in the industrial life of the State, being a publication containing a good deal of valuable information covering awards and industrial agreements. It is used continually by employers' and workers' organisations and is a great help to them in their work. At present it is not accepted as having any standing in the Arbitration Court. It is not accepted as an authority in regard to the information it contains. The Bill proposes to raise the status of the publication by having it accepted in the court in such a way that the information it contains will be regarded as prima facie evidence. If the "Gazette" can be given that status it will be an even greater convenience and help to industrial organisations in this State than it has been in the past. There is a schedule to the Bill setting out in detail the notices and other matters that shall

be published in the "Gazette" and which, of course, will be accepted in the Arbitration Court.

There are several other amendments in the Bill, most of them, as I have already mentioned, seeking to improve the administration of the Arbitration Court. Most of the amendments have been suggested by the court itself and by officers associated with the court. It is probable that the only really contentious amendment, if it can be regarded as contentious, is that aiming to alter the definition of the term "worker" to bring domestic workers within the scope of that definition. Those members who recall the last Industrial Arbitration Act Amendment Bill that was introduced in this Chamber will know that it contained many contentious items. That measure was considered here in 1938 before the war began and consequently it was a peace-time Bill, and because of that it contained many highly contentious proposals in connection with which fairly strong debate raged in this Chamber on two different days.

In accordance with the undertaking it gave when the war began, the Government has avoided the inclusion in this measure of matters that might be regarded as highly contentious, and in connection with which there might be a great deal of disputation in this Chamber and—almost needless to say—a good deal of effective opposition in another place.

Mr. McDonald: How about our war-time agreement regarding contentious legislation?

The MINISTER FOR LABOUR: I have just expended a good deal of breath and energy in explaining that the Government is living up to that undertaking by introducing this year a Bill very largely, if not entirely, non-contentious.

Mr. McDonald: I thought you said it was contentious.

The MINISTER FOR LABOUR: I pointed out that the Bill of 1938, which was a peace-time measure, was highly contentious.

Mr. McDonald: I thought you said this one was.

The MINISTER FOR LABOUR: I think the hon. member has not been concentrating.

Mr. Marshall: He is steering a middle course again!

The MINISTER FOR LABOUR: I think the hon. member has been concentrating on the cleaning of his spectacles instead of on my explanation of the Bill. I can say quite sincerely that this measure is largely non-contentious. If the member for West Perth (Mr. McDonald) or other members interested will compare its contents with those of a Bill we introduced in 1938, they will immediately see that we have omitted from this measure practically every contentious issue that found a place in the 1938 Bill. I commend the measure to the consideration of members and hope there will be general agreement regarding its contents. I move—

That the Bill be now read a second time.

On motion by Mr. Abbott, debate adjourned.

BILL—ABATTOIRS ACT AMENDMENT.

Returned from the Council without amendment.

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

In Committee.

Resumed from the 4th September. Mr. Marshall in the Chair; the Minister for Works in charge of the Bill.

Clause 7—Amendment of Section 162:

The CHAIRMAN: Progress was reported on the following amendment moved by the member for Murray-Wellington:—"That at the end of line 2 of proposed new paragraph (8a) the word 'person' be struck out and the word 'supplier' inserted in lieu."

The MINISTER FOR WORKS: In order to discover whether this would be an improvement to the Bill I consulted the Crown Law Department and this is the opinion I have received:—

In regard to the amendment passed in the Assembly deleting the word "person" and inserting the word "supplier": This matter was discussed with the Solicitor-General who stated that there was no point in this substitution, the word person being a generic term and including the "Commissioner of Railways" under the Government Railways Act 1904 (who is a body corporate) and also a "supply authority" under the Electricity Act 1937. Under the Electric Lighting Act 1892 it will be seen that the word "undertaker" means "the company or persons supplying electricity.". The word "person" also appears in lines 5 and 7. It will also be noticed that in paragraph 8 of Section 162 of the principal Act the word "person" is used in connection with the supply of electricity.

As this clause seeks to amend Section 162 the word "person" is the appropriate term to use. I do not know that the matter is vital, but I do not think it is advisable to change the wording of the Act.

The CHAIRMAN: I would like the Minister to understand that the Committee has already made the change.

The MINISTER FOR WORKS: I would like the Chairman to understand that we have already made one of the changes.

The CHAIRMAN: Yes, that is correct.

The MINISTER FOR WORKS: Now it is a question of a similar word, further on, being struck out and that is the point to which I am directing the attention of members. It is not too late to mend our ways. We can recommit the Bill and reinstate the word already struck out. Those responsible for drafting the Bill claim they have been consistent in continuing the use of the word "person," which appears in the principal Act, and consider it the proper term to use.

Mr. McLARTY: I am willing to accept the assurance of the Minister that the word "person" will cover the Government as well. The only reason I moved the amendment was to make sure local governing bodies will have the right to meet the situation that will arise. For instance, a road board might be faced with an objection by ratepayers with regard to giving guarantees in connection with an electric light extension.

Hon. N. KEENAN: The course adopted by the member for Murray-Wellington, if I may use the expression with every apology, was "ex abundanti cautela."

The Minister for Works: That is absolutely right!

Hon. N. KEENAN: The member for Murray-Wellington wished to be sure that a local governing body would be able to purchase supplies of electricity from the appropriate Government department. The Minister said he had been advised that the word "person" would be sufficient to cover the position and quoted the authority of the Solicitor General, in the course of which reference was made to the Electricity Act. Under that measure it is the person who supplies that is referred to, and he is the supplier. There is no difference to my mind between the word "supplier" and the term "person who supplies."

Amendment put and negatived.

Clause, as previously amended, agreed to.

Clauses 8 to 11, Title—agreed to.

Bill reported with an amendment.

BILL—PUBLIC TRUSTEE.

In Committee.

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

Clauses 1 to 6—agreed to.

Clause 7—Appointment of public trustee in various capacities:

Mr. WATTS: I move an amendment—

That in lines 7 and 8 of Subclause 1 the words "if he consents thereto" be struck out.

The clause provides power for the public trustee to be appointed by anyone who so desires as trustee, executor, administrator, or in any other capacity mentioned in Subclause 1, but only if he consents. That means that if a person were executing his will, power of attorney or some similar document, and wished to appoint the public trustee in some capacity, he would first have to ascertain from that officer whether he could do so. That seems to me unreasonable. If the Minister wishes the public trustee to be appointed I am sure he will not desire to put people to the trouble of inquiring beforehand whether that official is prepared to have himself named in documents. I am aware that it will be possible for the public trustee, should he find an estate objectionable, to renounce his appointment.

The MINISTER FOR JUSTICE: I cannot agree to the amendment. If the member for Katanning peruses other legislation of this type he will find similar provision made in all the Trustees Acts throughout the British Empire. Each provides power for the trustee to refuse to administer an estate. That right is possessed by private trustees and trustee companies. An extraordinary position would arise if any person could demand that the public trustee should administer his estate. If private individuals and concerns are allowed discretion in this matter it would be extraordinary to refuse similar discretion to the public trustee. A like provision has appeared in the Curator of Intestate Estates Act since 1918 and no complaint has been received in that respect

Mr. WATTS: The Minister's remarks apply quite strongly to some of the positions referred to in the subclause. As I understand it, if someone living at Port Hedland desired to make a will under which he intended to appoint the trustee as executor, he would not be in a position to do so until he had communicated with the officer to ascertain his attitude. The clause clearly sets out that the trustee cannot be so appointed unless he consents. In those circumstances I suggest he will not be appointed by many people. I do not think that is what the Minister seeks to achieve. As to whether the trustee should be forced to accept an appointment, it seems to me that there is some justification for saying that he ought to be. He is an officer of the Crown appointed specifically for the purpose of dealing with such matters, and will no doubt be paid a reasonably substantial salary for the services he is to perform. I do not think that, if the words remain in the clause, compulsion will be upon the public trustee, who in any case would still have the right to withdraw.

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

Ayes	19
Noes	18
Majority for	1

AYES.

Mr. Abbott	Mr. North
Mr. Boyle	Mr. Raphael
Mrs. Cardell-Oliver	Mr. Sampson
Mr. W. Hegney	Mr. Seward
Mr. Hill	Mr. F. C. L. Smith
Mr. Keenan	Mr. Thorn
Mr. Kelly	Mr. Tonkin
Mr. Latham	Mr. Watts
Mr. McDonald	Mr. Doney
Mr. McLarty	*(Teller.)*

NOES.

Mr. Collier	Mr. Nulsen
Mr. Coverley	Mr. Panton
Mr. Hawke	Mr. Rodoreda
Mr. J. Hegney	Mr. Styants
Mr. Johnson	Mr. Triat
Mr. Leahy	Mr. Willcock
Mr. Marshall	Mr. Wilson
Mr. Millington	Mr. Wise
Mr. Needham	Mr. Cross
	(Teller.)

PAIRS.

AYES.	NOES.
Mr. J. H. Smith	Mr. Holman

Amendment thus passed.

Hon. N. KEENAN: I move an amendment—

That Subclause 3 be struck out.

The subclause sets out that, except as otherwise provided in the Bill, the public trustee shall not accept any appointment jointly with any person. It is at present one of the most common incidents in the drawing up of a will to appoint one of the public trustee companies, and one or two private individuals to act with the company. There is never any difficulty in the matter. All the appointees have equal rights as executors, and if they differ on any matter they can obtain an order which settles the difference between them; but I am told by experienced men, and I know personally to some extent, that there never is any difficulty, because the trustee companies give advice which in the great majority of cases is accepted by the executors acting with the companies. Under the Bill the only provision made for any authority other than the public trustee having anything to do with the administration of an estate is Clause 21, which allows the appointment of advisory trustees, who have really no power because they can only act by taking proceedings before a judge. The whole administration of the estate remains entirely in the public trustee, and he alone has any power or authority so far as administration is concerned. If for all the work provided in the clause there is an appointment made of an advisory trustee or advisory trustees, and he or they choose to take the action of applying to the court, they may obtain an order varying the decision of the public trustee. That is most undesirable. In the first place the public trustee has complete power of administration in his hands. He has not to consult advisory trustees in the smallest respect; and the only relief they can get if they differ from him is to seek the assistance of the court, which means considerable expense in the matter of the estate. The Bill contains another proposal which in my opinion is equally valueless, and that is to make the public trustee a custodian trustee.

