second reading on the ground that he still had an opportunity to oppose the third reading.

Hon. H. L. Roche: I did not say that. I opposed the second reading.

The CHIEF SECRETARY: Of this Bill?

Hon. H. L. Roche: Yes.

The CHIEF SECRETARY: Then there was another Bill in respect of which Mr. Roche said that.

Hon. T. Moore: It was another member who said it.

The CHIEF SECRETARY: The reception which the Bill has received gives me ground for believing there is every possibility that the House, while not agreeing to the measure in its entirety, will nevertheless support it. When we reach the Committee stage I trust the explanations which I shall give will satisfy members that the measure is in the interests of the State, and that at this stage of our history we should have a rural bank capable of looking after the interests not only of the present clients of the Agricultural Bank, but also capable of looking after the development of the State during the post-war years.

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

Ayes	17
Noes	9
Majority for	8

AYES.

Hon. C. F. Baxter	Hon. V. Hamersley
Hon. L. B. Bolton	Hon. E. M. Heenan
Hon. C. R. Cornish	Hon. J. G. Hislop
Hon. L. Craig	Hon. W. H. Kitson
Hon. J. A. Dimmitt	Hon. W. J. Mann
Hon. J. M. Drew	Hon. T. Moore
Hon. G. Fraser	Hon. C. B. Williams
Hon. E. H. Gray	Hon. F. R. Welsh
Hon. E. H. H. Hall	(*Teller.*)

NOES.

Hon. Sir Hal Colebatch	Hon. H. Seddon
Hon. J. Cornell	Hon. A. Thomson
Hon. A. L. Loton	Hon. H. Tuckey
Hon. H. S. W. Parker	Hon. F. E. Gibson
Hon. H. L. Roche	(*Teller.*)

PAIR.

AYE.	NO.
Hon. W. R. Hall	Hon. G. W. Miles

Question thus passed.

Bill read a second time.

BILL—LEGAL PRACTITIONERS ACT AMENDMENT.

Received from the Assembly and read a first time.

House adjourned at 10.42 p.m.

Legislative Assembly.

Tuesday, 5th December, 1944.

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

QUESTIONS (2).

METROPOLITAN WATER SUPPLY.

As to Capital Cost, Revenue and Interest.

Mr. MARSHALL asked the Minister for Water Supplies:

(1) What is the total capital cost of the metropolitan water supply?

(2) What is the total annual revenue derived from this investment?

(3) What percentage of the revenue so received is paid out annually in interest?

The MINISTER replied:

For the Metropolitan Water Supply only the figures are:—

(1) At 30th June, 1944, £5,267,611.

(2) Year 1943-1944, £361,590.

(3) Year 1943-1944, 61.68 per cent.

For the undertaking as a whole, including Water Supply, Sewerage and Stormwater Drainage, the figures are:—

(1) At 30th June, 1944, £9,128,311.

(2) Year 1943-1944, £577,443.

(3) Year 1943-1944, 70.74 per cent.

TRAMWAY AND BUS SERVICES.

As to Capital Cost, Revenue and Interest.

Mr. MARSHALL asked the Minister for Railways:

(1) What is the total capital cost of the tramway, trolley bus and omnibus services controlled by his Department?

(2) What is the total annual revenue received from this investment?

(3) What percentage of the revenue so received is paid out annually in interest?

The MINISTER replied:

(1) At 30th June, 1944, £1,227,954.

(2) For year ended 30th June, 1944, £515,304; interest paid, £47,962.

(3) Percentage of interest to revenue, 9.31 per cent.

BILL—TRADE DESCRIPTIONS AND FALSE ADVERTISEMENTS ACT AMENDMENT.

Report of Committee adopted.

Third Reading.

THE MINISTER FOR INDUSTRIAL DEVELOPMENT [4.35]: I move—

That the Bill be now read a third time.

HON. N. KEENAN (Nedlands): Not having full and accurate information concerning the subject-matter of the Bill, this is not a question on which I am anxious to speak; but I have learnt that it is quite possible the intent of the Bill, which is to assist the wool industry, will be defeated if strict measures are enforced for using a considerable percentage of wool in the manufacture of garments. If the information I have received is correct, the future of wool will depend to a large extent on successful blends. Wool will always have a certain sphere in, for instance, blankets and various garments; but it will not now be able to command such a wide and general market as it has known in the past. For instance, wool and another material being mixed together, not in the ratio of 90 per cent. of wool or anything like that, or even 50 per cent. but in a much lower ratio, appeal to the female world, and will be used by the female world. Certainly no-one will return to the days of our grandmothers, who wore red flannel petticoats. Those days are gone for ever; but women may use, and probably will use, wool blended with silk, or some other material. That is the point of view of the producer.

If we are going to make it compulsory that there shall be a very high percentage of wool in all articles which are placed on the market under the designation of wool, we shall probably do a very great deal of damage to an industry that we want to help. Speaking now about the point of view of consumers, I know personally that if one attempts to use for the purpose of wear garments containing 90 per cent. of wool, they will quickly disappear in the weekly wash through shrinkage. I am far from sure that we are wise in passing this legislation in its present form. Although I make my protest, it is not for me to attempt to force my views on the House. I am speaking merely from what I have read and from a certain amount I have heard regarding the future market for wool. As for the rest, I can speak from personal experience, where woollen articles of which I have become the owner have in every case shown a marvellous aptitude for shrinkage until they became practically useless.

The Premier: That has been overcome now.

Hon. N. KEENAN: Again, for the Premier's information the method by which the shrinkage is reduced or almost avoided, is by blending. That minimises the risk of wool contracting.

The Premier: It is avoided entirely now.

Hon. N. KEENAN: Almost entirely. I am only asking the House to allow me to express my view, because it might be subsequently that we shall be criticised for not having done enough, at an opportunity such as the present, when it is considered that a measure before the House is a dangerous measure, to express our views.

