

that were moved as a separate amendment, I do not think any member would take exception to it.

Mr. DAVY: I ask leave to withdraw my amendment.

Amendment, by leave, withdrawn.

Progress reported.

## BILL—WAROONA-LAKE CLIFTON RAILWAY.

Returned from the Council without amendment.

*House adjourned at 10.31 p.m.*

## Legislative Council.

*Wednesday, 10th December, 1924.*

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The PRESIDENT took the Chair at 3 p.m., and read prayers.

## SELECT COMMITTEE—METROPOLITAN WATER SUPPLY, SEWERAGE AND DRAINAGE DEPARTMENT.

### *Report presented.*

On motion by Hon. A. Lovekin, report of the select committee appointed to inquire into the administration of the Metropolitan Water Supply, Sewerage and Drainage Department, received and ordered to be printed and taken into consideration at the next sitting of the House.

### CLOSE OF SESSION.

Hon. A. LOVEKIN: I ask the Leader of the House to make a statement indicating to us the probable date of the adjournment of the House this session. Quite a number of Bills are on the Notice Paper, and I should like to know

whether it is proposed to close the session before Christmas or to continue it in the new year. If it is proposed to close before Christmas, we have sufficient work on the Notice Paper already without any further legislation being brought forward for our consideration. Some of us may have certain arrangements made for the next month or two and we would like to know the intentions of the Government regarding the session.

The COLONIAL SECRETARY: It is the desire of the Government to close the session before Christmas. It was with that object in view that I moved that the House should sit on Fridays in addition to the other sitting days, and also that we should meet earlier on each sitting day. From the progress we are making, I am afraid it will be very difficult to adjourn before Christmas. However, I shall do my best to carry out the wishes of the Government and I ask for the co-operation of members.

Hon. J. Duffell: Do you intend to introduce any new Bills yourself this session?

The COLONIAL SECRETARY: I think there is another Bill to be introduced. Of course there are some to come to us from the Assembly.

Hon. J. Duffell: We will deal with those, of course.

Hon. J. EWING: My experience suggests that there is no possible chance, considering the progress we are making, of closing the session before Christmas.

Hon. J. Duffell: Yes, there is.

Member: Easy.

Hon. J. EWING: It is all very well to say it is easy, but if we receive four or five additional Bills to deal with, it will be exceedingly difficult. The House will not give up its right to discuss measures thoroughly. For instance, there will be the Bill dealing with the financial position. The Minister will probably speak at some length, informing the House of what is being done throughout the country. Most of us would like to have something to say regarding that measure and it will take some time. There are other Bills foreshadowed by the Government in another place. The taxation Bills will have to receive considerable attention. I am desirous, equally with the Minister, of closing the session before Christmas, and members generally are anxious to assist the Minister in every way. In order to help in that direction, I suggest that we should sit in the mornings as well and get the business through. It has been stated that the Premier intends to leave for England early in the new year. We would like to see him go there as soon as possible. If we meet again after Christmas we may sit until March. I suggest that the Minister consider sitting on Mondays as well. Members would not object to giving up their full time to assist the Government to complete the work of the session, but they

are not prepared to consider legislation in an unsatisfactory manner.

Hon. A. Lovekin: We cannot deal with any more controversial Bills even if we sit every day.

Hon. J. Nicholson: Of course not.

Hon. J. EWING: I suggest that the Minister consider the advisability of making arrangements such as I suggest.

Hon. H. STEWART: Mr. Ewing may have spoken for himself, and possibly for some other members, but he did not speak for me. His suggestion that we should sit on Mondays does not meet with my approval. I am opposed to the number of sitting days being increased. I believe other members who reside in the country will agree with me. On the other hand, I do not mind sitting from 10 a.m. onwards to deal with the business.

#### LEAVE OF ABSENCE.

On motion by Hon. J. Ewing, leave of absence for six consecutive sittings granted to Hon. F. E. S. Willmott (South-West) on the ground of ill health.

#### BILL—PEARLING ACT AMENDMENT.

Read a third time and transmitted to the Assembly.

#### BILL—MINING DEVELOPMENT ACT AMENDMENT.

##### *In Committee.*

Hon. J. W. Kirwan in the Chair; Honorary Minister in charge of the Bill.

Clause 1—agreed to.

Clause 2—Insertion of new section:

Hon. H. STEWART: Yesterday I directed attention to what I thought would be of great benefit to the industry, namely, the passing of legislation to safeguard investors in respect of flotations. That is one of the most important things that could come before us. The establishment of the proposed boards should have a most inspiring effect on prospecting. To-day, unfortunately, there is no great prospecting activity. To encourage prospectors the Government would be well advised to offer, not only reward claims, but also substantial cash bonuses for valuable discoveries.

Hon. E. H. Harris: That is provided for now.

Hon. H. STEWART: No, not cash bonuses; it may be permissible, but there is nothing prescribing it. In any event, it should be widely published. If no discoveries were made, the Government would not be a penny worse off, while if the offering of bonuses did lead to valuable discoveries, the whole community would benefit. Also the Government could assist

the industry by arranging for wide publicity with a view to attracting investors from overseas. The department readily supplies information to applicants; but that is not sufficient; what we want is publicity. Prejudice against the labour covenants could be dissipated by the publishing of the actual conditions and what they really mean, giving prominence to the fact that a leaseholder's rights are never lightly attacked. The proposed boards could do much to overcome such hampering difficulties as excessive railway freights, by drawing Ministerial attention to them. Further, it should be stressed that when officers of the Geological Department or the Mines Department make reports, there should be no delay in publishing those reports. The proposed boards might take up this question and endeavour to see that such reports get early publicity. Thus many valuable expert reports would be put before us while still of practical use.

The HONORARY MINISTER: The Government appreciate the suggestions made by Mr. Stewart. Most of the matters touched upon by the hon. member will come within the purview of the board. Others, of course, are not for an honorary board. As for the alleged delay in the publishing of departmental reports, it is in contradiction to my experience of the Mines Department.

Hon. H. Stewart: I referred rather to the Geological Department.

The HONORARY MINISTER: I will bring the hon. member's suggestion under the notice of the Minister. As I pointed out yesterday, the appointment of a Royal Commission on mining in the near future will give opportunity to all persons who wish to submit evidence on various phases of the mining industry. Mr. Harris last evening expressed the view that the appointment of the country boards should not be left to the Minister. The Bill is clear on the point. The appointments are to be entirely in the hands of the Minister, in respect both of the central board and the subsidiary boards. Having regard to the existing condition of the industry, it is impossible to devise any other system under which the boards could be appointed. When, at a later stage in our development, the mining districts are more closely populated, it may be possible to have the local boards locally elected. I hope the clause will be agreed to.

Hon. E. H. HARRIS: The clause provides that the members of all these boards are to be paid travelling expenses and fees. For many years past we have had prospecting boards operating without any payment whatever. I should like the Minister to indicate what fees are to be paid the proposed boards, and to tell us also whether fees and expenses will be allowed to the public servants on a board.

Hon. J. CORNELL: I should like to know from the Minister in what capacity these boards will function. For the last five years or more we have had a State Prospecting Board, and there are subsidiary boards at Meekatharra, Mt. Magnet and Kalgoorlie.

Hon. H. SEDDON: What fees do they receive?

Hon. J. CORNELL: They receive only the blessing of the Minister. Mining men generally are not aware of the extent to which the State Prospecting Board functions. The board attends to all matters connected with prospecting, even to the extent of equipping and sending out parties. Four or five State prospecting parties have been sent out. Since the advent of the present Minister for Mines, the functions of the board have been enlarged, and to-day it can carry a man to a stage where formerly he had to rely on the tender mercies of the mines development section, with the result that he was often left in the air. The Minister has gone so far as to authorise the board to carry a man until he gets out a crushing, and in some instances the crushing is railed free to the nearest battery, in order that the test of the lease may be complete. The activities of the board cover all metals and precious stones. At present I believe there is a man out looking for beryl. I do not know whether the Minister intends to amalgamate the State Prospecting Board with the proposed mining boards. If he does not, the scope of the new boards will be under the mines development vote. That vote is pretty well applied for at present. The great tendency in mining is not to put private capital into a mine but to draw on the mines development vote. That is one of the curses of mining to-day; it has practically resolved itself down to the State finding the money for a new field. The mines development section is the best department for expedition and general satisfaction, but the Mines Department inspectors, dotted throughout the length and breadth of the State, are charged with the responsibility of authorising expenditure under the mines development vote. How far is it proposed that these mining boards shall trench upon the prerogatives of the mining inspectors? If a limit is placed upon the State Prospecting Board in the matter of recommending relief, all will be well, but if it is given power to authorise expenditure—

Hon. G. W. Miles: It is not.

Hon. J. CORNELL: The provisions of the Bill are not drawn so tightly as are the conditions governing the State Prospecting Board. The same set of circumstances governing the State Prospecting Board must apply to the mining boards. If a proposition is not recommended to the State Prospecting Board by an inspector of mines or a mining registrar, the decision of the inspector or the registrar is accepted. If the mining boards have the effect of attracting

capital to the State, they will more than justify their formation, but if they become a mere appendage to receive grants from the mines development vote, I have grave doubts as to their utility. After five years' association with the State Prospecting Board, I can see no justification whatever for making any payment to the mining boards. Their work will be no greater; I doubt whether it will be as great as that of the State Prospecting Board has been. The subsidiary boards to-day suffer all the inconvenience that the mining boards will experience, but they have rendered yeoman service in a purely honorary capacity. During the five years the State Prospecting Board spent about £40,000. It is a tribute to the main board and the subsidiary boards that their members have given their time to the work without having received one penny for their services. If mining men are prepared to give their services to the State in this way, it is possible to get a similar response for the formation of mining boards. If the mining boards are formed and the prospecting board remains, provided the work is anything like equal, justice will necessitate extending similar consideration to the State Prospecting Board. The main board and the subsidiary boards meet regularly and are prepared to give this service to the State in an honorary capacity. I hope the Minister will provide for honorary boards. I felt inclined to move an amendment to that effect, but if I did so, a wrong construction might be placed upon my action, because of my having acted in an honorary capacity for the last five years.

Hon. J. E. DODD: The success or otherwise of a board of this nature lies in its personnel. If the Government will consider the fitness and length of experience of the members, a great deal of good may result, but we should not give too much power to the central board and too little to the local boards. I take it the boards will have to deal with the internal workings of mines, and mining diseases.

The Honorary Minister: They may report upon those things.

Hon. J. E. DODD: The Government should see that the right men are appointed. We owe a great debt of gratitude to the prospecting board for the work they have done.

Hon. H. SEDDON: Is it intended to appoint to the central board men of high standing in the mining world? If so, I can understand that some remuneration will have to be given to them. If such is not the case, there may be no reason for departing from the present system.

The HONORARY MINISTER: The work that has been done has been very helpful, and the Government recognise and acknowledge that the prospecting board is composed of men who thoroughly understand their work. The Minister for Mines regards it as highly important that the members of

the proposed new board shall be thoroughly competent to carry out the duties that will be imposed upon them. They will have to be men of sound experience and knowledge and must know their work. I understand that the prospecting board will be incorporated in the new central board, and that the scope of the work now being done will be greatly extended.

Clause put and passed.

Clause 3—agreed to.

Title—agreed to.

Bill reported without amendment and the report adopted.

## BILL—FORESTS ACT AMENDMENT.

### *Second Reading.*

Debate resumed from the previous day.

