Legislative Council,

Wednesday, 16th November, 1927.

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

QUESTION—STATE INSURANCE, CLAIMS AND PAYMENTS.

Hon. C. F. BAXTER asked the Chief Secretary: 1, How many claims have been made on the State Insurance Office under—(a) Schedule 1 of the Workers' Compensation Act, 1912-1924; (b) Schedule 2 of the Workers' Compensation Act, 1912-1924; (c) Schedule 3 of the Workers' Compensation Act, 1912-1924? 2, What is the amount involved for claims paid under—(a) Schedule 1 of the Workers' Compensation Act, 1912-1924; (b) Schedule 2 of the Workers' Compensation Act, 1912-1924; (c) Schedule 3 of the Workers' Compensation Act, 1912-1924?

The CHIEF SECRETARY replied: 1, (a) and (b), 1,384; (c) 33. 2, (a) and (b), An amount of £25,275 3s. 2d. has been paid; (c) An amount of £3,742 12s. 2d. has been paid. There are outstanding liabilities in respect of unsettled claims, which cannot at present be estimated.

LEAVE OF ABSENCE.

On motion by Hon. J. Nicholson, leave of absence for 12 consecutive sittings granted to Hon. A. J H. Saw on the ground of ill-health.

MOTION—POLICE DEPARTMENT.

To inquire by Royal Commission.

HON. G. POTTER (West) [4.35]: I move—

That, in the opinion of this House, a Judge of the Supreme Court should be appointed a Royal Commissioner to inquire into and report upon the administration of the Police Department of Western Australia, especially in regard to the present system governing promotions awarded to, and punishments inflicted upon, non-commissioned ranks of the Department.

Right down through the centuries mankind has displayed what has been termed gregarious intuition. If we look through the pages of history we find the explanation in the fact that originally there was necessity for mankind banding together in groups for the prevention of physical harm to the individual. If some of the prophets of those early days could be heard now, we might expect them to say that in these days, in view of the progress made in social legislation and the advancement of civilisation generally, the element of gregariousness should have departed from our civilisation. Such prophets would be *wrong* because, rather than having disappeared, that spirit has become intensified, not from the physical point of view but from that of safeguarding the interests of the individual. If we contemplate our modern methods, we see that industrialists, those engaged in commerce or in the higher or lower professions are bound together in great organisations that look after the interests with which they are immediately concerned. When we examine the functionings of those organisations, we must admit that they are well conducted and that their personnel are imbued with a sense of responsibility to the rest of the community. Their existence has reflected nothing but good upon the rest of the community as well as upon themselves. There have been those who have declaimed against this natural evolution as it has applied to various trades, callings or professions. A few years ago, when the school teachers banded themselves together in an organisation to safeguard their interests, it was regarded by many people as a retrograde step, striking a blow at the dignity of the teaching profession. I believe the activities of the State School Teachers' Union of Western Australia have been reflected in the increased efficiency of the Education Department, and therefore have meant an increase in the efficiency of the school teachers in the important duties they have to discharge for the children of the State. Another branch of the service of equal importance to the State in regard to our social requirements is the police force of Western Australia. At a date subsequent to the registration of the school teachers' organisation, the members of the police force, after a long series of preliminary steps, were able

to organise themselves and, on the 12th April 1926, they emerged from the Arbitration Court under the designation of the Western Australian Police Union of Workers, duly registered and incorporated as an industrial union of workers under the Industrial Arbitration Act, 1912-25. Since then nothing has happened in connection with the police force to demonstrate that the existence of such an organisation has lowered the efficiency of the service. I would remind hon. members of the differences that exist between an industrial body such as the Police Union and other sections of industrial workers throughout he State. Should members make a close investigation of the position, I am sure they will find that the Western Australian police force, as an industrial union of workers, is deserving of special consideration. Some hon. members may say, "If these people are registered in the Arbitration Court under the Arbitration Act of 1912-25, they can get all they want from the Arbitration Court." They cannot do so. The purpose of this motion is not to get by means of the findings of a Royal Commission that which the men cannot obtain through the Arbitration Court. I shall point out that there are restrictions upon this particular body of workers, the effect of which is that they cannot secure redress through the Arbitration Court or in any other direction except by Parliamentary action. There is a very wide difference between the Police Union and the ordinary industrial organisations of the State, just as there is between the policeman and the ordinary industrialist himself. The last mentioned can embark upon his particular trade or calling with many avenues of advancement open to him by the exercise of skill and close application to duty and industry. He may find himself in the happy position of receiving much more from his employer than the minimum amount specified in the Arbitration Court award.

Hon. E. H. Harris: That infrequently happens.

Hon. G. POTTER: No, it happens very often. Frequently I find employers who have not the slightest objection to paying a good artisan or tradesman much more than they are compelled to pay under Arbitration Court awards. The majority of the really skilled men in any industry operating in this State are receiving much more than the minimum wage under the award governing their particular industries, despite what anyone may say about the minimum always becoming the maximum. That, however, does not apply to the policeman, as I shall show. There is another opportunity for advancement open to the industrialist. He may be taken in as a partner by his employer. That may happen as the result of the worker having considered the employer's interests as well as his own. There are many instances on record where workers taken in originally as junior partners have ultimately become the controlling factors of large businesses. Such men may even set themselves up in business in their particular trades in any part of the State. Even if those beneficent phases of fortune do not fall to his happy lot, he might, for the purpose of educating his children, for health reasons or from personal inclination move from place to place throughout the State and there ply his calling. He might, for the sake of having his children apprenticed to particular trades in which they cannot be absorbed in this State, gravitate to one of the Eastern States without suffering monetary loss. All he has to do is to go to the workshop or factory, show that he is a good man, and he is assured of employment. If through carelessness or error he gets what is termed the sack, is he a ruined man? No, he takes his tools, walks around the corner and gets another job. Now let us consider the position of the policeman. He is very differently placed. True, through industry, skill and application to duty he may receive advancement, but at best it is slow. He gets advancement upon the recommendation of his superior officers, who consider the notations on his file. His service may have been performed in some remote part of the State, but even if he was in the metropolitan area the officers responsible for making the promotions do not necessarily see the man at his work. The employer of labour ordinarily is in close touch with his workmen, but the officers in the department who make the promotions must act on the recommendations of the man's superior officers and on the records on the file. Thus those responsible for making the promotions are not in a position to judge the merits of any member of the force unless the file is before them. The file is not always before them, though the regulations provide that it should be. If a policeman, over-zealous in his duty, makes a mistake, is any excuse offered for him? On some