The CHAIRMAN: I hope the hon. member will confine his remarks at present to the amendment before the Chair. He will later have opportunity to deal with the other aspect.

Hon. N. KEENAN: With all due deference, Sir, I cannot make the matter clear because of the wording of the clause. I have to point out how the matter is otherwise provided, namely by appointing the public trustee what is called a custodian trustee, who is merely a stakeholder. He

would then have nothing whatever to do with the administration. He would occupy the same position as an advisory trustee occupies if the public trustee is administering the estate. It is desirable that we should have at least the same system as has proved so successful in the past with public trustee companies applied also in the case of the public trustee. The striking-out of the subclause would not mean that as a matter of course the public trustee would act with private individuals appointed by the testator, because he has the power to refuse to act. That is why, in a measure, I voted for the last amendment; the words struck out do not matter; an executor named in a will can always renounce, and so can the public trustee renounce. The acting-together of a public trustee company and a private individual has proved a great success. The reason why a testator wants to appoint a private individual as well as a public trustee company is to introduce the personal element, the element of the relative who takes a kindly and personal interest in the estate of the deceased and in the fortunes of the testator's widow or children or beneficiaries.

The MINISTER FOR JUSTICE: I shall not oppose the amendment, and I thoroughally agree with all that the member for Nedlands has said.

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

Clause 8—agreed to.

Clause 9—Pending probate or administration estate of deceased to vest in public trustee:

Hon. N. KEENAN: I move an amendment—

That in line 4 after the word "Trustee," the words "but without any charge being leviable therefor" be inserted.

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

Clause 10—Public Trustee may apply for order for administration of estate of deceased person:

Hon. N. KEENAN: I move an amendment—

That in line 3 of paragraph (a) of Subclause 1 the word "jurisdiction" be struck out, and the words "Commonwealth of Australia" inserted in lieu.

This is a matter of giving authority to a public trustee to apply for orders for administration of the estates of deceased persons. The subclause provides that in the case of any person who has heretofore died or hereafter dies, or is reasonably supposed to have died testate or intestate in or out of Western Australia, but leaving property in Western Australia, the court may, on the application of the public trustee, grant to the public trustee an order for administration where such person leaves no executor, widow, husband, beneficiary or next-of-kin resident within the jurisdiction and willing and capable of acting in execution of his or her will or administration of his or her estate. It may not be clear to the Committee that under Clause 9, which has already been passed, the moment any person in Western Australia dies, leaving a will, his estate will vest in the public trustee until the executor takes out probate. Formerly, the estate vested in the Chief Justice. The moment some person who owns property in Western Australia, but who lives in the Eastern States, dies, his estate will vest in the public trustee, who, until the executor appointed by such person takes out probate, will proceed to carry out the trusts and directions of the will. We should realise that Australia is a common community; it is rather against my wish that that should be so as far as this State is concerned. Nevertheless, this State is only a parish of Australia, although perhaps the most important parish of Australia. It is certain some person will die in one of the other States and leave property in Western Australia. If he has appointed an executor, that executor will in due course take out probate; but until he does so Clause 9 will vest the estate in the public trustee. If there is no executor, or administrator with the will annexed, ready and capable of applying for administration of the estate within the jurisdiction of Western Australia, then the public trustee will administer the estate.

The MINISTER FOR JUSTICE: I hope the Committee will not agree to the amendment, as it will be adding to the burdens of the public trustee, who would be required to advertise all over Australia to locate a person to administer an estate. That would prove costly. If an executor resides outside Western Australia, what better agent could he have than the public trustee?

Hon. N. Keenan: Himself! He could send instructions to a firm of solicitors to act for him. Australia is not a foreign country.

The MINISTER FOR JUSTICE: No, but it is a very large country. A provision similar to this is included in the Act under which the curator administers estates and it has survived for 25 years without comment.

Hon. N. Keenan: What would happen if a testator died in the Eastern States possessed of property in Western Australia and leaving an executor?

The MINISTER FOR JUSTICE: I take it the executor would appoint the public trustee his agent.

Hon. N. Keenan: Suppose he does not want to do so?

The CHAIRMAN: I cannot permit this cross-examination. The Minister may make his contribution; other members will get an opportunity later.

The MINISTER FOR JUSTICE: The public trustee is being appointed for the convenience of the public, and I can see no reason why his jurisdiction should extend beyond this State. He will have a big responsibility and should not be called upon to locate persons in other parts of Australia capable of administering an estate. I cannot accept the amendment.

Mr. ABBOTT: I concur in the remarks of the member for Nedlands. If a testator appoints an executor in South Australia, that executor should have the right to administer the testator's Western Australian property. A testator might die in South Australia leaving shares in some Western Australian company and may desire his executor, rather than the public trustee, to administer the estate. The Minister spoke about the expense of advertising. That objection could easily be overcome by providing that the public trustee should not be bound to advertise except in this State.

Mr. WATTS: I hope the Minister will modify his views on this provision, because I am concerned about the construction that might be placed upon it later if it is not amended. An application for probate or letters of administration need not be made until three months after the death of the deceased person. An executor or administrator would not be required to make any explanation as to delay if he applied within that period. "Jurisdiction," as the member for Nedlands has told the Committee, means jurisdiction in Western Australia. Suppose an executor lives in another State and does not make application within three months, then the public trustee might within that period apply to the Court for administration, and subsequently the executor might apply to have the order revoked. With the member for Nedlands, I agree that if the clause remains as it stands there will be a risk of an executor in the Eastern States being deprived of his rights; or, alternatively, if he wants to enforce them, of his having to incur some expense in obtaining a revocation of the order, such order having been, in my view, granted on a misconception. The member for Nedlands is right in suggesting that no matter where an executor resides in Australia he should be at liberty to make application. Should he fail to do so, and his neglect extend beyond three months, the Court may ignore him and grant administration to the public trustee. It seems to me that the public trustee, in the security of the estate, is sufficiently covered without trying to limit the granting of probate to executors who live in Western Australia, which appears to me to be the intention of the provision as it stands.

Hon. N. KEENAN: I do not think that the Minister really grasped what I was trying to put before him, because if he had he would have seen immediately that it is impossible to answer the question. Let us assume a person dies in some part of Australia outside this State, leaving a will and appointing an executor who is prepared to act!

The Minister for Justice: He dies and leaves no executor.

Hon. N. KEENAN: No executor residing here! He dies in Sydney, let us say, and it may be that of his estate the portion in Western Australia is a very small part and he has not appointed any person resident in Western Australia. What happens? Because there is no executor residing here, as the member for Katanning pointed out, the public trustee has the right to ask to be granted the administration of the estate. Without doubt some case would be taken to the High Court with a view to ascertaining whether that did not amount to an attempt to impose a disability on citizens residing in other States. One of the principles of the Commonwealth Constitution is that no State can impose any disability on any person who is a subject of the Commonwealth because

of that person's living outside the State. But suppose the executor or trustee from New South Wales who had been appointed to act came over here, applied for an order and ignored the public trustee, and suppose our local court supported the trustee! I have no doubt if the executor from New South Wales went to the High Court he would immediately obtain redress. We cannot set up in our little local jurisdiction any restraint on the rights and privileges of any citizen of the Commonwealth residing in another part of Australia. So the Minister could not answer that question: What would be the result of some person dying in Sydney and having property here in Western Australia, but leaving a will appointing some person in Sydney—a public company or the public trustee—as executor; and the public trustee here, by reason of this provision, seeking to get administration of the estate? It would lead to a good deal of expense and one certain result would be that the public trustee in the long run would not be able to maintain his position.

The MINISTER FOR JUSTICE: Anyone appointed outside this State cannot act. An agent must be appointed in this State.

Hon. N. Keenan: They can appoint any person they choose.

The MINISTER FOR JUSTICE: This Bill does not stop them from doing so. This only obtains if an executor is not appointed.

Hon. N. Keenan: If an executor resident in Western Australia is not appointed. That is a limitation you had no right to impose.

The MINISTER FOR JUSTICE: If an executor is appointed in the Eastern States he cannot act. He can appoint someone as an agent to do his work in this State.

Hon. C. G. Latham: Why could he not come over here and act?

The MINISTER FOR JUSTICE: This power has been given under the Curator of Intestate Estates Act, and in 23 years this objection has not cropped up.

Mr. Watts: The Curator has not the wide powers given to the public trustee.

The MINISTER FOR JUSTICE: The Curator has administered estates where people have died intestate.

Hon. N. Keenan: Only when they have died intestate! The Bill refers to testate estates. Do you see the difference?

The CHAIRMAN: I would draw the attention of the member for Nedlands to the fact that in interjecting he is disorderly. I ask members to try to maintain some degree of dignity in regard to this matter. I am continually calling for order and receiving no response. I warn members that I do not intend continually to call for order and have them persistently refuse to maintain it.

Hon. N. Keenan: I apologise, Mr. Chairman.

The MINISTER FOR JUSTICE: I am rather confused as to the real meaning of this clause but I am considering the precedent established under the Curator of Intestate Estates Act. This proposed amendment is not acceptable. The clause as now drafted appears in the Curator of Intestate Estates Act where it has been for twenty-three years, and apparently has been quite effective. As now drafted it gives the public trustee the right to obtain an order to administer if there is no person within Western Australia who is willing and capable to act. The amendment will limit the right of the public trustee if there is any person within the Commonwealth of Australia willing to act and capable of acting. The public trustee's duties will be onerous and expensive if he has to travel all over Australia to find out whether there is anybody who is going to take up the estate. It must obviously be better for the public trustee in Western Australia to administer an estate than for a person living in, say, Tasmania or Queensland to attempt to carry out the same duties. A person living outside Western Australia would have to appoint an agent in any case. The amendment would be bad enough if some person were located in some other State who was capable and willing to act, but as it stands it throws the responsibility on the public trustee in every case of searching, advertising, and making inquiries all over the Commonwealth. The Curator of Intestate Estates Act, in Section 6, states—

> (1) Where any person has heretofore died or hereafter dies, or is reasonably supposed to have died testate or intestate in or out of Western Australia, leaving property in Western Australia, the court may, on the application of the Curator, grant to the Curator an order to collect and administer the estate of such deceased person in any of the following cases:—
>
> (a) Where such person leaves no executor widow, husband, or next of kin resident within the jurisdiction, and willing and capable of acting in execution of his or her will, or administration of his or her estate;
>
> (b) where the executors named renounce probate of the will of the deceased, and all the persons primarily en-

titled to administration by writing filed with the Master decline to apply for administration;

(c) where probate or administration is not applied for within three months after the death of such person;

(d) where after the expiration of thirty days from such death there appears to the court to be no reasonable probability of application being made within such period as aforesaid;

(e) where the estate or any portion thereof is unprotected or liable to waste and the executor or widow husband or next of kin is absent from the locality of the estate, or of such portion thereof, or is not known, or has not been found;

(f) where the estate or any substantial portion thereof is of a perishable nature or is in danger of being lost or destroyed.