Hon. H. SEDDON (North-East) [3.55]: This Bill is a departure from the existing state of affairs, and one cannot approve of it. The Forests Act was passed for a specific purpose, namely, the development and preservation of the timber assets of the State. It was provided in the Act that two-fifths of the revenue of the department should go into Consolidated Revenue, and that the balance was to be used for the development of our timber resources. The proposal to put the whole of the revenue from sandalwood into the Treasury is a direct departure from the purposes of the Act, and should be strongly opposed. It is useless to argue, as some members have done, that the revenue of the department is sufficient to enable it to carry on its work. The work of reforestation is not nearly so great as the work of deforestation that is now going on. We are not in any way adequately making up the losses that occur from year to year. For that reason I am strongly opposed to taking any revenue from the department and putting it into Consolidated Revenue. We find from the report of the department for the year ended June, 1924, that there has been contributed to the department from Consolidated Revenue, during the past four years, sums ranging from £15,000 to £16,000. Owing to the financial stringency I can appreciate the desire of the Government to retain that money. Seeing that the department had in hand, in June last, a sum of £127,000, one could reasonably expect it to finance itself, provided it was enabled to retain its revenue, and make plans that would keep its expenditure within the revenue that it received. By that means we could relieve the Consolidated Revenue of a charge of £15,000 a year, and the department could carry out its working plans to its full capacity upon its own income. Owing to the exploitation of our sandalwood resources, the pullers are now travelling from 70 to 100 miles from the railway line. We cannot, therefore, ex-

pect so large an income from sandalwood to go on indefinitely. The revenue from that source must gradually diminish. Seeing that there is a limit to the life of the sandalwood industry, the Forests Department should be entitled to retain its revenue and use some of the money with the object of placing the sandalwood industry in a better position, and at the same time develop our other timber resources. It should not be taken to meet a temporary financial difficulty, such as that in which the Government now find themselves. Although the working plans of the department are very good, they do not come up to what has been laid down by the forestry experts who have investigated the timber resources of the State. In a publication dealing with "Australian Forestry," Mr. D. E. Hutchins reviews the position in this State. Referring particularly to the goldfields, he points to the destruction of timbers there having taken place at an enormous rate and shows that insufficient work is being done to make good that loss. He urges that it is necessary to establish an arboretum at Kalgoorlie, and that certain trees, such as Mesquit, could well be tried on the ground that they would be suitable to our dry climate. He also suggests that if we start an arboretum we might find that other timbers would be suitable for the district. As an illustration he points to the growth of blue gum in the dry parts of the Cape province. He says that 70 acres of blue gum were planted at Worcester and watered with surplus water from the town. The blue gum grew well. It had been cut once for pit-props and firewood and was now ready for cutting over again. The average yield had been good. Thus there are commercial possibilities in the development of goldfields forestry. Seeing that the greater part of the sandalwood revenue comes from the central district, I think a substantial portion of it might well be devoted to reforestation there. In the same work there is a reference to the sandalwood industry of India, which may be interesting in view of the possibility which has been mentioned, of re-growth of sandalwood here. It has been pointed out that sandalwood is a parasite tree, deriving nourishment by feeding on the roots of its host. Where sandalwood plantations have been put on their own, they have almost invariably failed; but where they have been planted in the proximity of a host, or under suitable conditions, they have flourished most successfully. While we cannot claim that sandalwood has been successfully cultivated, still, lines are indicated which promise success for experiments in that direction. If we utilise the Western Australian host of sandalwood, namely, jam wood, or acacia, or even go to the expense of importing the Indian host here, we may find that sandalwood can be successfully cultivated on a

profitable scale. We have to remember that the growth of the sandalwood tree will depend upon the root system on which it feeds. If we grafted the sandalwood on to its host, it would grow far more rapidly than it does now under natural conditions. Such a re-growth, especially with a high class of sandalwood, might prove commercially profitable. At any rate, it is worth the department's while to try the experiment. For this reason I wish to see the forests revenue reserved for forestry purposes. I must oppose the second reading of the Bill, but in doing so, I would suggest to the Government that they might very well retain for Consolidated Revenue the £15,000 of forests revenue reserved for other purposes.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central—in reply) [4.4]: Mr. Greig in the course of his speech stated that although six years had elapsed since the Forests Act was passed, no dedication of timber country had yet been made. That is so; but I can assure the hon. member that the matter has not been overlooked. Classification work was started, as the result of consultation with the Lands Department, in 1919; and both the Forests and the Lands Departments have been engaged in the task. The definition of what constitutes prime timber country was agreed upon by the Ministers in charge of the two departments. Classification of the jarrah country was completed in 1920, and that of the karri country in 1923. So far no dedication has been gazetted, but the present Government propose to go into the whole question with a view to reaching finality. It is recognised that the present condition of things is very unsatisfactory; and both Mr. Angwin, as Minister for Lands, and the Premier, as Minister for Forests, intend to seriously consider the question with a view to arriving at some definite decision. Mr. Greig further stated that whether this Bill passed or not, the Forests Department would be short of money for reforestation work. I can, however, assure him that will not be so. The Forests Department had a balance of £71,545 in hand on the 30th June last, and not a penny of that money will be touched by this Bill. Apart from sandalwood, three-fifths of the Forests Department's revenue this year will, it is estimated, amount to £47,909. This means that the Forests Department will start with a credit of £71,545, and will have an annual revenue of close on £50,000 to dispose of at will.

Hon. H. Seddon: How much revenue do you estimate from sandalwood?

The COLONIAL SECRETARY: From sandalwood, £54,000. Seeing that for the last five years the expenditure on reforestation has averaged only £2,793, hon. members will recognise that even if the department doubled their expenditure on that head, it

would be many years before they would be in need of funds, even if this Bill be passed. Mr. Burvill thinks the department should go in for pine planting. The Conservator informs me that he has been doing so on judicious lines. A few hundred acres a year are being planted in suitable localities—at Mundaring and in other catchment areas, and between here and Busselton. This policy will be continued as long as the experiments prove successful. Mr. Cornell is sorely offended by the introduction of the Bill, and accuses the members of the Government of hypocrisy in connection with the sandalwood question. Attempting to prove that charge he said that last year Mr. Collier tabled a motion for the disallowance of the regulations that produce the revenue which, Mr. Cornell says, the Premier desires to "fleh" by this Bill. Mr. Cornell must be aware that it was not opposition to the regulations themselves, or objection to the imposition of the large royalty, but hostility to the principle involved, that provoked Mr. Collier's attack. I am not going into the whole question. I do not think it desirable to do so, and I would not have referred to it at all if Mr. Cornell had not introduced the subject. However, I will say that there was some Parliamentary objection taken, with the result that the Government then in power altered their original intention. They made a pretty wide departure from what they had first proposed. They decided to grant a permit covering licenses to all the tenderers who had previously been engaged in the sandalwood industry, and a maximum of 6,000 tons was distributed among these buyers on what appears to have been a very fair basis. It was subsequently announced that a five-years contract had been entered into between the Government and the firms in question. That was the view of the Labour Party before they got into power, and it was also the view, I think, of the general public. It is inconceivable, therefore, that members of the Labour Party should have gone around the country during the general election stating that if their party were returned to power the agreement would be cancelled. No Government could cancel a contract of that description.

Hon. J. Cornell: The fact remains that they said on the hustings that they would. At the same time they knew they couldn't or wouldn't.

The COLONIAL SECRETARY: I do not think any member of the present Government made any such statement.

Hon. J. Cornell: They did. I heard them.

The COLONIAL SECRETARY: It may have been stated by people not acquainted with the circumstances.

Hon. J. Cornell: I heard Ministers say it.

The COLONIAL SECRETARY: What did the present Government find soon after

accepting office? That although a five-years contract was given to the different firms, and given in writing, it had no force whatever in law. They found that the licenses could only be granted from year to year. The Government could have refused to renew the licenses; or they could have refused to grant them. But, from my point of view, in the circumstances existing that would have been a gross injustice to the firms. It was found that the firms, relying on the assurance of a five-years contract, had in the early stages bought sandalwood at a price much in advance of the market rates. The Government recognised that the firms would suffer heavy financial loss if the licenses were not renewed. In addition, it was found that these firms had large stocks of sandalwood on hand, and that if they were not given time in which to dispose of those stocks, they might be ruined. Cabinet therefore decided to continue the then existing arrangement after the expiration of the present licenses for a further 12 months, from the 1st July, 1925, to the 30th June, 1926. Mr. Cornell called this hypocrisy.

Hon. J. Cornell: So it is.

The COLONIAL SECRETARY: No doubt, if we had acted otherwise, he would have called it repudiation, spoliation, robbery, and a host of other obnoxious names. Long before the licenses expire the Government will acquaint the parties concerned of their intentions in the matter, so that if a new departure is decided upon, the parties will have sufficient time in which to meet the situation. That, I consider, is only fair. How the Government could be accused of hypocrisy in connection with this question I am unable to understand. It is ridiculous to talk of the Treasurer filching revenue that is required for forestry purposes. In 1918, when the Forests Act was passed, the revenue from sandalwood was only 5s. per ton.

Hon. J. Cornell: It was 30s. per ton when the regulations were passed.

The COLONIAL SECRETARY: The total amount received for that year was only £2,368, three-fifths of which amount, paid into the reforestation fund, represented the small sum of £1,419. For that reason Parliament allowed the sandalwood revenue to be included with the ordinary revenue of the Forests Department. Parliament probably did not think it worth while to take that small amount of revenue into account. But a different position has now arisen. The total annual revenue of the Forests Department now is about £54,000, and the full needs of the department can be easily met out of the ordinary revenue. It would be senseless, in the circumstances, to continue the three-fifths payments out of the income from sandalwood. Mr. Collier has always taken a deep interest in forestry matters. He assumed charge of the Forests Department in 1914, when he was Minister for Mines. He found that the Acting Con-

servator of that period was simply a clerk, who had had no training in the work, and who had been acting for 15 years. What did Mr. Collier do? He decided to supply the want of policy existing at that time. He advertised throughout the British Empire for a trained expert in forestry, and the result was the appointment of Mr. Lane-Poole, who was considered one of the best experts in that line to be found in the world.

Hon. G. W. Miles: A pity we ever lost him!

The COLONIAL SECRETARY: I think Mr. Lane-Poole was regarded in that light by all those in a position to form an accurate judgment. From Mr. Collier's term of office as Minister for Forests dates the first genuine attempt at a scientific forestry policy in Western Australia. He caused a classification of the forests to be made, the first that was attempted in Western Australia's history. To Mr. Collier and the then Minister for Lands, and also to Mr. Lane-Poole, is due the satisfactory position of our defined forests policy of to-day.

Hon. J. Cornell: What about R. T. Robinson?

The COLONIAL SECRETARY: This Bill has passed another place without a solitary word of opposition. Some hon. member interjected that this has no bearing on the question. It shows at any rate, that the Assembly, the members of which keep a pretty firm control over financial matters, and are prepared to express their opinions though they be in the minority, raised no dissentient voice against the proposal. It will be admitted that the members of the Assembly have as keen a recognition of forest needs as has Mr. Cornell. Mr. Ewing expressed concern regarding the policy of reforestation being continued, and Mr. Seddon's opposition was based on the fear that extensive operations would not be carried out in that direction. When I state that Mr. Collier is head of the department, and when hon. members reflect upon his past record in charge of forestry matters, they will be prepared to admit that he will neglect no endeavour to perpetuate this important industry. The suggestion that 10 per cent. of the revenue should be used could not possibly be followed because the money could not be used in one year. Regarding the reforestation of sandalwood, the Conservator of Forests informed me that the requirements during the current year would amount to between £1,780 and £2,000, and that that figure would rise rapidly until a maximum of £5,000 a year would be needed. At the present time he has a credit balance of £71,000 and will have an income of £54,000 from ordinary revenue. It was the intention of the Government to place an amount on the Estimates from year to year for the reforestation of a suitable area. Every step will be taken to insure that the Conservator of For-

ests will be supplied with ample funds to carry out this most important work.