occasions when he has made a mistake, serious or otherwise, he may be discharged from the service, with or without a trial, with or without a statement of reasons, and the man has no appeal against such action. There are cases on record in which the Solicitor-General has advised the department that there was no provision in the Police Act under which certain parties could be charged. That is a serious matter and one that a Royal Commissioner having the qualifications of a Supreme Court judge could investigate to the benefit of the force as well as of the community. A policeman may also be punished by the infliction of a fine or by being transferred to a remote district. Those are serious forms of punishment, particularly that of transfer. A man might have arranged for the purchase of a home and for the education of his children, and possibly on the report of someone against whom he has had to undertake a disagreeable duty, his future prospects as well as those of his family are jeopardised. A policeman may also be punished by being reduced in rank. I know of no punishment that could be more galling to any Government officer than that of reduction of rank. Some people might ask, "Rather than submit to such punishment, why does he not leave the force?" How could he leave the force? It is an extraordinary fact that when a man leaves the force after having been in holts with a superior officer, he finds it extremely difficult to get a position elsewhere. Unlike the ordinary industrialist, he cannot start in business for himself because there can be only one police force in the State. Consequently a policeman's lot is not a happy one. The officers and members of the police force have not the slightest objection to punishment being meted out to one of their number so long as the punishment is merited and is not in excess of the quality of the offence committed. But they claim, and justly so, that there should be a proper method of inflicting punishment so that the man charged may have a fair and just trial. He should at least have an opportunity to state his case. At the discretion of the officers controlling the department a policeman may be charged behind closed doors; he may be charged in open court or he may be discharged without a trial. I am satisfied that that would not appeal to members' sense of British justice. It is a point that is deserving of investigation by a Supreme Court judge. The members of the police union are of opinion that once a man has been punished for an offence, that should be the end of the matter, but unfortunately we find that once a punishment has been recorded, it is deemed to be everlasting. A man having suffered reduction of rank, transfer to a remote part of the State or fine would naturally conclude that his punishment had expiated the offience. The union feel that there is a danger, if not an actual practice, of trivial charges being recorded and brought up against a man when he is being considered for promotion. Although there may be on record a trivial charge ten years old, subsequent meritorious service is not considered. Another disability the policeman suffers is that he cannot choose the part of the State in which he shall reside. He has not the full freedom of citizenship; he has to go where he is sent. He may be stationed in a country district for a considerable time, invest money in a home, and become interested in the place. When the time comes for him to leave, he is naturally gravely concerned about the education of his children. He knows that his children must suffer as a result of his transfer, but he is not granted any recompense by way of salary or allowance to cover it. Even if he were, an allowance on the most generous scale could not compensate the children for the educational facilities that would be denied them, to say nothing of the mental anguish suffered by the parents when they realised that their sacrifices for the education of the children had proved unavailing. I admit that trained and reliable men must go to the outlying stations, but when for promotional purposes a man is ordered to a remote district, he should have an opportunity to demonstrate that it is not in his own interests or the interests of the State that he should be sent. If he does not go, the fact of his remaining should not be a bar to future promotion. Once any member of the force, particularly a non-commissioned member, refuses promotional transfer, his prospect of receiving further consideration for promotion is so materially impaired as to be negligible. If the members of the force had an appeal board, many of those disabilities could be rectified and there would be more contentment in the force than there is to-day.

Hon. J. J. Holmes: You are asking not for a board but for a Royal Commission.

Hon. G. POTTER: I have not yet finished my remarks. The crowning difference between police and other workers is that industrialists are safeguarded by the provisions of the Workers' Compensation Act and the police are not. Members will admit that industrialists are fairly adequately protected by that Act, but the police are specifically exempted from one of the main provisions, namely, the provision relating to compensation to the widow and family of a man who meets his death while on duty. Some members may not know that, but it is so nevertheless. For instance, quite recently at Tambellup a constable named Reid met his death in the execution of his duty. What happened? His widow was awarded £273 out of the Police Benefit Fund, but by virtue of the fact that members of the police force are specially exempted from the provisions of the Workers' Compensation Act, the widow was denied the difference between the £273 she received and the £600 she would have been entitled to under the Workers' Compensation Act. If any one can say that the Police Union of Workers is on the same basis as the other industrialists of Western Australia, well then I fail to follow the logic.

Hon. J. J. Holmes: That is for Parliament to rectify, not a Commission.

Hon. G. POTTER: It certainly should be rectified. I have quoted broad differences to show that there is no body of industrial workers inside or outside the Government service performing duties that are at all comparable to those carried out by the members of the police force. I contend that the police force, as a service, is entitled to have the whole of its position reviewed, and that Parliament is not the body to discharge that duty. The Police Act requires to be reviewed, and who better than a Supreme Court judge, who has the opportunity to view cause and effect more than anyone else in the land, could carry out such a task? A Royal Commission comprised of members of Parliament would not, in my opinion, be at all satisfactory. Even a legal luminary from outside the Government service would not be satisfactory. A judge of the Supreme Court would be eminently satisfactory; he would give to the members of the police force and the members of the community an assurance of certainty that justice would be done to one of the most important branches of the whole of our social system. It would also give complete assurance to the members of the force, who sometimes perform their duties in most unenviable circumstances, that they would get a fair deal. In submitting the motion I wish to make it abundantly clear that the Police Union, for whom I am speaking, do not wish it to be inferred that an attack is intended upon the Government, the Minister, the Commissioner, or any officer of the Police Department. They do claim, however, that there is much dissension and very grave dissatisfaction in the police force. They do not say that that is due to victimisation in any shape or form, or any lack of sense of responsibility or duty, or any lack of ability, but they do say that the machinery of the administration requires to be overhauled. Who should know the position better than the men themselves? The engine-driver with his hand on the throttle of his engine knows immediately when anything is wrong. The members of the police force, through years of the closest association with everything that has gone on, should be able to assist a Royal Commission to determine exactly where the knocks are and how they may be remedied. The members of the union also feel that there are many details still associated with their work that have been inherited. From time to time, do we ourselves not find important Bills being introduced, one of the chief reasons being that the Acts they are intended to replace have become obsolete? Those Acts may have stood the stress and strain of litigation for years. Doubtless when first introduced they fitted in with the scheme of things as they then existed, but at the present time they have outlived their usefulness, and so it is found necessary to introduce amending legislation to bring them up to date. Those amending Bills perhaps touch only a section of the community. Is it not reasonable and just to say that a social system like that of the police force also requires to be amended and brought up to date from time to time? There are instances where the Commissioner of Police, or the Chief Inspector or others, are prevented by virtue of sections in the Police Act from doing possibly what they might wish to do. Even Ministers are not able to do what they might wish to do in connection with the Police Act. The over-riding of the Police Act is entirely different from over-riding other statutes. Therefore, who would be in a better position to advise any Government regarding the best method of bringing the police force up to