MR. McDONALD (West Perth): With the objective of the Bill as I understand it—that is, to protect and encourage the markets for wool, on which the Australian economy so greatly depends—I am entirely in favour, but I have been concerned with the practical working of the Bill on the part of distributors, including retail traders. I made some remarks about that during the Committee stage. I have since made further inquiries and I feel that the Minister would be rendering a service to the Bill, the industry and the community if he had some further investigations made as to the practicability of the various obligations imposed by the measure. I am told that a certain softgoods retail firm—not by any means the biggest—would have 30,000 to 40,000 garments normally in stock for sale, and for a large proportion of those garments some description would be necessary containing the manufacturer's name and address and the constituents of the various fibres which go to the composition of the articles concerned. These details have to be marked on each article sold to a buyer or have to be set out on

some card which is so placed as to be identifiable with the article sold.

I am informed that in a large number of cases—perhaps in most cases—it would be difficult to know the name and address of the manufacturer. Goods are bought through Eastern States channels from oversea, or through some clearing house in London. Thus, to obtain the manufacturer's address or the addresses of the several manufacturers who may have been involved might be very difficult. Again, I am informed that it may be difficult for the retailer to set out the constituent fibres within three per cent. There is a three per cent. tolerance allowed by the Bill. If the error is more than three per cent. the distributor becomes liable to prosecution and penalties. In the case of traders who might be at Kalgoorlie, Wyalkatchem or Broome, as well as some in Perth, their knowledge or means of knowledge of the percentage of the constituent fibres might be limited and their ability to procure exact details might also be very limited. Yet, if they are out by three per cent. in regard to the accuracy of their description, they become liable to penalties.

There is, further, the cost of complying with these obligations and that cost, passed on to the public, adds to the cost of living. One firm I know in the retail trade spends £1,500 a year on taxation, ration tickets and price fixing; and not by any means is it one of the biggest firms in this State. That amount is expended in services devoted to attending to regulations and statutory requirements. The Bill will mean additional expense to all retailers. To secure its objective, I have no doubt that, within reason, they would not raise any complaint about the expense; but I would like the Minister to make some inquiries, as I have had no time to do so, to ensure that the Bill will be such that the retail trade and general distributors will be able to carry out its provisions reasonably—knowing, as I do, that the retail trade distributors will be glad and willing to forward the major objectives of the Bill. I am not by any means satisfied that compliance with the measure will not involve a considerable degree of difficulty.

THE MINISTER FOR INDUSTRIAL DEVELOPMENT (in reply): All I want to say is that representatives of the retail interests were very closely consulted before the original Act was developed in the form of a Bill. They had many close consultations with myself and also with the draftsman who, at that time, was the then Crown Solicitor, Mr. Wolff. As a result of those consultations, many of the machinery provisions finally included in the Bill were placed there at the suggestion and on the recommendation of the retail traders.

Mr. McDonald: You refer to the existing Act?

The MINISTER FOR INDUSTRIAL DEVELOPMENT: Yes.

Mr. McDonald: This Bill is very different.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: Not so very different, because a great many of the machinery provisions of the existing Act will apply in regard to the provisions of this Bill.

Mr. McDonald: They tell me that the present Act is quite all right, but there is doubt about the Bill.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: In any event, the retail traders will receive every consideration before the amendment to the Act is put into operation. It is not at all on the cards that this amending measure will come into operation for some time. There will naturally have to be a great deal of consideration and consultation for the purpose of ensuring that, when these new provisions do come into operation, they will work smoothly and effectively. To any of the retail trade interests who are worried about the matter, I would say that they can accept an assurance that the amending provisions will not be brought into operation hastily but only after there have been very careful consideration and reasonable consultation with all interests concerned.

Question put and passed.

Bill read a third time and transmitted to the Council.

BILL—FINANCIAL AGREEMENT (AMENDMENT).

Second Reading.

Debate resumed from the 30th November.

MR. WATTS (Katanning) [4.47]: In answer to an interjection in the course of his second reading speech as to whether the Bill could be amended, the Premier replied to the effect that the agreement—that is, the schedule to the Bill—could not be amended.

In those circumstances, there is very little—if anything—that can be amended without the same effect being achieved by defeating the Bill, if one desired to defeat it; because, with the exception of the schedule—which is the new Financial Agreement, or the amended Financial Agreement—the Bill contains only a paragraph ratifying that new agreement, and, at the end of the printed matter, a copy of the Financial Agreement of 1929. So, in regard to this measure, we are faced with two alternatives: We either accept it as being a pearl of great price and a matter of considerable wisdom in the negotiation and drafting; or we say we do not like it, lock, stock and barrel, and reject it. Any contribution I may make in regard to this matter, therefore, must be subject to the consideration that, because I cannot put on the statute-book anything I regard as more suitable, I am obliged to agree to this. That is not to say that I think this agreement is entirely fair to the State.

The Premier: We engaged in protracted negotiations.

Mr. WATTS: I feel sure the Premier would have done that; he said as much. The whole history of the Financial Agreement since it came into operation or since the referendum which incorporated Section 105A in the Constitution, has been most unfortunate. The people who asked us to support the referendum proposals which put Section 105A in the Commonwealth Constitution, broadly speaking, made use of only one argument, which was accepted on its face value by the great majority of the people and was the real reason, in my view, why the provision was put into the Constitution. The argument was that it would put an end to the competition between the States and the Commonwealth for the available loan money and prevent the States or the Commonwealth having in consequence of that competition to pay excessive rates of interest for the money that might be raised. At that time, as everyone knows, the loan raisings for the major part were in Great Britain but a substantial and increasing proportion were in the United States of America, and the rates of interest had, although slowly, been consistently rising to the detriment of the public funds that had to pay the interest on the debts thus incurred.

That was the argument which was, I think, responsible for the passage of the Financial Agreement Referendum and no-one, except perhaps those who had given the matter the closest study, understood that the possible and indeed probable effect of this proposition would be ultimately, if not at once, to place the financial resources of the States and the policies of State Governments substantially in the hands of the Loan Council and hence, to a degree, in the hands of the Commonwealth Parliament and Government because of the ability of that Parliament and that Government to pass legislation to enforce the decisions of the Loan Council. I must say that I did not vote for Section 105A of the Constitution at the time of the referendum in, I think, 1928 because I was never satisfied that it would not lead to pressure, particularly of the type I have mentioned, although it was difficult then to come out in public and say that, because one would have been like a voice crying in the wilderness.

