

cialities. To meet those requirements it was necessary to extend the same powers to road boards in respect of trust funds. A Bill to alter the Trustees Act of 1900 was passed by the Legislative Assembly in 1924 with the intention of extending those powers to road boards. When the measure reached the Legislative Council, an amendment was moved, reading as follows:—

Provided that prior to the issue of debentures the Minister for Public Works shall have certified in writing (a) that 75 per centum of the ratepayers of the district have paid all rates due by them for rates imposed by the road board for the then last preceding financial year; (b) that the total annual rateable value of the road district shall disclose an average increase of at least one per centum per annum during the immediately preceding five years.

The effect of that proviso, which was agreed to, has been to nullify the intention of the measure. An instance of the effect of that amendment is the experience of the South Perth Road Board. Investors were ready to loan trust funds to the board, who endeavoured to comply with the conditions laid down in the proviso requiring that 75 per cent. of the ratepayers of the district should pay their rates. It was found that 74.9 per cent. of the ratepayers in the South Perth Road Board area had done so and I think hon. members will agree with me that that represented a substantial compliance with the requirements of the amended legislation. It was ruled by the Crown Law authorities, and rightly so, too, that that percentage did not represent full compliance with the Act and therefore could not be accepted. As a result that local authority has been restrained from raising the necessary funds. This is not the only local authority in difficulties owing to these conditions having been imposed. Among other road boards affected are the Murray Road Board, the Merredin Road Board and the Wyalechem Road Board. During the time I was administering the North-West Department I met with a similar difficulty. A very important road board in the North-West desired to raise a loan and although every endeavour was made to comply with the amendment I have referred to, the members of the road board were not able to do so. I had the matter thoroughly investigated and found that five of the most prominent road boards in the North-West had been practically debarred from raising money, owing to the amendment that was agreed to in this House in 1924. Trustees and other people

having trust funds are willing and anxious to help boards by making those funds available as soon as this restriction is removed. By taking the trust funds from local sources, that money for investment will be kept within the State. Those who control trust funds may be relied upon to exercise sufficient care to see that the money is not lent to a road board not thoroughly solvent and not able to meet loans when they mature. I move—

That the Bill be now read a second time.

On motion by Hon. H. Seddon, debate adjourned.

*House adjourned at 8.21 p.m.*

## Legislative Assembly,

*Tuesday, 7th September, 1926.*

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

### QUESTION—LIME, AGRICULTURAL SUPPLIES.

Mr. C. P. WANSBROUGH asked the Minister for Agriculture: 1, What steps have been taken by the Department of Agriculture to ensure an efficient supply of lime for agricultural purposes? 2, As it is most important for both soil and stock over large areas of the State, will he instruct his officers to give the matter special attention? 3, Is he aware that Professor Hendricks, of

the North of Scotland, asserts that the use of superphosphate increases the loss of lime in average soil by 200lbs. per acre annually, which is probably accountable for the heavy mortality of sheep in this State? 4, Will he treat the matter as particularly important, and inform the House what is being done or proposed to be done?

The MINISTER FOR AGRICULTURE replied: 1, The department has already ascertained that a number of efficient lime deposits are available in the State. These are awaiting development by commercial interests. The demand for lime by farmers has been so slight that some firms which commenced to develop them have had to abandon this business. 2, Answered by No. 1. 3, No. 4, No action is necessary, as it is known that the use of superphosphate causes a change in the composition of some of the lime compounds in the soil, but it will increase these and not deplete the soil of them.

#### QUESTIONS (2)—STATE INSURANCE.

##### *Industries Assistance Board Settlers.*

Mr. E. B. JOHNSTON asked the Minister for Lands: 1, Is it a fact that the Industries Assistance Board has concluded arrangements with the State Insurance Office for the insurances of assisted settlers' crops against hail, as well as fire? 2, If so, do the Government realise the extent of the hail insurance liability as regards insurance of Industries Assistance Board settlers, which in 1924-25 totalled £1,173,899? 3, In view of the extent of this liability, has the officer in charge of the State Insurance Office made arrangements for the reinsurance of the hail risks? 4, If so, with what underwriters has the reinsurance been arranged? 5, In view of Section 9 of the Industries Assistance Board Act, No. 92 of 1915, will he advise under what authority he has arranged the insurance of assisted settlers' crops against (a) fire, (b) hail, with the State office, seeing that the State office is not an insurance office within the meaning of the Act? 6, Is it a fact that the Industries Assistance Board proposes to pay to the State office the same rates of premium as charged by the private companies?

The MINISTER FOR LANDS replied: 1, The Government has insured the crops on which advances have been made by the State.

2, Yes. If the State had carried these risks in the past, its taxpayers would now be in the position of having to find upwards of £120,000 less in taxation to make good the Board's losses. 3, Yes. 4, With safe and reliable insurance underwriters. 5, Section 9 of 52 of 1915 authorises the Board to insure against fire. Insurance against hail is by agreement with mortgagors. The insurance is effected as the Board thinks fit. 6, Yes, for the present.

##### *Workers' Compensation Business.*

Mr. E. B. JOHNSTON asked the Premier: 1, Did he state in moving the second reading of the State Insurance Bill (see "Hansard" 5, page 586), "This measure is confined solely to the purpose of establishing a State insurance office for workers' compensation insurance business only"? 2, If so, will this assurance be observed by the Industries Assistance Board.

The PREMIER replied: 1, Yes. 2, This will be determined by the Act as passed by Parliament.

#### QUESTION—RAILWAYS, ELECTRIFICATION.

Mr. SAMPSON asked the Minister for Railways: Can he supply the following information: 1, The mileage of the railway system of Victoria which has been electrified? 2, The approximate cost, including power houses, electrified rolling stock, and essential equipment? 3, The respective mileages of the Perth-Fremantle, Perth-Armadale, Perth-Sawyers' and Perth-Chidlow sections? 4, Assuming that no greater cost per mile would be incurred to electrify the Perth-Suburban and Perth-Outer Suburban areas, what sum would require to be expended?

The MINISTER FOR RAILWAYS replied: 1, The information desired is not available. 2, 3, and 4, Answered by No. 1.

#### QUESTION—FREMANTLE BRIDGE.

Mr. SLEEMAN asked the Minister for Railways: Seeing that the consensus of opinion at Fremantle is that the first person to report the collapse of the Fremantle bridge was either Mr. Henderson or Mr. Green, and in view of the reply to my question of Wednesday last that the credit should

be given to Ganger Hogan, will he favourably consider the advisability of requesting the R.M. at Fremantle to investigate the position and report to the Government?

The MINISTER FOR RAILWAYS replied: No. Copies of reports containing available information, and copy of a letter from Mr. E. Green, of Fremantle, on this matter, will be laid on the Table of the House.

#### QUESTION—WORKERS' HOMES, NELSON DISTRICT.

Mr. J. H. SMITH asked the Premier: 1, Is he aware that the annual report of the Workers' Homes Board state: "If it were impracticable to provide further funds, it would be advisable to defer receiving further applications"? 2, As some applicants in the Nelson district have been advised that necessary funds are not available and that their applications have been held over for the present, will the Government make financial arrangements to fulfil present requirements?

The PREMIER replied: 1, The board receives applications to the extent of its available funds, which are derived from repayments. It then declines to receive applications until a further sum is available. 2, The matter is receiving consideration.

#### QUESTION—LUMPERS' UNION AND MINISTERIAL REMARKS.

Mr. SLEEMAN asked the Minister for Justice: 1, Has he seen the report of the motion that was carried at the stop work meeting of the lumpers' union regarding his statement in Parliament with reference to persons who were described as thugs and hoodlums? 2, What action does he propose to take?

The MINISTER FOR JUSTICE replied: 1, Yes. 2, A perusal of "Hansard" will show that I stated *some* of those who were at my house on the occasion referred to were hoodlums and thugs, which of course implied that others were not. Neither the Government nor I was concerned in any disagreement or industrial dispute with the Fremantle Lumpers' Union or any of the members of it at that time; consequently my remarks did not refer to members of that union.

#### BILLS (3)—THIRD READING.

1. Plant Diseases Act Amendment.
  2. Government Savings Bank Act Amendment.
  3. Forests Act Amendment.
- Transmitted to the Council.

#### BILLS (2)—REPORT.

1. Wyaleatchem Rates Validation.
  2. Coal Mines Regulation Amendment.
- Reports of Committee adopted.

#### BILL—CONSTITUTION ACT AMENDMENT.

##### *Second Reading.*

Debate resumed from 26th August.

HON. SIR JAMES MITCHELL (Norham) [4.47]: I do not know that we need debate this Bill at any great length, because the Premier has introduced it to the House so often, both as Leader of the Opposition and as Premier. Time and again he has asked us to deal with this question. Since we last gave consideration to a similar measure, there has been an election of members to another place, and I hope the Premier watched the result. The Minister for Works has made many violent attacks upon the Legislative Council. I think he was answered satisfactorily by the vote recorded at the last Council election.

The Premier: Not at all.

Hon. Sir JAMES MITCHELL: Oh, yes, very satisfactory. Surely the Premier will realise that as a result of that election, the representatives of the party to which he belongs were reduced in number in another place.

The Premier: But the people did not have a vote. One-third of them did, but what about the two-thirds who did not have an opportunity to vote?

Hon. Sir JAMES MITCHELL: Does the Premier believe that the votes recorded were registered by rich people only?

The Premier: Oh no, but not more than one-third of the people had an opportunity to vote.

Hon. Sir JAMES MITCHELL: The one-third of the people referred to include many men of limited means.

The Premier: So that the remaining two-thirds must represent people of still more limited means.

Hon. Sir JAMES MITCHELL: The Premier seeks to enrol a few more electors, but he is pledged to the abolition of the Upper House. He believes we should not have a second Chamber at all. He does not come forward with a proposal to abolish the Legislative Council, but merely proposes to add a few more to those already registered as electors. What the Premier proposes to do is to remove the present qualification and substitute a household qualification. The difference is that under the existing franchise a house is supposed to be worth £17 a year before the elector concerned is empowered to vote, whereas under the Premier's proposal anything in the shape of a house will qualify an elector to vote. However, the latest Legislative Council elections afforded a complete answer to the attacks of the Minister for Works.

The Premier: That was no answer at all.

Hon. Sir JAMES MITCHELL: The Premier must admit that the existing franchise is very liberal. It would be liberalised considerably if we were to agree to the amendment embodied in the Bill. By no stretch of imagination could it be said that all those who would be enrolled should be given the right to vote. There is no demand outside for an alteration of the existing franchise.

The Premier: That is not so.

Hon. Sir JAMES MITCHELL: Time and again the Premier, when Leader of the Opposition, proposed a similar extension of the franchise. To that extent he has been consistent, but I still contend that there has been no expressed opinion on the part of the general public to justify the repetition of his request. I do not think there is the slightest interest in the proposal. What the electors desire is good government.

The Minister for Lands: They are getting that now.

Hon. Sir JAMES MITCHELL: They do not think so.

The Minister for Lands: Yes, they do.

Hon. G. Taylor: The people are not appreciative.

Hon. Sir JAMES MITCHELL: The result of the elections gave an indication. At any rate, the position is not made worse, but is rather improved because of the work of another place. Will the Minister for Lands contend for a moment that if we were to abolish the Legislative Council, we in this House would determine questions by the will

of the majority, uninfluenced by outside people?

The Minister for Lands: I think we have as much wisdom in this House as there is in another place.

Hon. Sir JAMES MITCHELL: I am not questioning that.

The Minister for Lands: Then we should be able to deal with legislation satisfactorily.

Hon. Sir JAMES MITCHELL: I know the Minister for Land believes we could deal with all questions, without the necessity for the Legislative Council at all.

Hon. W. D. Johnson: That is not the proposal in the Bill.

Mr. Thomson: But it is the intention.

Hon. Sir JAMES MITCHELL: I replied to the interjection of the Minister for Lands, who suggested that there was more wisdom in this House than in the Council.

The Minister for Lands: I did not say that. I said we had equal wisdom to that displayed in another place. I did not say we had more wisdom here.

Mr. Marshall: On a per capita basis, we have more wisdom.

Hon. Sir JAMES MITCHELL: I do not disagree with the contention of the Minister for Lands that we have amongst us equal wisdom compared with that furnished by the Upper House, but will the Minister for Lands say that the judgment of each member shall be exercised upon every question, and that each shall vote according to his judgment and his conscience?

The Minister for Lands: Yes.

Hon. Sir JAMES MITCHELL: Does the Minister say that there shall be no outsider, endeavouring to dictate to members of this House?

The Minister for Lands: That is only done regarding your members; it is never done to us.

Hon. Sir JAMES MITCHELL: Will the Minister for Lands guarantee that? Is he willing that machine politics shall go by the board, and that we shall deal with all matters in a non-party way?

The Minister for Lands: I agree.

Mr. Thomson: Then we would have ideal government.

Hon. Sir JAMES MITCHELL: If we could reach that stage, then there might not be the necessity for second thought. The Minister for Lands knows that that is not the position. So long as we submit to the system that obtains now, so long shall we need the wisdom of members sitting in the Legislative Council. The Minister knows

that proposals are dealt with before they are brought before Parliament, and before they reach another place.

The Premier: The Bill does not propose to wipe out another place. You are out of order.

Mr. Teesdale: It is pinching a little bit off this session.

Mr. Latham: The Bill is an important step towards the abolition of the Council.

Hon. Sir JAMES MITCHELL: The Premier suggests I am out of order. I am not out of order if I say that bit by bit the Premier is seeking to secure the abolition of the Upper House.

The Premier: The Bill does not deal with the abolition of another place, but you are speaking of nothing else.

Hon. Sir JAMES MITCHELL: I am discussing the freedom of members sitting in this Chamber. If they were free to act as they thought fit—I believe the Premier and the Minister for Lands would desire them to be placed in that position—then it would be a different matter. The Premier knows, however, that in his party of 27, fourteen can decide what shall be done. It is not decided by 26 in a House of 50 members, but by 14 members only.

The Premier: Their work could be reviewed by a House elected on the franchise I propose, quite as well as by those elected on the existing franchise.

Hon. Sir JAMES MITCHELL: It is patent that any second Chamber could review proposals from this House, but if that second Chamber were elected on the same franchise as this House is, what would be the effect? We all know that the second Chamber would become speedily a party House. We return six members to the Federal Senate. That was supposed to be a States House. It has long since ceased to function as the House where the rights of the States are safeguarded, and has become a mere party House. By this means we can calculate just how long a second Chamber will take to become a party House.

The Premier: Do you suggest that Senator Carroll would not speak in the interests of the State?

Mr. E. B. Johnston: There is no better Senator to represent the State.

The Premier: No better judge of girls!

Hon. Sir JAMES MITCHELL: I would not go as far as the member for Williams-Narrogin (Mr. E. B. Johnston).

The Premier: No, I should think not. I do not know that you would follow him at all.

Hon. Sir JAMES MITCHELL: I hope that the day will come when every member of the House will be as free as the air that blows, and have the right to decide what is the best in the interests of the people, and when a majority of them will have a right to so decide. We talk a lot about democracy but, of course, we do not practise it. There are many questions that affect all our people. During the last two years the Premier will know that many Bills have been passed, and they have had a serious influence upon all sections of the community.

The Premier: The Upper House is an excellent institution. I want to broaden and strengthen it.

Hon. Sir JAMES MITCHELL: The Premier does not desire anything of the sort.

The Premier: I do.

Hon. Sir JAMES MITCHELL: The Premier is pledged to the abolition of the Upper House, and one can understand his attitude from his point of view!

Mr. Panton: Hear, hear!

Hon. Sir JAMES MITCHELL: The member for Menzies (Mr. Panton) who is one of the 14 who may have the deciding voice in the government of the country, interjects "Hear, hear." If we abolish the Upper House, that hon. member and 13 of his colleagues will be able to decide important questions. If we abolish the Upper House, would not another sort of institution be set up somewhere else in Perth, and would not that body dictate to this Parliament?

The Minister for Lands: You are thinking of the Consultative Council?

Hon. Sir JAMES MITCHELL: No, I am thinking of the Trades Hall, and of Queensland.

The Premier: You are thinking of those who control secret funds.

Hon. Sir JAMES MITCHELL: Look at the position of Queensland where Mr. Theodore, who was a strong man, was promptly brought to heel by outside influences. That was nothing new, but Mr. Theodore had enough of control from outside, and he got out!