date than a judge of the Supreme Court? Many things have been passed on from time to time. They might have been all right in days gone by, when there were no telephones at street corners and at every police office, and in days before the electric telegraph; but they are of no use to-day. Still, we find some of the relics of the past obtaining in the department and they militate against the contentment of the members of the force who are obliged to work under those antiquated rules. Those things have grown into the Police Department, and while the Police Union do not say that they have inoculated the responsible heads, they do say that the department, having grown to its present proportions, should be modernised. I have already stated that this matter comes before the House at the present time, not at my request, not as a whim of mine, not even at the request of a few disgruntled people who may not have received promotion, but it comes before the House as the result of a resolution unanimously passed by the Police Union. We therefore, cannot but come to the conclusion that this large body of men, representing so many interests, are worthy of the attention that I suggest should be given to them. No one can contend that the members of the police force of Western Australia are an irresponsible body of people. Rather have we had them proclaimed by people capable of judging, as being a highly intelligent staff. By the work that they have done during periods of stress, particularly during the last 10 years, each one of them has earned for himself more than a meed of praise. Therefore, when these men come forward and ask that an inquiry should be conducted into the organisation, by someone who is qualified to do the job, I consider it would be pusillanimous to refuse their request. As I have already hinted, the members of the Police Union have a high appreciation of the privileges of Parliament, so that in supplying a few further facts I shall refrain from using any details that are not already available to any one of us or any of the public, or any possible investigator. For many years the police have been under the impression, conveyed to them in the daily discharge of their duty, that what should be a highly systematised department is not so, or alternatively that if any system did obtain in the department, that system was put into operation in a slipshod fashion. In the administration of a body such as the police force, the questions of promotion, punishment and dismissals occupy an important place in a policeman's life. After all what is a policeman's life if we take from him his promotion? A dreary, drab future, and there would be no question of ever getting recruits for the police force, or if we did, we would have those who would be without ambition or imagination, generally speaking a class that would be useless as policemen, except perhaps for employment outside a post office with their tongues hanging out of their mouths for people passing to wet postage stamps on. I have already said the members of the Police Union feel that this allegedly highly organised department is operated in a slipshod fashion. There should be in any department, particularly a department of this description, a system of control, a system whereby there would be some scheme of security, a method whereby promotions might be controlled. In practice it is not so. Members of the police force do not say that because a person has enlisted in the force in a given year and escaped the eagle eye of his sergeant or inspector or Commissioner, that therefore he should rise grade by grade. But they do say that in the event of a member of the force feeling that he is due for promotion, there should be opportunity for him to present his case before some board. Let me give a few examples. In 1925 a board of commissioners was appointed to deal with pay, grades, allowances and a number of other things appertaining to the force. They made extensive inquiries, practically into the administration of the Police Department. They discovered that it was necessary to make certain alterations. As the result of their findings, 15 promotions recommended by them were made. Later on a temporary appeal board was established. But there was a condition attached to that, namely, that no appeal would be heard against any promotion that was made prior to the 8th April, 1925. The union raised no objection to that, because that was the date of their award. So those 15 promotions were open to appeal by members of the force, but not any promotions prior to the 8th April, 1925. Those 15 promotions were duly made. In the making of those promotions nine members of the force who had been passed over for many years and some others who although qualified for promotion had been passed over, were all picked up and given promotion under the recommendations of the board of commissioners. That board, of

course, did not recommend individuals for promotion, but recommended positions, and extensions of the service. With nine members of the force given opportunity for promotion after many years, one would have thought that in a small force of about 500, many of whom are in their junior years, it would have relieved the pressure. But notwithstanding that nine men had been taken up and given opportunity for promotion under the recommendations of the commissioners, nine appeals were lodged. When those appeals were about to be heard before the temporary appeal board they were carefully scrutinised. As a result two were withdrawn by the appellants, two were found to be ineligible for appeal because, besides other reasons, possibly, the appeals were dated prior to the 8th April, 1925. That left only five appeals to be dealt with. Let us see how they got on. They went before the temporary appeal board. Three of them were upheld, and one was adjourned sine die on account of insufficient evidence to carry the appeal through to its logical conclusion. That appeal was adjourned, but shortly afterwards the appellant received promotion. Consequently it was not necessary for him to go on with his case. The third of those appeals was dismissed. The union had no objection to that. Let us see what happened after those three appeals. One of them was that of Sergeant Wilson, of whom we have heard a good deal lately. Prior to the hearing of his appeal he was for some years in charge of the central station, Perth. Between the time of the board of commissioners and Sergeant Wilson's appeal, it was recommended and put into force that the central station should be supervised by a first-class sergeant. Sergeant Wilson was a second class sergeant, and he was passed over by a junior second-class sergeant. Naturally Sergeant Wilson appealed before the temporary appeal board against this injustice. What do we find? That ex-Chief Inspector Duncan, who was next to the Commissioner, said that Sergeant Wilson at all times had given every satisfaction. But when the appeal was being heard it was learnt then that Sergeant Wilson's file had not been placed before the promotion board. Had it been placed before the board Chief Inspector Duncan would have recommended Sergeant Wilson for promotion before any of the men who had been promoted over him. There is an extraordinary state of affairs!

Hon. J. Nicholson: Why was the file not placed before the board?

Hon. G. POTTER: That question was asked also by the commissioner. Here we have one of the slipshod methods of the department. One would have thought it would have been necessary to put all the files before the board. The official reason given for the omission was that Sergeant Wilson had not passed the qualifying examination. Of the police regulations, there is one governing examinations, and there are only two examinations necessary. That is to say, one for a constable qualifying as a non-commissioned officer, and one for a non-commissioned officer qualifying as a commissioned officer. But Sergeant Wilson was not passing from non-commissioned rank to commissioned rank. He was only stepping up from one grade in the non-commissioned rank to a higher grade. So why should it be necessary to pass an examination, when under the regulations he was not required to do so? That was one of the reasons given. Now that Mr. Nicholson has mentioned it, another given was on account of his ill health. We all have sympathy with anybody in ill health. But there was no question of Sergeant Wilson's ill health to be considered, not even in the most confidential minutes of the department. It was purely and simply a grave error, and it leads me to say there must be some slipshod methods of doing these things.

Hon. G. W. Miles: But could not the man have asked that his file be produced?

Hon. G. POTTER: He might have.

Hon. J. Nicholson: Perhaps he would not be aware of whether or not it was produced. Can you say whether or not the other members of the force who applied for promotion had passed the examination you refer to?

Hon. G. POTTER: I presume they did.

Hon. J. Nicholson: Do you know it for certain?

Hon. G. POTTER: I have not examined the fact. Sergeant Wilson applied for a hearing before the temporary appeal board and got his promotion, for the board upheld his appeal. I presume the other members of the force who were promoted would have passed the examination qualifying them for transfer from constable to non-commissioned rank. Another matter that a Royal Commissioner could inquire into, for he would have access to all files and papers of the

department, is as to whether some of the non-commissioned officers have or have not passed those qualifying examinations, and how many junior second-class or third-class sergeants have been denied promotion because they had not passed the qualifying examination for commissioned rank when not entitled to pass it.

Hon. J. J. Holmes: You do not want a Royal Commission to find that out.

Hon. G. POTTER: That is only one phase of the general question. The next matter was the appeal of Sergt. Ford. When his case went before the promotion board there was nothing doing. He appealed to the temporary appeal board, and when his case was heard by them there was no opposition from the Commissioner or any of the officers who appear for the Commissioner. No less a light in the constabulary than Inspector Sellinger stated he would be delighted to have the sergeant under him in any district that he controlled. Tardy justice was done to the sergeant. Then we have the case of Sergt. McGuinness of Kalgoorlie, who was passed over. It may be asked why this man was not considered, and why another person was not considered, in the absence of the file. Sergt. McGuinness did not pass the examination qualifying him to hold commissioned rank, because that was not necessary. It has been stated by those in authority that Sergt. McGuinness was never advised that it was necessary to pass an examination qualifying him for commissioned rank. There was no necessity to ask him, or to inform him. It was not necessary that he should pass such an examination, because he was not passing from non-commissioned rank to commissioned rank. When no redress is given in matters like this it shows how greatly this important body in the service of the State must be affected. There is now no appeal board. That was only a temporary organisation. This little bulwark for the ranks of the police force, small and frail as it was, has now been removed. It would go a long way towards bringing about the contentment and greater efficiency of the force if such a board were established with some degree of perpetuity. Some members may not realise the object of instituting these appeals. The appeal board has been an inspiration, if not the real inspiration, of the police force for many years. The outstanding feature of these appeals has been the failure of the department to put the files before the promotion board when promotions were being considered. According to several extracts I have read from the files, the promotion board has been altogether altered for certain people throughout the State. It was said that the State from Geraldton to Albany would be represented, but that is not so now. The board consisted of the Commissoiner, the Chief Inspector, and the chief inspector for the liquor branch. I will not discuss the merits of that organisation at this stage. The appeal board functioned very satisfactorily. I was wondering whether some member would interject as to what all the noise was about, seeing that three out of five appeals were upheld, and only one was dismissed. Why, indeed, has there been all this noise in the face of that result? The Commissioner of Police stated in his report for the year ended 30th June, 1924, under the heading of "Appeal Board" the following:—