Hon. J. Cornell: Why go outside the Forests Act and place an amount on the Estimates?

The COLONIAL SECRETARY: We have introduced a Bill to secure the sanction of Parliament to divert some of the revenue. At the time the Forests Act was passed, the revenue from sandalwood was only £2,000 a year.

Hon. J. Cornell: And then they increased the return to 25s. a ton.

The COLONIAL SECRETARY: Because of the action of a Government, not in power in 1918, and because of the regulations that were introduced, the returns have increased to an enormous sum. That sum was certainly never contemplated when the Act of 1918 was passed. As it is, the Conservator of Forests will have ample funds for reforestation work without the returns derived from the royalty on sandalwood. The Conservator has not been able to spend the money at his disposal for some years past. He has spent an average of only £27,000 a year, and has an enormous credit balance at the present time.

Hon. J. Ewing: He is a very careful officer.

The COLONIAL SECRETARY: If the Bill be not passed that credit balance will be still further increased. If members desire to see money wasted or spent unwisely they will vote against the Bill. If the Bill be not passed the Government will be forced to spend the money on reforestation work.

Hon. J. Cornell: It would be a good thing if they were.

The COLONIAL SECRETARY: Members who vote against the Bill must accept the responsibility attaching to their action. No good purpose can be served by forcing the Government to adopt a course that might mean the squandering of a large sum of money. Surely we can be content to accept the advice of the expert in charge of the Forests Department. The present Conservator is a man who takes a deep interest in his work. In view of the fact that only a small proportion of the money available has been spent, why should opposition be shown to the transfer to Consolidated Revenue of further sums received in connection with sandalwood. I hope members will take a calm view of the situation and ask how the money could be spent in the circumstances, and whether it would be wise to put the Government in such a position that a large amount would have to be spent in a way that would not be to the advantage of the industry or to the benefit of the State.

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

Ayes	..	..	12
Noes	..	..	7
Majority for	..	..	5

#### AYES.

Hon. J. B. Dodd	Hon. W. H. Kitson
Hon. J. M. Drew	Hon. T. Moore
Hon. J. Ewing	Hon. H. A. Stephenson
Hon. E. H. Gray	Hon. H. Stewart
Hon. J. W. Hickey	Hon. J. A. Greig
Hon. J. J. Holmes	(Teller.)
Hon. J. W. Kirwan	

#### NOES.

Hon. J. Cornell	Hon. H. Seddon
Hon. V. Hamersley	Hon. H. J. Yelland
Hon. E. H. Harris	Hon. A. Burvill
Hon. G. W. Miles	(Teller.)

Question thus passed.

Bill read a second time.

### BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

#### In Committee.

Hon. J. W. Kirwan in the Chair; Colonial Secretary in charge of the Bill.

The CHAIRMAN: When progress was reported Clause 66, which provides for an amendment of Section 125 was before the Chair.

Hon. J. NICHOLSON: I had intended to seek the deletion of the clause but in view of the fact that we have decided to retain the provision for industrial magistrates, I shall not adopt that course.

Hon. H. STEWART: Provision is made in the clause for industrial magistrates to deal with various matters. I was under the impression that when we dealt with Clause 37 we amended it in a way that would involve consequential amendments in Clause 66.

The CHAIRMAN: In Clause 37 the words "any police or resident magistrate" were inserted, and the reference to industrial magistrates was struck out.

Hon. J. NICHOLSON: I move an amendment—

*That in line 4 the word "industrial" be struck out and "police or resident" inserted in lieu.*

Hon. H. STEWART: I could not see the force of the amendment by which the words "industrial magistrate" were struck out from Clause 37.

The CHAIRMAN: The words struck out were "industrial magistrate appointed by the Governor for the purposes of this Act."

Hon. H. STEWART: It means that any police or resident magistrate can act. I do not think the Committee were wise in striking out those words "industrial magistrate." So long as it is provided that any police or resident magistrate may act as an industrial magistrate for the purposes of the Act, it is all that is required. It may be found desirable that those industrial magistrates should be police or resident magistrates.

Hon. J. J. Holmes: Let us deal with this now and further consider it on recommittal.

Amendment put and passed.

Hon. E. H. HARRIS: The clause goes on to provide for registration of junior workers under a prescribed age employed in any industry. I should like to know from the Minister what is meant by "junior workers." It seems to me to mean that the age of a junior worker may be as prescribed. Is that what is intended?

The COLONIAL SECRETARY: I have been endeavouring to find an interpretation of "junior workers," but without success. I suggest that the clause be passed and that we recommit it. In the meantime I will endeavour to secure a satisfactory definition.

Clause, as amended, put and passed.

Clause 67—Amendment of Section 126:

Hon. A. LOVEKIN: Section 126 of the principal Act provides that any worker paid at a rate below that specified in an industrial agreement or award shall be entitled to recover the difference in any court of competent jurisdiction, but that every action for the recovery of such amount must be commenced within three months of the time when the cause of action arose. The Bill proposes to strike out that limitation, thereby giving the worker the right during an unlimited time to take proceedings for the recovery of anything due to him. While the three months period may be a little too short, I certainly think an unlimited period too long. I move an amendment—

*That all words after "amended" in line 2 be struck out and "by substituting for the words 'three months' the words 'two months'" be inserted in lieu.*

Hon. J. Nicholson: I have an amendment to make it six months.

Hon. A. LOVEKIN: I am prepared to give him 12 months, but an unlimited time is not fair.

The COLONIAL SECRETARY: There are no grounds whatever for such an amendment. An ordinary debt may be recovered at any time within six years, when the Statute of Limitations applies. Why should not similar protection be given to the worker? In the past, not infrequently employers have employed workers at less than the award rates. The men so employed know that they could claim more but, being in want of work, they are afraid that if they protest their services will be dispensed with. The employer takes advantage of the circumstances to defraud the men. I do not think any employer should be protected in that.

Hon. J. E. DODD: The section that the clause seeks to amend is one of the best in the existing Act. Probably it represents one of the greatest reforms ever secured for the worker. It gives the worker the right to secure the full rate of wages, irrespective

of sweating conditions in any contract. I mention that to show the importance of the section. Under it the worker can always recover the amount prescribed in the award. I cannot now say how the limitation of three months came to be inserted, but I fancy it was in the original draft of the old Bill. However, the point raised by the Colonial Secretary, namely that the Statute of Limitations provides for a period of six years in other actions, is a good one. I realise Mr. Lovekin's difficulty. It would not be fair to give unlimited time in this case. On the other hand, if the statute of limitations is for six years in one case, why should it not be so in another? I cannot see why we should except wages.

Hon. A. LOVEKIN: The Statute of Limitations comes in where there is a breach of a definite contract or some ascertained amount that is due. Under this clause it is neither one nor the other. It gives an employee, who has made a contract with his employer, the right to come back upon him for an unlimited period afterwards, merely because some award or agreement improves the rate of pay. There must be some reasonable limit in such a case, otherwise four or five years afterwards the employee could take action against the employer. Perhaps the Act as it stands does not give the employer enough breathing space, but, if we extend the period to 12 months, that would be quite sufficient.

Hon. J. J. HOLMES: I know of a case dealing with the interpretation of an award. Certain men had been employed for a considerable time, and had left their employment and scattered all over the country. The union official then read some other interpretation into the award, and the employer was sued under the Master and Servant Act. When the case came on, none of the plaintiffs turned up, for they had realised the injustice of the action. The hearing was postponed for a week. In the meantime the union official caused Jones, a plaintiff, to subpoena Brown, another plaintiff, as a witness and so on, by which means he got witnesses to the court and obtained a verdict. In a case of that sort surely Parliament should protect the employer.

Hon. J. A. GREIG: I understand that under the Master and Servant Act the limit is three months. If we extend it in this case to 12 months, we may be interfering with the existing law.

Hon. W. H. KITSON: I am opposed to the limitation of 12 months. There might not be many cases in which a worker's claim would extend beyond 12 months, but if there are such cases, the worker should be entitled to put forward his claim. The Act has worked hardships in several cases. The employee has secured a verdict before the Arbitration Court, but, owing to the limitation of three months, has not been able to recover the money due to him. The

Act does not provide that the worker may recover three months wages, but that action for recovery of wages must be taken within three months of the money becoming due.

Hon. J. J. Holmes: A man ought to be able to commence an action within 12 months.

Hon. W. H. KITSON: If an employee had been receiving 10s. a week less than his due for six months, and sued for recovery at the expiration of two months, he would be entitled to recover wages for only one month.

Hon. J. Nicholson: A man can sue any time within three months now.

Hon. W. H. KITSON: The Act does not operate in the way the hon. member thinks.

Hon. J. Duffell: Would it not be sufficient if the employee cited his case before three months?

Hon. W. H. KITSON: It would not make any difference.

Hon. J. J. HOLMES: If there had been an interpretation which would have given the extra 10s. a week, the employee might not have been worth that 10s. and his services would not have been retained. An employee knows he is not worth more than he is getting, and he also knows that, if he puts in a demand for the extra 10s., that will be the end of his job.

Hon. J. E. DODD: The position as we find it to-day is, that if the employee is not being paid the full rate of wages, he is limited to three months in which he can sue. But the employer can go for six years and then sue for the recovery of a debt. Why apply the Statute of Limitations in regard to the debt and at the same time, where the worker's claims are concerned, declare that the worker must commence his action within three months? With regard to the award rate, it is the duty of every employee to see that he is paid it. Almost all employers are connected with some federation, just as employees are connected with a union, and it is the duty of the latter to see that the right wage is paid. The section that was included in the Act of 1912 was one of the greatest boons the workers received.

Hon. J. DUFFELL: If an employer lent a turnout to an employee, and allowed payment to stand over for a number of years, the Statute of Limitations would apply up to six years. At the same time it was the employer's duty to tell the employee that he would have to pay, otherwise he would not get the conveyance again. It is well known that there are employees in Perth who are not able to earn the amount to which they would be entitled to receive according to an award, and that if they made a demand for it they would have no chance of getting employment. In some cases, as a favour, elderly people are permitted to take light positions at a slightly lower rate of pay than that awarded by the court. I know of an instance where an

aged person was permitted to retain his position until something happened and his services were dispensed with. He immediately applied for the difference between the arbitration rate and the amount that he had been paid. There should be a limit to what the employee is entitled to receive.

Hon. A. LOVEKIN: If there is a contract the account can be rendered between the parties inside six years under the Statute of Limitations, but if the worker wants to get behind the contract he says, in effect, "Although I have made a contract with you for a specified amount, I am going back to the award which will give me a greater sum than the amount I have contracted for."

Hon. J. E. DODD: You cannot make it an illegal contract.

Hon. A. LOVEKIN: It may be a contract entered into between the worker and the employer in all good faith. The worker desires to go behind it and declares that he is going to fall back on the award, which gives him a greater amount. In that case, 12 months is a sufficiently long time to give him in which to do it. I have looked up "Hansard" and have found that, when the existing Act was going through, neither House discussed this particular question.