No better instance of the effectiveness of that power could have been forthcoming than its demonstration in the case of the Government led by Mr. J. T. Lang in 1931 in New South Wales, that gentleman having threatened, in a way, repudiation of that State's obligations to the Commonwealth under the Financial Agreement in respect of borrowings authorised by, or under the control of, the Loan Council, the liability being, I think, for an amount of £958,000. Mr. Lang said to the Commonwealth Government, "Here is £458,000, which is all I have got; you can whistle for the other £500,000." That action of his may have been dictated by force of circumstances. I shall not be ungenerous enough to say it was not, because there is not any doubt in my mind that there were reasons that did not appear on the face of things at the time that induced the Premier of New South Wales to make that statement to the Commonwealth. Whatever the reasons were that he had for informing the Commonwealth that he could not pay £958,000, but would pay £458,000, in the net result legislation was passed by the Commonwealth to enforce that obligation under the Financial Agreement, in the doing of which the Commonwealth was able to garnishee, to use a popular term, the State's revenue. Ultimately because Mr. Lang issued instructions to certain Government departments not to carry out instructions under the Commonwealth legislation

for the payment of certain State revenues to the Commonwealth, he was dismissed for the illegality of his actions by the then Governor of New South Wales, Sir Philip Game.

It became quite clear—whether that policy and those activities were well or ill advised or dictated by force of circumstances or not—that the activities of Mr. Lang's Government were in the hands of the Commonwealth to a very considerable extent, and that his intentions and desires as to upon what the revenues of the State should be spent could be, if the circumstances warranted it, dictated by the Commonwealth Government. Of course there was at the time a considerable amount of sympathy for the Commonwealth Government because it was generally regarded that Mr. Lang was not doing his job in a way that commended itself to the citizens of New South Wales, and it would appear that that was the correct opinion because when his case was submitted to the people of New South Wales it led, by a very substantial vote, to his dismissal. Both he and the party with which he was then allied in consequence sank into oblivion for approximately nine years.

It is not hard to imagine that the position might have been reversed and that the Government of New South Wales under Mr. Lang at that time might have been endeavouring to carry out a policy which was of advantage to, and supported by, the people of that State. It is quite clear to me that had the Parliament and the Government of the Commonwealth at that time decided that the policy in question was not, in their opinion, suitable, they could have obtained equivalent action and that Mr. Lang's position would have been made equally intolerable for the time being. On the other hand, what would have happened had Mr. Lang or the Government which he led, been returned to office in circumstances such as these?

The Premier: The Governor would then have been recalled and Mr. Lang could have gone on with the business.

Mr. WATTS: That might be so, but what would have happened with regard to the Financial Agreement?

The Premier: I should say——

Mr. WATTS: At any rate, that is a question which, I think, in fairness to the Premier and myself, I must admit no-one could satisfactorily answer at this stage. I merely mention it as an instance of the position which has been stressed more than once in this House when reference has been made to the financial position State Governments would be placed in if the Commonwealth Government of the day, whatever type it might be, brought financial pressure of an arbitrary character to bear upon the policies of those State Governments. After all, such policies are wrapped up in the finances of the State Governments. There is no question about it; we gave up far more than we talked of at the time. We sold out the ship, in my opinion, for a very poor price.

The Premier: It was done under duress, all right.

Mr. WATTS: I heard the member for Boulder (Hon. P. Collier) make use of those very words when referring to the matter. He said it was done under duress. On the other hand, the people of Australia were not on that occasion very strongly of that opinion or there would not have been such wild enthusiasm displayed in carrying the referendum by the most substantial majority that has yet been experienced in connection with such a vote.

The Premier: The Commonwealth refused to make the per capita payments at the time.

Mr. WATTS: Yes; that is so. First the Commonwealth got rid of the Custom returns to the States and then upset the Surplus Revenue Act on the score that the surplus revenue that was placed in a trust fund was not, in fact, surplus revenue at all. That was a bit of political chicanery, which is a good word to use to describe the action of the Commonwealth Government. Successive and different Commonwealth Governments reduced the position of State Governments to the point where they could not do anything but agree. If the opinion of the people of Australia had been sought on the full facts of the case they might have refused to agree. Then there may have been some other and better counsels brought to bear on the subject.

At this stage, however, it is not of much use crying over spilt milk. We have before us an agreement which has been made by the Premiers of the six States and the Prime Minister of the Commonwealth and which has been signed. If we refuse to ratify it, as the Premier pointed out, we

shall presumably have to pay 4 per cent. sinking fund on the deficits that were incurred during the depression years, amounting in all to approximately £53,000,000, of which Western Australia is due for approximately £5,500,000. If we accept the agreement, we get out with 1 per cent. sinking fund, of which the Commonwealth will pay 5s. That no doubt proves attractive to a Premier, situated as the Premier of this State is; but bearing in mind all that has gone before it does not, in my opinion, make the whole story or the whole transaction of the Financial Agreement any more attractive than it was 15 or 16 years ago when it became the law of the land. We find that under the existing agreement our obligation would be so heavy, if it were enforced in the manner now interpreted by the legal authorities, that it would be a very serious drain upon the revenue of a State already as restricted as has been indicated in the discussion on the Budget Estimates by the introduction of uniform taxation and the fixation of revenue in that regard, irrespective of the income of the people of this State.

I suppose the Premier is in the same position as was his predecessor, the member for Boulder—he is obliged to enter into this agreement, perhaps not under duress, but because there is no other course open to him. This House has already passed two motions seeking different kinds of discussion with the Commonwealth on the financial relationships between the Commonwealth and the State, and when I say different kinds of discussion, I mean a discussion between representatives of all parties in politics rather than the mere discussions at the Loan Council. I notice that under the amended agreement the Commonwealth is to have the chairmanship of the Loan Council. I do not suppose that will cause any harm. The Commonwealth has two votes on the Loan Council now as against one vote by each of the six States and, as the Premier pointed out, it would need two States to support the Commonwealth before any difficulties could arise and three States would have to support the Commonwealth before there could be a majority for its particular point of view. Insofar as the ordinary annual matters arising under the Financial Agreement are concerned, the representation of the Commonwealth at the Loan Council is probably not too much.