> I am of the opinion that the time is opportune for the appointment of an appeal board, on similar lines to the one established in New South Wales, to deal with appeals regarding the granting or refusing of promotion to a member of the force; the imposition of any punishment whether such appointment consists of the infliction of a fine, suspension, or reduction in rank or pay, dismissal, discharge or transfer in connection with such punishment. The board should consist of a stipendiary magistrate and two assessors (who should be members of the force), one to represent the Commissioner and one to represent the members of the force.

That is how the temporary appeal board was made up.

> To give effect to this recommendation legislation is necessary, and I would urge it to be dealt with as early as possible. At a recent conference of Police Commissioners in Sydney I went into this subject, and am satisfied that the different police associations in the Commonwealth are desirous of having such a board, and at the annual conference of members of this force held in August, 1924, a similar request was made.

The Commissioner of Police was in entire agreement with what the police force of the State wanted then, and with what they want now. What has happened between 1924 and 1926 to cause the Commissioner to alter his opinion? In his report for 1926 he says—

> The system of promotion in the department is as outlined hereunder. Promotional examinations are held for the rank of commissioned officer and non-commissioned officer, the papers for such examinations being set by a legal practitioner, an inspector of police, and the secretary of the department, and the marking of the answers is carried out by the legal practitioner, who in recent years has been the Crown Prosecutor.

He goes on to mention various other matters of routine, and continues—

A promotional appeal board was constituted by regulation during the year to deal with appeals against promotions. It was made clear at the outset that this board was a temporary one, and that if an appeal board were provided by statute it would not deal with promotion. As a result of the experience gained of the working of the temporary board mentioned, I am satisfied that the creation of a permanent one would not be satisfactory, and would not lead anywhere. It would tend to destroy efficiency, and would eventually lead to promotion by seniority, with the result that the efficiency of the force would deteriorate to such an extent that efficient administration would be impossible, and as the time went on there would be men holding most important positions for a few months before they retired. With a fixed retiring age of 65 years in the force it would be disastrous to introduce such a system. There would be no incentive for a man to improve himself, as he would know that, whether efficient or not, promotion would come his way so long as his conduct was satisfactory.

I have shown that the department had not one word to say against the appeals that were upheld, and the Police Union have not had one word to say against the appeal which was dismissed. Where, then, does any foundation lie for the remarks of the Commissioner of Police in his report for 1926? What caused him to change his mind upon the functions of the appeal board? What caused him to change his mind between 1924 and 1926 possibly a Royal Commission would discover. I have much pleasure in moving the motion standing in my name.

On motion by the Chief Secretary, debate adjourned.

BILL—RACING RESTRICTION.

Returned from the Assembly without amendment.

BILL—BROOMEHILL LOT 602.

Read a third time and passed.

BILL—LAND TAX AND INCOME TAX.

Assembly's Further Message.

Debate resumed from the previous day on the message from the Assembly notifying that the Speaker had ruled affirming the illegality of further considering the request of the Council, and desiring the concurrence of the Council in the Bill.

In Committee.

Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

The CHIEF SECRETARY: I have a motion to move in connection with this message. I now move—

That the following message be transmitted to the Legislative Assembly:—

(1) The Legislative Council acquaints the Legislative Assembly, in reply to Message No. 26 from the Legislative Assembly, that in view of the differences of opinion arising from time to time on the question of the right of the Legislative Council to press requests, the Legislative Council is of opinion that the matter should be referred through the proper official channel to the Judicial Committee of the Privy Council for decision, both Houses to have full opportunity of stating their case for presentation to that tribunal.

(2) Meanwhile, having regard to the importance of the Land Tax and Income Tax Bill, and the adverse effect on the finances even if the Bill were only temporarily laid aside, the Legislative Council, without prejudice to its Constitutional rights and privileges, is prepared to give the Bill further consideration if the Legislative Assembly will agree to its suggestion as to the means of obviating future disputes on the same point, and of determining the respective powers of both Houses in this connection.

In the wording of this motion I have endeavoured to avoid language or contentious matter which might have the effect of creating a breach between the two Houses of the Legislature. That, it seems to me, is the proper course to take in view of the proposal contained in my motion, that the question in dispute shall be settled, once and for all, by a tribunal in which every one has confidence. If the matter is to be decided by the Judicial Committee of the Privy Council—and that is the suggestion I have to offer after having given the question earnest thought—the case for each side can be presented in detail, and with all the force considered necessary by both the parties concerned. We shall then reach finality. Otherwise, unless the Legislative Assembly gives way—and there does not appear much likelihood of that—we shall have a deadlock of a serious kind. If it were over a small matter, the question could be determined—as it has sometimes been determined in the past—by laying the Bill aside. But in the loss of this Bill, the loss of half a million of money to the revenue is involved, and, besides that, to some extent the credit of the State, for Parliament will have failed to provide moneys from taxation to meet our interest Bill and other commitments.

Even if some means other than I have suggested were devised for getting over the present difficulty without loss of dignity to either House, it would be only a temporary adjustment of differences. Similar trouble would arise again from time to time, and there would be wrangling between the two Chambers, probably followed by the destruction of useful legislation. But if the matter be referred to the Judicial Committee of the Privy Council, we shall have a judgment which everyone will respect, and which will be a guide in the future to the Houses as to their respective functions in regard to money Bills. If there was any provision in our Constitution for dealing with a position such as has arisen, the action which I have proposed would not be necessary. Unfortunately there is not, and the only thing to do is to refer the matter to the highest Arbitration Court in the British Empire—the Judicial Committee of the Privy Council.

Hon. A. LOVEKIN: This is an occasion when we must give very careful consideration to the question confronting us. At a time like this it behoves us to weigh the words we use, and I shall endeavour to be careful in any remarks I make not to widen any breach that may have been created up to the present moment. I take it we are all desirous of working with another Chamber in harmony and for the good of the State, and I am sure there is not one of us, even now, who wishes to put the Government to any inconvenience by holding up this Bill. But, for reasons which the President explained yesterday, through the action of another place we are brought face to face with what is generally known as a constitutional difficulty. I, for one, agree with the effort that has been made by the Chief Secretary to find a path by which both Houses can be extricated from the position in which they find themselves; but I think it would be well if the Chief Secretary did not press the debate far this evening, but reported progress so that we may all have an opportunity of considering the matter more fully than we can after just having the motion read to us.

The CHAIRMAN: Order! I have instructed the Clerk to have sufficient copies of the motion typed to supply all members.

Hon. A. LOVEKIN: But some members have more readiness and more capacity than others, and can pick up a document and read it and know all about it. I am one of those unfortunates who cannot do that.

Hon. J. J. Holmes: One can pick up this document and know that it is an attempt to side-track the issue.