The Minister for Lands: You must not forget that there are others controlled, that is, if you insinuate we are controlled.

Hon. Sir JAMES MITCHELL: I said you were controlled. I did not insinuate anything.

The Premier: An assurance has been given that you will be controlled in the future.

Hon. Sir JAMES MITCHELL: It was not given by me.

The Premier: But it was given by someone.

Hon. Sir JAMES MITCHELL: It could not be given by me.

The Premier: The assurance was satisfactory to the party receiving it.

Hon. Sir JAMES MITCHELL: I will not be controlled except by my own electors.

The Premier: But the assurance proved satisfactory.

Hon. Sir JAMES MITCHELL: That matter is not included in the Bill. I promise the Premier I will not be controlled, except by my electors and by a majority of members of the House. In Queensland there is no Upper House, and the single Chamber remaining is not so much a House of Parliament as a recording House.

The Premier: The people of Queensland have endorsed the uni-cameral system by returning the Government that abolished the Legislative Council.

Hon. Sir JAMES MITCHELL: The electors said the Council was not to be abolished. Unfortunately, the Lieutenant-Governor of Queensland approved the Bill for its abolition.

The Premier: That was 10 years ago, and the same Government are still in office.

Hon. Sir JAMES MITCHELL: There is no reason why they should not remain in office forever, since they can do such things as that. I know a number of Queenslanders, nearly all of them belonging to the party of Mr. Theodore. When at successive Premiers' conferences, I have sat with the representatives of Queensland.

Mr. Sleeman: Good men, are they not?

Hon. Sir JAMES MITCHELL: They would be if they were free. However, the single House has killed more than one of them, and in similar circumstances our own Premier would find it very difficult to retain his seat.

The Premier: I see that for the first time in your own history you have submitted a nomination for selection.

Hon. Sir JAMES MITCHELL: No, merely for endorsement.

The Minister for Lands: It is the first time you have submitted your nomination for selection.

The Premier: You have never done it before.

Hon. Sir JAMES MITCHELL: Of course I have. Time and again have I notified the party that I intended to stand; but I have not had to go to a selection ballot and be balloted for by a small section empowered to determine whether or not I could stand. The Premier is wrong. I have never been balloted for at a selection ballot. Some members of this House spend half their time battling for selection, which is often really the election. My friends need not fear that any party can reduce me to such control as that. We ought to realise that what we have to do is, not what we would like to do, but what it is right to do. I have no desire to abolish another place. How many members here can speak frankly to the people and say what is in their minds? In this free, democratic country we do not tell the people what is good for them; too often do we tell them what we think is good for us.

Mr. Panton: Speak for yourself.

Hon. Sir JAMES MITCHELL: I am speaking for myself. In this democratic country we should be able to speak more frankly to the electors. Some of us do speak fairly frankly to them, but others say the things that please, even to the extent of saying the things that ought not to be said.

Mr. Millington: Democracy means rule by the people. That is what we are asking for.

Hon. Sir JAMES MITCHELL: The Bill does not ask for anything of the sort. The hon. member, and the Government too, are seeking to extend the franchise of the Legislative Council. I do not know that the Bill would extend it so much after all, for a house of the ratable value of £17 does not mean nearly so much these days as it did when the franchise was fixed, many years ago.

The Premier: It is a geographical franchise, and it is also subject to fluctuating values. A man having a vote this year might have no vote next year because values had fallen. The household franchise would be independent both of values and of locality.

Hon. Sir JAMES MITCHELL: Under the Bill the franchise might represent a few

poles stuck in the ground with a little hessian around them.

The Premier: A bad lot those fellows living in hessian houses.

Hon. Sir JAMES MITCHELL: No, they are not.

The Premier: They are not to be trusted.

Hon. Sir JAMES MITCHELL: They are to be trusted. The Legislative Council to-day is a House of married men. I think that is right and proper. Since we have a restricted franchise, we cannot do better than permit the married men to have a vote. The Premier is so fixed in the habit of introducing this Bill that he cannot let a session go by without it. Members ought to realise that there has been no demand for the proposed change. The request does not come from the people who have not the vote, nor does it come from those who have it. Where, then, does it come from? It is not that too little of the legislation submitted by the Government has been passed by the Legislative Council; rather have they passed too much. The Government cannot complain that their measures have been rejected by the Council. I know some that might well have been rejected—even some of the legislation down for this session ought to be rejected. However, that is all beside the question, which is the qualification of electors. If there is to be any qualification at all, the present qualification is sufficiently liberal. There is no demand for any extension of the franchise, nor has the Premier satisfied us that, as the result of the proposed extension of the franchise, we should have a Legislative Council more liberal or more capable than it is to-day. The Premier has not satisfied us either that if we abolish the Upper House this House will do for the people all that is required. Some safeguard is needed, and we have that in the Legislative Council. If we abolish that House, the troubles we are suffering from to-day will not be removed.

The Premier: The Council refused to pass many Bills that the hon. member, when Premier, sent up to them; Bills that he considered would be of benefit to the State.

Hon. Sir JAMES MITCHELL: And the hon. member said the Council were justified in rejecting those measures.

Mr. Mann: He said, "Thank God for the Legislative Council!"

The Premier: No, I thought the Council ought to have passed many of my friend's Bills that were rejected up there.

Hon. Sir JAMES MITCHELL: The Minister for Lands often supported me in dealing with measures sent back from another place, but the Premier opposed me. I do not know that I ever had the Premier and the Minister for Lands on my side at the one time.

Mr. E. B. Johnston: Yes, when you were against us you had them both with you. What about the increases of taxation that you put through?

Hon. Sir JAMES MITCHELL: I do not know of any but the super tax. It is difficult to appreciate what the member for Williams-Narrogin is alluding to.

The Minister for Lands: He is wrong. They were against you. It was the other way about.

Hon. Sir JAMES MITCHELL: I have nothing more to say. I hope the House will not agree that the Bill should pass.

The Premier: Oh, let us move ahead a little bit.

Hon. Sir JAMES MITCHELL: I do not know that the Premier expects the Bill to pass, even in this Chamber. At any rate, I will vote against it and against any other Bill of the kind, unless it be clearly proved that the people are behind the demand.

HON. W. D. JOHNSON (Guildford) [5.15]: The Leader of the Opposition has quoted quite a lot of things but he said very little about the measure.

Mr. Mann: He opposed it.

Hon. W. D. JOHNSON: He certainly finished by saying he opposed it, but he occupied quite a lot of time in opposing a proposition for the abolition of the Legislative Council. This Bill does not propose to abolish the Council. It is purely an attempt to get what we want, namely, good government, proper development and a proper consideration of all the interests in the State by representative government. I have never attended any conference or taken part in any discussion amongst those interested in the representation of the people's rights in Parliament where it has not been contended that the Legislative Council is a bar to proper representation. What this Bill aims at is to give not the full representation to which the people are justly entitled, but to give the people a greater representation in the Legislative Council. The Leader of the Opposition surely is called upon to justify the £17 qualification. Where does the £17 come from? What is it based on? Who nominated the

£17 and showed that that figure gave the kind of representation that the people were entitled to? There is no argument that can be advanced in favour of a qualification of £17 any more than in favour of £27 or £7. The thing is ridiculous. We have only to emphasise the figures to show that the qualification is not founded upon any sound basis. Consequently we want to try to get a basis. It is true that if we stood for the true representation of the people in Parliament, we would go for adult suffrage. That is recognised as the basis of representation. Maturity gives the right of citizenship, and places upon every citizen the responsibility of taking an active part in the administration and development of the country. There we have a definite starting point for representation—adult suffrage—but when we come to a Legislative Council that has a right of reviewing and dictating on matters presented by a House representing the vast majority of the people—those qualified by adult suffrage—surely we are justified in asking why people who have a qualification of £17 should have the right to review that which is submitted to them by the whole of the people who have reached maturity. What we are aiming at is to get nearer to true representative government. We cannot guarantee to the people that a government is in power. There is no such thing as a government being in power here; the government is in office. Why is that so? Because the power is exercised by a House that is not influenced by the Government or by the people who elect the Government. The Council is representative of a section only, and therefore the will of the people who elect the Assembly can be vetoed by a section of the community. The object of the Premier in introducing the Bill is to get away from that kind of thing and give to a greater number of people a voice in the election of representatives in the Legislative Council. I do not think anybody would argue that the Legislative Council has not performed a useful function. There are times when it has done a great deal of good in respect of measures submitted to it, but it is usually most useful in regard to measures that affect the section of the community it represents. If we present legislation dealing with property and with vested interests, we notice that the speeches of members in another place are longer and reveal a closer attention to the subject matter than is the case with average questions affecting the whole of the people.

Hon. G. Taylor: And some of the speeches are of a very high order.

Hon. W. D. JOHNSON: If members read the "Hansard" reports of the proceedings in another place they will realise that to matters affecting the welfare of the great masses of the community—the working class—members in another place give scant consideration. They usually introduce amendments that mutilate and make such legislation useless, or someone moves a sudden death motion and it is defeated. When it comes to a question of property or vested interests, however, they give close attention to the matter, and thus faithfully represent the class by whom they are elected. Surely we are justified in asking why this should be so? Only a small percentage of the people have a vote for the Legislative Council. The Premier quoted the figures, 69,000 voters for the Council and 206,000 for the Assembly.

Mr. Latham: It is not compulsory enrolment.

Hon. W. D. JOHNSON: No.

Mr. Latham: That has a good deal to do with it.

Hon. W. D. JOHNSON: That applies to both the Assembly and the Council.

Mr. Latham: There is compulsory enrolment for the Assembly.

Hon. W. D. JOHNSON: Surely we are justified in asking that the voters for another place should not be restricted to 69,000 people? If there was a basis for the 69,000 there might be no argument, but just as we have a basis for the Assembly franchise, so we should have a basis for the Council franchise. As the Premier rightly pointed out by interjection just now, the £17 qualification is influenced by geographical considerations. A £17 qualification in some cases will give fairly good representation, whereas in other places it will derange representation altogether. From that point of view it is not sound, and surely to good purpose Parliament should adopt some sound method. Against the adoption of adult suffrage for the Legislative Council, it is argued that electors for that House should have some vested interest, should not be what an ex-member described as nomads, wandering hither and thither with no interest in any portion of the State and not domiciled for any length of time in any one part, people who wander from place to place and from State to State and are not citizens in the full sense of the term. If that argument were sound, we would have to get down to the basis of the resident citizen, and we cannot get that b



striking a qualification of £17, or even £20. The only way to reach a basis is to get down to those domiciled, and then we must come to household suffrage. A person who occupies or owns a house, who is a resident in a home, or as the Leader of the Opposition said, who is married—

Hon. Sir James Mitchell: Yes, that is it.

Hon. W. D. JOHNSON: Why does the Leader of the Opposition deny to married men the right to vote for the Legislative Council?

Hon. Sir James Mitchell: I do not.

Hon. W. D. JOHNSON: But the hon. member does. The £17 qualification denies the right to thousands of people in this State. In certain parts, as the hon. member knows, there are thousands of electors for this Chamber who are denied a voice in the election of representatives for another place, and yet they have the qualification that the hon. member desires, namely, that of being married. If the hon. member is sincere in his expressed desire to make another place representative of the married men, he must come down to household suffrage.

Hon. Sir James Mitchell: I am willing that married people should have a vote.

Hon. W. D. JOHNSON: Will the hon. member in Committee assist us to frame a clause that will guarantee to married persons a vote for the Legislative Council?

Hon. Sir James Mitchell: I am willing to enfranchise married people.

Hon. W. D. JOHNSON: Will the hon. member in Committee show us how to arrive at a qualification for a married man other than by the proposal submitted in this Bill?

Hon. Sir James Mitchell: It is for you to show me. If I did, you would not support it.

Hon. W. D. JOHNSON: The Leader of the Opposition is claiming to be sincere in his desire to make the Legislative Council representative of the married men. I do not think he is doing so with his tongue in his cheek; I think he is sincere. The only way to give a guarantee of such representation is by granting household suffrage.

Hon. Sir James Mitchell: The married men and the thrifty will satisfy me.

Hon. W. D. JOHNSON: Now the Leader of the Opposition is introducing other conditions. Why bring in "thrifty"? Keep to married men! Surely the hon. member will agree that if we arrive at household suffrage, we shall be guaranteeing representation to

married men? Generally speaking, if we limit representation to married men—

Mr. Mann: You want to give the vote to thrifty men also, do you not?

Hon. W. D. JOHNSON: I want to give the Leader of the Opposition an opportunity to assist us. He knows perfectly well that the proposal of the Government is justified.

Hon. Sir James Mitchell: It is not.

Hon. W. D. JOHNSON: Then the hon. member is not sincere. If he wishes to give representation to married men, this measure will guarantee it. If he opposes the measure, he will be opposing that which he claims to favour.

Hon. Sir James Mitchell: Nonsense! What about the member for Williams-Narrogin?

Hon. W. D. JOHNSON: He would not have a vote because he is not a householder.

Mr. Panton: And he does not deserve a vote, being unmarried.

Hon. W. D. JOHNSON: Under this measure the member for Williams-Narrogin would not be entitled to a vote.

Mr. E. B. Johnston: Is this measure intended to take my vote from me?

Hon. W. D. JOHNSON: I know only too well that the member for Williams-Narrogin would have nearer 10 votes than one vote under existing conditions. I wish to pin the Leader of the Opposition down to supporting this Bill in Committee to the extent of remodelling the clause to guarantee representation to the married person. I believe I have convinced the Leader of the Opposition that he is insincere. I have heard him say times out of number that he believes in work, and not in talk. Let him work in this matter. Let him put his belief into this Bill. If he can show me how to arrive at what he and I both want, in a manner different from that proposed by the measure I shall welcome the suggestion and support it.

Hon. Sir James Mitchell: I want you to show me.

Hon. W. D. JOHNSON: The Premier has shown us both how we can arrive at a representation which will guarantee a vote to every married person.

Hon. Sir James Mitchell: The married man who is thrifty should have a vote.

Hon. W. D. JOHNSON: Let us put that into the Bill. Thousands of thrifty married men to-day are denied a vote for the Legislative Council.

Hon. Sir James Mitchell: I do not know that.

Hon. W. D. JOHNSON: Does the hon. member say that all the men on the goldfields who are denied representation to-day, are not thrifty men and married men?

Hon. Sir James Mitchell: There are very few married men among them.

Hon. W. D. JOHNSON: There are thousands of such cases.

Mr. Thomson: How many thousands?

Hon. W. D. JOHNSON: Again, in the Forrest electorate are to be found some of the best men in Western Australia, men engaged in one of the main industries of this State.

Hon. Sir James Mitchell: Hear, hear!

Hon. W. D. JOHNSON: They play an important part in the life of this country, and yet they are denied the vote for the Legislative Council. Undoubtedly they are married men and thrifty men. Thousands of them have votes for the Assembly, but only a few have votes for the Council. I appeal to the Leader of the Opposition to be honest in his contentions and carry out that which he says he has been advocating for years. I am going to put a test on him as to doing things without talking much about them. Let us see whether he will now act instead of talking. I have a right to call upon him to do that which he asks the people to do. He tells the country that his policy is one of work and not of talk. I now ask him to give representation in the Legislative Council to the married man.

Hon. Sir James Mitchell: How many times have you attended this session? I have attended every sitting.

Hon. W. D. JOHNSON: There is no use in attending unless one does something. Here is a Bill proposing to give representation, as I claim, to the married man. The Opposition Leader says it is not so. Then the responsibility is on him to show how the Bill can be remodelled so as to guarantee to every married man a vote for the Legislative Council. The hon. member also said that in order to justify an alteration of the franchise, we must show that the Council has rejected measures. Why should we enter into a matter of that sort? We are not called upon to take so narrow a view of a big question of representation. The point is, are the Council qualified to express an opinion on matters affecting people who have no voice in the election of the Council?

Upon many measures another place has exercised its influence to the detriment of the people whom those measures were intended to assist. The Council has reduced the value of our arbitration legislation from the point of view of the workers.

Hon. Sir James Mitchell: They improved it.