This is in operation now.

Hon C. G. Latham: You are going a long way further than that.

The MINISTER FOR JUSTICE: No. This is to save waste, and time; and it permits the estate to be administered.

Hon. C. G. Latham: You take away the right of the individual to appoint his own executor if he is out of the State.

The MINISTER FOR JUSTICE: The Section continues—

(2) The court may in any case require the Curator to give such notices or cite such persons or produce such evidence as it may think fit before granting the order applied for, or may make a temporary order for collection and protection only, or limited to a portion of the estate, or otherwise restricted or subject to conditions.

I still feel the hon. member is not right in his interpretation. I have discussed this matter fully. When we get away from the jurisdiction of this State, the public trustee will be put to greater responsibility in locating a person capable and willing to act, and not only that but the estate will be allowed to deteriorate. It might consist of stock or other such assets which require looking after and protecting, and in respect of which time is important. We may have to search for somebody who is in North Queensland or some obscure place in New South Wales, and the estate in the meantime is wasting away to nothing. It is not reasonable that a public trustee in this State should be compelled by Act to search all over Australia to locate a man to administer an estate which would be of no value when he is found on account of the length of time occupied by the search. This section deals with that aspect. The best Bill possible is what is wanted. We do not want the clause destroyed, or greater responsibilities than necessary put upon the public trustee. The Curator of Intestate Estates has been acting, in that capacity, for 23 years now, and nobody has been disgruntled. The legal fraternity smile. Probably they have something up their sleeves that I do not understand. It is a protection to the estate when considered from the commonsense point of view.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. N. KEENAN: If the amendment is not made the clause will lead to great waste of money on the part of executors appointed by testators in the Eastern States when a small portion of the property is in Western Australia. They will not tolerate interference by any person except one selected by them to apply for probate on the assets in this State. If there is any danger of waste, as indicated by the Minister, I wish to give powers more complete than those proposed in the Bill. It is astonishing that, by some stupid error, there should have crept into the 1918 statute a reference to testate estates.

The Minister for Justice: It has been the law for 23 years.

Hon. N. KEENAN: I am reasonably certain that it has never been exercised, that the curator has never taken up an estate the subject of a will because the deceased and the executor happened to reside in another State. If the Minister wished to copy the provisions of the 1918 Act, why did not he include the whole of them? The authority given in that Act is governed by the fact that the court may require the curator to give such notices or cite such persons or produce such evidence as it may think fit before granting the order. I do not ask for the insertion of those words; I ask the Minister to treat Australia as a whole, which is what we should do. An executor of the estate of a testator in another State, who has taken out probate there, should be at liberty to appoint whom he likes as agent or attorney for the purpose of resealing the probate in Western Australia. If he did not take proper steps to exercise his right as an executor within a limited period—three months is the period mentioned—then the

public trustee would be entitled to step in. If a man like Sir Malcolm McEacharn died in Brisbane leaving a small estate in Fremantle, it should not be rushed by the public trustee until some reasonable time had elapsed. Meanwhile it would vest in the public trustee under Clause 9; he would have complete control of it but no right to administer it.

The MINISTER FOR JUSTICE: The member for Nedlands referred to Section 6, Subsection 2 of the Curator of Intestate Estates Act. The member for Katanning has given notice of an amendment to that effect to be moved later, and I have decided to accept it. That will probably meet to some extent the point raised by the member for Nedlands. I ask the Committee to agree to the clause as printed.

Amendment put and negatived.

Hon. N. KEENAN: Is the Minister prepared to accept an alteration from three months to six months in paragraph (c) dealing with a case where probate or administration is not applied for within that period after the death of the person? The period of three months would be too short.

The Minister for Justice: Yes, I will accept that.

Hon. N. KEENAN: I move an amendment—

That in line 2 of paragraph (c) the word "three" be struck out and the word "six" inserted in lieu.

Amendment put and passed.

Hon. N. KEENAN: Corresponding to the increase from three months to six months, an amendment is needed in paragraph (d) extending the time from 30 days to 60 days.

The Minister for Justice: I agree.

Hon. N. KEENAN: I move an amendment—

That in line 1 of paragraph (d) the word "thirty" be struck out and the word "sixty" inserted in lieu.

The CHAIRMAN: I remind the member for Katanning that he also has an amendment on the notice paper.

Mr. WATTS: In explanation, may I say that, as the Minister is prepared to agree to an amendment later on, I shall not move the amendment to which the Chairman refers.

Amendment put and passed

Hon. N. KEENAN: I move an amendment—

That paragraph (e) of Subclause 1 be struck out, and the following inserted in lieu:—"(e) Where the estate or any portion thereof is unprotected or liable to waste and the executor or administrator neglects to protect such estate or such portion from waste."

Obviously the verbiage of the paragraph is open to grave exception. The object is to give the curator power to apply where circumstances arise which I, in my amendment, have stated in short and explicit language. The public trustee should not be required to interpret the extraordinary language of the paragraph as it appears in the Bill. Suppose an executor is in Meekatharra and the estate is in the metropolitan area, he is further away from it than he would be if he were in Adelaide. The language of the paragraph is a travesty of English. If the estate were an intestate estate the public trustee would have the right to get the administration at once, and so this paragraph would not be necessary; but it applies to the estate of a person who has left an estate which has been neglected and not protected by the executor or administrator.

The MINISTER FOR JUSTICE: Again I have to regret being unable to agree with the member for Nedlands. The paragraph allows the executor to obtain an order to administer an estate if the estate or any portion of it is unprotected or liable to waste and the executor or widow, husband or next of kin is absent from the locality or is not known or has not been found. Suppose the estate consists of a farm at Mullewa and the executor resides down here at Nedlands, what is the position then? This provision has always been in the Curator of Intestate Estates Act. It deals with the case of an abandoned estate, or one which is practically abandoned in that the person entitled to carry on is absent or is not known or has not been found. Imagine the property of a deceased person which contains chattels and furniture and perhaps livestock. The owner is dead; his widow or next of kin is far away or not known or cannot be found. Is this not a typical case where the public trustee should take over for the protection of the property and for the benefit of those entitled if they can be found eventually? The hon. member's amendment cuts down the extent of the paragraph very considerably. He is only giving the public trustee the right to intervene when the estate is unprotected

and the executor or administrator neglects to look after it. In one particular the amendment is technically incorrect. This clause is dealing with the right of the public trustee to obtain an original grant of administration. The amendment refers to neglect by an administrator to protect the estate. This infers that an administrator has already been appointed, and the public trustee is then to get an order if the original administrator neglects to look after the estate. This amendment is obviously out of its context in this clause; provision is made in Clause 13. In any case, I submit that the original terms of the Bill should not be interfered with. The member for Nedlands would not allow the public trustee to intervene if the widow, husband or next-of-kin is absent, unknown or cannot be found. He would restrict the intervention of cases where there is an executor or administrator. He would not allow intervention if there were no executor or administrator, but only if the executor or administrator neglects to protect the property. As one of the main reasons for the creation of the public trustee is to make sure that abandoned or apparently deserted property is well looked after, there can be no justification for the amendment. It would reduce the protection that the clause would give, because a person might be absent on active service. That phase should be considered. The public trustee can obtain an order if the executor or administrator is away from the locality.

Hon. N. KEENAN: The whole position is this: The moment a person dies in Western Australia his estate will vest, by virtue of Clause 9, in the public trustee until an executor or administrator is appointed. If an executor or administrator is not appointed, no question can arise. We are dealing now only with the case where an executor or administrator has been appointed. I find it hard to make the matter clear to the Minister; it is so clear that it does not require any particular legal training to grasp it. The public trustee has absolute custody and management of every part of the estate until an executor or administrator is appointed. Therefore, the only waste that can take place is that which would be due to the negligence of the executor or administrator; because the public trustee—until the appointment of an executor or administrator—retains complete control. The amendment seeks to give the public trustee power to step in—notwithstanding that an executor or administrator has been appointed—if he can satisfy the court that the estate is unprotected by either that executor or that administrator, or is liable to waste.

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

Ayes	14
Noes	21
Majority against	7

Ayes	
Mr. Abbott	Mr. Sampson
Mrs. Cardell-Oliver	Mr. Seward
Mr. Hill	Mr. Shearn
Mr. Keenan	Mr. Thorn
Mr. Latham	Mr. Warner
Mr. McLarty	Mr. Watts
Mr. North	Mr. Doney
	(Teller.)

Noes	
Mr. Coverley	Mr. Raphael
Mr. Cross	Mr. Rodoreda
Mr. Hawke	Mr. F. C. L. Smith
Mr. J. Hegney	Mr. Styants
Mr. W. Hegney	Mr. Tonkin
Mr. Johnson	Mr. Triat
Mr. Leahy	Mr. Willcock
Mr. Millington	Mr. Wise
Mr. Needham	Mr. Withers
Mr. Nulsen	Mr. Wilson
Mr. Panton	*(Teller.)*

Pairs.	
Ayes.	Noes.
Mr. J. H. Smith	Mr. Holman
Mr. Stubbs	Mr. Collier
Mr. Patrick	Mr. Fox

Amendment thus negatived.

Mr. WATTS: I move an amendment—

That the following subclause be added:—"(2) the Court may in any case require the Public Trustee to give such notices or cite such persons or produce such evidence as it may think fit before granting the order applied for, and may make the order subject to restrictions or conditions, or, in cases coming within the provisions of paragraph (c) or (f) of Subsection 1 of this section make a temporary order only, or one limited to a portion of the estate.