Hon. A. LOVEKIN: That may be. I do not desire to rush anything at this important juncture. We want careful consideration and full deliberation before coming to a decision, and I suggest now to the Chief Secretary that he do not allow the debate to proceed far, but give us, at all events, the evening to consider the motion he has just placed before us. It has merely been read, and certain things occur to me. Firstly, seeing that the Federal Constitution is substantially the same as ours on this particular aspect, why should Western Australia as a State go to the expense and trouble of testing the rights of the Legislative Council before the Judicial Committee of the Privy Council, while the Federal Senate, the more important body, does not trouble to intervene? The next point is one Mr. Holmes has raised, though I do not wish to put it in the way he did. The hon. member suggested that the motion might be side-tracking the issue. I will say that if we adopt the motion, there is an immediate admission that we have a doubt as to our constitutional position. Now, we have no doubt whatever about our constitutional position. There is the statute, and it is there for what it is worth, and it must be interpreted having regard to the language used in the section. That is undoubtedly so. The motion, however, is an admission of doubt; and that is a matter we require to consider. The third point—I cannot grasp such a matter as this at a moment's notice, merely upon hearing the motion read—is that the Chief Secretary's proposal contains an attempt to make a bargain with the other House—in my opinion, an immoral kind of procedure. The bargain appears to be that if the Legislative Assembly will agree to what is suggested in the motion, this Chamber will go on with the Bill. The matter is not one in which we should make bargains. It is a matter of the rights and privileges of two Houses of a Legislature having concurrent powers and rights. The fourth point which occurs to me is this: I have just been looking at the Auditor General's report, and I see that there is not much public money available. Now, the suggested procedure must involve consider-

able expense. One cannot go to the Judicial Committee of the Privy Council and put up a case for ninepence. One must engage the best constitutional lawyers that can be obtained if one is to have a satisfactory decision, and they will want their briefs marked with very substantial fees. That is another factor that might be considered. The points I have mentioned are those that casually occurred to me as the document was read. There may be other points I should like to have an opportunity to look into more fully and give greater consideration to, and therefore I ask the Chief Secretary, who is generally most courteous and obliging to all members, not to ask us to carry the debate too far today.

The CHIEF SECRETARY: On that point I would like to hear expressions of opinion from members of the Committee. If it is the general wish of the Committee that progress should be reported, I am prepared to do so.

Hon. J. NICHOLSON: I share the view expressed by Mr. Lovekin as to the desirability of weighing carefully the motion moved by the Chief Secretary, and I pay respect to that motion because I believe that in moving it the hon. gentleman has been actuated by a desire to find what one might describe as a via media in an impasse between the two Houses. There is no member here, I am sure, but regrets most sincerely that this position should have arisen. I am sure also that if every member of the Chamber does not share the views of the Honourable the President, yet the major portion of members will undoubtedly uphold the President in the opinions he has expressed regarding the rights of this Chamber. We have a sacred heritage in the rights appertaining to the House; and it is not for us, upon any account, to forego any of those rights. For that reason it is essential that before passing such a motion as has been proposed we should weigh carefully every word, because it may have more serious results than are at present apprehended. For that reason I believe every member of the Committee will agree with Mr. Lovekin that a little time should be allowed for the consideration of the subject. For my part I have only heard the motion read, and while it was being read there passed through my mind that certain features of it hardly fitted the circumstances of the case, and that something further ought to be supplied. That can only be done by due consideration. I know we can rely upon the Leader of the Chamber to uphold its rights and dignity at all times, and for that reason I have no doubt he will give kindly consideration to the suggestion that has been made.

The CHIEF SECRETARY: I move—

That the Chairman do now report progress, and ask leave to sit again.

The CHAIRMAN: Since the suggestion was made by Mr. Lovekin and the Leader of the House has agreed to report progress, I have hurriedly looked up the standing orders, and I can find no reference in any standing order dealing with the reporting of progress on a message. Standing Order 239 reads—

All messages from the Assembly in reference to such Bills which do not completely comply with the request of the Council (as originally made or as modified) shall (unless otherwise ordered) be referred to the Committee.

I can find nothing referring to the present position, but Standing Order 199 reads—

When the proceedings upon a Bill have not been concluded in any one sitting, the Chairman shall be directed to report progress and ask leave to sit again

Hon. A. Lovekin: Look at Standing Order 264.

The CHAIRMAN: I was about to quote that standing order. It reads—

Motion may be made at any time during proceedings of a Committee, that the Chairman do report progress and ask leave to sit again.

As it appears to apply generally, I shall accept the Chief Secretary's motion.

Hon. A. Lovekin: You must accept it!

Motion put and passed.

Progress reported.

BILL—CLOSER SETTLEMENT.

In Committee.

Resumed from the 8th November; Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

The CHAIRMAN: Progress was reported on postponed Clause 10 to which an amendment had been moved by Mr. Harris as follows:—

That the following subclause, to stand as Subclause (2) be inserted:—

"(2) If any land taken under this Act, or the bulk th reof is first-class land, and the owner of the land taken is also the owner of

second or third-class land, which he is working in conjunction with the land to be taken (whether adjoining or not the land taken), which can be sold more advantageously, if sold, together with the land taken (whether as a whole or in subdivisions respectively), the owner shall have the right to require such second or third-class land to be taken,"

Hon. E. H. HARRIS: The Chief Secretary indicated that he would have an amendment drafted that would deal with the position more satisfactory than the amendment I moved on behalf of Mr. Kempton. The amendment framed at the instance of the Chief Secretary, which appears on the Notice Paper, seems to me to be quite clear and to cover the position Mr. Kempton desired to provide for. In the circumstances I ask leave to withdraw the amendment so that I may move the one suggested by the Chief Secretary.

Amendment, by leave, withdrawn.

Hon. E. H. HARRIS: I move an amendment—

That the following subclause, to stand as Subclause (2), be inserted:—"If the owner of land taken under this Act is the owner of other land which, although not an 'adjoining holding,' is so used by him in conjunction with the land taken that without the land taken such other land cannot be put to profitable use, the owner of the land taken may, subject as hereinafter provided, require such other land also to be taken: Provided that the Minister may require the question whether such other land is so used as aforesaid and therefore should be taken, to be determined by arbitration, as compensation is determined under subsection three of section seven."

Hon. H. STEWART: I do not think the amendment covers the ground that is desired. The inclusion of the provision in Mr. Kempton's amendment that second or third class land, whether adjoining or not the first class land to be taken, must also be acquired at the request of the owner, seemed to provide a weakness. That might lead to the operations of the measure being obstructed by a man who might endeavour to force the purchase of second and third-class land that it was never intended should be covered by the amendment. At the same time, the latest amendment does not seem to me to go quite far enough

Hon. J. J. HOLMES: It seems to me that it would be better if we struck out the words, "subject as hereinafter provided" and the proviso as well. The position would be quite clear then.

THE CHIEF SECRETARY: Unless Mr. Harris's amendment be accepted as drafted, considerable confusion is likely to arise in the future. The owner of the land to be taken may have second or third class land 50 miles away. He might argue that that land was held in conjunction with the holding to be purchased and without the proviso there would be no tribunal that could decide the question. If the amendment, as suggested by the Solicitor General, be accepted, the whole question in dispute between the Minister and the owner of the land will be taken to arbitration. That seems to be fair.