Hon. W. D. JOHNSON: That is the hon. member's contention. The Government elected by the workers go to the country on a policy desired by the workers. Included in that policy is the system of arbitration. The Government promised the people that if elected they would do certain things in regard to industrial legislation. Thus they had a mandate on that subject. The Bill embodying the desires of the workers goes to another place, which never appeals to the people to whom the Government have appealed. That place then mutilates the Government's legislation. I contend that another place has no qualification for interfering with legislation unless the legislation be limited to the people actually represented there. Another place should not exercise any influence on industrial legislation affecting the workers until the members of that House have been brought in touch with the desires and ambitions of the workers. In order to arrive absolutely at that stage, we would have to go down to adult suffrage for the Upper House. However, we say to members of the Opposition and to members of another place that we are prepared to accept an instalment of representation, to take household suffrage as a definite basis. The house is to be the definite qualification, whether situated on the goldfields or in the metropolitan area or on the timber mills. The effect of the £17 qualification is to deny the vote to householders in various parts of the State. We ask members of the Opposition and members of another place to recognise this by agreeing to the household suffrage qualification, which will guarantee that the resident people of the State will elect the Legislative Council, but that nomads and birds of passage will not elect the Council. The Opposition Leader knows perfectly well that the married man cannot obtain representation on a £17 qualification. However, the hon. member claims that the Bill does not give to the married man exactly the kind of representation desired. That is a matter which can be discussed in Committee. The Government's Bill aims at giving the vote

to the married person, on the natural foundation of household suffrage. The Leader of the Opposition says he prefers to do it in another way. I hope he will do it on this Bill, so assisting to make the Upper House more representative than it is now. We have a few members there, men who have appealed to industrial centres and so succeeded in securing election; but their number is small and their influence correspondingly limited. To say that four or five members are the workers' full quota of representation in a House numbering 30 is entirely incorrect.

Mr. Mann: What about the South Province?

Hon. W. D. JOHNSON: In that province the workers have practically no votes.

Hon. G. Taylor: They elect members all the same.

The Premier: That is not the question at all.

Mr. Mann: The member for Guildford (Mr. Johnson) says members of another place are not in touch with the workers. What about Mr. Dodd?

Mr. Pantou: The man has been in bed for years.

Mr. Mann: He has been in touch with the workers all his life.

Mr. Pantou: You must be stupid if you can say that.

Hon. W. D. JOHNSON: It is not a question whether the workers are represented by a certain person or another person. The question is whether the workers of the South Province have a voice in the election of Upper House representatives. The member for Perth (Mr. Mann) knows perfectly well that the workers in the South Province have not a voting strength commensurate with their members. It is only necessary to compare the South Province Council roll with the corresponding Assembly rolls to learn that many thousands of those who vote for the Assembly there are denied the right of voting for the Council. What is the use of goldfields workers electing members to the Legislative Assembly and assisting to establish a Government if they have no voting representation in the Legislative Council, where all the activities of the Government are subject to review?

Mr. Lindsay interjected.

Hon. W. D. JOHNSON: Possibly the hon. member would claim that all property-

holders are workers, even those only drawing rents, as licensees do.

Hon. G. Taylor: Your party have not disqualified you as a worker, apparently.

Hon. W. D. JOHNSON: No. However, I will not argue that question now. The man who owns a hotel on the goldfields has no more right to cast a vote for the Legislative Council than the man living on a residential block or a small area upon one of the mining leases. There is no reason why the one man should have representation in the Upper House rather than the other. The member for Toodyay (Mr. Lindsay) knows perfectly well that the whole of the people resident on the goldfields have the moral right to the franchise for the Legislative Council. The Bill proposes to guarantee them that franchise—no more and no less. Consequently I feel that members sitting in Opposition must recognise that in order to secure the franchise for a larger section of the community than exercises it at present, we must pass a Bill somewhat on these lines. It is not all that I would like, but it does give us a proper basis and we can argue in favour of the household suffrage. There is certainly no argument in favour of the £17 qualification. We propose still to limit the representation in that Chamber to property-holders.

Mr. Thomson: A householder is not always the owner of a property.

Hon. W. D. JOHNSON: He may not own the property, but he is the holder. Therefore we get to the definite basis that a person who is domiciled and who is exercising full responsibility of citizenship and is rearing a family, and in addition is interested in our educational system and all the activities, and takes a prominent part in respect of all functions—that person is denied a vote for the Legislative Council. That one section in a province should have a vote and that another should not is not right. Analyse the position of the miner and you find that he is more entitled to a vote for the Legislative Council than is the man who is running a hotel in a mining township. The hotelkeeper is not doing, in the way of developing the country, what the miner is doing; he is not advertising the country in the manner that the miner is doing. Mining has made Western Australia; it gave the State its first start, and yet the men who are responsible for placing Western Australia on the map—men like Paddy Hannan and others—are denied a vote for the Legislative

Council. The position is unfair and unjust, and the desire of the Premier is to make another place more representative of the people, to be representative of that section of the people who claim to be permanently domiciled in Western Australia. On the grounds that I have stated, the Bill should receive the support of members opposite. If members of this House were unanimous in regard to the Bill, members of another place would view it more seriously than if this Chamber were divided. If the Assembly is really concerned in regard to the welfare of the people they represent, they must support the Bill.

**MR. THOMSON** (Katanning) [5.50]: One cannot but congratulate the Premier on his persistency. There is an old saying that continual dripping on a stone will wear away that stone. At the time of the general election, members who were supporting the party now in power, and those who were standing in the interests of the Government in connection with the Upper House elections, advocated the abolition of the Legislative Council. The Premier himself made the statement, and it was very definite. The member for Guildford declared that this matter should be given serious consideration and he added that thousands were disfranchised at the present time. He also told us that adult suffrage was the only equitable basis on which members should be returned to the Upper House. Some members who argue on this subject are not consistent. Many have supported certain exemptions in connection with taxation. We exempt the single man up to £156 and we exempt the married man up to £250 with allowances for his children. It is all very fine for the member for Guildford and others to say that the electors are carrying their share of the responsibilities, that they are building up and developing the State. But are they? If members opposite support a Bill which means that everyone will pay his quota towards the government of the State, even if that quota be only 3d., then I certainly would say they were putting up a logical argument. After all, the existing qualification is a matter of only 6s. 1d. per week. That is all that a man need pay by way of rent.

**Mr. Heron:** You cannot get a house for that on the goldfields.

**Mr. THOMSON:** The Act states that if a man has a block of land valued at £50 a year, or pays annual rent to the extent of

£17, or 6s. 1d. a week, he may be enrolled as a voter for the Legislative Council. The other night the Premier gave us as an example the Forrest electorate. There we have thousands of people, married men living in their homes, who are not entitled to vote for the Legislative Council, and the Premier told us that they were paying 3s. or 4s. a week for their houses, and that if those people were in the metropolitan area they would be paying at the rate of £1 per week.

**Mr. Panton:** I don't think he said that.

**Mr. THOMSON:** I read it in "Hansard," and if it is not correct "Hansard" must have misreported it. I suggest the hon. member should read it. I would read it to the House but I am not permitted to do so. This is a matter that can easily be got over.

**Mr. Panton:** Those people are not permitted to be enrolled.

**Mr. THOMSON:** They are deriving a benefit from the cheap rental they are paying. We in this House are privileged to alter the Constitution so far as it applies to this House. Another place has a similar privilege. I repeat that any person paying 6s. 1d. per week—

**Hon. J. Cunningham:** Where do you get the 6s. 1d.?

**Mr. THOMSON:** By dividing £17 by 52. The 6s. 1d. is not a high rental. I guarantee that no house can be obtained in the metropolitan area, and certainly not in my electorate, with accommodation worthy of the name, for £17 per annum.

**Mr. Heron:** There are people on the fields who pay 9s. and 10s. a week and who cannot get a vote.

**Mr. THOMSON:** I cannot understand then why they are not entitled to enrolment. If I were in that position I would demand a vote.

**Mr. Corboy:** It is not what you pay; it is the value the road board puts upon it that matters.

**Mr. THOMSON:** I urge members to read that which we now propose to alter. There is not one word in it that refers to road board valuations. It says—

Has a legal or equitable freehold estate in possession situate in the electoral province of the clear value of £50 sterling; or is a householder within the province occupying any dwelling-house of the clear annual value of £17 sterling.

There is nothing about a road board valuation there. The Constitution also refers to a leasehold estate of a clear annual value of £17 sterling.

Mr. Panton: Who makes the valuations?

Mr. THOMSON: The taxpayer always has a right of appeal against the valuation. If a man is rated at a higher rate than that at which he is paying, he can appeal to the road board, and if necessary can go to the local court, when the invariable rule is that the valuation is reduced. If the thousands of persons who are said to be debarred from voting for the Legislative Council are sincere in their desire to do so, surely they can object to the valuations. They can say, "We want you to give us a clear value of £17, and we are willing to pay the rates upon that value." There would only be 2s. or 3s. a year at stake.

Mr. Panton: We are talking about the man who is paying the rent.

Mr. Corboy: He is talking nonsense.

Mr. THOMSON: The Premier said that in the timber areas people were getting for 3s. or 4s. a week houses that were worth £1 a week.

Mr. Corboy: That is so.

Mr. THOMSON: They are very fortunate. If members are so desirous of removing the disabilities from persons who should be able to vote for the Legislative Council but cannot do so, and if the Government are sincere in their wish to help these people, why do they not make this Bill applicable to those areas where these people are now living, in much the same way as the petrol tax was withheld in the case of persons on the goldfields and other places.

Mr. Corboy: Would you support such a Bill?

Mr. THOMSON: I will not support this Bill. The present franchise for the Legislative Council is very low. In the days when the Act was first passed £17 a year was a high rent, but to-day it would be a poor house either in Perth, the suburbs or the country, that was not worth more than that rental per annum.

**MR. MILLINGTON** (Leederville) [6.5]: Members seem to look upon this Bill as an attempt to abolish the Legislative Council.

Mr. Thomson: It is one of the steps towards it.

Mr. MILLINGTON: That has to be proved. What members have to prove is that they are entitled to disfranchise householders. I have had some experience in enrolments before elections under the present Act. The annual value of £17 to which the

member for Katanning (Mr. Thomson) referred is the valuation that is imposed by a municipal or road board authority.

Mr. Thomson: Against which every owner has the right of appeal.

Mr. MILLINGTON: Would the Leader of the Country Party have an Act which imposed upon the electors the responsibility of appealing against the valuation? Is it not more desirable to tell people that they are franchised and can place their names on the roll with safety? One of the greatest disadvantages of the Act is that many people who desire to be enrolled, and become enrolled, are terrorised and are afraid to vote. The Leader of the Opposition said that no one had asked for this Bill.

Hon. Sir James Mitchell: No.

Mr. MILLINGTON: I do not know whether they were ever asked if they wanted a Legislative Council, but they have one on a restricted franchise. The people of Australia were once asked what kind of franchise should obtain within the Commonwealth, and there appeared to have been no divided opinion against the adult franchise.

Mr. Thomson: That was not done by referendum.

Mr. MILLINGTON: On no other occasion were they asked what they considered should be the proper franchise. When it was decided to establish a Federal Senate, consideration was given to the little fellow. Western Australia derived an advantage by being able to have an equal number of representatives in the Senate with any other State.

Mr. Lindsay: The Convention decided that.

Mr. MILLINGTON: Some generosity was displayed on that occasion towards the little fellow. This Bill gives a definite interpretation of the household qualification, and under it a householder will be qualified to vote without reservation as to his dwelling house being valued at so much per annum. It has been suggested that a vote should be given to thrifty people. I would be quite satisfied to get that, but that would require a wider franchise than the one embodied in the Bill. There are many thrifty people who at present are not qualified to be enrolled.

Mr. E. B. Johnston: Not in the country.

Mr. MILLINGTON: This Bill is meant for the enfranchisement of country people, for it would have very little effect in the

metropolitan area, where very few of the residences would not pull their weight.

Mr. E. B. Johnston: There are very few in the country.

Mr. MILLINGTON: There are many that would be affected by this Bill. Those who really represent the country districts will discover that this Bill is in the interests of their constituents. It will remove all doubt from the minds of householders as to their being entitled to vote. When they are enrolled unscrupulous people will be unable at election time to terrorise them by saying they will get into trouble if they record their vote. Many people on the goldfields are on the roll but are afraid to vote. They will not take the chance, and I do not blame them. Although they are enrolled, they are running the risk of prosecution. We should remove all doubt of this kind. This measure is long overdue. I cannot find anyone who can interpret the Act in a way that is acceptable. The electoral office has endeavoured to interpret it, but their interpretation does not hold good in law. It is most difficult to know how to advise people who may want to know whether they are qualified to be enrolled.

Mr. Thomson: I have never found that difficulty.

Mr. MILLINGTON: If the hon. member had enough experience in the country districts, he would have found it. Those who are paying a sufficient rental can safely be enrolled, but there are other people who own their own properties and are not paying any rent.

Mr. E. B. Johnston: It has only to be £50 worth of property.

Mr. MILLINGTON: I know of the case of a man who was living in a house in Trafalgar. The local authorities valued the place at £13 a year.

Mr. Lindsay: That was the value for rating purposes.

Mr. MILLINGTON: We have to take the ruling of the Crown Law authorities. This was a house of five or six rooms, and the man had six children also living in it. The Crown Law authorities would not permit him to be enrolled because the annual value of the house was only £13 or £14.

Mr. E. B. Johnston: If the capital value was £50, he was all right.

Mr. MILLINGTON: This house was erected on a mining lease.

Mr. MILLINGTON: I was endeavouring to stress the difficulties we have experienced in having the household qualification clearly determined by the electoral authorities. Having had considerable experience regarding enrolments for elections, I welcome any thing that will make clear just what is the household franchise. It has been said that the people have not given any indication of their desire for this amending legislation. To an extent that may be true, but I would remind the House that apathy is confined not only to those we consider should be enrolled; it applies equally to the Council franchise, and Council elections as well. This will not be overcome until the franchise is extended, for that will necessarily create increased interest in Legislative Council elections. While merely a section of the community is entitled to be enrolled and to vote we will never succeed in getting adequate interest taken in those elections. That general lack of interest is to be deplored. On the other hand, if it were known that all householders had a right to be enrolled and to vote, it would mean that all householder would know, without any quibbling at all that they were entitled to have their name put on the rolls and to exercise the franchise. The greatest difficulty regarding enrolments has been experienced in various parts of the State. It would be worth while endeavouring to simplify the measure, couching it in plain language and bringing it up to date. All the anti-Labour forces do not take the conservative view that is held in this State. In Queensland, the State which is so much quoted by some members here the Legislative Council was abolished, and when the question was dealt with at a subsequent general election, the anti-Labour forces did not suggest the restoration of the Upper House on the basis of the old franchise. They were not prepared to go to the people on any such special qualification but on a basis that would have given the Queensland people the additional House of Review elected on an adult franchise. When it came to a question of asking the people to agree to a policy regarding the constitution of a second Chamber, apart from the instance I have referred to, the only other application that was made resulted in the adoption of the adult franchise, and the smaller States were given more consideration. It was not a question of getting as much as was possible for the big fellow. If we desire an indication of how events are shaping themselves in Aus-

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

tralia, which is supposed to be a democratic country, I would refer to the instance in Queensland.

Hon. Sir James Mitchell: But in Queensland it was a nominee Chamber first.

Mr. MILLINGTON: That is so, but when an effort was made to restore the Upper House, the anti-Labour people in Queensland did not suggest a franchise such as exists in South Australia, Victoria, or Western Australia. When they came forward with their policy it was more in accordance with modern ideas on a democratic basis. In Queensland the members of the Upper House, under that proposal, would have been elected by the same people, but the electoral boundaries would have been different. Thus, when the anti-Labourites in Queensland sought to set up a House of Review, they were prepared to allow the whole of the people to participate in the election of members to that Chamber. I admired the Opposition members in Queensland and when they advanced their proposal. It showed that they were not tied down to ideas now upwards of 30 years old, but were prepared to conform to modern ideas.

Mr. E. B. Johnston: But the people had twice voted to retain the Legislative Council.

Mr. MILLINGTON: Although that was done under a misapprehension, would any hon. member suggest that that was in accordance with democratic ideas? When I am asked what indication the people have given of their desire for an altered franchise, does the Leader of the Opposition or any other hon. member suggest that the householders that are disfranchised should form a league, display banners, use catch cries and march round the streets, demanding household suffrage. If that were done, would the Leader of the Opposition then believe that the people desired this change?

Hon. Sir James Mitchell: I would.