I understand the Minister is prepared to agree to this amendment although it is not quite the same as that which is in the Curator of Intestate Estates Act, particularly in regard to the provisions for making temporary or limited orders which are to apply only in cases coming under the paragraph we have just been discussing, and the one next to it where an estate or any substantial portion thereof is of a perishable nature or in danger of being lost or destroyed.

Amendment put and passed.

Mr. WATTS: I move an amendment—

That in line 5 of Subclause 2 the words "a grant of probate or" be struck out.

This provides that a grant of administration made under Clause 10 will give the public trustee the same powers and rights that he would have had under a grant of probate or order of administration. There are certain powers which are not given to an administrator in the same way as to an executor who obtains probate. As I understand the Minister is not going to offer any objection, I conclude by saying that my intention was to ensure that the public trustee should, as an administrator, be in no better position than anyone else.

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

Clause 11—agreed to.

Clause 12—Public trustee may be appointed to act by executors and administrators.

Hon. N. KEENAN: I move an amendment—

That in line 1 of Subclause 1, after the word "or" the words "the majority of the" be inserted.

The Minister for Justice: I agree to the amendment.

Amendment put and passed.

On motions by Hon. N. Keenan, clause further amended by inserting in line 4 of Subclause 1 after the word "apply" the words "to the court;" by inserting in line 1 of Subclause 2 after the word "or" the words "a majority of the;" and by inserting in line 1 of Subclause 3 after the word "or" the words "a majority of the."

Hon. N. KEENAN: I move an amendment—

That in line 5 of Subclause 4 after the word "trustee" the words "and after an account of all receipts and disbursements made by such executor or administrator in relation to the estate of the deceased up to the date of such application has been filed and passed by the Master" be inserted.

This subclause refers to the transfer of administration to the public trustee by an executor who has obtained probate or an administrator who has obtained letters of administration.

Amendment put and passed.

Mr. WATTS: I move an amendment—

That in line 2 of Subclause 6 the words "any one executor or administrator" be struck out and the words "all, or the majority of such executors or administrators" inserted in lieu.

This subclause provides that where there are more executors or administrators than one, any one executor or administrator may apply to the court or a judge to have the public trustee appointed sole executor or administrator if the executive or administrator considers that the interests of the estate would be benefited by such appointment. It is not reasonable that when there are a number of executors or administrators one should have authority. All, or the majority of them, should fairly have that authority.

Amendment put and passed.

Hon. N. KEENAN: I move an amendment—

That in line 4 of Subclause 6 after the word "administrator" the words "if such executor or administrator considers" be struck out, and the words "on the grounds" inserted in lieu.

As the clause is now framed, the ground on which application is to be made to the court is when the executor or administrator considers the interests of the estate will be benefited by such application.

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

Progress reported.

ANNUAL ESTIMATES, 1941-42.

In Committee of Supply.

Debate resumed from the 18th September on the Treasurer's Financial Statement and on the Annual Estimates, Mr. Withers in the Chair.

Vote—Legislative Council, £1,710.

MR. SEWARD (Pingelly) [8.14]: It is not fair to let the debate pass without drawing particular attention to one item on the Estimates, and that is the extraordinary increase which has taken place in taxation since the Labour Government came into power. On Return No. 3 it will be found that in 1932-33, which was the last year of the previous Government's term of office, income and financial emergency taxes raised in this State amounted to £371,346. Taxation raised under the same two headings for the last year was £2,105,000. That is an extraordinary increase in taxation, and it is difficult—particularly for a private member—to find what has become of the increased revenue. I had a look——

Mr. Cross: It depends how dense he is.

Mr. SEWARD: ——through the various departments specified in the Budget, but not the public utilities. I find that from 1932-33 up to last year added expenditure in salaries alone amounts to over £500,000 a year. If we are going to raise more taxation and increase salaries and wages without benefiting the people who get them, it is high time to call a halt, and have some investigation to find out whether there is some way to improve the standard of the lower-paid people without merely raising money in this way.

The Premier: Do not forget there was a deficit of one million during the time of that lean taxation.

Mr. SEWARD: No, I have not forgotten that. Also a large number of unemployed had to be provided for then, which is not now the case. I am glad the Premier reminded me of that point as I might have overlooked it. If these figures were reversed and it was £2,105,000 in 1933, and £300,000 this year, it would not be so wonderful. The unemployed do not have to be looked after now.

Hon. C. G. Latham: There is also the disabilities grant now.

Mr. SEWARD: Taxation has risen by just under two millions a year, from £1,128,000 in 1932-1933 to £3,000,000 this year.

The Premier: We were not then paying our way.

Mr. SEWARD: The Government was fortunate in having a surplus last year with nothing like the difficulties to contend with.

Mr. Cross: It is still paying pastoralists' rents.

Mr. SEWARD: The Commonwealth Government is providing huge expenditure today for the war. A larger number of people is employed by the Federal Government as compared with 1932-33. It is time a very careful scrutiny was made of the taxes raised in this State. Today this is one of the heaviest-taxed States in Australia. That is not altogether an enviable position. As pointed out by the Premier, the Grants Commission has been endeavouring to get us to increase our taxation, and I think it has been successful. If those who are receiving the extra money were benefiting from it, one would be prepared to go on and put up with it. It would be only right. But those people are not receiving that benefit. I venture to say they are not better off today than previously.

Mr. Cross: Do you suggest the Government should not pay basic wage increases?

Mr. SEWARD: Particular attention should be drawn to that aspect of the State's finances. Reference was made by the Premier to the endeavour to promote secondary industries here. That is a matter in which we should all be interested, and should assist to the fullest possible extent. I was interested also to hear the Premier say that we should, if possible, have 50 per cent. primary production and 50 per cent. secondary industries. I should like to know why those particular proportions appealed to the Premier. Personally I do not think they are possible in Western Australia. This is essentially a primary-producing State and it always must be.

The Premier: So was England for a long time.

Mr. SEWARD: But the position of England was entirely different from ours. England was in the centre of countries with very large purchasing power. Members may have noticed in the "West Australian" a few days ago that the sheep population of the various States has increased by ten millions in recent years. We have had a tragic drought in our pastoral areas, which has prevented an increase here, but as I pointed out whilst speaking on another question a few nights ago, the sheep-carrying capacity of our agricultural lands has not increased as it has in the other States. There is a cause for this. The primary-producing industries are capable of considerable advancement yet, but the point we must not lose sight of when promoting secondary industries is that we have first to establish the consumptive power for the products. We can never hope to send the products of secondary industries very far from Australia. We have a limited market in the near East.

Mr. Triat: It should be unlimited.

Mr. SEWARD: No matter what it should be, the fact remains that it is very limited. I recall that not many weeks ago we had a visit from a trade commissioner from one of those near eastern countries and he pointed out that while the native population is very large the purchasing population is relatively small—under a million. Therefore that trade, much as I would like to see it increase greatly, is not so substantial as we are sometimes led to believe. It is of no use accepting tales put up to us by people who cannot speak authoritatively on the subject.

Mr. Triat: People from that part will tell you differently.

Mr. SEWARD: The trade commissioner resident there is probably in a better position to speak authoritatively than are those who merely tell us that an unlimited market is available. I *certainly* hope that a large market exists, but we have to ensure that we have markets before we can successfully establish secondary industries.

The Premier: There is not a satisfactory market for primary products.

Mr. SEWARD: The present position is temporary and has been caused largely by war activities and lack of shipping. If there was no war and shipping was available, the products of our primary-producing industries would undoubtedly find a ready market. I do not wish to speak at length on the general estimates, though I will have something to say on several of the departments. The matters I have mentioned should not be passed over without comment—the huge increase in receipts from taxation and the necessity for making greater efforts to rehabilitate our primary industries.

MR. NORTH (Claremont) [8.24]: Whatever may have been the increase in taxation in past years, I am very glad to find that no increase is contemplated this year. In saying this, of course, I am speaking only of the State Budget. What has led me to speak on this debate is a recent happening of great significance to those who are interested in economic reform. Several days ago Mr. J. M. Keynes, the famous economist, joined the Bank of England Board. This appeals to me as a matter of great interest, even to us when considering our budget. For many years various reforms have been suggested in relation to budgets and the economic system, but generally they came from critics of the system rather than from authoritative persons, one of them being Mr. Keynes himself. Now that this gentleman has joined the Bank of England Board, I think we can say that the principles he has advocated in the past are now invested with some authority, and that the effect of his views on economic factors might be felt in the near future throughout the Empire.

I raise the question tonight because, during the debate on the Address-in-reply, which also allows latitude for discussing general questions, several speakers expressed the opinion that it was of no use talking of post-war reconstruction because, after the present war, we would be faced with a situation very similar to that which confronted us after the 1914-18 war, when the devil was no longer sick. I have in mind the old couplet—

> When the devil was sick, the devil a saint would be;
> When the devil was well, the devil a saint was he.

Many people who spoke about making the world a place fit for heroes to live in after the 1914-18 war forgot their story once the war was over, but this new event of Mr. Keynes's joining the Bank of England Board should give some encouragement to those reconstruction merchants because he has said some things that are very striking. I propose to quote a few comments from his latest work entitled "The General Theory of Employment, Interest and Money" in order to show that from him we might expect some solid foundation for the reforms so often advocated in an airy way without the backing of authority.

While some people have been very critical of institutions outside Parliament in controlling the policies of countries, I should say the reverse would be the case if we compare the remarks of Douglas Reed in his latest work on the effect of Parliamentary practices before the Great War with the views Mr. Keynes has expressed on reforms for the community generally.

There are three points I wish to stress which I think will give us some encouragement in facing the problems of reconstruction that have to be dealt with. They are absolutely revolutionary, but they come from a man who must now be accepted, because he is the authority of the Bank of England itself. I do not say that because Sir Montague Norman, who is retiring in April, has invited him to join the Board, therefore his views must be accepted in toto, but a man who in the past has been so outspoken must surely now make his presence felt to the advantage of all of us.

Mr. Rodoreda: We have had advice from him.