Hon. Sir WILLIAM LATHLAIN: The proviso is necessary to protect the Government against imposition. If it is right to protect the owner of the land, the Government are also entitled to equal consideration.

Hon. A. BURVILL: As we have given the right of appeal to the owner, that right should cut both ways, more particularly as the appeal in this instance is merely to find out if the second and third-class land is used in conjunction with the first-class land. I see nothing wrong with the proviso.

Sitting suspended from 6.15 to 7.30 p.m.

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

Title—agreed to.

Bill reported with amendments.

Recommittal.

On motion by the Chief Secretary, Bill recommitted for the further consideration of Clauses 2, 4, 5, 6, 8 and 17.

Clause 2—The board:

The CHIEF SECRETARY: I move an amendment—

That in line 2 the words "Lands and Surveys" be re-inserted, and the word "Agriculture," which had been inserted in lieu, be struck out.

That will restore the clause to the original drafting. In my opinion, this amendment is the only blot on the Bill. The measure will be administered by the Lands Department, but as the Bill has been amended, that department will have no representative on the board. The classification and valuation of the land is the business of the Lands Department. There are men in that department who have devoted years of their lives

to the work. The Department of Agriculture do not come into the business at all. The director is a great authority on wheat and with him are various experts who advise the settlers on the growing of crops and on various phases of agricultural science, but not one of them claims to be an expert on the value of land.

Hon. H. STEWART: The Minister's remarks would have carried more weight if it were not evident that the question involved is not only one of the value of land but of land being used in the way that to the board appears most suitable. Consequently it was felt that there should be a representative of the Department of Agriculture on the board. If the Government have such confidence in the representative of the Lands Department as a judge of land and the use for which it is most suited, I cannot see that they need on the board a representative of the Agricultural Bank. I oppose the amendment. If the Minister wishes to remove the blot he referred to, he should move for a representative of the Lands Department in lieu of a representative of the Agricultural Bank.

The CHIEF SECRETARY: Under the Bill as amended the owner of the land would have the right to appeal to a judge of the Supreme Court and that should overcome the difficulty mentioned by Mr. Stewart. It is necessary that there should be a representative of the Agricultural Bank on the board. People who take up blocks of resumed land will be dependent on the Agricultural Bank for assistance, and it is advisable that the Agricultural Bank should be associated with the business from the earliest stage.

Hon. A. BURVILL: I support the amendment. The Department of Lands and Surveys should be represented on the board. The administration of the measure will lie between the Lands Department and the Agricultural Bank, and protection would be afforded by the third member who will be a practical farmer. I take it that under Subclause 2 of Clause 3 any member of the board would be at liberty to get assistance from experts in the Department of Agriculture.

Hon. J. J. HOLMES: Having swallowed a camel, we are now straining at a gnat. To my mind it is immaterial whether we insert Agricultural Department or Lands and Surveys.

Hon. V. Hamersley: Put in both.

Hon. J. J. HOLMES: We know from experience that the board is appointed by the Governor during the Governor's pleasure. We may insist upon an officer of the Agricultural Department, or an officer of the Lands Department, being appointed, and get our way. Then all the Government will have to do, having their board in view, will be to take the particular officer they have in mind from the Lands Department of the Agricultural Department, transfer him to another department, and then appoint him, and there you are!

Hon. Sir EDWARD WITTENOOM: I support the views of the Leader of the House because one of the first things that will be required when we are getting at the areas of land we are going to take will be to have an idea of the boundaries needed. I consider it would be wise to retain the words "Department of Lands and Surveys."

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

Clause 4—Power to report to Minister:

The CHIEF SECRETARY: I move an amendment—

That in Subclause (3) of Clause 4, strike out the word "supply," in line 1, and insert "serve"; and substitute the word "on" for the word "to," in line 2, before the word "every."

The clause, as it was amended at a previous sitting, reads, "The board shall forthwith supply a copy of the report . . ." The word "supply" will be struck out and "serve" inserted in its place.

The CHAIRMAN: The Committee at a previous sitting amended the clause to read as follows:—

The board shall forthwith supply a copy of the report as submitted to the Minister to every person appearing on the said public register to have an estate or an interest in the land.

Amendment put and passed.

The CHIEF SECRETARY: I move an amendment—

That Subclause (4), as previously amended by the Committee, be struck out, and the following inserted in lieu:—"Any such person may within thirty days after the service of a copy of such report appeal to a Judge of the Supreme Court, who may take evidence, and confirm, vary or annul the report, and the decision of the judge shall be final."

This is pretty well the same as the original amendment except that it has been put into proper legal form by the Solicitor General.

Hon. J. Nicholson: It is better.

Amendment put and passed.

Hon. C. F. BAXTER: I am not at all satisfied with the amendment because it leaves the matter in the hands of a judge to decide. To a large extent a judge would lean towards the report of the board. The New South Wales Act of 1904 is not on similar lines to ours, because after the property is subject to the Further Settlement Act, it is then put before both Houses of Parliament and approved, and after the approval the owner of the property has the right to appeal to a board and not solely to a judge.

Hon. A. Burvill: How does that work?

Hon. C. F. BAXTER: Very well. At any rate, that part of the Act has never been amended. The board consists of a judge and two assessors. I intend to move a further amendment—

That the Minister's amendment be struck out, and the following inserted in lieu:—"The owner or any person having an estate or interest in any land, declared to be subject to this Act, shall have the right to appeal to an Appeal Board, which shall consist of three persons, one of whom shall be a Judge of the Supreme Court or Resident Magistrate, another shall be appointed by the Governor, and the third shall be appointed by mutual agreement between the owner and the person or persons having an interest in the land proposed to be acquired as legal or equitable mortgagee, and such Appeal Board shall either confirm the report of the Board or make such other order as it thinks fit."

The CHAIRMAN: The question before the Committee is whether Clause 4 shall stand as amended. The Committee has resolved to further amend Subclause 4 of Clause 4. The Committee has agreed to let the subclause go into the Bill. The practice is not to go back on a clause. If the hon. member desires, he can move to recommit the clause

Hon. J. J. HOLMES: This amendment will not be of any service as it stands. It provides that the owner or any person shall have the right of appeal to the appeal board, but it does not say when. There is no finality about it.

Hon. Sir WILLIAM LATHLAIN: The Subclause 4 submitted by the Chief Secretary covers the whole of the ground that Mr. Baxter proposes to include. It gives the right to appeal to a judge of the Supreme Court, who may take evidence and confirm, vary or annul the report. The doubt I had in mind was as to whether an appellant would have the right to produce evidence before the judge. If the Chief Secretary will assure me on that point, then I think the subclause will cover the whole of Mr. Baxter's amendment.

The CHIEF SECRETARY: That was the reply I had intended to give to Mr. Baxter, who said that under his proposed board of appeal the pros and cons could be argued. There is in this amendment provision that the judge can hear evidence. This is not a Government provision at all. I have merely endeavoured, with the assistance of the Solicitor-General, to put into legal form the amendment carried by the Committee at a previous sitting. As to Mr. Baxter' amendment, I have had experience of land arbitration cases, and I certainly do not like the words "or resident magistrate." Many resident magistrates are not qualified to sit in judgment on a matter of this kind. Some of them have most extraordinary ideas.

Hon. C. F. Baxter: That is an extraordinary statement for a Minister to make.