Mr. MILLINGTON: There is so much pathy regarding the Legislative Council, its franchise, and its elections, that it cannot be expected that the people who are disqualified will become wildly excited at any prospect of getting the vote. If it is asked who has suggested this alteration, I will say that the Premier, who has introduced the Bill since he has held that position, has done so, and he is more responsible than anyone else in the State respecting this proposition. Considering we have the power to introduce the legislation, it is not neces-

sary to take notice of violent agitations on the part of the people.

Hon. Sir James Mitchell: Good.

Mr. MILLINGTON: Rather should we see that justice is done to all the people.

Hon. Sir James Mitchell: That is good too.

Mr. J. H. Smith: To be consistent, you would do away with it all?

Mr. MILLINGTON: We should recognise our responsibilities to the people and remove the outstanding and apparent injustices.

Hon. G. Taylor: Oh, go on!

Mr. MILLINGTON: The member for Mt. Margaret (Hon. G. Taylor) represents a district where men, as good as any residing elsewhere in Western Australia, are living in dwellings that do not carry the qualification necessary to enable those citizens to exercise the franchise for the Legislative Council. Does the hon. member say those people are not entitled to the vote and have not earned that right? If such a proposal had been made in past years, I can imagine how the hon. member would have demanded that those fine old pioneers should be given the right to vote!

Hon. G. Taylor: When you went up for election there, they put you out.

The Premier: Because the genuine men did not have an opportunity to vote.

Mr. MILLINGTON: It was because those fine old pioneers did not have a vote that I was defeated on one occasion. On a previous occasion I won the election by two to one, so I do not know where the hon. member's argument comes in.

Hon. Sir James Mitchell: I would not say anything about that if I were you.

Mr. MILLINGTON: The member for Mt. Margaret has so much to say about democracy, that he should not be afraid to face any community if the Bill be agreed to. What is he afraid of?

Hon. G. Taylor: What is a householder?

Mr. MILLINGTON: It is doubtful, as the law stands to-day. If the Bill be agreed to, we will have a definite determination as to what constitutes a householder.

Mr. J. H. Smith: How would you arrive at the qualification?

The Premier: It is set out in the Bill.

Mr. J. H. Smith: But how would you arrive at it now?

Mr. MILLINGTON: It cannot be done under the existing legislation. I know as much about the difficulties apparent under the existing electoral law as any other layman, and I defy anyone to say what consti-

tutes a householder, giving his determination in such a way that it will be upheld by the electoral authorities and be backed up by the Crown Law Department. Are the people to continue to be humbugged by such an indefinite law as that in operation to-day? As it is, many people are positively afraid to enrol themselves, or having become enrolled, they are afraid to exercise their vote. We do not want laws of that description. They should be clear and easily understood. It is our responsibility to see that such laws are placed upon the statute book. I am confident that this problem can be made quite clear, but no effort has been made in the past to achieve that end. We are not asking that the Legislative Council shall be abolished, but we are asking that householders who have a stake in the country and who are the family men, not the carpet baggers regarding whom I shall have something to say later on, shall have the right to vote. I can understand the Premier apologising for the small measure of reform he suggests. He realises that he should ask for a greater liberalisation of the franchise and I would prefer to put up a fight for that wider franchise than for the proposals included in the Bill.

Mr. E. B. Johnston: What would you desire in addition to the proposals in the Bill?

Mr. MILLINGTON: I would like to show that we are as advanced now as we were 25 years ago. I would like to show that those elected on the adult franchise to this Chamber are not afraid of any election on that basis. Those who desire a restricted franchise and are anxious to preserve a vote based upon privilege should be prepared to put up the case for the retention of the old system. In view of Australia's experience it should not be necessary for us to explain the necessity for the household franchise. If we were to inform other countries that regard Australia as so democratic, that we have a second Chamber elected on such a restricted franchise as exists to-day, they would not believe us. The Federal Houses of Parliament are elected on the adult franchise and each State Legislative Assembly is elected on that franchise too. The foreigner would be surprised if he were told that in the States there existed another Chamber, elected on a restricted franchise, with power to deal with legislation passed by other branches of the legislature based on a more liberal franchise. The Premier is to be commended for having introduced the Bill. I know all the difficulties under the

existing Act and the great difficulty in securing an interpretation as to what constitutes the household qualification. I have mentioned the difficulties in determining the £17 annual value. Some think that if a man will value his own place as being worth 7s. or 8s. per week, it is sufficient for the Electoral Department. That is not so. It must be on the road board or municipal valuation. Another point is in respect of the cottages at the timber mills where a four-roomed house obviously worth 7s. or 8s. per week is let to the employee at about 4s. a week. The value of such a house is at least £17 per annum, notwithstanding which I presume the authorities will not enrol the tenants, for they are not enrolled. Yet men so placed are just as important as other men paying higher rental for their houses, and so should be entitled to a vote. Morally they hold the qualification, although in reality they cannot get a vote.

Mr. J. H. Smith: If the Bill defined a dwelling house, I should be with you.

Mr. MILLINGTON: The hon. member knows that those men are fully entitled to a vote. He is not afraid to give them a vote. I desire that our thoughts should be concentrated on the one issue, namely, that those who have been subjected to injustice shall be given what they are entitled to. Many of those to whom the Bill would give a vote would not be so apathetic as others who have the vote without having to struggle for it. It is not for us to put up any special pleading in support of the Bill; rather is the responsibility on those who deny other men their just rights. The Bill will remove a very grave injustice.

MR. E. B. JOHNSTON (Williams-Narrogin) [7.50]: I am surprised at the inconsistency of the Government in the marked attention they are giving to reforming the franchise of the Council, as against the small amount of attention being given to the more important issue of getting our own seats in this Chamber on to a proper basis before the coming election.

The Premier: Everything in its place.

Mr. E. B. JOHNSTON: It will be nearly two years before we have the Council elections again, and we shall have a new Assembly before then. I fail to see why, at this juncture, the Government should busy themselves and us with altering the franchise for the Council, which might very well



be left for the new Parliament to do before the next Council election. In order that this reform should have consideration more than 18 months before there is any necessity for it, the important question of redistributing the seats for this House, and the motion with that end in view moved by the Leader of the Opposition, has not had attention.

The Premier: It has had all the attention the Standing Orders will permit.

Mr. E. B. JOHNSTON: That is not so, for when last week the motion came up again, the Minister for Lands, without addressing himself to the question, moved its adjournment for another week.

The Premier: And it will be adjourned again to-morrow.

Mr. E. B. JOHNSTON: I am sorry to hear that, for if I proposed to support the Bill—which I am not going to do—I should hesitate to do so until our own House were put in order to the extent at least of considering the motion moved by the Leader of the Opposition, or some other similar measure for an equitable redistribution of seats.

The Premier: You supported the Bill before.

Mr. E. B. JOHNSTON: I think it was a different Bill: I have not compared the two measures. It is far more important that we should deal with the Leader of the Opposition's motion and remove this anomaly of Wenzies returning to the House a member representing 307 electors, whilst agricultural seats have as many as 5,000 electors each, and whilst the member for Canning represents 15,000 electors. I suggest to the Government that we should adjourn this debate and deal with the motion moved by the Leader of the Opposition for the redistribution of the Assembly seats. Then, after we have seen the lines upon which the House is prepared to give the electorates a fairer say in the coming Assembly elections, we could consider the question of reforming the franchise of the Council. I am opposed to the abolition of the Council, and I am opposed to this measure, although household suffrage in itself has much to commend it. The opposition to the Bill is caused by the fear that it is a step towards the abolition of the Council.

Mr. Marshall: You once subscribed to that.

Mr. E. B. JOHNSTON: We all subscribe to different things at different times. Since we have realised how easy it is for any Gov-

ernment to pass anything in this House, I have come to see more fully than in the days of my inexperience how necessary it is that we should have some check upon the legislation passed by this House. The redistribution of our seats under the motion by the Leader of the Opposition is more than ever urgent since the vote taken at the referendum on Saturday last. Undoubtedly the Premier was the leader of the "No" forces in this State and, flushed with his victory, he might throw us into an election at any time now. Therefore I say we should get on with the motion for the redistribution of seats before dealing with the Bill before us. As for the abolition of the Council, no Government have ever done so much to entrench that House as the present Ministry did last session.

The Premier: There is nothing in the Bill about the abolition of the Council. You are not in order, you know.

Mr. E. B. JOHNSTON: When the Government increased the salaries of the members of the Council to £600 last year, they did much more to make that House permanent than was ever done before.

The Premier: It was not the Government, but Parliament, that increased the salaries. Be correct in what you say.

Mr. E. B. JOHNSTON: The Bill was introduced by the Premier with a message from the Governor, and it was passed by members of both Houses. At any rate, that action did more to entrench the Council and make it permanent than anything else that has ever happened in Western Australia.

The Premier: I don't think you ought to reflect on members of another place.

Mr. E. B. JOHNSTON: In New South Wales Mr. Lang, the Premier, appointed 25 new members to the House he wished to abolish. Although they received no salary and had merely the honour of being members of the Legislative Council for life with free railway passes they refused to abolish their positions. Those 25 members were called "the suicide club." However, when the time arrived for them by their votes to abolish the Council, several of them failed to do so.

The Premier: Only two or three, and they must have come under the influence of the consultative council of Sydney.

Mr. E. B. JOHNSTON: I do not think there is such a council there. In my opinion our Legislative Council has been made much more permanent than ever before by the

action of Parliament in increasing the remuneration to members of the Council last year.

**MISS HOLMAN** (Forrest) [7.57]: I think my electorate offers a very interesting illustration of the necessity for the Bill. In the Forrest electorate there are 3,036 electors on the Assembly roll. A return supplied to me by the Chief Electoral Officer shows that in the same electorate 95 persons are enrolled as electors to the Legislative Council.

**Mr. George**: It indicates considerable apathy amongst the people.

**Miss HOLMAN**: I do not agree with that. The percentage is 3.1.

**Mr. J. H. Smith**: There are not many timber workers amongst that 95.

**Miss HOLMAN**: No, that is so. Out of the 95, only 18 voted. I do not think there are many timber workers amongst the 95, for the timber workers would have been sure to vote, if given a chance. During my last tour of the electorate just prior to the Council elections, I had innumerable requests for information as to the franchise for the Council. I think it is safe to say that many of the timber workers applied to be enrolled, but they could not be enrolled as they did not have the qualification. Members have said that the timber workers pay a very small rental for the houses they occupy. That may be so. It may also be that, if the houses for which they pay such small rentals were in the metropolitan area, they would be charged more for them and would be entitled to the vote. Still, this is not to say that the houses are worth more than is paid. Some of them may be worth a few shillings more if in a metropolitan district, but the great bulk of the houses in the timber electorates are not worth very much.

**Mr. Pantom**: People would not be allowed to build such houses in many parts of the metropolitan area.

**Miss HOLMAN**: That is so.

**Mr. J. H. Smith**: There are also some very nice houses in the timber areas.

**Miss HOLMAN**: There are a few.

**Hon. G. Taylor**: There are some very nice houses at Nanga Brook.

**Miss HOLMAN**: There are some nice ones, particularly the latest ones built at the new State mill at Wuraming. Those are beautiful houses, and would be worth perhaps more in the metropolitan area than the rental charged for them at Wuraming. The

member for Katanning (Mr. Thomson) said the timber workers were getting the benefit of the cheap rentals in other ways. I maintain that they are not. They are suffering more penalties in other ways through their living conditions and having to pay higher prices for their stores, but that is apart from the question before us. They are being victimised through being denied a voice in the election of representatives to the Legislative Council.

**Mr. Withers**: The matter of the rental was taken into consideration when the award was issued.

**Miss HOLMAN**: That is so.

**Mr. George**: And I suppose it was when the basic wage was fixed.

**Miss HOLMAN**: Most of the timber workers come under the Federal award, and are not affected by the State basic wage. The member for Williams-Narrogin (Mr. E. B. Johnston) said he might support the Bill, but that he feared it would be a step in the direction of abolishing the Council. I suppose the hon. member supports the Senate franchise, which is adult suffrage. He has nothing to say against that, and there is as yet no suggestion to abolish that House. The same member said he was afraid of the possible effect of this Bill. I think the Premier is to be commended on the modesty he has displayed.

**The Premier**: The Bill does not go far enough.

**Mr. J. H. Smith**: But he is always modest.

**Miss HOLMAN**: I agree that the Bill does not go far enough. It suggests the smallest step in advance that anyone could possibly propose. It merely provides that a householder shall have a vote and that, I think, is a very fair proposition.

**Mr. Teesdale**: The Premier should also have provided for a thousand a year with it!

**Miss HOLMAN**: What the Premier would have liked to propose in this Bill was the adult franchise for the Council, but doubtless he thought that by being modest in his request, he might secure some support from the moderate members of the Council.

**Mr. Pantom**: He was very optimistic.

**Miss HOLMAN**: He was. The member for Nelson (Mr. J. H. Smith) said he would support the Bill if a suitable definition of a dwelling house was included. What better definition does he require than the one in the Bill?

Mr. J. H. Smith: It is misleading.

Miss HOLMAN: The Bill says what it means and I do not think the definition could be plainer.

Mr. J. H. Smith: But read the qualifications.

MISS HOLMAN: If a person were occupying a piece of land of the value stipulated in the existing Act, he would be allowed to vote, although his residence might consist of nothing more than a piece of hessian on four sticks with a sheet of iron for a roof.

Mr. Teesdale: That is the sort of man to give the vote to.

The Premier: That is the fellow we want.

Miss HOLMAN: There are many timber workers in districts outside my electorate, and they should all be entitled to vote. They are working hard for a living, assisting to build up the country, and they cannot own their own houses. They are working for what is termed a living wage, though it represents a bare living, but members opposite would refuse them a vote for the Legislative Council. I ask those members to consider how unfair it is that out of 3,036 Assembly electors in my district, only 95 of them should be qualified to vote for the Legislative Council.

MR. CHESSON (Cue) [8.5]: I support this Bill to liberalise the franchise for the Upper House because it will merely have the effect of giving the vote to people who are entitled to it. The basis of the qualification is altogether wrong. At present the qualification is a house of the clear annual value of £17, freehold to the value of £50, or a Crown lease carrying a rental of £10. The experience of people domiciled on the goldfields is that the valuation of their property is gradually declining. There are some who hold property formerly of a clear annual value of £24 and who are now disfranchised because the annual value has diminished to less than £17. When an elector's qualification is challenged, the municipal or road board valuation is taken as a basis. The elector has to appear in a court of revision. Prior to the latest election, electors of my district who were challenged were expected to go to Geraldton to defend their right to enrolment. Electors will not incur the expense involved in travelling to Geraldton from places like Meekatharra or even farther out, and so they have been disfranchised. Yet as citizens they are no less desirable than they were before. Members

here repeatedly speak in the highest terms of the people who go to the backblocks and assist to open up the State. To the work of such people is attributable the prosperity of the State. Many such people have come to the metropolis, purchased property and secured the full right of citizenship and yet, while they were in the outback country, they were disfranchised. Why should not a man who is prepared to live in the outback parts enjoy the full rights of citizenship? I see no reason at all. The mere fact that a person has acquired property does not endow him with more intelligence and therefore should not give him greater rights of citizenship.

Hon. Sir James Mitchell: If he marries a wife, it shows he has a little more intelligence than the man who does not.

Mr. CHESSON: I do not know that the mere fact of a man taking unto himself a wife endows him with intelligence.

Hon. Sir James Mitchell: I thought you would agree with me on that.

Mr. CHESSON: I do to a certain extent. Any man occupying a dwelling-house should be granted the full rights of citizenship. At present every adult has a vote for the Assembly.

Hon. G. Taylor: And look at the result of it!

Mr. CHESSON: What happens? The party in power get a mandate from the people, and when the legislation is sent to the Council, members there representing only one-third of the people can vote it.

Hon. Sir James Mitchell: The Government have no mandate from the people for this Bill.

Mr. CHESSON: They have. When they went to the people they made it part of their platform.

Hon. G. Taylor: No; their platform was the abolition of the Upper House.