Mr. NORTH: Yes, and we had some from Sir Otto Niemeyer. I had to peruse 400 pages of the book and I propose to give the gist of them for members who care to listen. I ask members to bear in mind that these comments come from a formerly orthodox

economist, though now he has dropped the "orthodox" definitely. He said—

The outstanding faults of the economic society in which we live are its failure to provide for full employment and its arbitrary and inequitable distribution of wealth and incomes.

Mr. Keynes goes on to say—

Thus our argument leads towards the conclusion that in contemporary conditions the growth of wealth, so far from being dependent on the abstinence of the rich, as is commonly supposed, is more likely to be impeded by it. One of the chief social justifications of great inequality of wealth is therefore removed.

That of course is a complete denial of all the teaching we have had from our youth upwards. We have all been taught that the trouble was the abstinence of the wealthy, or of those who had a little put by which kept the community going. Mr. Keynes is now in a position to make his presence felt in a quarter which, so we are told by reformers, influences and even rules Governments. He proceeds—

For my own part I believe that there is social and psychological justification for significant inequalities of incomes and wealth, but not for such large disparities as exist today.

Further he says—

But it is not necessary for the stimulation of these activities and the satisfaction of these proclivities that the game should be played for such high stakes as at present. Much lower stakes will serve the purpose equally well, as soon as the players are accustomed to them. . . . Though in the ideal commonwealth, men may have been taught or inspired or bred to take no interest in the stakes, it may still be wise and prudent statesmanship to allow the game to be played, subject to the rules and limitations, so long as the average man, or even a *significant section of the community*, is in fact strongly addicted to the money-making passion.

Now his second point—

There is, however, a second, much more fundamental influence from our argument which has a bearing on the future inequalities of wealth; namely, our theory of the rate of interest. The justification for a moderately *high rate of interest has been found hitherto* in the necessity of providing a sufficient inducement to save. But we have shown that the extent of effective saving is necessarily determined by the scale of investment and that the scale of investment is promoted by a *low* rate of interest, provided that we do not attempt to stimulate it in this way beyond the point which corresponds to full employment. Thus it is to our best advantage to reduce the rate of interest to that point relatively to the schedule of the marginal efficiency of capital at which there is full employment.

Mr. F. C. L. Smith: A very arbitrary figure!

Mr. NORTH: I continue the quotation—

Now, though this state of affairs would be quite compatible with some measure of individualism, yet it would mean the euthanasia of the rentier, and consequently, the euthanasia of the cumulative oppressive power of the capitalist to exploit the scarcity-value of capital. Interest today rewards no genuine sacrifice, any more than does the rent of land. The owner of capital can obtain interest because capital is scarce, just as the owner of land can obtain rent because land is scarce. But whilst there may be intrinsic reasons for the scarcity of land, there are no intrinsic reasons for the scarcity of capital . . . I see, therefore, the rentier aspect of capitalism as a transitional phase which will disappear when it has done its work, and with the disappearance of its rentier aspect much else in it besides will suffer a sea-change. It will be, moreover, a great advantage of the order of events which I am advocating, that the euthanasia of the rentier, of the functionless investor, will be nothing sudden, merely a gradual but prolonged continuance of what we have seen recently in Great Britain, and will need no revolution.

So Mr. Keynes does not intend to hurt anybody today, but he wants to shows us that our present system is not able to give us full employment, and that the existing idea of interest being maintained at what is termed its natural level cannot be any longer tolerated if we are to have a reconstruction of society. He adds other words to the effect that there must be some control to prevent these factors from operating. His third point is to try to determine a ratio between local industry and the industry of other territories; that is to say, which of the two, oversea or State industry, should continue to command much of our business. He has an aswer for that.

We are all aware that since the cessation of the last war there has been the difficulty of oversea markets and the attempt of every country to force its wares upon its neighbours—which, it is said by many, leads to war. Mr. Keynes has a remedy for that, and it may be worth the few lines concerned to bring it before this Chamber at this stage, because if his words are accepted they will give us some basis upon which to reconstruct after the war. His conclusions on the point are as follows:—

I conceive, therefore, that a somewhat comprehensive socialisation of investment will prove the only means of securing an approximation to full employment; though this need not exclude all manner of compromises and of devices by which public authority will co-operate with private initiative. But beyond this no obvious case is made out for a system of

State Socialism which would embrace most of the economic life of the community. It is not the ownership of the instruments of production which it is important for the State to assume. If the State is able to determine the aggregate amount of resources devoted to augmenting the instruments and the basic rate of reward to those who own them, it will have accomplished all that is necessary. Moreover, the necessary means of socialisation can be introduced gradually and without a break in the general traditions of society.

Now to conclude my point that Mr. Keynes has departed from the ranks of all the professors of economics who have guided us, and all Parliaments, up to this moment! Mr. Keynes says—

> Our criticism of the accepted classical theory of economics has consisted not so much in finding logical flaws in its analysis as in pointing out that its tacit assumptions are seldom or never satisfied, with the result that it cannot solve the economic problems of the actual world.

In my desire to avoid overloading this Committee with mere verbiage I have tried to keep down this last point, the third point, to a very few words. I would just stress the matter again before reading the point. I am trying to show that throughout these last 20 years there has been a state of unsettled conditions which has almost forced this war upon us. Hitler is a very wicked man and all that sort of thing, but I do not think he would have had the opportunity for war-waging if there had been economic conditions which prevented the need for his rise in Germany. Therefore I consider myself justified in showing how, if at all, it is possible for nations to live together and exchange goods between them without having in each case to force a surplus upon the other fellow, which factor is known to be the fundamental cause of war outside all the propaganda which enables us to hate any enemy we have at the time in question. Here are the words Mr. Keynes uses on this point—

> I have pointed out in the preceding chapter that, under the system of domestic *laissez-faire* and an international gold standard such as was orthodox in the latter half of the nineteenth century, there was no means open to a government whereby to mitigate economic distress at home except through the competitive struggle for markets. For all measures helpful to a state of chronic or intermittent under-employment were ruled out, except measures to improve the balance of trade on income account. Thus, while the economists were accustomed to applaud the prevailing international system as furnishing the fruits of the international division of labour and harmonising at the same time the interests of the different nations, there lay concealed a less benign influence.

Putting those three points together, we have the foundation on which, if it is so desired, reconstruction can be built. We would have the backing of a powerful institution, the Bank of England, and this backing would be reflected—through the Commonwealth Bank and other institutions—in all portions of the Empire. We would have not partial but full employment. Mr. Keynes has shown us why in the past we have not been able to give full employment. He points out that interest can no longer be permitted to operate on a high level, but must be maintained at a low level. In chapters to which I have not referred he shows that the day will come when capital will be greater in amount and possess greater possibilities because of low interest rates, and that this will enable full employment to be maintained. It will also prevent the over-loading of exports to other countries at a rate greater than imports are received.

I commend those points to the Committee, knowing full well that for many years past it has been faced with a set of economic circumstances making it impossible to give to the public all that we would wish to give. I trust that Mr. Keynes will have a long term with the Bank of England, and be able to put into practice these new ideas of his which have now received the hall-mark of that institution.

Mr. Triat: He was put there to stop him from talking so much.

Mr. NORTH: There is certainly that point of view. We must admit, however, that his appointment is an epoch-making event in the history of the Bank of England. When one considers that such doctrines have been adopted by that august institution, one realises almost in a moment what has been its difficulty in past years in attempting to give satisfaction under the old system. I have been one of many who at times have been critical of the policy of this centre of the British Empire. Of course, one very often criticises it from ignorance, but one learns as the years go by. With a bank like the Bank of England and a Parliament like the British Parliament—and that Parliament is reflected in the Parliaments of Australia—the nation is being established on a firm economic foundation. We now

have something definite to work for; we must prepare for the reconstruction that is to take place in the future.

I now leave that subject and come down, as it were, to earth. As I stand here I recall the late member for Yilgarn-Coolgardie (Mr. Lambert), who usually brought me down to earth after making such remarks as I have just made. I wish to prefer three or four local requests, all of which will be refused because, Mr. Chairman, the ideas of Mr. Keynes have not yet quite found their mark here from the centre of the empire. When they do find their mark, when we have full employment and money is available at reasonable rates of interest and when the international problem of the interchange of goods has been solved, the Premier will probably reply, "Willingly! What else can I do for you?"

My first request is one from the Claremont Council, which feels that the Minister for Railways should replace the pair of booms near the Claremont station with gates. Today the Railway Department would not dream of expending £2,000 or £3,000 on providing such gates. I do not know what the cost would be.

Mr. Thorn: Forty pounds.

Mr. NORTH: In that case it is disgraceful that the request should have to be submitted. The Minister for Works, who knows the district, has probably not sufficient funds available to widen the two subways adjacent to the Claremont station. These are at present too narrow to carry the existing traffic. When Mr. Keynes's ideas have become facts, no doubt money will be available for the widening of the subways.

The Minister for Works: Keynes would not give you gates.

Mr. NORTH: Give us subways and do the job properly. The booms to which I refer are the only ones in the State.

The Minister for Mines: You are lucky!

Mr. NORTH: There must be something wrong about the booms because otherwise the Minister would have installed them all over the State. He drops the question of booms like a hot brick when it comes to supplying gates to other districts.

I now come to the second request I wish to make. Claremont residents are proud because deep sewerage has been installed in their district. We realise that had it not been for careful negotiation extending over many years we would not have that scheme at all. We are probably more advanced in this respect than are other districts or cities larger than Perth. I am told that Brisbane, which claims to be the largest city on earth—except in population—has not more than half the city sewered. The Minister for Works can correct me if my statement is wrong. Another benefit derived from the installation of this scheme is that the river has been freed from the sewage effluent which came from that monstrosity, the Burswood Island. The Claremont residents are desirous of having this scheme extended to the Graylands portion of the electorate, so as to bring it into line with the other parts of the district. I know this request cannot be granted immediately, but I hope it will receive the attention that other districts get in respect to sewerage.

The question of transport of school children, and of trolley buses generally, is just as urgent to Claremont residents as is the question raised by the member for Pingelly recently in regard to the transport of school children in country areas. The Minister recently arranged for the staggering of hours and this has enabled children in the Claremont district to go to school a little later, thus relieving some of the congestion. I am glad to note that the Minister is also making arrangements for additional buses. I understand he is purchasing Diesel engines and chassis for service during the peak hours.