I cannot say that the definition of "temporary borrowing" that seems now to be covered by this agreement is clearly understood by me. The Premier in the course of his remarks stated that the present position in regard to post-war borrowing was this: The Commonwealth is to be entitled to one-fifth of the total loan money or such lesser amount as it desires, the balance to be distributed between the State Governments on the basis of the average annual net loan expenditure during the preceding five years.

The Premier: That is the law at present.

Mr. WATTS: Yes, that is provided under the existing agreement. Then the Premier went on to say that the matter had recently been considered by the Loan Council, and that it was decided to recommend the various Governments that the Financial Agreement be amended to provide that the term "net loan expenditure" should not include expenditure for the funding of revenue deficits or to meet revenue deficits. Later on reference was made by the Premier to the loans that will have to be raised for post-war housing reconstruction, soldier settlement and other items of that kind, and they are to be excluded from these calculations. If they are to be excluded from the calculations, the position of the Premier in regard to raising money in the immediate post-war period, taking into consideration the phraseology of the old Financial Agreement, will be extremely difficult, because our loan raisings over the last five years have been so exceedingly low that if the net loan expenditure of those years is to be the basis of the loan raising after the war, the amount which we shall be able to get will be so small that the Government, if it had to be financed through loan money, would find its position impossible.

The Premier: That is the proportion.

Mr. WATTS: It is not the calculation of the amount?

The Premier: No.

Mr. WATTS: Of course, if we received one-tenth before and we are to have one-tenth now, my argument would not apply, but it is not clear from the words I have read "on the basis of the average annual net loan expenditure" how it was being interpreted.

The Premier: That is set out in the original formula.

Mr. WATTS: If that is the position, I feel more satisfied. The point is that we

have got out of an extremely heavy annual liability in regard to sinking funds on the deficits of the financial depression period in exchange for an amount which is approximately one-fifth of what we would have had to pay, and it is no wonder that the Premier was willing to sign an agreement that relieved him from the immediate payment of an amount so large. On the other hand, it might have been a great deal wiser had we attempted to pay the larger sum. Instead of carrying these financial depression deficits over a period of 39 years, we would have got rid of them in 17 years, and 17 years hence we would have been clear of that particular obligation. Sometimes it pays an individual far better to find a little more money and liquidate a debt in a little less time.

Admittedly 22 years less is not much in the life of a State, but it would have given us a much cleaner sheet in regard to the deficits than we shall get under the existing system, which will take 39 years, and 39 years will, if the original terms of the Financial Agreement are kept in operation, relieve us of the whole of the obligation which we had incurred up to the time of the passing of the Financial Agreement, because that will be approximately the 50 odd years included in the original Financial Agreement as the period within which the loans would be amortised by the sinking fund contributions. Meanwhile, however, we have borrowed so much more money that, in the words of Samuel Pepys, "What the end of it all will be the Lord knows." The agreement has relieved the States of an immediate obligation which the Premier is no doubt pleased to be rid of. Whether it is the best process for relieving the position and settling the difficulties, I am not clear, but as I cannot offer any suggestions of a practical nature that could be put into effect and as the amending agreement in my opinion has no obnoxious feature, I see no reason for opposing the Bill. The measure carries out, so far as I can judge, the intentions explained by the Premier, and therefore I cannot oppose the second reading.

MR. McDONALD (West Perth): I propose to support the second reading subject to some reservations which I think ought to be made in this Parliament. This agreement becomes unavoidable, because it has been shown that the States have not been paying the prescribed legal rate of sinking fund that they should have paid under the Financial Agreement in respect of the deficits incurred between the years 1927 and 1935. Instead of paying sufficient to meet a sinking fund liability of 4 per cent. per annum compounded, the States have been paying only simple interest at the rate of 1½ per cent., and the 1½ per cent. has included both the State's contribution to sinking fund and the State's interest payment. It would be quite impossible to make up the arrears of the legal liability for sinking fund on those borrowings between 1927 and 1935, so an agreement of some sort is inevitable.

The agreement imposes very little added burden on the State because, whereas we have been paying by way of interest and sinking fund 1½ per cent. we are now, so far as I can see, going to pay 1¾ per cent. That difference is not a serious matter. The agreement validates the payments that have been made up to the 30th June, 1944. It requires the States to enter upon the new arrangement as from the 1st July, 1944, and to continue that agreement until the sinking fund is sufficient to liquidate the borrowings made between 1927 and 1935. The agreement applies this sinking fund only to the borrowings that were made between those years. If we finance deficits from loan money in future, then we will still be liable to meet the sinking fund obligation of 4½ per cent.

The Premier: Four per cent.

Mr. McDONALD: The Financial Agreement says that it shall be at least 4 per cent. and, so far as I can see, it provides that deficits shall be charged with an interest rate of 4½ per cent.

The Premier: That is when it comes to the cancellation of bills.

Mr. McDONALD: As regards any future deficits, the sinking fund would still be at the rate of 4 per cent. If we have to borrow for deficit purposes in the future the sanction or the penalty of the Financial Agreement still remains, although we have got some relief in respect of our borrowings in the past. Therefore, the agreement represents no doubt the best that can be done in the circumstances, having regard to the requirements in the way of finance of the Commonwealth Government for war and other purposes, and having regard to the limited capacity of the States, seeing that their taxa-

tion obligations have been restricted by the uniform income tax legislation.

The Premier: And the Commonwealth Bank is pressing us hard.