Hon. J. NICHOLSON: It seems reasonable to view the position in the manner suggested by the Leader of the House and Mr. Dodd. Why should we not extend to the employee the right to recover within the statutory period of six years anything he is short-paid under an award? I have looked up the records for 1912 but have been unable to find that any addition was made to Clause 126 when the Bill was in Committee. I have endeavoured to trace the original Bill of 1912, but I cannot find that any addition was made to Clause 126. According to the "Hansard" report Clauses 120 to 126 were passed practically en bloc, and there is nothing to guide one as to why the three months' stipulation was inserted. One has a right to assume the reason. Obviously the provision must have been in the Bill as originally presented. When this Bill was being drafted, it was probably recognised that a contract might be entered into between an employer to pay and an employee to receive a certain wage, and of its being discovered after a time that the amount was short of the award rate. It was considered desirable that if an employee wished to avail himself of the right to claim under the award, it should be done within a definite period. Otherwise misunderstanding and confusion would result. I understand there have not been many such cases.

Hon. W. H. Kitson: There have been quite a large number.

Hon. J. NICHOLSON: It is only fair to fix a definite time. Three months is rather short; six months would be more reasonable and I have no objection to making it 12 months. An employee should exercise his right within 12 months.

Hon. W. H. Kitson: It is not within 12 months of the termination of engagement.

Hon. J. NICHOLSON: The clause says that action for recovery must be commenced within 12 months of the time when the cause of action arose. I see no reason why we should not give an employee the right to bring an action within 12 months from the termination of his engagement, and thus prevent any question arising as to when the cause of action arose.

Hon. W. H. Kitson: He might not have left the service of that employer.

Hon. J. NICHOLSON: We must fix a definite time. It might be argued that the cause of action arose at the end of the first month when the man found he was short paid.

Hon. A. Lovekin: It would depend on the contract.

Hon. J. NICHOLSON: Yes.

Hon. J. E. Dodd: We have had some years' experience of that provision and such a position has not yet arisen.

Hon. J. NICHOLSON: Mr. Kitson said there had been instances of men having been deprived of the right to recover more than the shortage for one month.

Hon. W. H. Kitson: Such cases are common.

Hon. J. NICHOLSON: That may be due to its having been held that the cause of action had arisen at a certain date, and that the three months dated from that time. In enlarging the period to 12 months we shall afford fair and adequate opportunity to workers desirous of enforcing their full rights under an award.

Hon. J. CORNELL: Could not we place the onus on the worker to protest within a stipulated time of his discovering that he was being short paid?

Hon. A. Lovekin: That is the object of the amendment.

Hon. J. CORNELL: There are isolated instances where the period may extend to six months before the fault is discovered. If the worker cannot discover within 12 months that he is being short paid, it is not worth bothering about.

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

Clause 68—Principal Act to be reprinted as amended:

The COLONIAL SECRETARY: I move an amendment—

*That the following be added to the clause:—“and the short title of the Act as so reprinted shall be the Industrial Arbitration Act, 1912-24.”*

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

Postponed Clause 2—Amendment of Section 4 of principal Act:

Hon. A. LOVEKIN: As time is short, I shall not enlarge on the amendment of which I have given notice. The principal Act provides that the definition of worker shall not include any person engaged in domestic service. My amendment, which appears on the Notice Paper, will retain the excluding words, subject to permitting domestics and nurses engaged in public institutions or boarding-houses to obtain industrial awards and make industrial agreements. The amendment seeks to exclude awards or agreements which will operate in private houses, as regards either nurses or domestics. I move an amendment—

*That in Subclause 6 the words “By omitting the words ‘but shall not include any person engaged in domestic service,’ in the interpretation of ‘Worker,’” be struck out, and the following inserted in lieu:—“By inserting after the word ‘service,’ in the interpretation of ‘Worker,’ the words ‘except such persons as are employed as domestics or nurses in public or private hospitals, boarding-houses, hotels, restaurants, and public institutions.’”*

Hon. J. NICHOLSON: On the second reading I suggested that practically the whole of Subclause 6 should be struck out. Mr. Lovekin's proposed addition would make it very difficult indeed to know exactly what is intended.

Hon. J. CORNELL: Mr. Lovekin's amendment includes much that is unnecessary. The only workers definitely excluded by the parent Act are domestic servants. Insurance canvassers are excluded, not by the Act, but by a ruling of the Arbitration Court. There is nothing to prevent nurses from forming a union and registering. The only exception would be an isolated domestic or two not employed in a private dwelling house. However, the big question to be decided is this: if we have an arbitration law, is it ethical to exclude from that law any section of workers by Act of Parliament? I say it is not. The disqualification is not in accordance with justice. I cannot convince myself that a woman who is employed as a domestic servant in a private house is a different being from a woman similarly employed in a restaurant or hotel. Even if the disqualification is removed, it will be a long way to Tipperary before an organised body of domestic servants will come into existence, as the calling is not one that readily lends itself to the ramifications of trade unionism.

Hon. J. E. DODD: Mr. Lovekin's amendment certainly seems unhappily worded. It is quite superfluous for Mr. Lovekin to attempt to deal with nurses and with domes-

tic servants employed in boarding-houses and so forth, as they have the right to come under the Act now. The only question at issue, to my mind, is whether we shall give to domestic servants generally the right to come under the arbitration law. It was included in the 1912 Bill, and I see no reason now for altering the opinion I held then. Domestic servants are as much entitled to go to the court as anyone else. There should be some limitation regarding inspections, but I think that has been dealt with already.

Hon. T. Moore: That has been deleted from the Bill.

Hon. J. E. DODD: Apart from that, I cannot see why they should be brought within the scope of the Arbitration Act.

The COLONIAL SECRETARY: I agree with Mr. Dodd and Mr. Cornell. There are thousands of domestics throughout the State who have been debarred from the benefits of our industrial arbitration laws. Is that just or fair? Almost everyone else who is a worker, is brought within the scope of the Act. Some hon. members are afraid that the union secretary will invade the sanctity of the home. There is not much fear in that respect for the union secretary would be a lady.

Hon. A. Lovekin: The Bill does not say she will be a lady. She may be a virago.

The COLONIAL SECRETARY: Union secretaries exercise tact and we must assume that she will be a lady. If she has to visit a home to make inquiries as to the industrial conditions there and she finds them satisfactory, that will be the end of it.

Hon. T. Moore: She will not go there unless the conditions are unsatisfactory.

Hon. J. J. HOLMES: I presume that if we agree to the amendment, we shall be in order in striking the balance of the clause out. The consensus of opinion, I believe, is that the whole clause should be struck out.

Hon. A. LOVEKIN: If the amendment be agreed to I propose to insert other words. If the Committee negatives my proposal, someone else can move to strike out other words.

Hon. J. EWING: We may not wish to strike out all the other words, but may desire to retain some. What will be our position if the amendment be agreed to?

The CHAIRMAN: The question is that certain words shall be struck out with a view to inserting other words.

Hon. J. Nicholson: But what if the words are allowed to remain in the subclause?

The CHAIRMAN: I understand the purpose is to strike out portion of Subclause 6. When we reach the words that are not covered by the amendment, if an hon. member seeks to move that the whole of it be struck out, I will accept the amendment.

Amendment put and a division called for.

Hon. J. J. Holmes: Mr. Miles has had to leave the House and before going he told me he had paired with Mr. Brown.

Hon. J. R. Brown: Yes, after 6 o'clock. It is seven minutes to six now.

The Chairman: Pairs are not officially recognised by the Committee.

Division taken with the following result:—

Ayes	..	..	..	..	11
Noes	..	..	..	..	12

Majority against .. 1

#### AYES.

Hon. J. Duffell	Hon. A. J. H. Saw
Hon. J. Ewing	Hon. H. A. Stephenson
Hon. V. Hamersley	Hon. H. Stewart
Hon. J. J. Holmes	Hon. H. J. Yelland
Hon. A. Lovekin	Hon. C. F. Baxter
Hon. J. Nicholson	(Teller.)

#### NOES.

Hon. J. R. Brown	Hon. E. H. Harris
Hon. A. Burvill	Hon. J. W. Hickey
Hon. J. Cornell	Hon. J. W. Kirwan
Hon. J. E. Dodd	Hon. T. Moore
Hon. J. M. Drew	Hon. H. Seddon
Hon. E. H. Gray	Hon. J. A. Greig
	(Teller.)

Amendment thus negatived.

Hon. J. J. HOLMES: I move an amendment—

*That in line 5 of Subclause 6 the word "person" be struck out and "apprentice" inserted in lieu.*

Amendment put and passed.

Hon. H. A. STEPHENSON: I move an amendment—

*That all the words after "Minister" in line 10 down to "reward" in line 14, be struck out.*

The words that I propose to strike out deal with insurance agents and canvassers. I am opposed to canvassers being brought within the scope of the Bill. Insurance canvassers work under an agreement and outside of the terms of that document they are free agents. They are not under instruction or direction, and are not subject to supervision. The earnings of those canvassers depend entirely upon themselves. I know some insurance agents who find it difficult to earn £4 or £5 a week. I know others who earn up to £20 a week, and know a few who do even better than that.

Hon. A. J. H. SAW: I support the amendment. The objection to including insurance canvassers is that they work on commission in their own time. Many of them are not confined to working for one company. I have here some headlines from the letter paper of some of these insurance agents. Here is one: "General

commission agent, Agent for Manchester Insurance Coy. and for the A.M.P. Insurance Coy.; Rents collected; Absentees' interests protected." Here is another: "Agent for the Industrial Department of the A.M.P. and also representing the Liverpool, London and Globe Insurance Coy., Ltd." Here is a third: "Agent for the Industrial Department of the A.M.P., also representing the Insurance Company of Australia, Ltd., and the Fire and Marine Employers' Liability Company, etc." Mr. Kitson drew a harrowing picture of the position of the industrial insurance agents, and said their average earnings did not amount to £3 10s. I have gone through the books of one insurance company and I find that the average earnings in the industrial department amounted to £4 10s. weekly. So, Mr. Kitson's picture was scarcely accurate in drawing. The insurance companies have found that the best method of working their industrial departments is by employing men on commission. Mr. Kitson, I suppose, will endeavour to refute me by referring to what has happened in Queensland, where, he said, more agents are employed to-day than ever before. But of the agencies that were doing business in Queensland in 1921, it is said that approximately 62 were closed up by five of the principal companies as soon as the arbitration award began to operate. One company writes, "The reduction in the number of our own agencies caused by the operation of the award represented about 25 per cent. of the number previously open." While some people could not earn 30s. a week as insurance agents, others, having a flare for the business, earn in the life departments handsome salaries, high enough to make the manager's mouth water. Joseph Conrad, in "Lord Jim," makes one of his characters summarise his experiences as an insurance canvasser in the following words:—

My moral soul was shrivelled down to the size of a parched pea after a week of that work.

That is not the opinion of the majority of the insurance canvassers, many of whom regard their life as ideal, and are perfectly happy. It is in the interests of the community that the insurance companies should continue working on their policy of payment by commission. They themselves say that, if they have to adopt any other system, their business will no longer be profitable and they will have to get out, as has happened in Queensland. I do not see how the Arbitration Court can deal with commission agents.

Hon. W. H. KITSON: There would be some difficulty in dealing with ordinary insurance agents, for in most cases those men have many agencies, which assist them to earn a decent living, and even

substantial salaries. But the industrial agent is quite a different proposition. I defy anybody to disprove the figures I gave as being the average earnings of industrial agents in the metropolitan area. In Queensland the men have a union, are registered and have an award of the court. The court has dealt with their case, and they are still working on commission. All these companies hold periodical competitions, in which the Queensland agents top the list almost invariably.