Mr. Cross: If the schools do not like that staggering of hours, they have the right to change back.

Mr. NORTH: That difficulty may be overcome when the Minister is able to provide extra transport. Having lived in London as a student for many years, I am quite aware that overloading at peak periods occurs not only in Perth. Year after year I was subjected to strap-hanging in the tubes and standing in the buses morning and evening in London. However, there is no reason why we should follow London's example. I am sure the Minister and the department will make an effort to increase the accommodation for passengers as soon as possible.

I wish now to refer to the question of water drainage. I desire to ask the Minister for Water Supplies whether there is any

difference between the Shenton Park waters in the Subiaco electorate——

Hon. N. Keenan: That is in my electorate.

Mr. NORTH: —and the so-called Butler's Swamp, an old landmark of the early days of settlement in this State. I would like to know why in one instance an obstruction to progress has been removed or beautified while Butler's Swamp remains. I understand that Shenton Park had a nasty swamp, which seems to have been cleaned up. Someone interjected that Butler's Swamp is the responsibility of the Claremont council. I cannot criticise the council. I am aware that it is very anxious about the swamp. I wonder whether this is a matter that could be dealt with by the Town Planning Commissioner? I will probably ask a question in a few days as to how much power the Town Planning Commissioner has in these matters. I know he is a very active officer and occasionally collides with various local authorities, but I wonder whether he really has powers necessary to deal with a subject of this kind?

Hon. W. D. Johnson: He has not the money.

Mr. NORTH: One objection is that Butler's Swamp is private land. All the owners would sell at a price. It is not quite certain whether they are all in favour of a beautification scheme. Some years ago we had a meeting about the swamp. There was a long harangue by myself and all sorts of harangues by the electors—quite a long debate on the matter—but nothing was done about it. The swamp is a very prominent feature of the landscape and is not very conducive to the progress of a growing and beautiful district.

Could not negotiations be undertaken between the Water Supply Department and the Claremont council with a view to some mutually beneficial scheme being evolved? I should not think it would be very costly to the State, and some improvements could be made by collaboration between the Town Planning Commissioner, the Government and the local authority. I am told that the Melbourne Botanical Gardens once looked like Butler's Swamp, but what a beautiful sight those gardens are today!

Hon. C. G. Latham: The Melbourne Gardens could never have been a swamp.

Mr. NORTH: I am told there was a considerable swamp there at one time.

Mr. F. C. L. Smith: There is too much row in the front bench.

The CHAIRMAN: Order!

Mr. NORTH: There are other urgent matters affecting the Claremont district with which I could deal, but they are no more urgent than are many requirements in other districts and I do not want to claim more than my share of consideration. There may be a mistaken idea as to the reason why members representing city electorates do not raise their voices in complaint to the same extent as do representatives of the country electorates. Speaking for myself—and I think this applies to other city members because I have watched affairs in this House for some time—there are many complaints that could be voiced and requests that could be made of as great moment as those expressed by country members. It is felt by metropolitan representatives, however, that the requirements and difficulties of country constituencies are so great that they—the metropolitan members— must display a certain amount of sporting spirit, an attitude of give and take. I do not think it can be truthfully said, as is often alleged, that representatives of the metropolitan area overload their claims against the demands of the country. They feel that enormous difficulties have to be faced by people in the country and that explains why demands that could be legitimately made by Claremont and other districts are not submitted. We consider that there is a huge task ahead of this State in the country areas, the fulfilment of which must impede the improvements which need to be undertaken in the city and suburban area.

I wish now to refer to railway transport. Much has been said about road transport. I do not wish to speak of that except to say that I am glad additional vehicles are being ordered by the Government. There is one aspect of our railway system, however, which I think should be stressed. A suggestion was made some years ago, and failure to act upon it enabled a tremendous increase in road traffic to take place at the expense of the railways. The result has been that thousands of pounds have gone into the pockets of private bus owners that could have accrued to the State. The suggestion was that the railway system between Midland Junction and Fremantle should be modernised and a more frequent service conducted. To make that suggestion at this late

stage is not so practicable because a tremendous proportion of the traffic that was once catered for by the railways is now handled by road transport. However, the Commissioner has proved the possibility of obtaining excellent results by use of Diesel cars on long country runs and it should pay the Minister for Railways to import or have manufactured here or somewhere in Australia a sufficient number of those cars, with big enough horse power to pull trailers properly and have them placed on suburban lines during slack periods. Of course, the big trains are very satisfactory during peak loading but during the slack periods from 9 a.m. to 5 p.m. a quarter-hour service could be run with single Diesel coaches or coaches with trailers attached.

Mr. Marshall: We need a decent one-class coach.

Mr. NORTH: Yes. It should be remembered that the railways have cost the taxpayers an enormous amount of money and a distinction should be drawn between the country and main line services. If this system were run by a private concern—which of course I am not suggesting—such a service would be instituted because the traffic is terrific. The potential market between Midland Junction and Fremantle consists of more than 200,000 persons, whereas the long country lines are of a pioneering character and cater for a comparatively small traffic. A return of from 10 to 20 per cent. on an investment of the kind I have suggested would be likely. If this section of the railways were combined with that of the whole State, we would get an inferiority complex, because of the burden of the whole of the railways all over the State. I therefore ask the Minister for Railways to give consideration to that aspect and to ask himself: "Can I earn an extra £20,000 or £30,000 a year by spending a reasonable sum on reconditioning the metropolitan railways?", and, if so, to do it. That benefit could be put into the Consolidated Revenue, and the country railways would not be hurt one bit.

MR. F. C. L. SMITH (Brown Hill-Ivanhoe) [9.1]: Why are the members on the other side of the House, the members sitting here, and the members sitting in the back rows—

Hon. N. Keenan: That is the whole lot.

Mr. North: Except the Ministers.

Mr. F. C. L. SMITH:—denied the privilege invariably extended to Ministers, and as invariably availed of, of reading the speeches they address to this Chamber? It might be said that when a Minister makes a speech it is on a very important matter, on which he has to be careful in his utterances. It might also be said that some measures are complicated and he is very desirous to explain all the provisions of the Bill, and that, for those reasons, it is necessary to permit Ministers to commit this breach of the Standing Orders. What I want to say, however, is this: If there is some necessity for an alteration in this particular Standing Order, let us make the alteration rather than have that Standing Order constantly honoured in the breach.

Mr. Marshall: Quite right.

Mr. F. C. L. SMITH: I was looking up the Standing Orders the other night to find out where this particular Standing Order was in the Standing Orders, but I could not find it. I had recourse to the member for Murchison, who very kindly pointed to a Standing Order which states that where other Standing Orders are silent on any matter we shall be guided by the practice in the House of Commons. He showed me a book, I think a copy of "May," open at a chapter which had some reference to the rules of debate. This chapter pointed out that many deliberative assemblies allow members to read their speeches, but that is not the practice in the House of Commons. It pointed out that on one occasion when a member wanted to read a letter from the late Hon. W. E. Gladstone, which contained some of Mr. Gladstone's opinions on a certain measure then being discussed in the House, great opposition was expressed by members of the House of Commons to the introduction of such a practice.

It is not an easy matter to make a speech; but a very difficult matter. It is just as difficult for members, other than Ministers, to address themselves to complicated Bills and express their opinions on them, as it is for Ministers sometimes when introducing measures; or perhaps when speaking on the Budget, or when making other important announcements to the Chamber, in which some care has to be taken. I see no reason why the Standing Orders should not be altered to permit every member to write out his speeches and read them in this Chamber.

Hon. C. G. Latham: Or even get someone outside to write them.

Mr. F. C. L. SMITH: Yes, if they do not feel that they can competently write them themselves. As a matter of fact, if I propose to address this Chamber on any subject with which I am not too well acquainted, I approach other people and seek information in order to inform myself on the subject. I then endeavour to pass on the information I have acquired to the members of this Chamber. I see no reason why I should not pass that information on by means of a written document; through a speech which has been written for me by someone else, if I have not written it myself. Whether it has been written by someone else or by the member, I venture to say if members were permitted to read their speeches the standard of debate and the quality of the matter contained in the speeches would be much higher than it is today.

Mr. W. Hegney: The reporter's job would be easy.

Mr. F. C. L. SMITH: Yes. I was even going to make the suggestion to the Premier, that it opens up possibilities of reducing the "Hansard" staff; although I do not like to say that in front of them.

Mr. J. Hegney: What about getting somebody else to read your speeches if you are unable to be present?

Mr. Cross: There would be no need for a Parliamentary sitting at all.

Mr. F. C. L. SMITH: Some of the "Hansard" staff could be done away with under those circumstances. While members might laugh and be inclined to ridicule the suggestion, I point out that nearly all the speeches in another place today are read. I have been told, too, by people who have travelled and thus got as far as Canberra—I have been told by the member for Mt. Magnet (Mr. Triat) who was there recently—that members of the Federal Parliament read their speeches from foolscap pads.

Mr. Triat: That is a fact too! I saw one reading from an exercise book.

Mr. F. C. L. SMITH: Yes, and turning the pages one after the other as the speech was delivered.

The Premier: Mr. Ward sometimes speaks out of his turn.

Mr. F. C. L. SMITH: One or two of the "Hansard" staff would be required for that purpose. If there is a Standing Order let it be adhered to, and let everyone comply with it. If exceptions are to be made, let them be made in respect to all of us.

As I was saying, it is not an easy matter to make a speech. With reference to the debates that take place in this Chamber each Wednesday some subjects and Bills that are of some significance are brought forward by private members for consideration. As a mater of fact, those Wednesday debates are referred to by members on the Government side of the House as "amateur trials." They afford some members who are in a sense amateurs to address themselves to the Chamber. As some of the Bills introduced deal with matters that are of some significance it is desirable that members should have some idea of when they are likely to have an opportunity to speak on those measures, if they wish to do so. It is all very well to expect members to hop up and make speeches on some subject without any preparation; but no good speech was ever made without preparation.