Mr. McDONALD: Yes, so as to be placed on a better basis with regard to the Treasury bills which hitherto have carried such a very large amount. I want to say a word more about the general position. I am not going to discuss whether the Financial Agreement was wise or not in 1927; there were some very substantial reasons for its being passed by the States and the Commonwealth. Had the method of borrowing in the comparative boom period not been dealt with in that way, then the economic position of Australia might have been reduced to a more parlous position than it was even in 1930 to 1933. At the same time, the Financial Agreement is a long-term agreement and it is operating, and will operate, unjustly to the States. Before the Financial Agreement we had our per capita payments from the Commonwealth of 25s. per head. As the Australian population increased and the revenue obtained by the Commonwealth from income tax and other sources became expanded—

The Premier: And Customs duties in particular increased.

Mr. McDONALD: And Excise duties also, then we, with our increased population, would have got an increased amount by way of per capita payments; but instead of that the Commonwealth Government, by the State Grants Act of 1927, abolished the per capita payments and put us instead under the Financial Agreement.

The Premier: They put us under nothing for a start.

Mr. McDONALD: Yes. I quite agree with the Premier. The Commonwealth abolished the per capita payments first and the Financial Agreement came later; but, the per capita payments having been abolished, we got two things in lieu. The first was a fixed sum from the Commonwealth to help us to fund our public debts, but a fixed sum which was not increased in the way the per capita payments would have been. The second thing we got was the right to approach the States Grants Commission for the purpose of a grant to assist us, and this grant the Commonwealth Parliament could accede to or withhold at its absolute discretion.

The Premier: We also got the 5s. contribution to the sinking fund on new loans.

Mr. McDONALD: We got that contribution, but on the whole it seems to me we would have been far better off financially had we adhered to the per capita system, because as our State population increased we would have received a steadily increasing addition to our revenue from the Commonwealth through the per capita payments. Now we have gone a step further, under stress of war conditions, and parted with almost all our taxing powers to the Commonwealth Parliament.

The Premier: No fear! They stole them from us. We did not part with them willingly. We fought the Commonwealth in the High Court.

Mr. McDONALD: I quite agree with the Premier; but I am one of those who felt there was a case for uniform income taxation during the war.

The Premier: There was.

Mr. McDONALD: I feel that if the Commonwealth Parliament plays the game then the States should be prepared to make every possible effort in their power.

Mr. Marshall: If the Commonwealth Parliament had played the game then this Bill would not have been necessary.

Mr McDONALD: The member for Murchison is partly correct. What I want to say, by way of reservation in agreeing to a perpetuation of the Financial Agreement—or, to put it another way, in passing a vote which involves to some extent confirmation of the Financial Agreement—is that this must be without prejudice to the right of our State, not so long after the war ends, to require a re-examination of the whole of the relations between the States and the Commonwealth. When that examination comes it should go right back to Federation. An attempt should be made to arrive at a basis which will be fair to the States and to the Commonwealth, a basis which will enable the States while they remain States—so long as the people permit them to remain States—to discharge the functions which should be within their province in such a way as to be for the benefit of the people within their borders. I agree with this Bill. I think it represents as good a provision as can be made to meet the situation as it now stands; but it is something which is due to be reviewed as soon as peacetime condi-

tions return and we can get the whole subject of Commonwealth and State financial relations thrown more or less into the melting pot, with a view to securing something which will be more suitable to allow the States to function in the way they should as constituent parts of the Federation.

Question put and passed.

Bill read a second time.

In Committee, etc.

Bill passed through Committee without debate, reported without amendment and the report adopted.

Bill read a third time and transmitted to the Council.

BILL—PARLIAMENTARY ALLOWANCES AMENDMENT.

First Reading.

Introduced by the Premier and read a first time.

Second Reading.

THE PREMIER [5.27] in moving the second reading said: The purpose of this Bill is to apply to the Parliamentary allowances variations as they occur in the declared basic wage. This principle has applied to the Public Service salaries since the 1st January, 1936. The purchasing power of money has fallen so considerably that members of Parliament are in practice receiving much less than was intended when the amount of the allowance was fixed. It will be remembered that early in the depression in 1930, when the purchasing power of money rose, Parliamentarians voluntarily accepted a reduction of 10 per cent. in their allowances, dating from the 1st October, 1930. This was before the Premiers' Plan reductions. As from the 10th July, 1931, this was replaced by the Financial Emergency Act, which imposed a reduction of 20 per cent. on members' salaries. The Act applied the same reductions to members as to public servants. As from the 1st January, 1936, the financial emergency cuts were fully restored, and further basic wage variations were made to apply to the Public Service. These variations, however, did not extend to Parliamentary allowances.

The Bill, therefore, proposes to take the 1st January, 1936, as the basis on which the variations contained in the Bill are to be calculated. The amount of the variation which the public servants receive is £75 per annum, and this is the amount which will be applied to members of Parliament. All further variations will be on the same basis as public servants on a similar salary, that is, variations will be made when they are equivalent to £5 per annum in accordance with the figures supplied by the Government Statistician. Members are aware that the Queensland Parliament recently took action to increase the allowance of members from £650 to £850 per annum. In New South Wales the figure is already £850. South Australia has introduced legislation to effect an increase from £400 to £600 per annum, and I understand that Victoria is also contemplating an increase. The immediate effect of this measure on the finances of the State will be the increase of £75 per annum to 80 members—a total of £6,000 per year. This figure, of course, will be more or less according to whether the basic wage rises or falls. There may be some objection raised to this measure on the ground that it conflicts with the wage pegging regulations. I am advised that those regulations definitely do not apply to Parliamentary allowances. This is not a party Bill. Requests have been made from all parties in both Houses, and in accordance with those wishes I move—

That the Bill be now read a second time.

On motion by Mr. McDonald, debate adjourned.

BILL—LICENSING ACT AMENDMENT.

Second Reading.

THE MINISTER FOR JUSTICE [5.32] in moving the second reading said: Members will recall that in 1939 I brought down a similar Bill to this one, which seeks to amend Section 98 of the Licensing Act of 1911. It is for the purpose of extending a poll from 1945 to 1950. The poll in question is the one on prohibition to decide whether we shall have a wet or a dry State. Section 98 of the Licensing Act makes it mandatory that a poll shall be taken every five years. The purpose, as I have explained, of this small amendment is to postpone the taking of the poll from 1945 until 1950. There is no need for me to traverse the Act from 1911 onwards because this is a simple Bill. It merely decides whether we are going to allow our hotels to sell intoxicating liquors, or otherwise.