Mr. CHESSON: They expressed themselves in favour of liberalising the Council franchise. All we ask is that a broader franchise be granted for the Council. Every person occupying a dwelling-house should be entitled to vote for that Chamber. We know how the present road board valuations are arrived at. Generally the secretary is appointed valuer and he fixes the value. The owner has the right to appeal against the valuation, but very few people avail themselves of this opportunity. A person paying a fair rent is entitled to be enrolled, but if he owns a house and the valuation

falls below the qualification, he is disfranchised. Most residents of the goldfields own the houses they occupy, and a big proportion of those people are disfranchised. Yet they are just as good citizens as are the people of the metropolitan or agricultural areas. Almost any person living in the metropolitan area can be enrolled for the Council, and the same thing applies largely to the agricultural areas.

Mr. Lindsay: Because they pay the requisite rental.

Mr. CHESON: Because property is valued so much higher. The people who pay the rents really pay the rates also. We know that the rates and taxes are always passed on. In boarding-houses and hotels the lodger paying 12s. 6d. or 15s. per week for his room pays the rates indirectly. The same sort of thing obtains throughout the metropolitan area; the consumers have the rates as well as the taxes passed on to them by the business people. I heartily support the small but important amendment proposed by the Bill.

On motion by the Minister for Lands, debate adjourned.

## BILL—STATE INSURANCE.

### *Second Reading.*

Debate resumed from the 26th August.

HON. SIR JAMES MITCHELL (Northam) [8.17]: In introducing the Bill the Premier pointed out that the Government had already undertaken the business of insurance. There is, however, a law which provides that no new State trading concern shall be established without the consent of Parliament, and I wish to enter an emphatic protest against the disregard for law which has been displayed by the gentlemen occupying the Treasury bench. It is absolutely wrong that the Government should not obey the law. As it is, too many people have too little respect for the law. The State Trading Concerns Act of 1916 provides by Section 3, Section 2 and 3—

No trading concerns, other than those to which this Act applies or shall apply, shall unless expressly authorised by Parliament be hereafter established or carried on by the Government of the State or by any person acting on behalf of such Government or under its authority. The expression "trading concern" means any concern carried on with the view to making profits or producing revenue, or of competing with any trade or industry now or to be here-

after established, or of entering into any business beyond the usual functions of State Government.

In defiance of that Act, the Government have undertaken insurance business. I do not suppose they have made any profit in doing so, but the State insurance office is in competition with the insurance companies and certainly represents a State trading concern.

Mr. Marshall: It is a terrible shame that the Government should compete with some of those institutions.

Hon. Sir JAMES MITCHELL: There are some things which the Government ought not to do, and one of them is to disobey the law. Doubtless the hon. member interjecting considers that all people who do anything but join trade unions should be annihilated. The present is not the first occasion on which the Government have disobeyed the law.

The Minister for Lands: I agree with you. Disobedience of the law has been a common practice with some Governments.

Hon. Sir JAMES MITCHELL: The Minister for Lands has been in many Governments, and I acknowledge that he speaks with authority when he speaks for himself. In introducing the Bill the Premier told us that we would not be asked to consider the establishment of a State insurance company. Nevertheless we are considering it, because hundreds of miners suffering from miners' disease do not come under the Third Schedule to the Workers' Compensation Act. It is because the Government are faced with their responsibility to those men that this insurance business has been undertaken. Undoubtedly it is the duty of the Government and of this Parliament to protect workers. First of all a man should have work. We should be careful not to do anything that will deter enterprise. Already, as unfortunately we know, there are considerable numbers of men unemployed. But they are not unemployed because there is no work to do, or because there is no money with which to carry on enterprises. They are unemployed because people are uncertain about what will happen. Work is, unquestionably, the first consideration. If a man is unemployed he has neither wages nor protection. It is not for the unemployed miner that we have the Workers' Compensation Act. To the unemployed miner that Act does not mean anything. Probably by the establishment of the State insurance office we have created more unemployment. The Minister for Lands

is honestly endeavouring to carry out the policy which was in force when he assumed office, the policy of creating more work and more wealth. The Minister for Mines, who is particularly interested in this Bill, has displayed an infirmity of purpose which has led to unemployment. In May last we were told that the mines were to have cheap power. Since then, however, we have heard no more about the scheme. But it is the administration of the Minister for Works that has led to the situation with which we now have to deal. I venture to assert that the legislation which this Parliament has passed did something to create the present unemployment difficulty. State insurance means nothing to the worker. What does it matter to him whether he gets his compensation from a private company or from the Government? It is, however, a decided disadvantage if even a small percentage of workers lose their employment because the Government have entered upon the insurance business. I shall show how Government proposals do deter private enterprise. A great many people are perfectly willing to insure their workers, but a great many people do not like being told that they must do it through a Government office and that they cannot go where they please to do it. Probably the Premier will admit that a good many people believe there is far too much red tape associated with every Government department. The legislation which the Minister for Works has introduced in all good faith, and in the belief that it will prove helpful to the workers, has led up to the introduction of the present Bill. This proposed legislation is not the result of one false step, but of several false steps, and of a considerable amount of wrong-thinking and wrong-headedness on the part of the Minister for Works. The Workers' Compensation Act makes insurance compulsory. As regards miners who have either to abandon the mines or be insured, no company could possibly take the risk. The trouble there was, and is, that we are faced with an enormous accumulated responsibility. The mines have worked for the last 30 years, and I am given to understand that 500 of the men employed on them are suffering to a greater or less extent from miners' phthisis. It is estimated that the accumulated responsibility—the responsibility due to the condition in which these men find themselves—represents £500,000. It has been said, perhaps rightly, that the gold won over the last 30 years should have been made to pay for

its victims. But that has not been done. Those 30 years have passed, and there is no chance of retracing our steps. We can get nothing from that source. Indirectly, however, the State has reaped considerable advantage from the working of the gold mines. The Minister for Works did endeavour to persuade the insurance companies to take up this risk; but surely everybody must see that no company could possibly take the risk of insuring those men as good lives. Just as the Government have had nothing from the gold won during the last 30 years, so the insurance companies have had nothing either; but now they are asked to take the risk of all that happened to the miners while the gold was being won. True, the Minister for Works said that if the companies found the risk too great, the Government would do the right thing. The Minister addressed to the Chamber of Mines a letter in which he acknowledged that a premium of £4 10s. would not cover the risk. He concluded his letter by saying—

The Government have no intention of carrying the extra insurance premium, and the £4 10s. must be paid by the mining companies. It was made quite plain at the conference that even at this rate the Government expected to incur a substantial loss, but were facing it with the idea of assisting the industry.

This was in reply to a letter written to the Minister by the Chamber of Mines on the 28th May. The Minister says that the £4 10s. premium must be paid and that the Government will then take the remainder of the risk. If the £4 10s. is only sufficient to enable the companies to cover men who are in good health at the date of the policy, men who go into the mines from now on will of course be covered by the £4 10s. premium. Obviously, someone has to face the accumulated and uninsured responsibility. It may be £200,000 or £400,000 or £500,000. Someone has to face it, and by the establishment of this proposed office the Government will have to face it. True, the Minister suggested to the companies that this vast sum might be passed on to ordinary employers in the State. I do not know that that could be justified for a moment. Just imagine the Government asking all employers, the agricultural employer, the manufacturing employer, the employer who has been paying premiums to insurance companies for years to protect his men, imagine asking him to pay an additional premium in order that those unfortunate men who have worked on the goldfields for the past 30 years might

be compensated! That was a very wrong proposal. It should never have been made. Certainly the insurance companies could not pass on this additional risk to the ordinary insurers. If they tried to do it, the result would be a little less employment. It is not to say that any legislation we pass is bad legislation only if it means that under it many people lose their employment; if only 1 per cent. of the employees in the State lose their employment, it means a very grave addition to the ranks of the unemployed. So the Government do know now that the companies could not be expected to take this risk, and the Government know now that the companies could not be expected to pass on the additional cost to the ordinary employer. So the Government find themselves in the position of being obliged to face the responsibility for those people. We find ourselves to-day compensating a considerable number of men at a considerable cost, men who have lost in the gold mines their health and strength and ability to work. All are agreed that those men cannot be left to drag out their few remaining years of life short of necessities. We are all agreed about that, and agreed that someone has to look after those men. Moreover, it is generally accepted that no one other than the Government will do it. The mining companies, I suppose, are no longer in a position to do it; it is doubtful even if they can pay the £4 10s. premiums to be collected. The Government ask for a monopoly of insurance under the Workers' Compensation Act. They are not only asking to insure the men working on the goldfields, but they want a monopoly. That will mean that everybody who employs a man will have to apply to the Government for a policy. Again, I think the Government will find that the people will resent this. In Queensland, whose Government insurance office business was largely quoted by the Premier, five-sixths of the insurance business is done by private companies, as against about one-sixth done by the Government insurance office. So it is perfectly clear that the State insurance office in Queensland is not quite so popular as the Premier would have us believe. If that office did its business at very much lower rates than those charged by the private insurance companies, naturally the State office would get the business, for I do not think it matters much to the employer where his cover comes from; at all events, he would not hesitate to accept the Government rate if it were

lower than those quoted by the private companies. In New Zealand there are three private companies operating in competition with the Government insurance office, and holding their own in that competition. I suppose where there is competition the insured fares better than the insurer. I do not know what will happen if the Government get a monopoly. They certainly will not treat the workman with any greater consideration than the private companies do; probably it will be very much less. As a matter of fact, Ministers themselves will not handle this insurance. It is proposed to give the necessary power to a Commissioner. To-day, of course, the private companies in competition have to justify themselves. When the Premier was speaking, somebody, by way of interjection, told us that the private companies often resisted claims and that frequently those with claims against the companies were badly treated. In my own experience and that of my friends it is quite the reverse. Perhaps there have been a few cases in which claims were resisted, but if so I have heard very little of them. On the other hand, thousands of claims have been satisfactorily settled. If it be a fact that some claimants are not getting fair treatment from the private insurance companies, we could rectify that. Very many men we know are not able to fight expensive law suits. The Government could reasonably see to it that those men were properly protected; but I do not think there is any need for such action. The year before last we passed an amending Act under which not only are men protected, but their medical expenses are paid. We supported that because we thought it was right. Too often men were merely drawing half wages and having to pay their hospital bills, which left them nothing at all to carry on with. But the cost to the companies and to the employers has been very much greater than I expected it would be. I rather think that power has been a bit abused. I am told that in some instances the cost involved has been greater than the compensation. I can quite understand that it would be. We agree that those men have to be provided for. There can be no getting away from that position. If anybody has been lax, it has been the successive governments of the past 30 years. At any rate, we have those unfortunate men on our hands, and we have to look after them. The Government are still taking the risk to recover part of the accumulated loss. I do not see

how that can be done. Our gold mines are not in a position to stand any heavy drain. The £4 10s. is a tremendous premium to pay, and is about as much as they can carry. We can start in with the men sound in health to-day; that is a very simple matter. For them there need be no Government insurance office. They can be satisfactorily covered by the existing companies. The whole trouble is the accumulated responsibility. Under this proposal that will have to be met from general revenue. If the Government start that business they cannot do as they suggested to the companies, namely, fleece other people. That is impossible. It would be a class tax, and absolutely wrong. I do not think the Premier was able to show that from their workers' compensation business the insurance companies were making inordinate profits, or that their rates were excessive. Nor was he able to show that their policy obligations were not fairly met. The Bill is designed to do two things; namely, to legalise an illegal act on the part of the Government in taking on this business, and to establish a State insurance office to deal purely with workers' compensation business. The Government ought not to ask for a monopoly, for competition would be good for both employer and worker. I do not know that there would be any great profit in this business. There certainly should not be for, as the Premier has rightly said, the higher the premiums, the less money is there for the employers to pay wages with. I hope the House realises that if the Bill pass, the State must take the risk in respect of miners in the mines, who have been there for years and who are already suffering from miners' disease. There is in the Bill a provision that must have escaped the notice of the Premier. He cannot realise that the Bill provides for a monopoly and also that the Commissioner may refuse insurance business. It means that the Commissioner will have power to close up any business in the State, to prevent anybody from employing anyone at all. The Commissioner could say to a manufacturer "I will not take your business." He could say to a farmer "I will not cover your men." Yet insurance is compulsory, and if the Bill pass, the only place at which to get the necessary cover will be the State insurance office: yet the Commissioner—not the Premier or any of his Ministers—will have the right to refuse to issue cover, and I suppose the employer will have no redress. I do not know quite

what he could do. It does seem to me that this provision will give the Commissioner the power to hamper every employer in the State.

Mr. Davy: The companies' power to refuse business is one of the chief arguments in support of the Bill.

Hon. Sir JAMES MITCHELL: But the companies have never refused. It has always been possible to get the necessary cover. Where there are many companies, naturally competition provides for that. By the Bill the general revenues are to be charged with any loss. The loss from time to time is to be a statutory charge against revenue. As I have already pointed out, the accumulated risk will represent a loss, which may not be many hundreds of thousands of pounds, or even £400,000, but will certainly be a very considerable amount. I should like to know too, who is to be the Commissioner. Certainly I should like to know that before we pass the Bill. Also I should like members to look into the Bill and see the extraordinary powers the Commissioner is to have. He is to have a seven years' appointment. That does not seem wise. If he be a good man he should be kept in his job, but if not he should not be retained for a week. If the Bill pass he is to have a seven years' appointment. That is another provision to be dealt with if the Bill pass the second reading. When we passed the amendment of the Workers' Compensation Act and made insurance compulsory we provided—I thought at the time it was a risky thing to do—that the companies doing business and issuing cover must be approved by the Minister. It was understood that the Minister had the right merely to refuse to allow a company to operate if it was not strong enough to meet its obligations, but he has gone further. The power to refuse to approve of a weak company is naturally the only power that Parliament thought it was giving, but that has been used by the Minister in order to establish this office. The Minister has told us that he will not approve of any established company, so that if we wish to renew our policies, we shall have to go to the Government insurance office. That, of course, is illegal because there is really no Government insurance office. The Minister, in his anxiety to get business, sent out a letter dated 25th June, 1926, over the signature of Mr. Bennett. I hope such a thing will not happen again, because it was absolutely wrong that the people who have been doing this busi-

ness for a number of years should, by this scheme, be scared into taking out their insurance under the Workers' Compensation Act with the Government office. Why was it necessary for the Minister, through Mr. Bennett, to remind traders that the Government had for many years been a good customer, and that if they took out their cover with the Government department, it would not be forgotten? I am sorry that such a letter was ever sent.

Mr. Sampson: It was an utterly undignified proceeding.

Hon. Sir JAMES MITCHELL: It was wrong, and I feel sure the Premier did not approve of it. If a State insurance office is established, I hope it will do business on a higher plane than that. Should the Government succeed in getting this Bill passed, they will have a monopoly, and there will then be no need for them to send out letters at all. At the moment, however, there is no Government insurance office, but the Government wanted some of the business. The Government asked the insurance companies to do the impossible, to undertake some risks they had never been paid to take and never could be paid to take. Because the companies refused to do that, the Government used their power and took on this insurance business without first obtaining the consent of Parliament, although the Act clearly says they must do so. We have to remember that when the State enters into trading in competition with private concerns, its office will not pay any taxation. There are many charges the State office will escape that no company can escape. There is some revenue the Premier gets from the companies that he will not get from the Government office. If the obligations are to be met, no profit will be taken into revenue for many years. What will happen is, instead of the Premier drawing some taxation from insurance companies, he will probably make a loss on his own concern. I should like to refer to the premiums charged here as against those in Queensland. Naturally one would expect a State insurance office to do the work a little cheaper, particularly in the earlier stages, but in Queensland five-sixths of the business is done by the private companies and only one-sixth by the Government. Crop insurance, which is an item of interest to every farmer in the State, carries the following

premium rates in Western Australia and in Queensland—

For one month—Western Australia, 12s. 6d.; Queensland, 20s. 2d.  
For two months—Western Australia, 17s. 6d.; Queensland, 32s. 10d.  
For three months—Western Australia, 22s. 6d.; Queensland, 44s. 2d.