I remember that when the late Frank Anstey, who was regarded as one of the best exponents of nervous eloquence that Australia has ever produced, went into the Chamber to address himself to the House of Representatives, his fellow members of the Labour Party would speak in whispers, saying, "Don't make a noise. Frank is going to speak." Anstey, when he commenced his speech, evidenced much nervousness, but after he had got into his stride and the blood was flowing properly to his brain, he spoke as a man inspired.

Mr. Needham: He did not read his speeches.

Mr. F. C. L. SMITH: I do not think he did. Certainly he never read his speech whenever I listened to him.

Mr. Marshall: He did not require to do so; he was too capable.

Mr. F. C. L. SMITH: I say this of Anstey: If he had prepared a speech and failed to catch the Speaker's eye at the time he expected to be allowed to deliver his address, he tore up whatever notes he had and did not speak at all. That is why I say that some consideration should be given to members when matters of importance are to be dealt with on Wednesdays, with a view to seeing whether better opportunities cannot be presented to those who wish to apply themselves to such matters as they desire to deal with, so that they may make effective contributions to the discussion. On the other hand I find that on

those days, while we may have Bills of some importance to consider among the matters presented by private members, a motion or two may be moved at the outset and the presentation of them takes up all the time allotted to private members' business. In the circumstances, the Bills to which I have referred may not be dealt with at all.

I do not know what are the experiences of other members but I find that when I make my preparations to deliver a speech on an important subject, I cannot retain in my memory all I desire to say if I am compelled to wait for a period of four to six weeks before I can give utterance to my views. I simply cannot do it. I can get the speech into my head and be ready to deliver it on the day when the opportunity might reasonably be expected to present itself; but if my speech has to be postponed for a week, I have to go over the subject matter again so as to restore to my memory what I desire to say. I do not wish to have to do that repeatedly, nor do I think other members are prepared to apply themselves in such a way that they are required constantly to refresh their memories regarding the subject matter of speeches they propose to deliver. I think the question of whether members should be allowed more latitude regarding the reading of speeches requires serious consideration. If that privilege were extended to us we could point to the House of Representatives as furnishing an example of a similar practice.

Mr. Needham: You should not follow a bad practice.

Mr. F. C. L. SMITH: No; I personally do not like the idea very much, so I think it would be much more acceptable to all of us if we were required to speak extempore. I know that I could probably make a better speech on the question of why Australia is under-populated if I were able to read what I had written out than I would if I merely stood up and expressed my views extempore.

We are all extremely sorry to think that the population of Western Australia does increase so slowly. It has been said by a very well-known economist that "the actual population of a country at any given time is as many as it has got in it at that time." It is all very well to talk about potentialities and resources and the potential population capacity of our country, but we require to be concerned about the actual population capacity, and that depends upon the public utilities that are provided to enable us to develop the resources of our country and, in turn, upon the markets for our goods. On these considerations rests the possibility for increasing our existing population. After all, the continent of Australia as a whole is not such a very wonderful country. We have 3,000,000 square miles of territory. Over one-third of that aggregate area the annual rainfall is less than 10 inches, and a great proportion of that part is as dry and arid as the Gobi Desert and will probably never carry a population of any dimensions whatever. We have another 1,000,000 square miles throughout which the rainfall is less than 20 inches, and a great part of that area is affected by the hot winds that are generated in the central portion of the continent. Then we have another 1,000,000 square miles comprising what may be regarded as arable country suitable for agriculture. In that part the average rainfall is over 20 inches but about one-third of the area has to remain under its forest cover in order to ensure that rainfall. So the possibility of a very large population in Australia is not extremely encouraging.

The population of a country depends largely on civilisation factors, the capacity of its people, through its arts and crafts, to create public utilities and develop its resources, and so increase the actual population capacity of the territory. A striking example of that is to be found in Egypt where for a hundred years under Turkish domination the population was never more than 2,000,000. When, however, Egypt was brought under British suzerainty, with the application of the arts and crafts of the British nation the actual population of the country was increased to 8,000,000 in 38 years. That is a striking illustration of the effect of arts and crafts, and of the civilising capacity of the people to develop the resources of a country and so increase its population. That is why I feel, as far as Western Australia is concerned, that it will depend upon public utilities and the opportunities that public utilities give the country economically to develop those vast potential resources that we have.

I was interested to hear that the select committee on the amendments to the Companies Act had been satisfied with the evidence that had been produced, and felt that it had justified its existence. As has been pointed out

the select committee dealt with a subject that referred to legislation which, in itself, became ultimately the framework within which companies operate, not a measure that directs the operations of companies. I would be interested to know, because of the many references made in this Chamber to the possibilities of exploiting the public through companies, whether any evidence was taken during the hearings of the select committee from people who invest in shares in mining companies during mining booms. I think that such people, if they related their experiences, could give very interesting information.

I have been through one or two of those mining booms. References have been made here to the possibility of people being exploited on account of the unreliability of engineers' reports, and on account of the possibilities from a gold-producing point of view of the areas in which companies held properties they were endeavouring to float. Some of the statements inferred that it was possible to protect people in connection with such ventures. Personally I do not think it is possible to protect them; nor do I think that any person who puts his money into a mining venture does so with the idea of getting dividends. If people bought Lake View and Star or perhaps Sons of Gwalia shares at present, that would be an investment, not a speculation. I am speaking particularly of shares in companies that are just opening up a proposition. A shaft has been sunk and some gold has been disclosed, or there has been a good gold deposit on the surface, and in consequence not only has that lease been taken up, but 20 or 30 others leases have been pegged alongside.

When discoveries of this kind are made from time to time and a necessary period has elapsed since the preceding gold-mining boom, people are caught in the psychology of it and their interest is aroused. They hear of people getting in on the ground floor at 1s. and selling out the next day at 2s. Men's wives probably say to them, "Mr. Brown made so much last week out of Celebrations. Why don't you hop in and get some shares in Hampton Plains or Bullfinch?" Or it might be in some of those other propositions that in the past have led to mining booms. So the whole community gets caught up in these booms. People come along trying to get in on the ground floor or as near to the ground floor as possible. Men do not put their money into such propositions with the idea of getting dividends; they are gambling and speculating in an aleatory form of enterprise. They are gambling upon what people can be induced to believe about such propositions.

References have been made in this Chamber to Mr. de Bernales and others as though they were singular in respect to their activities. But Mr. de Bernales is not singular in respect to his activities in connection with goldmining. There have been many more like him who have exploited the possibilities of the investing public. I consider he has been singular in his capacity to beat many people of the same sort in the Old Country in the matter of goldmining investments. Because he has been too clever for many of them they are beginning to squeal, and I venture to say that those who are squealing, when they were schoolboys, were the type of kid that started to cry when he lost his marbles. I know, in connection with the Bullfinch and Hampton Plains fields, the vast amount of money that was lost—lost on both those fields where there was not at any time any great prospect of mining propositions developing so that they would ultimately become dividend-paying. Thus the proof was absolute, and could not be controverted, that people were investing in those propositions on what they could be induced to believe about them. The member for East Perth (Mr. Hughes) the other evening referred to the Gladsome mine, where the gold-bearing levels are under water. When that proposition was floated, people put money into it. Although some of the original investors might have been misled by the engineers' reports, each and every one of them put in his money hoping and expecting that there would be another row of people behind to whom the shares could be passed on at a profit.

It does not always follow, either, that people lose money in mining propositions which do not give good profits. I venture to say the member for Nedlands (Hon. N. Keenan) could from that aspect tell a story about the Londonderry mine of Coolgardie. That mine gave wonderful promise on the surface, but ultimately petered out and proved worthless. But I know a mining proposition in New Zealand that produced more gold per ton than any mine ever produced in Western Australia—a mine that

produced 11 tons 11 cwt. of gold in 11 months. That was the Caledonian mine on the Thames goldfield in the North Island. The market collapsed when that mine was at the height of its production. Therefore I hope we shall have no more of this kind of misrepresentation regarding the attitude of speculators in gold mines. I think the Caledonian example clearly shows that no matter how much gold there is in a mine, the public imagination becomes fired to such an extent that people are prepared to pay more for the shares in the aggregate than any value of gold that could possibly be produced from the mine.

I rose merely to say a few words impromptu, ex tempore. I do not know how long I have spoken; but I trust I have shown that there are some possibilities in this connection, and that if my original suggestion receives any consideration we shall have to weigh up its merits against the possibilities of our being able to make interesting ex tempore speeches.

HON. N. KEENAN (Nedlands) [9.34]: I have listened with a great deal of pleasure and attention to the speech of the member for Brown Hill-Ivanhoe (Mr. F. C. L. Smith), and particularly the speech of the member for Claremont (Mr. North), who has recalled all the figures and fancies that have at various times been expressed by Mr. Keynes. It is not of any real importance to reiterate figures and fancies which have been expressed by various economists, or so-called economists, on the proper structure of our social system, and that for one reason alone: if we take the trouble to read their books and then also take the trouble to read history, we find that the historical information we get puts entirely out of focus the various views that the economists promulgate. For instance, take the case of England. England began to acquire a large population by immigration from the Continent, which was forced by various reasons. The Huguenots came over in large numbers because of religious persecution. Various other portions of population came from other parts of Europe by reason of tyranny in those parts. And then, by some measure of good luck and good fortune, England commenced her industrial career at the time when the Continent of Europe was torn with war.

When the French Revolution occurred, and when as a consequence of the French Revolution French armies over-ran Europe just as Hitler's armies are running over it today, and trampled down the population of other parts of Europe, the whole industrial life of the Continent came to an end; and it is one of the most extraordinary incidents in history, an incident which any member of this Committee can verify for himself by a book in the Parliamentary Library written by the great Napoleon's secretary, that when Napoleon marched to Moscow the greatcoats worn by his army were obtained from England. At some time previous to the invasion of Russia in 1812, he had promulgated the Berlin Decrees to shut out English trade entirely from the Continent; but he found himself in the position that he could not clothe his army and carry out the invasion that he believed would crown his career, without buying English-made greatcoats that came in through Hamburg and were supplied to his army. And so England took advantage of those circumstances to the highest possible degree and developed a wonderful industrial system which carried her to a certain point. That point is to be found when the East India Company and various other ventures came forward and when trade became, so far as Great Britain was concerned, not merely trade with the Continent but trade with all the important sections of the world except part of America.