Mr. Thorn: It is only a matter of postponing the poll for five years.

The MINISTER FOR JUSTICE: Yes. The present is not a suitable time to take a poll because it is wartime. The Bill is short although it might be important. We say it would be unwise to take this poll next year. To do so would cost the State money and it would also cost those organisations that would be in opposition to each other on the prohibition question a certain amount of money. For these reasons, we feel that the poll should stand over for at least another five years. Past history has informed us very vividly that on each occasion when a poll has been taken in any of the States of Australia the majority against prohibition has increased. That is so in Western Australia, and it is also the case in Victoria. The Licensing Court of this State has done a very good job although it "has been up against it," as it were, because of different regulations and because our American friends have come here to assist us and to help themselves. We have had to make accommodation available to them and as a consequence they have taken over no less than 10 hotels in Perth. That also applies to the country.

When we consider these things and the state of the hotels we realise that the liquor trade is in very fair order. I admit that a few hotelkeepers have taken advantage of the times, but on the other hand we must recognise that it has been difficult to get staff. I know, of my own practical experience, how difficult this problem is and I sympathise with hotelkeepers who cannot give to the travelling public the accommodation that they would like. Unquestionably the hotels of Western Australia stand out in comparison with those in the rest of the Commonwealth. I was away from the State some 12 months ago and I do not fear contradicition when I say that our hotels are equal and more than equal to those in the other States.

Mr. Doney: Where did you find them particularly bad?

The MINISTER FOR JUSTICE: I do not say I found them particularly bad anywhere, but I did find them not as good, generally speaking, as they are in the West. Even in Melbourne the hotels do not compare with those in Perth.

The Premier: Their prices are higher too.

The MINISTER FOR JUSTICE: Yes, they are considerably higher than in this State. The Licensing Court has done a good job and today it has advised the hotelkeepers who are not providing proper accommodation for the public that they must do so or lose their license. There are only a few to whom that warning applies as, generally speaking, the hotelkeepers in this State have done their best in the circumstances. I commend the Bill and ask members to give it due consideration. I do not think a poll would be successful and, on the other hand, if there were a chance of its being successful the time is quite inopportune to take it because it would not be fair to the people of the State or to our friends who have travelled oversea to assist us in defeating those little black ants in the West Pacific. I move—

That the Bill be now read a second time

On motion by Mr. Willmott, debate adjourned.

BILL—LEGAL PRACTITIONERS ACT AMENDMENT.

Second Reading.

Debate resumed from the 28th November.

MR. McDONALD (West Perth) [5.39]: I propose to deal with this Bill very briefly. The legal profession has recognised for some years that, in line with the legislation that has been adopted in other States and other countries, it would not be unreasonable to make some provision to protect people who might lose money or property through any wrongful act on the part of a legal practitioner. I think I can say that in British countries those who follow the profession of the law have, on the whole, been worthy of the trust reposed in them. As with any other occupation there are exceptions, and it is not unreasonable that, to meet those exceptions, there should be machinery by which any injured persons should be able, as far as possible, to obtain restitution to the extent of their loss.

The Minister for Justice: There are very few.

Mr. McDONALD: Yes, and as the Minister said, very justly, in the course of his second reading speech, there are cases where the first lapse has been made possible through ignorance of book-keeping. In some cases it has occurred because of financial troubles occasioned by sickness

when the practitioner concerned has given way to temptation in a small manner and then has continued, perhaps, in an endeavour to cover up and make good his loss but has instead gradually got deeper and deeper into difficulties. But, be that as it may, this Bill presents machinery by which there will be a substantial degree of protection to any person who sustains loss through any wrongful practice of any legal practitioner. The Bill will, from the start, protect any one client to the extent of a claim up to £1,000 and, after June 1958, it will protect any one client in respect of a claim up to £2,250. The amount for which the practitioner is liable as a contribution is not to exceed £10 a year and, in addition, he may be subject to a levy in case there is a shortage in the funds and the levy is not to exceed £10 a year.

I think that the normal contribution should be sufficient to meet any obligations that the fund may incur without there being any levy imposed. However, the machinery is there to impose a levy if an unexpected call should be made on the fund. The legal practitioners in this State have, as the Minister said, gone out of their way to maintain to a large extent the Chair of Law at our University. In other words they are paying to enable the boys and girls who, perhaps, have very limited means to qualify in order to enter the vocation as competitors of those now in the vocation. I have said before that this represents an attitude towards the younger generation which I think could be followed with advantage by many other occupations. So far from the legal profession being a close corporation it is the only vocation in this State that I know of which contributes in order to admit competitors into its own ranks.

The Minister for Justice: I believe it is the only profession in Australia.

Mr. McDONALD: I think so, too. I draw the attention of the Treasurer to the fact that the legal profession, like the willing horse, is now expected to do almost too much. Quite apart from the contributions that will be involved by the payment of up to £10 or £20 a year to this guarantee fund the legal practitioners pay £6 a year practice fee and that money goes to the Barristers' Board which pays £500 a year to the University towards the maintenance of the Chair of Law. In addition it pays the incidental expenses of the Barristers' Board which is the admitting and disciplinary body in the law. Through their practice fees the legal practitioners also pay the salary of the librarian at the Supreme Court library and buy the books for that library, although the library at the Supreme Court is used by a number of other people. It is used by officers of the Supreme Court, by judges, by Parliamentarians, and by any members of the general public who may have proper occasion to consult the references there.

The legal profession on the other hand uses the library to only a comparatively small extent, because members of the profession maintain libraries in their own offices. I think the Treasurer might well bear in mind that members of the legal profession are paying out money to maintain the law and Parliamentary library at the Supreme Court and the salary of the librarian, and that the services thus rendered are made use of by the general public, by judges, and other officers of the State services, and that this is quite apart from the £500 a year which they contribute towards the maintenance of a Chair of Law. At one time the Government subsidised the Parliamentary library, but these subsidies have gradually been withdrawn until the whole burden now rests upon the legal profession of maintaining a library which is used by people other than members of the profession.