The CHIEF SECRETARY: A judge is trained to analyse and sift evidence. Of course, it would save considerable expense if the cases could be taken by a resident magistrate. There are some resident magistrates who are fully qualified for the task.

The CHAIRMAN: I am afraid I cannot help Mr. Baxter on this occasion, for Standing Order 130 prescribes that no amendment shall be proposed to any part of a question after a later part has been amended. If I were to accept Mr. Baxter's amendment, and if it were subsequently agreed to, it would amount to a complete somersault on the part of the Committee. In such circumstances the practice is to recommit the Bill.

Clause, as previously amended, agreed to.

Clause 5—Land may be declared subject to this Act:

The CHIEF SECRETARY: I move an amendment—

That the words "being confirmed," inserted at a previous sitting, be struck out.

The Solicitor-General says those words are not necessary.

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

Clause 6—Notice to owner:

The CHIEF SECRETARY: I move an amendment—

That Subclauses (3) and (3a) be struck out, and the following inserted in lieu thereof:—

"(3) Within four months after the service of such notice by the Board, the owner may notify the Board in writing of his intention—

(a) to himself put the land described in the notice in the "Gazette" to that reasonable use to which, in the opinion of the Board, it should be put; or

(b) to subdivide the said land, and offer the subdivisions for sale.

(3a) If the owner notifies the Board of his intention to himself put the land to that reasonable use to which, in the opinion of the Board, it should be put, he shall, within one year from the date of such notice, make substantial progress therewith to the satisfaction of the Board, and thereafter continue to do so."

This amendment was proposed to be moved by Mr. Holmes. There is now an addition to it in the words "make substantial progress therewith to the satisfaction of the board and thereafter continue to do so." Under the amendment as originally drafted the owner would have had to make the whole of the improvements within 12 months.

Hon. J. J. HOLMES: The history of it is that Mr. Mann put up an amendment and I put up another, and we subsequently agreed to consolidate them. I went to the Solicitor-General for his approval of the consolidation, but I see that through an oversight on his part and on our part there was no finality, nothing to say when the work should be done, and so it might go on for ever. I think the amendment before us is an improvement on the earlier one.

The CHAIRMAN: If the Committee follows the procedure suggested here, we shall be contravening the Standing Orders, inasmuch as it is provided that words shall not be struck out and then reinserted. Therefore I suggested to the Chief Secretary that he divide up his amendment so as not to contravene the Standing Orders.

The CHIEF SECRETARY: I move an amendment—

That after "board," in line 3 of Subclause (3), all words down to "land," in line 7, be struck out, and the following inserted in lieu: —"(a)to himself put the land described in the notice in the "Gazette" to that reasonable use to which, in the opinion of the Board, it should be put; or (b) to subdivide the said land, and offer the subdivisions for sale."

Amendment put and passed.

The CHIEF SECRETARY: I move an amendment—

That Subclause (3a) inserted at a previous sitting be struck out, and the following inserted in lieu:—"(3a) If the owner notifies the Board of his intention to himself put the land to that reasonable use to which, in the opinion of the Board, it should be put, he shall, within one year from the date of such notice, make substantial progress therewith to the satisfaction of the Board, and thereafter continue to do so."

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

Clause 8—Default by owner after notification to subdivide for sale:

The CHIEF SECRETARY: I move an amendment —

That after the word "owner," in line 1, the letter "(a)" be inserted, and that all the words after "to" in line 2, down to "apply," in line 8, be struck out, and the following inserted in lieu:—"put the land to reasonable use, shall not, in the opinion of the Board, duly comply with Subsection (3a) of Section 6; or (b) after having notified the Board of his intention to subdivide his land for sale, shall not, in the opinion of the Board, duly comply with Subsection (4) of Section 6, the Board may serve upon the owner a notice of his default in the prescribed form; and thereupon the owner shall be deemed to have failed to notify the Board under either paragraph (a) or (b) of Subsection (3) of Section 6 and Section 7 shall apply."

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

Clause 17—Interpretation:

The CHIEF SECRETARY: I move an amendment—

That in line 1, after the word "land," the words "or holding" be inserted

This amendment is moved because the word "holding" is used in the course of the Bill.

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

Bill again reported with further amendments.

BILL—RAILWAYS DISCONTINUANCE.

Second Reading—Negatived.

Debate resumed from the previous day.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central—in reply [8.25]: Mr. Cornell and Mr. Seddon, in their second reading speeches, accused the Government of being responsible for the condition of things on

the goldfields that has made two railways there such non-paying propositions that it is proposed to pull them up. Mr. Cornell merely made a passing reference to some electioneering statements alleged to have been made by the Premier when Leader of the Opposition. These remarks are supposed to have indicated his intention to rehabilitate the industry. Mr. Cornell dismisses the subject by stating that "Chickens are coming home to roost," and that the Government have failed to pull any weight in the direction of reviving the mining industry. Mr. Seddon goes much further. He charges the Government with "not having given the mining industry a chance to overcome certain economic factors operating against it"; that nothing was done (presumably by the Government) to "stem the rising tide of costs with which the industry was confronted"; that one of the most serious factors operating against the interests of the industry was the manner in which the Third Schedule of the Workers' Compensation Act was applied by the Government, and the manner in which it increased costs to the mines which were already in a desperate condition; and that stereotyped routine has been followed by the present Minister for Mines instead of "heroic measures" being adopted. Much of this consists of vague generalities which it is impossible to grasp, and therefore difficult to deal with. What these economic factors are that are operating against the industry, which the Government should remove, is not related; how the Government could stem the "rising tide of costs" is not shown; nor are we informed as to the nature of the "heroic measures" which should be adopted by the Minister for Mines. The manner of application of the Third Schedule of the Workers' Compensation Act is condemned by Mr. Seddon; but whether a different manner from that proposed by Parliament should have been chosen, or what would be the appropriate manner is not defined by the hon. member. Mr. Seddon should know that his inferences that there has been apathy on the part of the Government towards the mining intry have no real foundation. He should be aware that the rising costs of which he complains are in the main due to the tariff, which is outside the control of the State Government. It is something within the knowledge of everyone who has taken an interest in the mining industry that the ever-increasing Customs duties are principally responsible for these rising costs, and that the Federal Government and not the State Government are to blame. That fact has been emphasised time and again by public men of every section of political thought. The burdens imposed by the tariff have been the outcome of the policy of the Federal Government; and so long as that tariff remains, the cost of mining cannot be substantially reduced. The Government, by persistent pressure, succeeded in getting appointed the Disabilities Commission. The technical committee of the Commission went into the whole question of mining, and endeavoured to discover the best means of rendering it effective asistance. The committee came to almost the same conclusions as did the Royal Commissioner, Mr. Kingsley Thomas, whose appointment to inquire into the cause of the mining industry's depression was practically the first act of the present so-called apathetic Government. The only special treatment this State can obtain is the Federal disabilities grant for the mining industry, and the amount of £166,000 has been allocated to the Treasurer. The disbursement of this money is conditional on the principle of self-help on the part of companies as recommended by the technical committee of the Federal Commission. Out of this money, apparatus has been purchased and an assistant employed in the survey of the Kalgoorlie goldfield. In addition, Dr. Stillwell is engaged on the geological survey of the field, and four officers of the Mines Department Geological Staff are working in conjunction with him planning a comprehensive survey campaign. The Government have offered to assist the Kalgoorlie Mines by a substantial advance to the electric power station, with the object of supplying cheap current to reduce treatment costs. The Government offered to loan the Sons of Gwalia mine half the sum necessary to increase plant and carry out development work, involving State aid to the extent of £25,000 to £35,000, which the Government agreed to invest in the company's scrip. The offer was turned down in London, and a straight-out grant—a gift—of £78,000 was sought. The State cannot give away the public's money, but negotiations are still proceeding to assist with a loan of £78,000 spread over a period of three years, more than half the sum involved to be free of interest. Over £50,000 has been guaranteed to one mine alone to assist in its further development. Other propositions