It is very gratifying to find that in our State the rates are so much lower than are those in Queensland. Everyone will readily understand what the crop insurance means to the State. The difference in the rates I have quoted will mean a considerable saving when we realise that the insurance this year will cover a crop that we hope will yield 30,000,000 bushels of wheat, apart from the yields of hay, oats and other cereals. It means a considerable advantage to Western Australia served by private companies as against Queensland served in part by a State office and in part by private companies. It does not look as if the State insurance in Queensland had been of any very great advantage in bringing down the premium rates, and it looks as if we are a good deal better off where we have only the competition between the companies. I suppose the tendency will be for the private companies to come together in order to hold their own against State insurance. When the Government embark upon any business the people are more scared by the threats and the mistakes than by the real competition. In Queensland, I take it, the companies have managed to keep their rates at the level I have mentioned, even though a State insurance office is operating, whereas in Western Australia the rates under competition merely between the companies are so much lower. I am sorry the Premier has thought it necessary to introduce this Bill. I hope he will realise that he is taking an accumulated risk due to the work done over all these years. He is not escaping the risk; he is taking it. It would have been precisely the same thing to take the risk without starting an insurance office. He cannot hope to make money out of the workers' compensation insurance on the goldfields, because the mines are not in a position to pay much, and unless a great deal is done to help the mines, there will soon be very few men to insure. Everything that adds to costs naturally reduces the number of men employed, because the production of gold is on the wane. Whether the Premier will ob-



tain much profit from the ordinary insurance it is impossible for me to say, but I should think it very unlikely he will make any great amount of money. Everyone understands how impossible it is for the Government to compete with ordinary traders. I do not know why it should be so, but it is so. Apparently the Government is not designed to carry out the work of ordinary trading. The functions of government are sufficient to occupy attention—educating the people, protecting them, keeping them in health, attending to the administration of justice, and providing such facilities for transport as are necessary in a new and developing country. Those things we must undertake, but when it comes to ordinary trading, where the people benefit by keen competition, I doubt whether the Government could ever hold their own, no matter how keenly they desired to serve the people. The Premier would be well advised, even at this stage, to consider whether, in all the circumstances, it is wise to establish a State insurance office. In any event I hope he will not insist upon having a monopoly of the business. I hope he will not drive all who employ labour to do their business with the State office. I remind him that there are many people who do not like to do business with the Government. There are many who fear that if the management be bad, the premiums will be high. The Government, having a monopoly, will be able to make the requisite charges to meet their outgoings of one sort and another. I do not think the employer will benefit by the establishment of the State insurance office, and I am certain it will not do the worker any good. There is nothing in it for the worker. He need not fool himself into the belief that the insurance office will be a good thing for him. It cannot help anybody: it will be a disadvantage to the worker, as it has been already. In New South Wales we have the example of what happened under the Workers' Compensation Act introduced by Mr. Lang. We must not fool ourselves into the belief that we are going to help anybody. Above all do not let us fool the worker into the belief that while we kick someone, we are pushing him along with a gentle hand. What the worker wants is work. He also needs protection, but we all agreed to his getting protection when we approved of the Workers' Compensation Act, which is the law of the land. We want to protect him, but we want

him to have work. All these moves on the part of the Government restrict enterprise and interfere with trade. Every such move is likely to throw some few people out of work. I believe the proposal to establish a State insurance office has already had that effect. To me, as an employer of a few men, it does not matter where I pay my premium, but I do want absolute freedom to go where I please. It does not matter to the men I employ, either, whether the cover is with a private company or with the Government. It does not benefit them a bit to be covered with the Government. If the premium rates are to be fixed without competition and settlements have to be effected with the knowledge that, whatever comes or goes, the Government office is the only one at which this insurance can be transacted, the business will not be satisfactory. I hope the Premier will reconsider the matter and determine what is to be done for the miners who have suffered in health and who are on our hands to-day. I have not had much experience of miners' disease but I have come across a couple of cases. One unfortunate man suffering from miners' phthisis died on his feet in my own town. I know one or two others who are suffering, and I know it is a shocking disease. We cannot escape the responsibility of caring for them. We have no wish to do so, but there is no escaping any part of the charge against the Government in deciding to establish the State insurance business. It does not help the Government to the extent of one penny; neither will it help the workers. The Premier should withdraw the Bill, or give it a great deal more consideration before proceeding with it. We can well understand that if we have been a little careless in the past, we have to pay for it in the future. We now have to meet a considerable cost, and this has to be borne by all the people. The Premier, however, does not propose that it shall be borne in that way. He proposes to pass on the cost to the people who will employ from now on. We protest that this is wrong. I am opposed to the measure because no good can come of it. It cannot help anyone. It provides only another opportunity to start a new State trading concern. The Act clearly provides that such concerns cannot be established without the approval of Parliament being first obtained. I hope the House will agree that the Premier had no right to establish this concern. There was no hurry about it. At first

I thought, as many others did, that it was necessary to issue some cover to mines employing those men who are suffering from miners' complaint. On going further into the matter I found that we were going to take the risk anyhow. I see no reason why the Government should have entered into this business.

**MR. DAVY** (West Perth) [9.3]: It is strange that no one on the Government side of the House thinks enough of this Bill to take up the argument, but that will not deter me from saying what I think is necessary. It struck me that the Premier was in the highest degree skilful in the way he introduced this measure. He adopted his quietest and most graceful air of reasonableness, and smiled beamingly at us, addressing his arguments to his case in the most charming manner possible.

**Mr. Sleeman**: Did he not make out a good case?

**Mr. Sampson**: It was a fine example of camouflage.

**Mr. DAVY**: If the hon. member would read the Premier's speech carefully, as it appears in "Hansard," he would come to the conclusion that his arguments were a great deal better in manner than in matter. He presented his arguments in such a charming way that we were inclined to be deluded into thinking that they were really better than they were. He quoted figures which it was impossible for any member to refute at the time. Some of these were misleading—I do not say deliberately misleading—but they did mislead, taken on the face of things. I always think that when the Premier is in that mood, a gracious conciliatory mood, he is then most dangerous.

**Mr. Panton**: Don't believe that.

**Mr. DAVY**: If he were wise he would never adopt any other mood. One listens to his arguments, and thinks that any man who can put forward arguments so nicely must have the conviction that they are good arguments. The probability is that people listening to him think, "This man must be a moderate gentleman."

**Mr. Panton**: You are not suggesting otherwise?

**Mr. DAVY**: They are carried along a little way on the path towards the objective of the party to which he belongs, namely, that which stands for the socialisation of all means of production, distribution and exchange.

**The Premier**: I think I will close up the House and go round the country talking; it would be more profitable.

**Mr. DAVY**: More profitable to the Premier?

**The Premier**: Politically speaking.

**Mr. DAVY**: I do not know that it would be more profitable. The Premier might find, if he stumped the country on the socialisation objective—

**The Premier**: I was not speaking of that.

**Mr. DAVY**: He would find that his followers—

**The Premier**: But I would not deal with that.

**Mr. DAVY**:—would be disappointed in his utterances, or that people who were not his followers, but who sometimes pretended to be charmed into thinking that he was quite safe, would lose any aptitude for the charm. It appears to me that this measure is of the very greatest importance. We are asked to take a step that may be fraught with danger, and which is a great innovation in Western Australia. I ask members to approach consideration of the Bill without favour and without prejudice. There is no doubt that insurance companies—unjustly I think—generally become unpopular with persons who are apt to allow their prejudices to sway them. It is natural that this should be so. An insurance company always has to bear the brunt of the man from whom something is wanted by another man. All the persons in Western Australia who are seeking to have some claim satisfied come into contact with insurance companies. A great number of human beings who want something tend to want more than they are justly entitled to, and tend to resent any person or body of persons who decline to give them everything they want. An insurance company carries the burdens of all the persons who are defending a claim against them throughout the State, with the result that they make a great many enemies. That was no reason why the Government should have endeavoured to make the conduct of the insurance companies an excuse for introducing this measure. The Minister for Works, in his first statement announcing the inauguration of a State insurance office, said emphatically that the Government were not anxious to embark upon this kind of business. They did not want to do it. The Premier, in the House, repeated the statement that the Government did not want to embark upon this business. He

said, "We were driven to do it by the fact that the companies declined to undertake mining risks." The Premier said he did not blame them, that it was a matter entirely for them to decide. They were business men, and might, therefore, decide whether they should take a certain class of business or not. He was fair to that extent. Nevertheless, the blame for the Government's so-termed reluctant entry into this business was placed upon the companies. In order that we may consider this measure without prejudice, it is only fair that an undoubted fact should be brought to the notice of the House. It has been apparent for members to notice in the past if they choose to notice it. I refer to the fact that the companies claimed that they were not given certain information which it was in the highest degree necessary that they should get, to decide them whether or not they could, as business people, safely enter into the realm of covering miners' risks. There can be no doubt that they did ask for certain information, and that this was denied to them. I propose to read to the House a copy of a letter written by the Minister for Works to the insurance companies dealing with the subject. The letter states—

I have your communication of the 24th inst., in which you ask that your association be supplied with the number of miners found to be affected by miners' phthisis, uncomplicated by tuberculosis, and who are to be notified in accordance with the provisions of Section 3, Subsection 7 of the Miner's Phthisis Act. I have to remind you that this Act is administered by the Minister for Mines, but I can only say that I quite agree with his decision that he is unable to give you this information, as I am of opinion that he would be acting contrary to the law if he did. It seems to me to be quite obvious that the report of the medical officer to the Minister, and the action of the Minister under this heading, must be treated with the strictest confidence.

If that had been so, the Minister undoubtedly would have been justified in declining to give that information. But it was not so. If the Minister, as he claimed, were endeavouring to strain every point to avoid having to undertake this unwelcome business, he might reasonably have reconsidered that decision. Section 7 of the Miners' Phthisis Act says—

1, It shall be the duty of every medical officer and medical practitioner appointed under this Act from time to time to report in writing to the Minister as prescribed; 2, in any report under this Act which may be published or open to public inspection the names of the persons who may have submitted themselves to medical examination shall not be disclosed.

The Minister, relying upon that, declined to give the companies information which it must be perfectly patent to anyone it was in the highest degree of importance that they should have available to them, if they were to assume the risk they were asked to undertake. That letter, referring to and relying upon that section, shows that the insurance companies at least are entitled to be considered as having something to say on their side, when an attempt is made to put the blame upon them for compelling the Government to enter upon this very unwelcome business, according to them.

Mr. Panton: You must admit that they had the figures.

Mr. DAVY: They did not have the figures. If they did, where did they get them from?

Mr. Panton: That is what we would like to know.

Mr. DAVY: The companies got the figures subsequently, because in spite of the fact that the Minister said the information was sacredly confidential, the next thing was that the figures were broadcasted to the world through the "Worker." It is not my concern to-night to argue as to the merits or demerits of any dispute between the companies and the Minister; but I do wish to call the attention of the House to the fact that while the Government endeavour to throw on the insurance companies the blame for the State having to undertake this unwelcome insurance business, there is something to be said for the companies. I want to consider the matter without favour or prejudice, and therefore I shall now refer to an interjection which was made by the member for Mt. Margaret (Hon. G. Taylor) the other evening and which was accepted by the Premier as a proper interjection. The member for Mt. Margaret said, "I hope that if you pass this Bill the Government will not dispute every claim, as the insurance companies do." That must have been a generalisation from a couple of particular instances. The habit of generalising from particular instances is said to be characteristic of the primitive mind. We all know that it is easy for the best balanced mind occasionally to fall into the habit of generalising from particular instances. I shall not blame anyone for having done it in this case, but I wish to show that it was a very unjust generalisation, and that as a matter of fact in relation to the enormous number of claims, the number contested is indeed small.

Mr. Panton: What do you mean by "contested"?

Mr. Withers: Getting into court.

Mr. Panton: Contested in what way? Actually contested in court?

Mr. DAVY: Just let me reach that point. Insurance companies differ among themselves as human beings do. Insurance companies are generous and prompt, or ungenerous and dilatory, just as the characters of their respective managers differ. At the head of every company is a manager, who is only human. Managers differ amongst themselves just as we members of Parliament differ amongst ourselves. Some of us are more generous than others of us, and some insurance managers are more generous than others.

The Minister for Railways: None of them will pay any more than he can help.

Mr. DAVY: I do not know what the Minister means by that.

The Minister for Railways: I have had a great deal of experience in settling claims.

Mr. DAVY: They are business men, and they are not giving presents.

The Minister for Railways: Often they do not give the insured what he is entitled to even.

Mr. DAVY: Everybody has the remedy. However, at this moment I am dealing with the allegation, made in a light-hearted manner no doubt, by the member for Mt. Margaret, who suggested that every claim was contested.

Hon. G. Taylor: I do not think I said that.

Mr. DAVY: That was the suggestion. I only want at this moment to put the House, if I can, into a kind of temper enabling members to consider things broadly and without prejudice. The interjection had reference to contested claims. Bearing on that subject I have here some figures which I did not prepare myself, and which therefore are hearsay figures. However, I believe them to be correct. They state the total number of claims made in various kinds of insurance in Western Australia during the last 10 years, and the total number contested.

The Premier: All claims on all companies in Western Australia?

Mr. DAVY: Yes.

The Premier: The whole total?

Mr. DAVY: The whole total for the last 10 years. I did not work the figures out myself, but I believe them to be correct; and

they are as follow: fire claims total 13,415, of which four were contested, two being won by the companies and two lost.

The Premier: Does the hon. member mean contested in the courts?

Mr. DAVY: Yes.

Hon. G. Taylor: I did not mean that.

Mr. DAVY: What the member for Mt. Margaret meant I cannot say, but those are the words he used.

The Premier: That is the whole point.

Mr. DAVY: It would be perfectly impossible to obtain figures showing how many claims were queried, and as to the number of claims about which there was some argument, although eventually they were settled.

The Premier: Those figures could not be got, but everybody who has had to deal with insurance companies knows that such cases are very numerous.

Hon. G. Taylor: That is the trouble.

Mr. DAVY: I would like to finish these figures before dealing with that aspect. Workers' compensation claims total 36,188, of which there were 23 contested.

Mr. Panton: I have had more than that number of arguments myself with the companies.

Mr. DAVY: Of course the hon. member interjecting would cause an argument at every conceivable opportunity.

Mr. Panton: We have had to compromise very frequently.

Mr. DAVY: Of those 36,188 workers' compensation claims, 23 were contested, the companies winning 15 cases and losing eight. Of other claims there were 17,603, of which 16 were contested, the companies winning six and losing ten. The total number of claims settled was 67,206, of which 43 were contested, 23 being won by the companies and 19 lost. The production of those figures will probably incline certain hon. members to change their ground and say that when they used the word "contested" they meant "queried."

Miss Holman: You do not quote figures about cases which were settled by the companies with poor injured people on an improper basis.

Mr. DAVY: It would be quite impossible for me to do that. The figures could not be got. The question whether claims have been settled under the proper amount is a very difficult one, and the answer might be a matter of opinion. I suppose a great number of claims are queried.

Miss Holman: You can get that information from the unions.

Mr. DAVY: There are unjust managers of insurance companies in the same way as there are unjust persons in every other vocation. I suggest it is right and proper that we should consider this matter without having our minds influenced by any prejudice which we may personally entertain against insurance companies. The chief complaint of the Premier against the present system of insurance by private companies was that it was too dear. He dealt with all insurance in the mass, and then with a considerable show of tactfulness said, "I have now made out a complete case for all insurance, but I am only going to ask you to take on this tiny little bit." The Premier asserted that private insurance was too dear. He did not attempt to establish that the insurance companies made too big profits. I think it is common ground that they make an ordinary commercial profit like all other businesses. Of course when a particular business is earning bigger profits than its risks justify, others enter into that business and the profit is reduced. But the Premier said that owing to the competition of the insurance companies there was an enormous amount of waste in administrative expenses. He conjured up a picture of 66 companies in Western Australia—I believe the correct figure for the particular kind of insurance we are discussing to be 48—and each one of them having an agent running around the country to look for business, with the result that an enormous amount of waste occurs. In the first place, wherever one gets private competition, there is what appears at first sight to be waste. What could be more wasteful, unless it produces results, than advertising? Millions of pounds are spent in Australia every year in advertising. Some of it may be of value, and some of it may be pure waste. Such waste is undoubtedly one of the ills attending upon the competition of private enterprise. But there is the other side of the picture, the efficiency in another direction which that very competition brings about. At any rate, we on this side of the House hold that the efficiency, industry, and initiative promoted by that competition more than compensate for the waste which is essentially attendant upon it. The Premier went on to say that as a result of this administrative waste the premiums charged by private concerns for insurance were too great where there was no State office competing. He pro-

ceeded to quote comparative figures relating to the proportion of administrative expenses to premium income in Queensland and in Western Australia. He said that in the Queensland State office the proportion of administrative expenses to premium income was 15 per cent., whereas in the case of the companies operating in Western Australia it was over 35 per cent.