Hon. E. H. Harris: Why?

Hon. W. H. KITSON: Because the conditions under which they work are so much better than are the conditions here.

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

Hon. W. H. KITSON: The occupation of an insurance agent is unusual in many respects. Even if he is paid by commission it should not invalidate his claim to be termed a worker under the Bill. I withdraw nothing of what I said on the second reading. I suggested that the system adopted by companies of debit splitting was distinctly unfair. If it is going to be said that the agent has the right to work when and how he likes he should get the full reward for his labours. We find, however, that in cases where agents are conscientious and build up a big book the company puts other men into their districts and gives them part of the books of the other agents. This means a considerable reduction in the weekly income of the agent, and he has no right of redress. Quite recently men have had their incomes reduced by sums varying from a few shillings to 25s. a week.

Hon. E. H. Harris: Inside the terms of their agreements?

Hon. W. H. KITSON: Yes.

Hon. J. Nicholson: That is wrong.

Hon. W. H. KITSON: When a policy is discontinued the agent has to refund to the company the amount he receives by way of commission, or find new business to take the place of that which has been lost. The agents are asking that their conditions of work and remuneration shall be regulated by the Arbitration Court so that they may be assured of a living wage. They are perhaps the most down-trodden section of the community. I understand that in Queensland there is no reduction in the number of agents employed as the result of the award. This provides that in any given work the agent shall not receive less than the basic wage, the earnings being adjusted every 13 weeks.

Hon. A. J. H. Saw: If he does not earn the basic wage he is retired.

Hon. W. H. KITSON: If a man is unsuitable he will not last long.

Hon. A. J. H. Saw: How are the hours regulated in Queensland?

Hon. W. H. KITSON: They were regulated at a conference held between the companies and the agents. I know that the company agreements say that there is no control over the agents, but if the employees endeavoured to put that into practice they would quickly lose their positions. Most of these agents are working all the week for the company they represent. Part of the time has to be spent in canvassing for new business, otherwise they could not live on their income, but most of their time is spent in collecting on business already done. I have tried to give a fair description of some of the conditions prevailing to-day regarding insurance canvassers, and I trust the Committee will be generous enough to accede to the proposal that these men are entitled to some consideration and that, with other sections of workers, their remuneration and conditions of labour shall be regulated by some body other than their employers.

Hon. J. DUFFELL: I congratulate the hon. member on the manner in which he stated his case and, to quote from the Good Book, I may say, "Almost thou persuadest me." But we have heard similar remarks on previous occasions. Of course, there are now in the Chamber several members who were not with us before. I may be permitted to mention—and I do so without boasting—that it was my duty as a young man to augment the income of my family, having been left without a father and being the eldest of eight. I was obliged to turn my attention to other avenues so as to earn money with which to assist to maintain the household. Seeing an advertisement in a newspaper that insurance canvassers were wanted, I applied and obtain a position. I had no one to plead my case, as the hon. member is now doing for the men engaged in this particular class of work to-day, and without any assistance from any organisation I was able, after a few months' experience, to average £12 per month. And remember, I was little more than a youth! Listening to Mr. Kitson one would be inclined to think that those engaged in this calling were dependent upon some power to enable them to maintain their positions and to earn enough to keep them, at any rate on the bread line. I have no hesitation in saying that such is not the case in Perth to-day. Men who follow the calling of insurance canvassers are, generally speaking, making an excellent living independently of what they are drawing from other sources. I shall not hesitate to support the amendment to strike out the words.

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

Ayes	..	..	..	13
Noes	..	..	..	9
				—
Majority for	..	..	..	4
				—

## AYES.

Hon. C. F. Baxter	Hon. J. Nicholson
Hon. J. Duffell	Hon. A. J. H. Saw
Hon. J. Ewing	Hon. H. A. Stephenson
Hon. V. Hamersley	Hon. H. Stewart
Hon. J. J. Holmes	Hon. H. J. Yelland
Hon. A. Lovekin	Hon. J. A. Greig
Hon. J. M. Macfarlane	(Teller.)

## NOES.

Hon. J. Cornell	Hon. W. H. Kitson
Hon. J. M. Drew	Hon. T. Moore
Hon. E. H. Gray	Hon. H. Seddon
Hon. E. H. Harris	Hon. A. Burvill
Hon. J. W. Hickey	(Teller.)

## PAIR.

AYES.	NOES.
Hon. G. W. Miles	Hon. J. R. Brown

Amendment thus passed.

Hon. W. H. KITSON: I move an amendment—

*That the following words be inserted in lieu of the words struck out:—"and also includes any person employed wholly or principally as a collector and/or canvasser, for industrial life assurance whether remunerated wholly or partly by commission or similar awards: provided that for the purpose of this section industrial life assurance means life assurance business, the premiums for which are collected weekly, fortnightly, or monthly."*

Hon. J. Nicholson: That is practically what was struck out.

Hon. W. H. KITSON: I tell Mr. Duffell that the present time is very different from the days to which he referred a few minutes ago.

Hon. J. Duffell: You had to work much harder in those days.

Hon. W. H. KITSON: As the years have gone by conditions have become worse. A few years ago a position was created in Great Britain which resulted in the cessation of work on the part of industrial insurance agents. That strike had the support of many influential people in the Old Country, and one gentleman contributed towards the strike funds no less a sum than £1,000 a week for the period the men were out. To-day those men are assured of at least a living.

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

Ayes	..	..	..	8
Noes	..	..	..	13
				—

Majority against .. 5

## AYES.

Hon. A. Burvill	Hon. T. Moore
Hon. J. M. Drew	Hon. H. Seddon
Hon. E. H. Gray	Hon. E. H. Harris
Hon. J. W. Hickey	(Teller.)
Hon. W. H. Kitson	

## NOSS.

Hon. C. F. Baxter	Hon. J. Nicholson
Hon. J. Ewing	Hon. A. J. H. Saw
Hon. J. A. Greig	Hon. H. A. Stephenson
Hon. V. Hamersley	Hon. H. Stewart
Hon. J. J. Holmes	Hon. H. J. Yelland
Hon. A. Lovekin	Hon. J. Duffell
Hon. J. M. Macfarlane,	(Teller.)

## Pairs.

## AYES.

## NOSS.

Hon. J. R. Brown	Hon. G. W. Miles
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Amendment thus negatived.

Hon. J. NICHOLSON: I intend to move that the first two paragraphs of Subclause 6 down to the word "Minister" in line 10 be struck out.

*As to procedure.*

Hon. T. Moore: The first portion of the subclause has already been dealt with.

The Chairman: In order to suit the convenience of the Committee, I am treating this subclause as a clause, so that members may have an opportunity to have their amendments considered and discussed. Mr. Nicholson proposed his amendment in its present form, but in order that the full intentions of the Committee might be ascertained, I allowed the other amendment to be moved first of all.

Hon. T. Moore: We have already dealt with the first and second paragraphs. It is a remarkable mode of procedure that you are suggesting, Mr. Chairman.

The Chairman: The Committee frequently strike out a clause after having amended it.

Hon. T. Moore: I submit that the Committee would be acting within its powers in striking out the clause now, but it would not be acting within its powers in going back and striking out something that it has already been decided shall remain in.

The Chairman: I am in the hands of the Committee and if the Committee so wish, the hon. member may move that my ruling be disagreed with. In any case, Mr. Nicholson's amendment could be dealt with on recomittal.

Hon. T. Moore: I wish to ascertain what the procedure is to be, whether we can go backwards and forwards, leave portion of a subclause, and then go back and strike it out.

The Chairman: In view of the fact that objection has been taken to the procedure, perhaps Mr. Nicholson will move his amendment on recomittal.

Hon. J. Nicholson: I remind Mr. Moore that when Mr. Lovekin moved his amendment, I rose and stated I proposed to move for the deletion of the whole of the first two paragraphs. In order to give members, who had notified their intention to move certain amendments, an opportunity to have their amendments discussed, my proposal was deferred, but it was clearly understood that I should have the right at the end of the dis-

cussion to move for the deletion of the two paragraphs.

Hon. T. Moore: It has never been done in this House before.

Hon. J. Nicholson: The position is this—

Hon. T. Moore: That we can go back on any clause at any time.

Hon. J. Nicholson: When the clause is put, we are quite entitled to vote against its adoption.

Hon. T. Moore: That is right.

Hon. J. Nicholson: If it will suit Mr. Moore better, I am prepared to move that the whole of Subclause 6 be struck out.

Hon. J. J. Holmes: The question before us is that the clause as amended be agreed to. If we cannot express an opinion on it, where is the sense of putting it?

Hon. T. Moore: No, the intention is to allow the final paragraph to stand.

Hon. J. J. Holmes: If Mr. Nicholson is not in order, why is the question being put to the Committee?

The Colonial Secretary: The first two paragraphs are valueless, and it is my intention to move to recommit the clause with the object of having it further considered. In the first place, Mr. Holmes secured an amendment substituting the word "apprentice" for "person." I had not time to consider the amendment. That kills the first portion. Then there was the elimination of "canvasser" That completes the act. The first two paragraphs are quite useless, and I hope that on recomittal the Committee will reverse its decision.

Hon. A. Lovekin: From my reading of the Standing Orders it is quite competent for the Chairman to divide up and put separately any particular question. This was a complicated question, and the Chairman was quite correct in dividing it so that every member would have an opportunity to move the amendment he desired. The Chairman told the Committee before we started the course he intended to adopt, and I think we must support the Chairman.

The Colonial Secretary: You consulted me regarding this matter, Mr. Chairman, and I agreed to the proposal.

The Chairman: My sole object was to enable members to have their amendments dealt with. In order that that might be done, I mentioned that I would treat Subclause 6 as a clause. As Mr. Lovekin has pointed out, and as has been laid down by various Parliamentary authorities, it is at any time competent for the President or the Chairman of Committees to divide any question up to suit the convenience of members. I am on perfectly sound Parliamentary ground in treating Subclause 6 as if it were a clause, although it is not usually done. It is not usual for such a complicated condition of affairs to arise as has arisen in connection with this clause. There are no fewer than six amendments to this subclause, and in the circumstances I am acting within my

powers in treating Subclause 6 as if it were a clause.

Hon. J. Ewing: Mr. Moore is, in my opinion, quite right in bringing up the question; but still you, Sir, have given a clear exposition of your decision. As the whole subclause is now under consideration, we shall be able to go to a division. I am obliged to Mr. Moore for having brought up the question, because we now have a clear decision from you, Mr. Chairman. Perhaps I do not quite agree with that decision, but I am not going to dispute it.

Hon. A. Lovekin: I remember a session or two ago, when Mr. Ewing was Chairman, he so put a complex question that it prevented a member from putting his amendment before the Council.

The Chairman: Order! That has nothing to do with the question now before the Chair.

Hon. E. H. Gray: In view of my short Parliamentary experience, I would not for a moment question your ruling, Mr. Chairman. However, the matter rests with members. A division has been taken on a vital principle of the Bill. Obviously, one member who voted previously is a sick man. I refer to Mr. Dodd.

Hon. A. J. H. Saw: Mr. Dodd has a pair. I cannot allow Mr. Gray's remarks to go without challenge. You, Sir, gave your ruling before any division was taken. You said that you intended, when the other amendments had been dealt with, to allow Mr. Nicholson to move his amendment, the carrying of which would strike out the subclause practically as a whole. I am not going to enter into any discussion whether you are right or whether you are wrong. Personally I think you are right. But, your decision has been given, and one member voted, resting on your assurance that he would subsequently be able to vote on the subclause as a whole. Therefore I think there is no justification for Mr. Gray's remarks.