The Minister for Justice: We spent £126 last year on the Law Library.

Mr. McDONALD: I am glad to hear that. I know that the Barristers' Board through the Annual Practice Fund contributes a substantial sum of money in this direction.

The Premier: They are mostly law reports.

Mr. McDONALD: That is a private activity. The guarantee fund seems to be one which on the whole is regarded by members of the legal profession, whom I have consulted, as representing as good a set-up as may be expected for the purpose required. I have been in touch with the Law Society and a number of legal practitioners. They appear to think that this Bill provides a measure which earns as much approval as can be expected from the class which will be involved in an additional degree of taxation. In addition the Bill contains some new pro-

visions which may enable the trustees of the guarantee fund to step in before any defalcations are likely to arise. That will not only protect the fund, but will protect the general public and may protect the legal practitioner himself. In 1935 a somewhat similar Bill was introduced in the House, but it was amended in certain respects which I think would have made it difficult to work. In the end it was rejected, I think by another place.

The Premier: We dropped it after it was amended.

Mr. McDONALD: It was a Government Bill, and was amended in a way that made it difficult to work satisfactorily, so it was not proceeded with. This Bill is one which I think is capable of being worked in a practical way, and I propose to support the second reading.

MR. WATTS (Katanning): I desire to say a few words on this Bill, which does not to my mind, offer any great attraction. First of all I wish to know why the recommendations of the Select Committee of which you Sir, were Chairman, in this regard have been given no effect. I have the report of the committee here. It held its inquiry in 1938 on this matter and made certain recommendations, No. 6 of which was—

> For the protection of the public against members of the profession who may default, your committee recommends that the Barristers' Board should negotiate an insurance policy covering legal practitioners as a whole; such policy to be financed from accumulated surplus in the Annual Practice Fund, and from annual surplus of above fund over and above the amount necessary to finance the contribution to the Chair of Law.

That is not the provision in this Bill. I agreed with the recommendation, as you, Sir, will remember, because I thought it was based substantially on the evidence given to the committee, and was the only way in which a proposal such as is in this Bill could be justified and brought into effect. By interjection, when the Minister was addressing himself to the second reading, I asked whether he had read the report of the Select Committee and he replied, "No." In my opinion that is a somewhat astonishing statement to come from an honourable gentleman who purports to bring to Parliament the considered opinion of himself and his Government as to what should be done in regard to a matter so involved as is this. He comes here and admits that he has not read a report which had been unanimously subscribed to in this regard by the whole of the five members of the committee appointed on your motion, Sir, to inquire into this and relative matters.

I fail to see why any other method should be adopted than was recommended by the committee, to wit, that the Barristers' Board should negotiate an insurance policy covering legal practitioners as a whole, such policy to be financed from accumulated surplus in the Annual Practice Fund which had been collecting for so many years. It seems to me that it is improper, especially to the extent mentioned in the Bill, if not in any event, to single out this profession, of which of course everyone knows I am a member, although not now actively practising, when other professions and occupations simultaneously handling and, in fact, in some cases handling far more public funds, and with less background than the legal profession, are allowed to operate unrestrictedly.

The Minister for Justice: To what do you refer?

Mr. WATTS: Let me instance mortgage brokers and public accountants who are not under such obligations as are contained in this Bill.

Member: Land agents are under an obligation.

Mr. WATTS: I did not say land agents were not. The persons I have referred to, especially in these days when circumstances change from day to day as it were, are in fact handling as much, if not more trust funds than are members of the legal profession.

The Minister for Justice: How about trustee companies?

Mr. WATTS: I understand they are guaranteed by a deposit at the Treasury to a substantial extent in hard cash, and I therefore exclude them. I do not propose to enter into an inquiry as to whether that is sufficient or not.

Mr. McDonald: They also have a reserve liability of shareholders.

Mr. WATTS: As I have said, I see no justification, especially in the amendment proposed in this Bill, for the singling out of this profession on this particular occasion.

The Minister for Justice: There is a similar measure in force in the Eastern States and also in the Old Country.

Mr. WATTS: The Minister and I have disagreed across the floor of the House in discussing that matter on many occasions. On as many occasions I have pointed out to him that what is good for the Eastern States is not necessarily good for Western Australia, and I have no doubt that at times that position can be reversed. There are many aspects of government and legislation in particular which have been far better dealt with by the people of this State than by their fellow citizens in the Eastern States. This may be another occasion when that better judgment can with advantage be applied to the subject-matter before the House. Suffice it to say I have expressed the opinion, for which I believe there is substantial justification, that it is not reasonable to select one occupation in which, as has been freely admitted by the Minister, there have been very few troublesome cases when others which are dealing with similar sums of money are not so treated.

I have conceded, because I agree with the recommendations made by your Select Committee, Sir, that legislation on the basis of an over-all policy taken out by the Barristers' Board and, if necessary, legislation to allow its effectuation, could have been submitted to the House. If it had been so submitted, it should have borne the hall mark of inquiry and investigation made in an impartial manner by you, Sir, and others who sat with you. That same committee, after the closest investigation, deliberately dismissed from its recommendations such a proposition as is now before this Parliament.

The Minister for Justice: I have spoken to a number of leading members of the legal profession and they have agreed with me.

Mr. WATTS: The Minister is now speaking to a legal practitioner who is one of the members of the profession who does not agree.

The Minister for Justice: You may be the only one.

Mr. WATTS: I may be the only one the Minister has spoken to who does not agree, but I could mention the names of a dozen members of the profession who hold views stronger than I do on this subject, because they would not even subscribe to recommendation No. 6.

Mr. Doney: How many legal practitioners did you speak to?

The Minister for Justice: At least 10 or 11.

Mr. SPEAKER: Order!