The Premier: With regard to some kinds of risks, I said.

Mr. DAVY: My impression was that the Premier made it clear that the proportion of administrative expenses to premium income in Queensland for all business was 15 per cent. That impression as to what the hon. gentleman said is borne out by the ninth annual report of the Queensland State Insurance Office. I can readily understand how the Premier fell into the mistake of supposing that in Queensland the proportion was only 15 per cent. On the first page of the report the Insurance Commissioner of Queensland sets forth figures which purport to be the total premium income from insurance in his department. The total stated is £915,001. Two or three pages further on there is a column headed, "General administration account," the total of which is £135,481. Dividing the total premium income, £915,001, by the total of the general administration account, £135,481, we find that it works out at approximately 15 per cent. But the Queensland Insurance Commissioner has also included a number of profit and loss accounts in respect of each of the separate accounts of his insurance office; and when one looks at those profit and loss accounts, one discovers that numerous expenses which are included here as part of the administration expenses are not included in working out that Queensland proportion of 15 per cent. If we take the profit and loss account relating to the Workers' Compensation Department, we find items such as these not included: Bad debts, £950; discount, £16,000 odd. If one turns to the fire department, such items are to be found as the following: Stamp duty, £2,421; contribution to Fire Brigades Board, £2,519; commission and miscellaneous expenses, £2,625. Then in the life insurance department, we find the item: Commission, £18,910. If we add up these totals and add the result to the amount divided into the total premium revenue to produce 15 per cent., we find that the percentage commences to mount up consider-

ably. The State Government Insurance Office in Queensland does not pay income tax, while last year the companies in Western Australia paid £42,000 as income tax, and during the last five years they have paid no less than £159,000 as income tax. If we recall that the income tax in Queensland on a similar volume of business would gradually mount up in proportion to the population, hon. members must come to the conclusion that 15 per cent. is by no means a fair figure as representing the true relation of administration expenses to premium revenue in Queensland. In fact, it is not very much less than the percentage in Western Australia. Then there has to be considered the fact that in every State of Australia the Government represent the biggest employers, the biggest property owners and, in fact, by far and away the biggest insurers of all. The Government are probably capable of influencing more business than any other one institution in any State throughout the Commonwealth. The result is that if the Government start a State Insurance Department, they can cause to flow immediately into their own office a large amount of business that does not cost them a penny to get. I would mention, for instance, the Government business alone. Any company in Western Australia would be extraordinarily grateful and would swell its finances enormously, if it could get the whole of the Government business.

Mr. Lambert: Every big business organisation in Australia adopts the same attitude. The Chambers of Manufacturers, for instance, have their own insurance departments.

Mr. DAVY: Of course they do.

Mr. Lambert: Then why find fault with the Government?

Mr. DAVY: The member for Coolgardie (Mr. Lambert) is so fault finding himself, that he expects me to find fault. I might well be doing so, but I am not. For the moment I am engaged, for the benefit of the member for Coolgardie, in demonstrating that the proportion of 15 per cent. that administration expenses have been stated to bear in Queensland to premium revenue, is altogether too low, and insofar as that percentage is too low compared with the business done in Western Australia, there is a very easily understood explanation. That explanation is that the Government Insurance Office in Queensland

does its own business which does not cost it a penny piece.

Mr. Lambert: The Chamber of Manufacturers in every State is in the same position.

Mr. DAVY: Of course. It is a very proper thing for those institutions to do. As soon as any business becomes extensive enough, it pays to insure its own risks. Millars' Timber and Trading Company run their own insurance department; they do not need to insure outside, because their risk is already spread. Insurance is merely paying in instalments what may have to be paid in a lump sum. If the lump sum is available, there is no necessity for the instalments; if the risk is spread, there is no necessity to insure. In those circumstances it would be cheaper for a company to do for itself work that would be more costly if an outside organisation had to be paid to accomplish the same end. In the same way, no one for a moment would criticise adversely the Government for carrying on their own risk, for that would be a perfectly proper thing to do. The Government would simply decline to insure. Taking all these factors into consideration, we may come to the conclusion readily that the administration expenses in a State where the Government run their own department are not a penny less than the administration expenses incurred by private enterprise. There is another point to be considered. We have heard about the army of agents said to be running round the State attempting to secure business. I understand that this army consists of about one agent per company!

Mr. Panton: That is not so.

Mr. DAVY: The member for Menzies (Mr. Panton) is confusing canvassers for musical instruments and new brands of carpet sweepers, with the insurance businesses I have in mind. On an average, the companies here employ one agent each.

The Minister for Works: What is the difference between an agent and a canvasser?

Mr. DAVY: When I refer to one agent per company, that would not include canvassers for life insurance companies engaged upon what is known as the industrial side of the business. I suppose the Temperance and General Mutual Life Assurance Society, Limited would probably have a dozen or more agents.

The Minister for Works: In every town the companies have their agents.

Mr. DAVY: That company is engaged upon specialised business, but I believe the

average number of agents for ordinary insurance companies doing general business would be one.

Mr. Withers: We have more than that in Bunbury.

Mr. DAVY: I am talking about travelling agents, not shopkeepers in small towns representing various companies.

Mr. Panton: There are over 60 members in the Insurance Canvassers' Union.

Mr. DAVY: I have stated clearly that my remarks do not apply to life insurance companies on the industrial side. All the same, there are a lot of agents going about the country endeavouring to insure people. The Premier said that if we introduced State insurance that sort of thing would not be necessary, and instead of the agents doing business with the farmers, those farmers would merely have to go to the nearest town and take out a cover with the Clerk of the Local Court. Will hon. members consider which would be the better? Would it be better for the agent to go to the farmer to get the business or for the farmer to go to the nearest town and transact the business with the Clerk of Courts. If we require a service, we have to pay for it.

Mr. Withers: We have too much service in this country.

Mr. DAVY: If I desire to buy a loaf of bread in the cheapest way, I go to the baker's shop. We are told that it costs a penny to deliver a loaf of bread.

Member: No, a half-penny.

Mr. Lindsay: The cost of delivery is  $1\frac{1}{4}$ d. per loaf.

Mr. DAVY: Hon. members may take their choice between these divergent expressions of opinion and say that the cost of delivery of a loaf of bread is anything from  $\frac{1}{2}$ d. to  $1\frac{1}{4}$ d. per loaf.

Mr. Lindsay: The cost of delivery was shown in the Prices Commission's reports as  $1\frac{1}{4}$ d. per loaf.

Mr. DAVY: The member for Toodyay (Mr. Lindsay) can speak with absolute authority, and I accept his figures. Hon. members will agree that such a cost is ridiculous. They may say the cost is more than it should be. The fact remains that it must cost something to deliver a loaf of bread, and if one desires to purchase bread at a cheaper rate all that is necessary is to go to the shop and secure the necessary supplies. On the other hand, it is worth something to people to have their bread delivered. So it is with insurance business.

Mr. Lambert: Do people get insured every day just as they require to buy bread every day?

Mr. DAVY: No, but for the information of the member for Coolgardie, I would draw his attention to the fact that at a very critical period of the year, each farmer requires to insure his crop for a month or two. That has to be done at a time when it is important that he shall be on his farm. The suggestion made is that when that time arrives the whole of the farmers shall abandon their holdings, and go to the nearest towns in order to effect their insurances! If a vote were taken among the farmers throughout the State the result would show that they would prefer to pay a little more in order that the insurance agents should go to the farm to transact the business.

The Premier: Why, it is well known that the farmers have special dogs to keep the insurance canvassers off the premises! The dogs can pick the insurance canvassers from any other class of canvasser!

Mr. DAVY: Hon. members may not desire to listen, but I intend to press the point that the figures referred to by the Premier are illusory. The Premier went on to state that premiums were less in those parts where State insurance was undertaken. He did not quote any figures to substantiate his statement. I will readily admit that it is difficult to get figures that will be fairly comparable. Take workers' compensation, for instance. The risk that the insurance companies cover is different in every State throughout Australia. It is very hard to say whether the rate in Western Australia is higher or lower than that obtaining in another State, because other things are not equal. At the same time, I can mention one or two figures that would seem to indicate that the risk is exactly the same. The Leader of the Opposition quoted some figures regarding crop insurances and those figures demonstrated that the rates fixed for that class of insurance are considerably less here than in Queensland. It is difficult to imagine that the crops in Queensland are more likely to be burnt than are the crops in Western Australia. It is a fair assumption to claim that in that particular instance insurance is just as cheap, if not cheaper here, than it is in Queensland. Hon. members are aware that workers' compensation in Western Australia is on a more generous basis than in other parts, even than in Queensland.

The Minister for Works: Not in every respect.

Mr. DAVY: In Queensland the maximum liability is £750 and the maximum payment per week, £2. In Western Australia the maximum liability is the same but the maximum weekly payment amounts to £3 10s.

Hon. G. Taylor: So much for each child.

Mr. DAVY: Yes. In Victoria the figures are fairly low. The maximum liability there is £600 and the maximum weekly payment £2. In New Zealand the total liability is £750, and the weekly payment £3 15s. That being so, one would expect the rates in Western Australia and in New Zealand to be considerably higher than those in Queensland. As a matter of fact I have here a list of some 80 different classes of risks, and of that number 23 are higher in Queensland than in Western Australia.

The Minister for Works: Do not forget that the companies here wanted to increase their rates by as much as 33 1/3rd per cent. and 40 per cent., but I would not agree.

Mr. DAVY: Perhaps so, but they have not increased them.

The Minister for Works: Because I would not permit it.

Mr. DAVY: How could you stop it?

The Minister for Works: I would not approve of them as companies to do the business.

Mr. DAVY: Take bush felling: in Queensland the risk costs 100s. and in Western Australia 81s. 3d. In stone cutting the figures are respectively 80s. and 50s. Stumping with no explosives costs 50s. in Western Australia, and 60s. in Queensland; with explosives it is 75s. in Western Australia and 100s. in Queensland. So there is not the marked disparity one would expect in view of the fact that the risks run in Western Australia are a good deal higher than those in Queensland.

Miss Holman: But in the timber trade Millars and the State are both doing their own insurance.

Mr. DAVY: Of course. As soon as a business becomes big enough, naturally it prefers to carry its own risk.

Miss Holman: But if those two big employers are doing their own insurance, you cannot take the rest of the insurance in the timber industry as a criterion.

Mr. DAVY: Why not? There is still a great deal of business to be done, even if certain big companies are carrying their own

risks. In this list one can see that, instead of Queensland and New Zealand being consistently lower than Western Australia, the figures work out very much the same. As a matter of fact, Victoria has the lowest rates of the lot, I presume because in Victoria there is a dense population and, naturally, expenses are at the minimum, whereas in Western Australia there are very large areas and a comparatively small population. So I do not think any case has been made out by the Premier showing that the premiums are lower in Queensland or in New Zealand than in Western Australia. Surely if the Premier desires to attract the employers of Western Australia—and, after all, it is the employers and insurers he is purporting to benefit—one would expect him to demonstrate by actual figures, case for case, that the result of State insurance has been to reduce the cost of insurance. I am satisfied that it is not so. Take another test: If you divide by the population the premiums paid for workers' compensation insurance in Queensland, it is found that Queensland is paying for its workers' compensation insurance per head of the population 10s. 1d., whereas Western Australians per head of the population are paying for the same business 8s. 7½d. That is a rough way of estimating the respective costs, but there it remains. Every person in Western Australia is paying 8s. 7½d., and in Queensland every person is paying 10s. 1d. for workers' compensation insurance. In New Zealand, where there is a population of well over a million and a very small territory, all insurance is costing the people per head £2 1s. 11.7d., whereas in Western Australia all insurance is costing per head of the population £2 1s. 11.5d., or slightly cheaper than in New Zealand. When one regards the figures from that aspect it is difficult to see what advantage has accrued to the public by the introduction of State insurance. The Premier quoted a number of little local examples. He quoted what had happened in respect of the Government's own workers' compensation fund, that they had built up a large reserve, starting with a small sum and charging the various departments small premiums. That is not surprising. After all, the expenses there were nil, save for a little office expense. It was a special kind of risk, and I am informed that when the Government founded this fund the companies offered to take it on themselves at half the ordinary rates. Then the Premier quoted



the little Workers' Homes Board Fund, and the little War Service Homes Fund, and the Government's own Building Insurance Fund. The Premier, when giving those illustrations, reminded me of the old lady who runs a dozen fowls in her back yard and complains that she is producing eggs from those fowls at the cost of a third of a penny apiece, whereas she has to pay 3½d. for eggs in the shop. In the same way the Premier reminded me of the man growing cabbages in his back yard and declaring that the growing of cabbages must be an enormously profitable business; that since he can grow them for so much, they ought to be grown in a big market garden at the same cost. Of course, the thing does not work out at all. When the Premier says that one portion of the Workers' Homes Fund has built up a reserve of some thousands of pounds without any loss, I might as well say I have been living in a house for a number of years and have paid insurance premiums year after year, but have never got a farthing out of the insurance company. It reminds me of the man who has insured his life but who, much to his own annoyance, goes on living so long that at last he has paid in as premiums considerably more than he is to get from the company when he dies. I know a man who, 40 or 50 or 60 years ago, insured his life for a large sum and has lived so long that when he dies he will get less out of the company than he has paid in.

Mr. Angelo: There could have been no system of bonuses when he insured.

Mr. DAVY: I think there was, but even so he will not get all his money back.

Mr. Angelo: It must be a pretty poor company.

Mr. DAVY: Or a bad risk to start with. Insurance generally is a business one hopes will never be of any use to him. It is very much better not to have a loss than to have loss and get the insurance money. After all, when the thing gets back to first principles, we on this side do not believe in State trading.

Mr. DAVY: I think all of us on this side believe that with British people, private enterprise is the better thing.

The Premier: Your party, although eight or nine years on this side, never disposed of one of the State trading concerns, but actually added to them.

Mr. Teesdale: They might have disposed of them if they could have got a decent

price. You would have liked us to dispose of them at a job price and take the odium.

The Premier: What an absurd thing to say. When over here you never had the courage to attempt to sell one of the trading concerns.

Mr. DAVY: You do not complain of that, do you? You believe in State trading.

The Premier: I do not complain. I am merely correcting a man who spreads himself on behalf of the party who say they do not believe in State trading.

Mr. DAVY: At any rate, I am consistent, for I was not over there.

The Premier: I acquit the hon. member.

The Minister for Works: The only reason why he did nothing was that he did not have the opportunity.

Mr. DAVY: I repeat that members on this side now do not believe in State trading.

The Minister for Works: What authority have you to talk for those on that side?

Mr. DAVY: I have an authority that I do not propose to allow to be challenged by the Minister for Works. If I stand up and say that, I am not saying it without knowing what the views of members on this side are.

The Premier: Several of them have opposed again and again the selling of the State trading concerns.

Mr. DAVY: Why challenge my simple statement of fact?

The Minister for Works: It is not a statement of fact.

Mr. DAVY: I say it is a fact.

The Minister for Works: We say it is not a fact.

Mr. DAVY: Then stop saying it, for Heaven's sake. I propose to repeat it. I say again—and the Minister is disorderly in continuing to contradict me—that members on this side do not believe in State trading. That is an entirely different thing from saying they are in favour of selling all State trading concerns to-morrow or next week. As a general broad principle, we do not believe in it, and therefore, of course, a proposition of this kind is one that we regard with the gravest distrust. We cannot possibly expect to have carried out in its entirety any theory of legislation or of government. After all, the moment a Government establish a police force, it is in a certain measure a kind of socialism, a community effort for a certain purpose. But our view is that any further increase is to be regarded with the deepest suspicion, and

a very powerful case demonstrating great benefits to the community must be made out before we shall consider it a good thing to move in that direction.

Mr. Luley: What about the State ships?

Mr. DAVY: The Premier, although he belongs to a party that have as their objective the socialisation of all means of production, distribution and exchange, has apparently slipped lately, because he stated the other night there were probably a hundred and one things that ought not to be done by the State but should be done by the individual.

Mr. Panton: Even under socialisation that would be so.

Mr. DAVY: If the objective of the Premier's party were carried out, it is difficult to see how there could be a hundred and one things left. I suppose it would still be legitimate and in accord with the theories of the Premier for men to polish boots and cut hair, but what matter of real national importance would be left to the enterprise of the individual, I find it a little difficult to imagine. That is the view I take, and I have not the slightest doubt it is the view shared by members on this side of the House.