The only, single part of the world that did not trade with Great Britain and help to take up all her surplus manufactures was the United States. And thus it was that prosperity shone on England and population came. Population always will come when there is a large mass of employment and a large measure of success achieved in industry.

The Premier: What about the South Sea Bubble?

Hon. N. KEENAN: That was a little prior to this. But of course we have had a South Sea Bubble of our own which probably excelled any reminiscence of the member for Brown Hill-Ivanhoe. We have, however, got into an age of talk, an age of ideas, an age of superfluous words; and I am afraid that if we were allowed to read our speeches—

Mr. Cross: Ten-hour speeches used to be made in this Chamber!

Hon. N. KEENAN: I am sorry I never can hear what the member for Canning (Mr. Cross) says, and therefore miss it. For that reason I do not personally favour the idea that hon. members should be allowed to write out discourses and then come here and deliver them. For instance, what an awful time the Committee would have had if the member for Claremont had read the whole of the work of Mr. Keynes! Instead, what a very interesting speech he made!

I turn for a moment to other considerations. I support the view of the member for Pingelly that it is an extraordinary feature that the largest amount ever taken out of the pockets of the people of Western Australia by taxation will be taken in this current year. Last year was a record, but we are going to beat that record.

Mr. Cross: We are growing!

Hon. N. KEENAN: And that at a time when we are at war, when the Commonwealth needs every single penny that every citizen can possibly give for the purpose. In fact, if the information in the paper tonight is correct, the Commonwealth intends to take it whether the citizen desires to give it or not. We have the extraordinary position, notwithstanding, that the State Governments, instead of relieving their citizens by curtailing State expenditure, are exceeding their past records.

The Premier: We are not increasing taxation.

Hon. N. KEENAN: When this year is over the Premier will find that it is another record. May I inform the Premier what everybody knows, that the taxation collected during the past financial year does not represent the taxation imposed, because a large number of assessments were issued too late.

The Premier: No.

Hon. N. KEENAN: Yes; I know that personally. Besides, I also know personally that a large number of taxpayers had to ask for time within which to pay their tax.

The Premier: A larger number of assessments were issued last year than were issued in previous years.

Hon. N. KEENAN: The Premier has told us that before, but I think he sometimes imagines we know less than we actually know. I am certain that a large number of assessments—particularly those for large sums—were not sent out until July and even later. The Taxation Department, I presume, was not able to cope with the work. The amount collected in taxation last year, therefore, does not represent the taxation that was imposed. It represents only the amount collected. The fact remains, however, that this year the Commonwealth is looking to every citizen for the last penny in his pocket, as it will be required to prosecute the war. At the same time the State Government is also asking its citizens to pay higher taxation than they have ever paid. One cannot reconcile those two propositions with any degree of commonsense.

The Minister for Works: And the Commonwealth is asking the State Government to pay more. You evidently did not listen to the introduction of the Budget or you would have known that an additional £600,000 was forced upon us.

Hon. N. KEENAN: I do not quite follow the Minister. He is right in saying that I have not read the whole matter.

Mr. Marshall: The payroll of the State has gone up a quarter of a million.

Hon. N. KEENAN: As I say, the Commonwealth is taking the last penny out of the pockets of the citizens of Australia. No one can blame the Commonwealth Government for doing so, except for one matter. Unfortunately in our State Parliament we cannot do more than criticise the awful waste that is taking place in the military during this war.

Members: Hear, hear!

Hon. N. KEENAN: The other day I received—I suppose in common with other members—two tickets for a film show. They were sent to me by a lieut.-colonel in Canberra, with the information that if I saw another lieutenant-colonel in Perth, I would have some particular seats allotted to me. I was also informed that the object of the exhibition of the film was to collect money for military charities. I hope the lieut.-colonel liked the reply I sent. I returned the tickets and said that, as the exhibition was to collect funds for charitable purposes, if I attended it—which I meant to do and did—I would pay at the door. For the life of me I could not understand why the lieut.-colonel wrote to me, but I think the very rude epistle I sent him put an end to further correspondence.

In a portion of my electorate there are residents who are by no means well off. I presume every electorate contains such a portion. These residents collected last year for

the Camp Comforts Fund a little over £400, which was collected from door to door at the rate of 3d. per week. The collectors canvassed the whole district—a working man's district—and did all the work for absolutely nothing. Then one reads an announcement that somebody is coming to Western Australia—always a full-blooded colonel—to tell us exactly what camp comforts mean. It is absolutely disgusting, Mr. Chairman. Recently an expedition on the river was made by what are known as the V.A.D.

Mr. Marshall: What does V.A.D. mean?

Hon. N. KEENAN: Voluntary Aid Detachment. It is a military organisation, the members of which provide their own uniforms and receive no pay. They attend at military hospitals, including the Edward Millen Home and Lemnos, and try as far as they can to render service. They do render service. They were taken out on the river to learn some portion of the duty they might be called upon to perform if an air raid took place. What happened? Five launches were obtained from the Freshwater Yacht Club. Two full-blooded colonels were in charge and the party went to Applecross, where a few soldiers from the Melville camp lay on the beach with tickets fastened to them.

Mr. Cross: Five or six nearly got drowned!

Hon. N. KEENAN: But what happened? The tickets were taken off the soldiers and they were escorted to Keane's Point. That is a good day's work for two full-blooded colonels! No one minds having the last penny taken out of his pocket if it is to be applied to winning the war; but if it is to be used merely for the purpose of keeping a number of useless people in highly paid employment, looking very picturesque, for my part I feel some reluctance in giving up my last penny.

I would like to congratulate not only the member for Claremont (Mr. North) but also the Leader of the Opposition and the Treasurer on their review of the international situation. I am aware that the Government is fully cognisant of the international position because the residents of the Old Men's Home asked that they should be allowed three pies a week, and that the meat usually served up to them should be discontinued. The answer they received from the department was that owing to the international position that could not be done.

The Minister for Mines: You asked for three extra puddings, and I told you today that they would be forthcoming.

Mr. Marshall: The international situation has altered!

Hon. N. KEENAN: Would the Minister like me to produce the letter and read it? It was the most amusing communication I have read. These pies would have cost 4½d. per week, and the international position comes into it! The men were quite willing and anxious to give up the supply of meat they at present receive, because unfortunately, on account of their age, they are unable to eat it. No additional cost would have been involved. But for some reason or other the Government and many others are obsessed with the international situation which is made to account for everything. In my electorate, people used to get very cheap cups from Boans, Ltd., with which to entertain the aged residents. They now find that owing to the international position a cup that cost 4½d. has increased in price to 1s. 4d., so that a great difficulty has arisen in carrying out their good intentions.

As a matter of fact, the international situation is a matter of no great importance at all, so far as this State is concerned. The State's views on the matter, however wise and proper they may be, will not influence the conduct of this war one iota. I only wish they would, but we know they cannot. So also with regard to finance! What trouble is there in regard to finance?

The Premier: None, except that the war is costing a considerable amount of money.

Hon. N. KEENAN: How much is the State receiving as a result of the war? Has the Premier ever worked that out? Has he ever tried to?

The Premier: For all that we receive we have to pay.

Hon. N. KEENAN: Has the Premier ever tried to estimate what the military pay for this State means to the community?

The Premier: Yes.

Hon. N. KEENAN: The Premier has?

The Premier: Yes.

Hon. N. KEENAN: Would the Premier like to make a guess at it?

The Premier: I could make a pretty accurate guess, because the Commonwealth has supplied me with information about the military pay we get and about the money spent on the Air Force.

Hon. N. KEENAN: Has the Premier ever taken into account all the money he receives for the carriage of goods for military purposes? There is a good deal of wastage. I wrote to the Premier not as Treasurer but as Premier—calling attention to the waste of petrol alone in the carriage of necessaries required at the Pearce aerodrome, and to the waste occurring in respect to the carriage of workmen who travel to the aerodrome and return every day. All of them could be carried on the State railways as far as Midland Junction and for a short distance on the Midland Railway Company's line. Unfortunately, however, the position is unchanged, and the men are conveyed by buses that consume petrol.

The Premier: And which cannot adequately cater for them.

Hon. N. KEENAN: Buses over which there is no control! I suppose the member for Kalgoorlie (Mr. Styants) could tell us that if a man is a soldier he can get what petrol he wants for any purpose. If he wants to take a spanner to Rockingham on a 10-ton lorry, he can secure petrol for the purpose. That is how things stand.

I do not want to submit any requests for my constituency at the present moment because I am desirous of impressing upon the Government that economy—even to the extent of refusing requests which have a good deal of reason behind them—must be the law at the moment. I do not want to make requests because, although they might be favourably entertained by the Government, I know that the Government has not the money to give effect to them. Take, for instance, the schools. The Nedlands school is far too small. Children are out on the verandah and that, in the winter time, is an extremely dangerous and most improper proceeding. The only remedy for us is to ask them to go all the way to the Roseleastreet school, which involves a long and dangerous walk for young children. The road to the school is long and carries a large amount of traffic and there are no footpaths. Their only means of safety would be to go through the bush. However, to ask for improvements is no use. It is no good asking for the removal of the trenches at the school. If the Minister for Mines were to go down there, he would be reminded, when he saw the trenches that are in the playground, of his earlier days. Portions of the ground have been repaired, I admit, but some trenches are still there. The department would be responsible if a child broke its leg in the play-hour by reason of the ground being in such a deplorable condition, but does not seem to be aware of that fact.

Mr. Needham: Your district is better served than are other districts.

Hon. N. KEENAN: I do not know how the hon. member knows that.

Mr. J. Hegney: The grounds at one of your schools were bitumenised recently.

Hon. N. KEENAN: I admit that portion of the ground has been repaired. Although all these requests are of a genuine character, I do not intend to press them just now. All I intend to do is, to the best of my ability, to assist the Government to avoid expenditure, and to allow the people of the State to have an opportunity—as they must have whether they like it or not—of paying the taxation the Commonwealth will impose upon them.

Progress reported.

House adjourned at 10 p.m.

Legislative Council.

Tuesday, 30th September, 1941.

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

CHAIRMAN (TEMPORARY) OF COMMITTEES.

The PRESIDENT: I have to announce that, in accordance with Standing Order 31A, I have appointed Hon. H. Seddon to act as a temporary Chairman of Committees during the current session.