*Discussion resumed.*

Hon. J. NICHOLSON: I move—

*That Subclause 6 be struck out.*

Hon. A. BURVILL: I shall vote for the deletion of the subclause. I am satisfied that domestic servants should come under the arbitration law, but I am not satisfied that inspectors should enter private houses and possibly create disturbances there. If the Minister can frame a clause bringing domestic servants within the arbitration law, but not interfering with private homes, I shall be prepared to support him.

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

Ayes	..	..	..	13
Noes	..	..	..	8
				—
Majority for	..			5
				—

#### AYES.

Hon. C. F. Baxter	Hon. J. Nicholson
Hon. A. Burvill	Hon. A. J. H. Saw
Hon. J. Duffell	Hon. H. A. Stephenson
Hon. J. Ewing	Hon. H. Stewart
Hon. J. J. Holmes	Hon. H. J. Yelland
Hon. A. Lovekin	Hon. V. Hamersley
Hon. J. M. Macfarlane	(Teller.)

#### NOES.

Hon. J. M. Drew	Hon. J. W. Hickey
Hon. E. H. Gray	Hon. W. H. Kitson
Hon. J. A. Greig	Hon. T. Moore
Hon. E. H. Harris	Hon. H. Seddon
	(Teller.)

#### PAIRS.

AYER.	NOES.
Hon. G. W. Miles	Hon. J. R. Brown

Amendment thus passed.

Hon. A. LOVEKIN: I move an amendment—

*That the following be inserted to stand as Subclause 3:—"By omitting the word 'fourteen' appearing in the first line of the paragraph relating to the definition of 'Worker' in the principal Act, and by inserting 'twenty-one' in lieu thereof; also by inserting after the word 'age' in the second line of the said paragraph the following words:—"and Junior Worker means any person of not less than fourteen, and not more than twenty-one, years of age, of either sex, and where such worker or junior worker is."*

The definition of "Worker" in the principal Act makes any person not less than 14 years of age, and of either sex, a worker. Several clauses of this Bill refer to "Junior Worker," therefore it becomes necessary to define a junior worker. One could hardly have a junior worker of less than 14 years of age, and under this clause a worker 14 years of age is a full worker, and entitled to the basic wage. My amendment provides that a junior worker shall be a worker, of either sex, between 14 and 21 years of age.

Hon. T. MOORE: I cannot conceive that the Committee will agree that a man of 20 shall be considered a junior worker. I do not know that many members of this Chamber could work alongside a man of 19. I hope the Committee will not waste time over this amendment.

Hon. J. NICHOLSON: I understood the Minister to say, in reply to Mr. Harris, that he would inquire into this matter.

The COLONIAL SECRETARY: I recognised that there was no definition of "Junior Worker" either in the original Act or in this Bill, and I gave an assurance that I would investigate the matter. Under Mr. Lovekin's amendment a young man of 20 years and 11 months, with possibly a family, would be a junior worker.

Hon. A. LOVEKIN: On that assurance, I ask leave to withdraw my amendment.

The CHAIRMAN: The amendment has not yet been put from the Chair, and therefore need not be withdrawn.

Clause, as previously amended, agreed to.

New clause:

Hon. J. EWING: I move—

*That the following be inserted to stand as Clause 8a:—"Sections 44 and 45 of the principal Act are repealed."*

This new clause is consequential upon the alteration in the constitution of the court. The court no longer includes the two lay members, and therefore the sections in question should be repealed.

The COLONIAL SECRETARY: My copy of the 1912 Act has written across Sections 44 and 45 the word "repealed."

Hon. J. Ewing: That does not appear in my copy. We had better make sure and strike them out.

Amendment put and passed.

New clauses:

Hon. J. EWING: I have three new clauses to propose. They are all consequential on the decision of the Committee to alter the constitution of the court.

On motion by Hon. J. Ewing the following new clauses agreed to:

*New clause, to stand as Clause 8 (b): Section 46 of the principal Act is amended by striking out the words "Full Court has," and substituting the words "The President has," and by striking out the words "the names of the members," and substituting the words "such appointment."*

*New clause, to stand as Clause 11: Section 51 of the principal Act is amended by omitting the words "any member of the Court," and substituting the words "the President."*

*New clause, to stand as Clause 12: Section 54 of the principal Act is amended by omitting the word "also," in first line, and "or any ordinary member," in second line.*

New clause:

Hon. F. H. HARRIS: I move—

*That a new clause be added as follows:—"A section is inserted in the principal Act: Part 7—Miscellaneous. 1, If any person—(a) By false representation, obtain possession of any property of any industrial union or industrial association: or (b) Having any such property in his possession, wilfully withhold or fraudulently misapply the same; or (c) Wilfully apply any part of such property to purposes other than those expressed or directed in the rules of such industrial union, or any part thereof, he shall upon a complaint made by any person on be-*

*half of such industrial union, or by the Registrar, be liable, on summary conviction, to a penalty not exceeding fifty pounds and costs, and to be ordered to deliver up all such property, or to repay all moneys applied improperly or damage occasioned, and in default of such delivery or repayment or of the payment of such penalty and costs aforesaid, to be imprisoned, with or without hard labour, for any term not exceeding six months. 2, Nothing herein contained prevents any such person from being proceeded against as for an indictable offence, if not previously convicted of the same offence. Every union or association of workers or employers now registered shall within six months from the date of passing this Act pass and register rules embodying the provisions of subclauses 1 (a, b, c) and 2 hereof, and every union or association hereafter registered shall embody and maintain the foregoing provisions in its rules.*

The foregoing is an extract from the Trade Unions Act. I am prompted to move for the inclusion of the proposed new clause in the Bill because disputes crop up between members of industrial unions, between unions comprising associations where a change of name has been made, or on account of some of the members of an organisation deciding to secede and join another registered organisation. In some instances they have taken funds of the parent body, with the result that litigation has followed and the industrial unionists have had to suffer. If the proposed new clause be inserted in the Bill it will prevent considerable trouble regarding the ownership of assets that may be in question from time to time. For instance, members have wilfully voted funds for objects to achieve which the union was not formed or for which the rules did not provide. I have been associated with industrial unions when this question has cropped up. In one instance the union was registered under the Trade Unions Act, and when it was pointed out that those who voted away money illegally could be called upon to refund the money so voted, it was sufficient to prevent that action being taken. In another instance where the union was not registered under the Trade Unions Act, litigation was resorted to, with the result that the funds in question ultimately found their way to the legal advisers who represented the parties in court.

The COLONIAL SECRETARY: I can scarcely believe that the Committee will support the amendment. It is entirely foreign to the purpose of the Bill, the object of which is to facilitate the settlement of industrial disputes.

Hon. F. H. Harris: The amendment will help to bring that about.

The COLONIAL SECRETARY: Mr. Harris's proposal deals with the theft of

the property of unions. The Bill provides for the settlement of disputes. There is already provision for dealing with the theft of union funds in the Trade Unions Act and in the Criminal Code. There is no valid reason for the inclusion of the proposed new clause in the Bill.

Hon. E. H. HARRIS: The Minister does not quite grasp the importance of the amendment. In the early stages of arbitration almost all the industrial unions were registered under the Trade Unions Act. To-day not 5 per cent. of them are so registered. There is an urgent necessity for either the whole of the industrial organisations being registered under the Trade Unions Act, or for the inclusion of the proposed new section in the Arbitration Act.

Hon. J. NICHOLSON: There is a good deal in what the Minister has said and also in what Mr. Harris has said. I have not studied the proposed new section, which deserves further consideration. The proposal is far-reaching and is penal in character.

Hon. E. H. Harris: There are plenty or those in the Arbitration Act now.

Hon. J. NICHOLSON: I admit it. The question is whether the provisions of the proposed new clause would come within the title of the Act. If any person should commit any of the offences enumerated he would come within the scope of the criminal law. That being so, can we provide for such offences in the Industrial Arbitration Act? As the Bill is likely to be recommitment, I suggest to the hon. member that he withdraw his proposed new clause until then.

Hon. E. H. HARRIS: I submit that the new clause does come within the scope of the Act. It covers the action of the majority of those present at a meeting at which sums of money are improperly voted. At present there is no redress but for one of the members of the union to take up the cudgels and fight the majority. However, as the Bill is to be recommitment I am prepared to withdraw the amendment for the time being.

Amendment, by leave, withdrawn.

New clause:

Hon. E. H. HARRIS: I move—

*That the following new clause be inserted:—"Section 79 of the principal Act is hereby amended by striking out the word 'may' in line 3; and by inserting after 'award' the words 'shall when required by any party to the award.'"*

The section provides that during the currency of an award the court may declare the true interpretation of that award. From time to time the court has used the words "continuous process" in industrial agreements. Disputes have arisen as to what is meant by those words. Only last week the court was again asked to give an interpretation of "continuous process," but again

the court side-stepped the interpretation. Under the amendment it will be incumbent upon the court, when appealed to by one of the parties, to declare the true interpretation of words used in an award.

New clause put and passed.

New clause:

Hon. E. H. HARRIS: I move—

*That the following new clause be inserted:—"98a.—A section is inserted in the principal Act, as follows:—'An application for the enforcement of any industrial agreement or award may be referred to the court by an industrial union or association pursuant to a resolution of the governing body of the industrial union or association in such manner as is prescribed by the rules of the industrial union or association.'"*

A few evenings ago we amended Clause 97 by providing that before submitting a case to the court an industrial organisation must take a ballot of its members. In respect of a union desiring enforcement of an award we did not think it necessary that the union should take a ballot. Under the amendment the executive of the industrial organisation, whether of workers or of employers, can merely carry a resolution and file a citation thus avoiding the expense of taking a ballot.

New clause put and passed.

New clause:

Hon. E. H. HARRIS: I move—

*That the following new clause be inserted:—"Clause 119—Delete paragraph (c) with a view to inserting a new clause to stand as Clause 119a as follows:—'It shall be the duty of the registrar to investigate any alleged breaches of any industrial award or agreement and to direct any proceedings to be instituted and carried on by him or an industrial inspector in respect of any such breach.'"*

Under paragraph (c) the court may on its own motion direct any proceedings to be instituted and carried on by the registrar or an industrial inspector in respect of any breach of an award or any illegal act perpetrated on behalf of a party to the award. I desire to take the authority from the court and transfer it to the registrar. It should be for the registrar to investigate any breaches and, if necessary, to take action and send it along to the President of the court. At present the court may direct the registrar to investigate a breach and send it back to the court. At times the court has ruled that no one can take any action unless the court so instructs. The court has quite sufficient to do, without engaging in these minor matters.

Hon. J. NICHOLSON: I do not like the idea of taking this power away from the court.

Hon. E. H. Harris: The court never does anything in a matter of this sort.

Hon. J. NICHOLSON: I suggest a proviso might be added at the end of Subclause 2 of Section 119 (1) as follows:—

*Provided that if no proceedings be taken on the motion of the court under paragraph 3 of Subsection (1) hereof.*

The Colonial Secretary: It would be an awful reflection on the court.

Hon. E. H. HARRIS: The court has other duties to perform. A matter of this kind should be in the hands of the Registrar, who knows what is going on both inside and outside the court. Even now if any action is taken he has to direct the court.

Hon. J. J. Holmes: I have an amendment on the Notice Paper which will arrive at the position desired by Mr. Harris.

Hon. E. H. HARRIS: My amendment embraces anything that may be a breach of the Act or any award of the court.