The Premier: Shared, but not practised.

Mr. DAVY: How could effect be given to those views immediately? The Premier belongs to a party who believe in socialisation. What attempt has he made at socialisation during this session? He has brought in this one little measure, this one little step onwards. Has there been any complete attempt to carry the objective into effect?

Mr. Sampson: They gave up the fish shops.

Mr. DAVY: Why, the Premier and the Minister for Works have both said—

The Premier: You were not here eight or nine years ago.

Hon. Sir James Mitchell: The Premier knows we could not get power to sell the State trading concerns.

The Premier: I know the position and I will tell the House.

Mr. DAVY: At that time, as the Premier knows, there were other members sitting on the same side of the House as the member for Northam who were not so strong in their views as I believe all are who are here to-day.

The Premier: Those members are there to-day, too.

Mr. DAVY: There were several who were not strong in their views, and there were

some here at that time who may possibly have changed their views a little, just as the Premier has changed his views considerably in the last 20 years.

Mr. Teesdale: There is no doubt about that.

Mr. DAVY: If the Premier challenges this side of the House on that point, both he and the Minister for Works have repeated over and over again that they were not at all anxious to go into this class of business. Why were they not anxious? If the Premier believed the glowing case that he put to us the other night—

The Premier: If I believed it!

Mr. DAVY: I am not denying the Premier's bona fides. I shall say that if he was convinced, when he made his speech, of the wonderful benefit that the State would derive from the introduction of State insurance, why was he so reluctant to enter into the business? Why was the Minister for Works so reluctant to undertake this particular form of State enterprise? I leave it to the House to decide. I have no doubt whatever how the House will vote, because we know that when the Government bring such a measure down, one might have the eloquence of a Demosthenes and the brazen voice and stand here for a year and he would not succeed in changing a single vote. I hope that before we take this further step in that direction, the country will consider it very carefully.

The Minister for Works: What are you going to do about the miners?

Mr. DAVY: The Minister reminds me that I was almost missing that point. What is being done in Queensland? There the workers' compensation has been divided into two branches.

The Minister for Works: What are you going to do? Never mind Queensland.

Hon. Sir James Mitchell: What are you going to do?

The Minister for Works: We are doing the job, anyhow.

Mr. Teesdale: Give the man a chance to speak.

Mr. SPEAKER: Order!

Mr. DAVY: In Queensland workers' compensation is run in two branches, the workers' compensation department and the miners' phthisis department. A perusal of the accounts published shows that the workers' compensation department is run at a profit and that the miners' phthisis department is run at a loss. In the particular years, the accounts for which I have before me,

I find that a transfer which is called a subsidy of £10,000 was made from the general workers' compensation department to the miners' phthisis department. I am told, and I believe it is correct, that in the last eight years, the ordinary workers' compensation department has fed the miners' phthisis department to the tune of £100,000. In Queensland there are far fewer men employed in industries that tend to bring about this disease than there are in Western Australia. I believe the proportion would be something in the neighbourhood of seven, eight or nine to one. It is obvious that what the Government propose to do for the miners of Western Australia is, instead of making the mine owners pay for the compensation of those men, which Parliament said they should do, to make all the employers of Western Australia pay for them. They are going to let the mine owners off lightly because at the present time the industry is not flourishing, and they are going to put the burden on the farmer—

Mr. Lindsay: That is so; we shall have to pay.

Mr. DAVY: And on to the manufacturer, and the rest of the employers other than the mine owners. The mine owners will then pay less than they should, while the fat man who is doing nothing beyond sitting down and living on his income will get off scot free.

Mr. Heron: Don't point.

Mr. DAVY: I was not pointing to any fat man in this House. That is what is proposed.

Mr. Lindsay: It is sectional legislation.

The Minister for Works: I am proposing no such thing. That is a deliberate untruth.

Mr. DAVY: I wish the Minister would not use that expression.

The Minister for Works: I have said it often enough and have denied it frequently enough. It is time it came to an end.

Mr. DAVY: The Minister might have denied it, but does he assert that the £4 10s. per hundred is going to pay the cost of covering miners' diseases? He said a very different thing in a letter he wrote to the Chamber of Mines.

The Minister for Works: I am not asserting anything of the sort, but I am not admitting what you say.

Mr. DAVY: How will it be otherwise, unless the Minister proposes to carry the loss, which apparently was not the proposal originally, because he asked the companies to effect the insurance at £4 10s. and would

not guarantee them against any loss, so they had to make up the loss out of their other workers' compensation cover? I believe the suggestion was made officially that the companies should be permitted to raise their rates for ordinary workers' compensation insurance in order to cover the loss on miners' phthisis insurance. I do not know whether that will be denied. The suggestion was made originally to the companies by the chairman of the committee, the Government Actuary, and I believe it was repeated by the Minister for Works. If he denies it, I cannot contradict him, but if what I state is correct, that was in the mind of the Minister. Such a proceeding would be a direct defiance of the law as it was passed. The law provided that every employer should carry his own risk. In Queensland the mine owners are not carrying their own risk; it is being handed on to other employers instead of to the whole community. The Minister asks what we would do for the miners. We should be frank enough with ourselves to admit that an attempt to cover miners' diseases by workers' compensation is unscientific and unjust. I suggested here the other night that it was so because it made an unfair distinction between the unfortunate man with miner's phthisis who also contracted tuberculosis, and the unfortunate man who got miner's phthisis without tuberculosis. If a man contracted miner's phthisis he went out on full pay unless he got a job; if he contracted tuberculosis he went out on half pay without a job. Why the distinction? We should be courageous enough to agree with what was found in New Zealand where, after some years of attempts to cover this risk as a workers' compensation risk, it was reported that it should not continue as such because it was hopelessly unscientific. We should bring in legislation to cover the miners justly and adequately, which will not be done under the Workers' Compensation Act we have at the present time. While I have no hope whatever that this Bill can be defeated in this House, I do trust that the people of the State will regard the matter with some care and some mistrust before approving of this fresh step downward. It is a fresh step in a reactionary direction, reactionary because it is a modern belief that the State should mind its own business, and that the individual is the best person to work out his own destiny. It is a modern thing to depart from the definition given by the member for Guildford (Hon. W. D. Johnson) one night when he said it was the func-

tion of the Government to do for the people not what they could do for themselves, but what they could not do for themselves. It is a comparatively modern development that realises that past Governments did interfere too much with private enterprise, and yet we find ourselves asked to take a step back to the old days when the Government thought it had a perfect right to interfere in every possible way, and held no theory upon confining their activities within certain limits.

The Premier: The history of government is quite the opposite.

Mr. DAVY: It is not. Go back 150 years and we find the Government of England interfering in almost everything. It was not until the end of the century before last that there came the liberal school of thought that developed into the modern liberal view in the Old Country politics. We are slipping back from that. I should like to be able to hope that the second reading of the Bill will be defeated. I know that it cannot be defeated in this House, but I shall vote against it.

MR. LINDSAY (Toodyay) [10.13]: I move—

That the debate be adjourned.

Motion put and negatived.

MR. SAMPSON (Swan) [10.14]: Whatever may be one's views on the question of State insurance, I venture the opinion that very few of the people will be found to support a measure brought in as this measure has been. It has been pointed out that Parliament has given no authority for the establishment of State insurance, and the State Trading Concerns Act expressly provides that no State trading concern shall be established unless the authority of Parliament shall first have been obtained. In that respect I consider that a very grave breach of faith to the people has been committed. The action of the Government has been described as high-handed and unwarranted.

Mr. Sleeman: Who described it in that way?

Mr. SAMPSON: The hon. member would be the first to describe it in that way if he were sitting elsewhere than on the other side of the House. If members looked at this question from an unbiassed and non-party standpoint, I am convinced they would find there was no justification for Parliament taking action in a matter which is expressly forbidden. The history of State trading in

this State is unfortunately an unhappy one. We have had experience of State meat and fish shops, of State brickworks and many other things.

Mr. Lambert: Your Government was the only Government in the last few years which extended the system. Was it not extended even in your electorate?

Hon. Sir James Mitchell: We had to keep it up to date.

Mr. SAMPSON: I hope I shall be the last to endeavour to justify any action which means the extension of State trading. Since the State Sawmills are operating, something must be done to keep the plant up to date, otherwise the losses will be greater than ever. I would support a considerable loss in the sale of those concerns rather than that this method of trading should be continued.

The Minister for Lands: I had only one hotel in connection with my department and I sold it.

Hon. Sir James Mitchell: It was let for a penny a week.

Mr. SAMPSON: I had the misfortune to have State hotels in my department.

The Premier: We have started to dispose of them, but you did not do so. We have sold one.

Mr. SAMPSON: I assure the Premier that the great bulk of the people are not in favour of hotels being carried on by the State.

Hon. Sir James Mitchell: To whom did you sell that hotel?

Mr. SAMPSON: If State hotels were transferred to private owners, I am sure the Licenses Reduction Board would insist upon considerable improvements being made to them. These institutions are not discharging their obligations to the public, and are not providing the accommodation they ought to.

Mr. Lambert: As Minister you allowed them to sell rotten grog.

Mr. SAMPSON: I defy contradiction when I say that if State hotels were conducted by private enterprise in the way they are now being conducted, the Licensing Bench would demand a great improvement.

Mr. SPEAKER: I must ask the hon. member to adhere to the subject before the Chair.

Mr. SAMPSON: The Government have, without the authority of Parliament, established another State trading concern.

Mr. Lambert: What about the snake juice you sold in the State hotels?

Mr. SAMPSON: The subject of State hotels seems to be rather a painful one.

The Minister for Lands: You controlled them for some years.

Mr. SAMPSON: I was in office for 20 months.

The Premier: That was 19 months too long.

Mr. SAMPSON: I am glad the Premier acknowledges I should have been there for at least one month.

Mr. Lambert: Without the option.

Mr. SAMPSON: I am not considering this from the standpoint of profit, but that of the welfare of the State. Because of the establishment of Government brickworks, throughout the metropolitan area there has been a considerably decreased production of bricks during the last few years.

The Premier: You could have sold the brickworks.

Hon. Sir James Mitchell: Your influence over some of our members was too great.

Mr. SAMPSON: The reason for decreased production was that private enterprise was afraid of what the Government might do. There were wild rumours that the policy of the Government in the direction of providing cheap bricks for the people, and consequently cheaper houses, would mean that bricks would be available at a rate as low as 25s. per thousand. So far from reducing the price almost every month has seen an increase. Within the last two months there has been a further rise in the price of bricks.

Mr. Lambert: Why did you not reduce the price?

Mr. SAMPSON: That has been brought about largely because the Government discouraged private enterprise from entering into this class of undertaking.

Mr. Clydesdale: How do our prices compare with those in the Eastern States?

Hon. Sir James Mitchell: I think New South Wales is 10s. cheaper.

Mr. SAMPSON: During the past 12 months State trading concerns have shown an actual loss of £62,500.

Mr. Sleeman: Nearly as big a loss as the Lake Clifton railway.

Mr. SAMPSON: Apart from the invasion of the principle of non-interference with private enterprise, this has meant considerable loss to the Treasury.

Mr. Lambert: Why did you not discover that interference when you were in office?

Mr. SAMPSON: The fact that the Government are seeking to establish a monopoly in workers' compensation insurance must be viewed very seriously by all concerned. A monopoly in this instance savours of confiscation in the first degree.

Mr. Lambert: You started a printery in the Fremantle gaol.

Mr. SAMPSON: If the insurance offices are not to be permitted to carry on this class of business, grave injury will be done to them. Surely the Government should be big enough and brave enough to take up this class of work without utilising the brutal power they possess. If I were as able as the Premier to quote poetry I could tell him something of the advantages of possessing a giant's power. It is not a good thing to use that power as a giant. It is a good thing to give consideration to equity and fairness. The Government have disregarded their plain duty, which is to behave fairly to all men. It has brought in without the approval of Parliament another State enterprise. It is an easy way to deal with competition, but I challenge the Premier as to its being one that can be supported by principle.

The Premier: What kind of principle?

Mr. SAMPSON: The principle which a man of the well-known honour and integrity of the Premier usually practises. I do not propose to deal with the question of miners' phthisis, and the hazardous risks that the insurance companies have to face in dealing with this class of business. Something may be said of the obligations of the State while facing disabilities which arise out of gold mining. This action of the Government means, as the member for West Perth said, another step towards socialisation.

The Premier: He was accusing me of not taking any steps towards that end.

Mr. SAMPSON: He did make a suggestion that the Premier had been inconsistent in that he had not adopted this policy in a whole-hearted way. A previous Labour Government, having tested out State meat shops and fish shops, decided, since the experience was so unsatisfactory, to forego the opportunity of continuing that form of State enterprise.

Hon. G. Taylor: The fish would not bite.

Mr. SAMPSON: Possibly too the hon. member had in mind that the Premier had not been whole-hearted in his support of such ventures, and had decided that whilst

bricks might be made by the State, the meat to feed the brickmaker could best be supplied by private enterprise.

The Premier: Let us hear about the Bill.

Mr. SAMPSON: I have drawn attention to the results that have arisen from Governmental interference with private enterprise.

The Minister for Lands: When the Bill is passed there will still be fewer trading concerns than when you were in office.

Mr. SAMPSON: The fewer we have of them the better. I should like to see them all wiped out. Someone referred to co-operative insurance.

Mr. Lambert: You made no attempt to wipe them out when you were in office.

Hon. Sir James Mitchell: And you have made no attempt to do anything since you have been here.

Mr. SAMPSON: Excellent work has been carried out by the Chamber of Manufacturers in regard to workers' compensation. The Chamber of Manufacturers' insurance company issues policies for workers' compensation, and the work is done at a particularly low cost.

The Minister for Lands: You are a member of that Chamber, are you not?

Mr. SAMPSON: Yes.

The Minister for Lands: Why object to the State enjoying the same thing that you are enjoying?

Mr. SAMPSON: I am a member of the Chamber, but have no policy in the company. The expense involved amounts only to 17 per cent. That is an excellent result. There should not be denied to those manufacturers, who range themselves under the banner of the Chamber, the right to obtain their workers' compensation policies from that company. Since the cost is only 17 per cent., it means that 73 per cent of the premiums are paid out in claims. I am sure the Premier will readily acknowledge that the work of an organisation such as that deserves a good deal of praise. To bring in a Bill rendering it illegal for this work to be carried on is surely to do something in the interests neither of the manufacturers in particular nor of the State in general. Further, statements have been made that insurance companies behave unfairly to their clients.

Mr. Sleeman: There is no doubt about that.

Mr. SAMPSON: It may be so in certain cases. I can only speak of the experience I myself have had. During my lifetime pay-

ments have been made to me in connection with two policies, and in each case, I say definitely, the companies behaved honestly and well. In one case they paid to the full amount, and in the other case they even went beyond the conditions of the policy.

Mr. Sleeman: You were more fortunate than others.

Mr. SAMPSON: It is a fact that insurance companies refuse to pay because of suspicion being associated with some claims. While my friends opposite so earnestly state that insurance companies have behaved unfairly, it may be that upon looking into the cases more closely, they will say that in all the circumstances the companies did not, after all, behave badly. However, as I have stated, my experience has been wholly satisfactory.

Mr. Lambert: Do you mean to convey that the insurance companies gave you more than you insured for?

Mr. SAMPSON: Yes. I will make the matter clear if I can. One insurance was a fire risk; the other was a motor car risk. The fire insurance was paid to the full amount. The motor car insurance was surrounded by a number of conditions, and the insurance company, as I can prove, did not insist upon those conditions, but paid the claim although it would have been possible for them to pay a reduced amount.

Mr. Lambert: The companies will screw you down in payment to the last shilling.

Mr. SAMPSON: Let the hon. member speak for himself. I have already said that in some instances insurance companies may exercise very great care and may behave drastically. In my case, however, it was not so. In some cases there may have been justification for what is complained of. Let everyone answer for himself in that respect. I have no complaint to make. As I said at the outset, here it is not a question whether one is or is not in favour of State insurance but a question whether one can support a measure brought in under such circumstances as the present Bill. Personally I cannot do so.

On motion by Mr. Lambert, debate adjourned.

*House adjourned at 10.34 p.m.*