for assistance are now pending, and negotiations are proceeding, the nature of which, for obvious reasons, in the interests of the companies themselves, as well as of the State, cannot at present be divulged. The Government have decided upon the construction of a railway to Wiluna, and it is probable that a Bill for the purpose will be introduced during this session. Mr. Seddon takes exception to the Third Schedule of the Workers' Compensation Act. This, he says, will embarrass the companies. Is he not interested in the workers as well? Should only the workers be embarrassed by industrial diseases unprovided for? The Government have agreed to bear the whole cost of premiums under this compensation scheme for one year, estimated at from £30,000 to £40,000, for which the thanks of the London directors of Western Australian gold mining companies and the Western Australian Chamber of Mines have been received and made public. The Government, in continuation of the policy formulated by their predecessors, are spending some £40,000 a year in rebates on water supplied to the mines on the Golden Mile. Does not this tend to stem rising costs? Under the Mines Development Act alone, this, and the previous Government, have expended more than three-quarters of a million of money in assisting mines. In addition, the mining industry receives liberal help in the form of sustenance to prospectors; subsidies to privately owned batteries; rebates to prospectors on low-grade-ore; boring; water supplies; investigations; provision of State batteries; purchase of tailings; and innumerable other concessions all tending to keep down the rising costs of mining, but they cannot be absolutely controlled. If the Government were to withhold for one year the assistance it gives to mining the costs would rise to such an extent as to terminate before long the existence of the gold mining industry. No Government in this State, and no Government in any other part of the Commonwealth, or of the world, so far as is known, has rendered greater aid to the gold mining industry than the present Government. It has continued the form of help given by previous Ministries, and it has added largely since it has been in power to the concessions and support granted to the industry. Of course some hon. members will say that this has nothing whatever to do with the Bill. However, it is necessary for me to reply to Mr. Seddon's criticism. In reference to the question raised by Mr. Cornell, as to whether the Kanowna line has repaid the capital cost, I regret that there is no means by which this information can be obtained. The results of individual sections of the system are not kept separate, nor would it be possible to go back to the inception of the Kanowna line as the records of traffic hauled, etc., are not now available. Even if I were to admit that the Kanowna line has returned its capital cost over and above working expenses and interest—which, in the opinion of the Railway Department, is doubtful—that circumstance would not entitle the line to be left as a monument to what Kanowna meant to the State in the years that are gone. As I have stated in a previous speech, sentiment must be cast aside in these times when money is so expensive. Rails are needed in other parts of the State, and I am sure hon. members will agree that it would be far better to use the Kanowna line rails advantageously in another part of the State, enabling them to earn money, than to allow them to rust away in their present position and in the end become valueless. Dealing with the White Hope line, I would like to inform the House that the present Government purchased it to serve mining in that district, which then promised to revive the industry; but hon. members know too well how these mines have failed. All have been closed down, and there is nothing to indicate the possibility of their reopening. If pastoral and agricultural activities were to develop in this area as suggested, the line which it is proposed to pull up could not be used, as it would be necessary to lay another line with standard material on an entirely different route. That is information supplied to me by the Railway Department. Hard business methods have to be adopted by those in charge of public utilities, and as the rails on the White Hope line will return more money now than at some future period, when they will have further deteriorated, the Government must cut their loss like any ordinary business firm would do. In dealing with the Bunbury line an error did creep in respecting the earnings quoted in another place, but I can assure hon. members that for the past three years the revenue from this line barely covered working expenses. Interest charges on the loan capital amount to £68 per year, and the earnings do not cover this amount,

leaving out working expenses altogether. Hon. members must remember that the earnings of this line can only be computed on the actual length of the line, in the same way as working expenses and interest are calculated. Stock sent from stations such as Busselton could still be sent to Bunbury. To retain a line which is a losing proposition for the purpose of serving a few race meetings and an annual show is against the principles of sound economics. It has to be remembered that to put this line in order—and the engineers, who are responsible for the safety of the railway tracks, report that trains should not be run until the whole section has been attended to—would cost from £700 to £1,000. In the circumstances such an expenditure is not warranted. The Commissioner has definitely informed the Minister that he cannot continue to run trains on the lines enumerated in the Bill unless they are brought up to standard. Therefore, unless the Government find money for this purpose—and they cannot, and do not intend to, find it—no traffic whatever will be transported and the lines will be allowed to waste away. Mr. Harris has dealt with the goldfields lines, and has voiced a protest from the local authorities in Kalgoorlie. He omitted to inform the House, however, that these bodies had no objection to the lifting of the White Hope line. I have proof of that here. Undoubtedly the Government would have shown the "white feather" if they had neglected to face the position as it now presents itself.

Hon. E. H. Harris: Are you only taking up unprofitable railways? Are there no other unprofitable railways in Western Australia?

The CHIEF SECRETARY: Probably some of the agricultural lines are unpayable at present, but their outlook is good. It is practically certain that in the future these agricultural lines will prove highly profitable. Mr. Stephenson suggests that the Bill be dealt with on its merits or demerits. That the retention of these lines has any merits at all, has not been disclosed by the debate. The lines are losing, and there does not seem any prospect of their ever paying. To leave the lines where they are to fret away merely for sentiment's sake, would be a grave mistake, and one I hope that this House will not countenance. The position has to be faced, and as business men we must assist in every possible manner to cut the losses on these lines. The only way to do this is by realising on the assets as they now exist. The value of the material in the lines it is proposed to pull up is greater now than it ever will be, and, although it goes against the grain to see these railways go, hon. members should consider the question from a State-wide standpoint, and not from a parochial and sentimental aspect. We should allow the Railway Department to get the best price offering for their asset, which will benefit the whole State, and this can be done only by the Legislative Council passing the Bill in its present form. The rejection of this Bill or the deletion of any of the items will simply mean that the material cannot be taken up and used elsewhere. In the circumstances I hope that the Bill will not only pass, but that it will pass without amendment.

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

Ayes	8
Noes	9
Majority against	1

AYES.

Hon. J. M. Drew	Hon. G. Potter
Hon. V. Hamersley	Hon. H. Stewart
Hon. J. W. Hickey	Hon. H. J. Yelland
Hon. J. J. Holmes	Hon. J. M. Macfarlane (*Teller.*)

NOES.

Hon. A. Burvill	Hon. E. Rose
Hon. J. Cornell	Hon. H. Seddon
Hon. E. H. Harris	Hon. H. A. Stephenson
Hon. W. J. Mann	Hon. W. T. Glasbeen
Hon. G. W. Miles	(*Teller.*)

PAIRS.

AYES.	NOES.
Hon. E. H. Gray	Hon. J. E. Dodd
Hon. Sir W. Lathlain	Hon. J. Ewing

Question thus negatived.

House adjourned at 8.51 p.m.