Hon. H. STEWART: It would be a mistake to strike out the paragraph. We have already given the court the widest powers.

Hon. J. J. HOLMES: When there is a possibility of a cessation of work, it seems to be no one's business to take action. My amendment would cast a duty upon the Registrar to do this. The trouble in the past is that a dispute has often gone too far before anyone connected with the court takes action.

Hon. E. H. HARRIS: An industrial union may be asked to maintain peace, but may not have sufficient control over some of its members, with the result that there is a breach of the Act involving the union. If action is taken by any of the officials of the union, they may get into trouble, but if the Registrar were empowered to take the necessary action, the officials would have nothing to do with it.

Hon. J. J. HOLMES: No union official or employer would desire to take action in such a case because he would be a marked man. It would be different in the case of the Registrar.

New clause put and negatived.

Title—agreed to.

The CHAIRMAN: Before reporting the Bill to the House I would point out that it is competent for the Committee at any time to order that a Bill shall be re-printed. I take it that this Bill will be re-committed and that members, for the sake of convenience, would like to have it re-printed.

Hon. E. H. Harris: I hope so.

Hon. H. Stewart: As soon as possible.

Bill reported with amendments.

## BILL—PREMIUM BONDS.

### *In Committee.*

Hon. J. W. Kirwan in the Chair; Hon. A. Lovekin in charge of the Bill.

Hon. A. LOVEKIN: In view of several interjections that were made during the second reading debate, I would like to ask you, Sir, whether you have looked through the Bill, and if so, whether you raise any objection to it on the ground that it contravenes the Constitution. I ask you this question at the outset so that time may be saved.

The CHAIRMAN: When I first heard that the Premium Bonds Bill was about to be introduced into this Chamber, I formed the idea that it must of necessity be out of order, in that I thought it would be in contravention of the Constitution Act. On receiving a copy of the Bill and studying it closely, I came to the conclusion that the Bill was in order, but so that I might be certain on the point, I consulted the Solicitor General and discussed the matter with him. I shall read to the Committee the opinion given by Mr. Sayer. It is as follows:—

1, Except as provided in Section 46 of the Constitution Act Amendment Act, 1899 (inserted by the Act No. 34 of 1921) the Legislative Council has equal power with the Legislative Assembly in respect of all Bills (see Subsection 5 of that section).

2. Section 46 provides that Bills appropriating revenue or money, or imposing taxation, shall not originate in the Council.

3. This Bill does not impose taxation; and in my opinion Clause 6 is not an appropriation of moneys within the meaning of Section 46 of the Constitution Act Amendment Act because that section only relates to the appropriation of revenue or public moneys.

Hon. A. LOVEKIN: I am much obliged to you, Mr. Chairman, for having obtained that opinion.

Clause 1—agreed to.

Clause 2—The board:

Hon. J. NICHOLSON: The clause sets out that the Governor may appoint a board to consist of five persons, one of whom shall be Under Treasurer of the State, and that the board shall hold office "during pleasure." What does that mean? During whose pleasure?

Hon. A. Lovekin: During the pleasure of the Governor, of course.

Hon. J. NICHOLSON: It does not say so. The board will not be in the same position that public authorities and Governments are in in other parts of the world where premium bonds are issued. In those places everything connected with the system is supported by the credit and the assets of the

Government, or the municipality, as the case may be.

Hon. A. Lovekin: So it will be here.

Hon. J. NICHOLSON: All that it is proposed to do here is to appoint the board, one of whom shall be the Under Treasurer. There is nothing to in any way pledge the credit or the assets of the Government.

Hon. A. Lovekin: Look at Clause 5.

Hon. J. NICHOLSON: That merely provides for the sale of certificates.

Hon. A. Lovekin: It means that the security of the Government is behind the Bill.

The CHAIRMAN: The hon. member must confine himself to the clause which refers to the constitution of the board.

Hon. J. NICHOLSON: Assuming the money gets into the hands of one of the members, who appropriates it—

Hon. A. Lovekin: Read Clause 13.

Hon. J. NICHOLSON: Clause 13 does not safeguard the position. It only provides for bonds or Treasury bills purchased being lodged with the Treasurer for safe custody. Suppose a member of the board misappropriates the bonds, or the bonds disappear, where will the public be for their prizes? Will the money be made good by the Government? There is a grave risk here to which investors should not be exposed.

Hon. A. LOVEKIN: The board to be appointed, I take it, will be a reputable board to start with and there will be no more risk with that board than with a municipality handling the bonds. The board will have power to make regulations and will act as ordinary sane people would do. Those people who are entrusted with the handling of money will have to put up a bond.

Hon. J. Nicholson: Is there anything in the Bill to provide for that?

Hon. A. LOVEKIN: Regulations may be made for the purpose. Does the hon. member think that the board will be so insane as to employ people who are not insured? A board such as this would naturally have fidelity bonds covering all its officers.

Hon. J. Cornell: There is nothing in the measure to say there shall be a fidelity bond.

Hon. A. LOVEKIN: The board may make regulations for the purposes of the Act. One purpose is to get the money, which must be invested with the Government. Once invested, it will be perfectly safe. The bonds representing the money have to be lodged with the Government for safe keeping and security. On top of that we would have the ordinary business arrangement of a fidelity bond for the person handling the money. There could be nothing safer, not even if the matter were in the hands of the municipal council.

Hon. A. J. H. SAW: I oppose the clause. Mr. Lovekin has said there would be just as much security to the public under this board as if a corporate body like the city council were handling the money. If any

representative of the city council were handling the money in his capacity as a city councillor, the whole credit of the city would be behind it to make good any loss or defalcation that arose. This board is to be worked with no security behind it, save the money entrusted to its keeping. That is putting premium bonds into a position in which the scheme cannot possibly succeed. If we are going to have premium bonds, we must have the security of the whole State or the municipality behind them in order that the scheme may be successful. Here we are to have some airy body with no capital, entrusted to raise sums, I suppose hundreds of thousands and perhaps millions of pounds, and the only security to be offered to the public is that of the money they themselves supply. It is like one of those De Garis confidence tricks.

Members: Oh, oh!

Hon. A. J. H. SAW: I have no hesitation in using those words inside or outside the House. If we are to have premium bonds, the body erected to deal with them must have some substantial security so that the public shall not be defrauded. The second reading of the Bill slipped through without our really knowing that the question was being put, and beyond the remarks of Mr. Lovekin, there was no discussion.

Hon. A. Lovekin: You do not blame me for that, do you?

Hon. A. J. H. SAW: Of course not, but no one took it seriously at this late stage of the session. A Bill to institute premium bonds should undoubtedly be a Government measure, and it should be introduced only after having been inquired into by the Government and having the full responsibility of Cabinet decision behind it. The pronomachinery, too, should be worked out before such a Bill is brought down.

Hon. A. LOVEKIN: I object to the hon. member saying there is no security. There is ample security.

Hon. J. Nicholson: Where?

Hon. A. LOVEKIN: The money paid in must go into a Government bond, and if a Government bond is not good security, I do not know what is.

Hon. J. Nicholson: Who would hold that Government bond?

Hon. A. LOVEKIN: All the risk to be taken would be that of an officer holding up to £500. When £500 is available it must go into a Government bond, and as soon as the bond is purchased, it must be lodged with the Government for safe keeping.

Hon. J. Nicholson interjected.

Hon. A. LOVEKIN: The hon. member may vote against the Bill if he wishes, but he should not take specious objections. The security is quite good. The only risk subscribers will have is that of the collections up to £500. There is power for the board to make regulations, and no board would be so insane as to appoint an officer to handle

money without adopting the ordinary business method of taking out a fidelity bond.

Hon. J. CORNELL: The Bill passed the second reading without debate, apart from the speech of the mover. I did not discuss it because I desired to give my support to the principle of premium bonds. A perusal of the Bill must bring home to members the wonderfully confiding nature of Mr. Lovekin. When the Governor has appointed a board, his function will end. The board will be responsible to no one. It should be responsible to the Governor. The Bill does not even provide that the board shall be a body corporate.

Hon. A. Lovekin: It is not necessary.

Hon. J. CORNELL: It is necessary if the board is to have authority to sue or be sued. The only other reference to the Government is that the bonds shall be lodged with the Treasury. The Bill contains no machinery whatever.

Hon. J. M. Macfarlane: The machinery will be in the regulations.

Hon. A. Lovekin: Machinery for what?

Hon. J. CORNELL: The regulations must be consistent with the Act. There is no provision for members of the board being guaranteed by a fidelity bond. If there is no provision to that effect, a regulation cannot be drawn for that purpose. If the law does not prohibit premium bonds, it would be preferable for a few philanthropists to form themselves into an association and run the scheme. I am desirous of seeing effect given to the principle, but the Bill must contain more machinery, and it must be under the aegis of the Government or some recognised institution such as the municipal council. Otherwise we shall be putting something before the public without being able to answer for its security. I suggest that the hon. member should agree to report progress and endeavour to clear up the important points that have been raised.

Hon. A. LOVEKIN: If members wish to throw out the Bill, let them do so at once and not offer criticism that is not well-founded. Mr. Cornell said that after the Governor appointed the board, there would be no further control. The Bill provides that the Governor may from time to time appoint a board, and that the board shall hold office during his pleasure. It is common knowledge that the power that makes can unmake in all things. The Governor who makes the board can at any time unmake it.

Hon. A. J. H. Saw: Then the board will be a jack-in-the-box.

Hon. A. LOVEKIN: There is no reason why it should be. The Governor would exercise reasonable discretion in appointing the board, and would not appoint men today whom he would want to get rid of to-morrow. There is control over the board. Mr. Cornell said there was no machinery in

the Bill. Of course not. That must necessarily be provided by regulation. In the first instance there will be very little money, and the method of drawing might be quite different from what will be necessary when the funds assume large proportions.

Hon. A. J. H. Saw: This is like the start of Kendenup.

Hon. A. LOVEKIN: No. This is quite a legitimate scheme.

Hon. J. Nicholson: Who will pay for the advertising and so on at the start? Where is the necessary capital?

Hon. A. LOVEKIN: The board will arrange that.

Hon. J. Nicholson: But they will have no money to start with.

Hon. A. LOVEKIN: I cannot help the hon. member's denseness in the matter. If he cannot see how this is going to be financed, I can. A good deal has been said about the question of security. Where is the security in a Calcutta sweep or Tattersall's? Is the security here not infinitely better, with a board approved by the Governor of the State, a board that cannot hold more than £500?

Hon. J. Nicholson: But we give this board a hall mark by statute.

Hon. A. LOVEKIN: Are not the people here as trustworthy as the people in Tasmania or Calcutta or Hamburg, to which places thousands of pounds are sent from this country every year? Our people trust Tattersall's with tens of thousands of pounds year by year, and yet it is contended that our people cannot trust the board under this Bill with £500. All that the board will have to handle is the half-yearly interest. If hon. members feel that they should have put the Bill out on the second reading, I have no objection to their doing so now. But let them put up substantial objections, and not futile, petty ones. If this clause goes out, I shall move to report progress.

Hon. H. SEDDON: I should like to see this Bill thoroughly examined by the Committee, because I favour the principle of premium bonds. The objections to this clause seem to be met by Clause 3, under which the handling of funds will be done by the officers of the board—presumably a secretary, a treasurer, and an auditor. Consequently there would be all the security attaching to any ordinary business administration. Is there not a parallel between the proposed board and, say, the Metropolitan Board of Works in Melbourne, or any other administrative board?

Hon. J. Cornell: They are controlled by statute, and that is totally different from this board.

Hon. H. SEDDON: The board's officers would be guaranteed, and that would be quite a sufficient safeguard for the public.

Hon. J. EWING: The Bill passed the second reading without discussion, and Mr.

Lovekin was quite right in saying that that was not his fault. However, it would have been much better if the principle of the Bill had been discussed on the second reading. If by any chance it should happen that this particular clause is defeated, I hope Mr. Lovekin will not withdraw the Bill.

Hon. A. Lovekin: How could I go on?

Hon. J. EWING: I would not like the hon. member to think the Chamber does not appreciate the work he has put into the Bill. I am in favour of the Bill. Recently, legislation similar in character was defeated here. I have not had time to read the Bill carefully, but I am somewhat concerned as to whether it is in order. Of course if you, Mr. Chairman, have ruled that it is in order, that is the end of it so far as I am concerned. The Chamber has already decided that a lottery Bill should not pass.

The CHAIRMAN: I must ask the hon. member to connect his remarks with the clause under discussion, which provides for the appointment and constitution of a board.

Hon. J. EWING: I agree that behind a movement of this kind there should be an element of solidity—the Government, say, or a municipality. There should be a guarantee that the funds will be properly administered. It seems to me that the measure involves a question of Government policy and therefore should have been introduced by the Government. Having lost another Bill which they wanted very much, the Government, if they wanted a Premium Bonds Bill, would surely have introduced it themselves. Therefore I think the Bill is out of order.

The CHAIRMAN: Is the hon. member objecting to the ruling which has been given?

Hon. J. EWING: No, Sir. But on carefully reading "May" I find that if a private Bill involves a large amount of money or an important question of principle, the Bill is out of order.

Hon. A. Lovekin: Should we wait for the Government to do everything?

Hon. J. EWING: No; and I will vote for the clause. But if the clause is defeated and the hon. member takes that as a defeat of the Bill, it will be a great mistake.

Hon. J. M. MACFARLANE: The mover of this Bill is actuated by a desire to assist the Government by raising funds for hospitals and charitable institutions. The clause under consideration represents the commencement of the scheme. Clause 3 provides that the board shall appoint officers from time to time to handle bonds and money. The bonds and the money will not be handled by the board. The security of the scheme will depend on its success. Success will make the scheme even more secure than it can be made by Government backing. That is proved by the success of the premium bonds schemes operating elsewhere. The board, if constituted of business men, will see that the scheme is run properly.

Hon. A. J. H. SAW: Mr. Macfarlane says that the security of the scheme depends on

its success. That is undoubtedly true. But the reverse is also true, that the want of security of this premium bonds scheme may lie in its failure. It is because I wish to guard against its failure that I want to see the board constituted with the security of the State behind it. Mr. Ewing says that such security is necessary, and yet he says he will vote for this clause. Mr. Lovekin compared the scheme to Tattersall's. Tattersall's started many years ago in Tasmania, and for many years was proscribed by the Commonwealth Government.

Hon. A. Lovekin: Tattersall's did not start in Tasmania.

Hon. A. J. H. SAW: Perhaps Tattersall's migrated to Tasmania. Tattersall's is a private concern and the security behind the venture includes the years the scheme has been in operation and is also provided by the proprietors themselves. There is no security about the scheme outlined in the Bill. There is a nebulous board. What will happen if £10,000 is contributed for bonds and some gentleman who is not very honest makes off with a large proportion of it?

Hon. A. Lovekin: He cannot get off with more than £500.

Hon. A. J. H. SAW: That is not so, because money will be received from here, there and everywhere.

Hon. A. Lovekin: Why don't you put up a substantial argument?

Hon. A. J. H. SAW: The argument is perfectly substantial. We must have some security behind a scheme such as this.

Hon. A. Lovekin: What security do you want?

Hon. A. J. H. SAW: The security furnished by Government support.

Hon. J. CORNELL: I recognise the extreme limitations imposed by the Constitution upon the framer of the Bill. The next clause provides for the appointment of officers, but does not provide for payments to them for their services. If any such provision had been made, the Bill would have been ruled out of order. If there were some definite assurance that if the Bill passed here, the Government would take it up and give it the recognition it deserves, I would support every clause.

Hon. J. Nicholson: If that were done it would become a totally different proposition.

Hon. J. Ewing: Perhaps the Government will take it up.

Hon. J. CORNELL: If we agree to the Bill as it stands, we may lay ourselves open to a charge by the Assembly that we threw out another Bill under which it was intended to raise funds for hospitals and charitable institutions and suggested another under which fraud after fraud could be perpetrated. If the Government were to take up the measure and give it proper constitutional support, it would be a step in the right direction. I hope the Government will give

some definite assurance that they will carry out the measure. I believe Mr. Lovekin is sincere in his desire to assist the hospitals and charitable institutions, but there is a possibility of ridicule being thrown upon this Chamber by another place and of the Bill being thrown out when it reaches the Assembly.

Hon. J. NICHOLSON: I am sorry that Mr. Lovekin should have gained the impression that hon. members are adverse to the principle underlying the Bill.

Hon. J. M. Macfarlane: They are excessively cautious!

Hon. J. NICHOLSON: We should be cautious regarding such a measure.

Hon. A. Lovekin: You will never be in a safer position than under the Bill.

Hon. J. NICHOLSON: I will show the hon. member that I would be in a very insecure position under Clause 2. If we were to pass the Bill in its present form and the board were created as proposed, the idea would be gathered by the general public that the board had been authorised by the Government and supported by the wealth behind the State.

Hon. J. M. Macfarlane: The board may have that support yet.

Hon. J. NICHOLSON: The first thing the board would do would be to advertise that they had been appointed under this Bill by the Government themselves. People would undoubtedly believe that the board were practically the agents of the Government. On the other hand that board would have no connection or association with the Government, nor would the Government have any control over them. If defalcations took place the people who contributed would suffer. If the Government were behind the scheme and would have to make good such deficiencies, the position would be different. Mr. Lovekin suggests that the board would receive only £500 at a time. As a man of affairs Mr. Lovekin knows full well that, taking Tattersall's as an instance, tens of thousands of pounds were received.

Hon. A. Lovekin: You know the Bill does not say that at all.

Hon. J. NICHOLSON: Clause 5 reads as follows:—

Whenever the proceeds of the sale of certificates amount to £500 the board shall invest the same in bonds or Treasury bills issued by the British Government or by some British dominion or State.

If the board invite subscriptions, they may receive not only £500, but £500,000.

Hon. A. Lovekin: As soon as the first £500 is received, the money is invested. What is the good of talking nonsense?

Hon. J. NICHOLSON: Does Mr. Lovekin mean to say that as soon as he receives £500 he runs away to a stockbroker to invest it?

Hon. A. Lovekin: I am not suggesting any such nonsense. The hon. member knows

well enough what is intended. Put up a sound argument and not such rubbish as that!

Hon. J. NICHOLSON: It is not rubbish. Mr. Lovekin says there is no further liability beyond £500, at any one time, but there may be a liability of £500,000.

Hon. A. Lovekin: And the roof might fall in!

Hon. J. NICHOLSON: If £500,000 were to be received by some member of the board who, as Dr. Saw said, might not be honest, he might walk off with it.

Hon. A. Lovekin: And Dr. Saw would lose his £1.

Hon. J. NICHOLSON: There is not one single body responsible for making up that loss. It is wrong to say that the liability is limited to £500.

Hon. A. Lovekin: Can't you dot a few 'i's' and cross a few 't's' and let us get on?

Hon. J. NICHOLSON: I do not object to the principle of the Bill; I applaud the hon. member in his attempt to devise ways and means to provide money for the hospitals and charitable institutions. I merely object to the method by which it is proposed that this shall be done. Mr. Lovekin has adopted wrong methods.

Hon. A. Lovekin: Will you suggest something to improve them?

Hon. J. NICHOLSON: I would suggest that any such measure should go before the public with the stamp of Government endorsement.

Hon. A. Lovekin: Well, move an amendment to that effect.

Hon. J. NICHOLSON: I cannot move an amendment to the effect that the Government shall be responsible. This is a matter that should be talked over with the Premier. I suggest that Mr. Lovekin agrees to report progress so that he may discuss this matter with the Premier and enable us to arrive at finality.

Progress reported.

#### BILLS (3)—FIRST READING.

1. Plant Diseases Act Amendment.
2. Transfer of Land Act Amendment.
3. Norseman-Salmon Gums Railway.

Received from the Assembly.

#### ASSENT TO BILLS.

Message from the Governor received and read ratifying assent to the undermentioned Bills:—

1. Trust Funds Investment.
2. General Loan and Inscribed Stock Act Amendment.
3. Bunbury Electric Lighting Act Amendment.
4. Carnarvon Electric Lighting.
5. Roads Closure.

6. Permanent Reserves.
7. Reserves (Sale Authorisation).
8. Private Savings Banks.

*House adjourned at 10.15 p.m.*

## Legislative Assembly,

*Wednesday, 10th December, 1924.*

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

### ASSENT TO BILLS.

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- 6, Permanent Reserves.
- 7, Reserves (Sale Authorisation).
- 8, Private Savings Bank.

### BILLS (2)—THIRD READING.

- 1, Plant Diseases Act Amendment.
- 2, Transfer of Land Act Amendment.

Transmitted to the Council.

### BILL—MAIN ROADS.

*In Committee.*

Resumed from the previous day. Mr. Lutcy in the Chair; the Minister for Works in charge of the Bill.

Clause 11—agreed to.

Clause 12—Main roads may be proclaimed:

Hon. Sir JAMES MITCHELL: I understand the Minister proposes to take control of streets, provided they are highways, as well as of roads. For instance, St. George's-terrace might be included, and the main road from Northam to York would be controlled by the Minister.

The Minister for Works: No, by the board.

Hon. Sir JAMES MITCHELL: I wish that were stated in the Bill. If not, the Minister would be taking the license fees now collected by the local authorities, in addition to getting the revenue from the tax on land. I am not sure whether the Minister has taken sufficient power to spend money on such highways. The Minister should give an undertaking that such streets will be kept in good repair. As a rule they are the business streets of towns. The Northam municipality last year spent on the one road a little more than was received from license fees.

Hon. W. D. JOHNSON: The clause provides that the board, in considering whether to recommend the proclamation of any road as a main road, shall take into account, amongst other things, the moneys available, or likely to be available, for main roads. Thus, finance is going to be a big factor in the deciding of main roads. That is right. To the extent of the money we have, we can do the work. I would like the Minister to state how he is going to view matters from a metropolitan aspect. It can be said that the main roads declared are being maintained out of the revenue now available. Under the Bill a considerably increased revenue will be available. Does the Minister propose to declare additional main roads in proportion to the increased revenue that will be obtained? Take the case of Maylands and Bayswater. There is in that locality one main road, which the Minister has been good enough to recognise as a class A main road. But, in addition, there is another road running parallel with the railway and giving access to the Midland district. That road carries a tremendous amount of traffic. I supported the Bill on the understanding that the intention is to declare more main roads.

The MINISTER FOR WORKS: The point raised by the Opposition Leader is whether streets through towns, such as St. George's-terrace and the main street of Northam, will come under the Bill and be declared main roads. That undoubtedly is the intention of the Bill. At present St. George's-terrace and Hay-street are both classed as main roads for the purpose of traffic fees, and the Perth City Council collect fees in respect of them. That, in fact, is the position as I found it. I have no doubt that all the roads now earning traffic fees will be the first to be declared main roads under the Bill. The board will be able to make the local authorities an allow-