Mr. WATTS: Let us now turn to some of the evidence and the facts in regard to the matter, which have obviously not been brought to the notice of the Minister because he has not taken the trouble to examine the document I hold in my hand.

The Premier: What was the date of that inquiry?

Mr. WATTS: It was held in 1938. I wish to refer to the evidence given by the Secretary of the Barristers' Board, Mr. Reginald Hugh Goodman. Reference was being made to the Annual Practice Fund which has been collected for many years.

The Minister for Justice: Voluntarily!

Mr. WATTS: By Act of Parliament! If that is "voluntarily" I have yet to learn the meaning of the term. This is the only profession in Australia, if not the whole world, which is providing the sum of £500 per annum, as the evidence will show directly, in order that it may produce persons who will compete actively in the business of law. It is the only organisation I know of that has voluntarily or compulsorily paid for a Chair of Law at the University and made large contributions to the Law Library in order that other practitioners may be produced, and so adding to the number of the profession and therefore adding to the competition of those already in it. If a thing which is made compulsory by Act of Parliament is voluntary then I require a new interpretation of the word. That is by the way. The following questions were asked of Mr. Goodman:—

691. What does the surplus actually amount to?—I could not tell you offhand. There is a fairly substantial sum in the hands of the board.

692. It has been suggested that the amount is between £2,000 and £3,000. Is that correct?—Approximately, I think it is £2,000. It might be more, taking the different assets into consideration.

693. What is the actual amount paid by the Barristers' Board to the Chair of Law?—We pay £500 a year.

694. What is the amount collected by way of annual practice fees?—Last year, I think I am right in saying, the amount was £850, and we paid out over £400 to assist the Government for books for various Local Court centres.

That is an interesting statement, that legal practitioners would have to be compulsorily "willing" to the extent of not exceeding £10 each towards making up an amount which may be applied to the purchase of books for local court centres. However, that is the evidence given.

The Minister for Justice: The Government has an item providing £150 a year for that purpose.

Mr. WATTS: If the legal practitioners provide £400 as against £150 provided by the Government, it is a most extraordinary commentary on the position in which legal practitioners have been placed in Western Australia. I doubt whether the case can be paralleled anywhere in the world. We have a surplus, on this evidence, of between £2,000 and £3,000, and the fund is still being collected. Now it is proposed approximately to double the contributions by this compulsory levy. The recommendation of the Select Committee was that this annual policy should be financed out of the surplus in the trust fund and the surplus per annum of the fund already collected. That was quite a reasonable proposition, and as I did at the time I do now commend the Select Committee for a very reasonable outlook on the whole matter. It did not contemplate for one moment doubling the contribution.

Does the Government suppose that legal practitioners in this State are made of money any more than any other section of the community is? Legal practitioners have to pay their share of taxation, and they expect to bear taxation in the same way as everybody else. They are compelled, at the risk of forfeiting their right to practise, to contribute to the Chair of Law at the University, and to the local courts book fund, which is another item; and now the Minister comes along and says that legal practitioners are to be compelled to contribute to something else. Putting these contributions together—and the Bill says nothing as to what is to be the actual figure—the permit for a four-member legal practice can cost £80 per annum. My suggestion to the Minister is that he takes this Bill back and works out a measure in accordance with the suggestions of the Select Committee. The latter measure would be twice as satisfactory as this proposal, and it would represent a fair insurance of the risks, as was quite clearly established by the evidence. Then the Minister will, in my opinion, have done a reasonable thing—which he is not doing by this Bill. He is simply placing additional burdens on an over-taxed and not over-incomed profession, and the liability is already assumed without advantage to the individual practitioner, who has not the slightest interest in the Chair of Law at the University. Now the Minister simply asks the individual practitioner to double his obligation in that respect, and I suppose he will say the payment is a voluntary one. I leave the matter at that. So far as I am concerned, if the Minister brings down a Bill based on the recommendations of the Select Committee, I will say nothing about it but give it generous support. The Minister's own Bill has no background of justice, but does possess a considerable background of injustice and impropriety. I oppose the measure.

HON. N. KEENAN (Nedlands): I find myself in agreement with the Leader of the Opposition that the legal profession has been made the object of very unjust imposts. The profession is being asked to do what no other profession is doing—to maintain a Chair at the University for the education of intending members of the profession. In an extraordinarily generous moment a spokesman of the legal profession volunteered on behalf of himself and other members of the profession to discharge this onerous duty, to contribute to maintain a Chair at the University when no other profession in Western Australia was contributing a single penny for such a purpose. Of course we were bound by the undertaking which Mr. Davy gave, and the proposal was carried into effect in a statute. And so the legal profession, as the Leader of the Opposition has said, has for years been paying money even in excess of requirements for the maintenance of the Chair of Law, because, as disclosed by the transactions of the Select Committee, the surplus was used for what obviously was a purpose never intended, namely the supplying of books to local courts. Although that is a fact, I recognise that the Minister has a very good case when he claims that there should be brought into existence some fund to meet possible defalcations. That part of the scheme is wholly unobjectionable. It is distinct from maintaining a Chair of Law at the University, and is entirely in accord-

ance with the practice of other professions, which also have similar funds.

But again the observation of the Leader of the Opposition is very pertinent, that the fund could very well be obtained, or largely obtained, from money subscribed by the profession already for the purpose of this Chair at the University, and not become an additional burden in full. If it is to become an additional burden in full, it seems to me that it would be grossly unjust if every member of the profession were called upon to pay an equal amount into this fund. The practice, which is common to all professions, is for a beginner to start with nothing. He has to struggle along for a number of years for a bare livelihood; but nevertheless under the Bill every practitioner is to pay exactly the same amount, whether he is a member of a firm practising in Perth and carrying on a business of a very profitable nature, or is a practitioner struggling in the country. Certainly a city practitioner would have far larger trust funds to handle than any practitioner in the country; but every practitioner must have a trust fund, because if he even collects a debt for a client he becomes at once a trustee for that client and therefore must have a trust account.

Accordingly it is inequitable to call on that practitioner, to whom every pound is a consideration, to pay the same fee as is paid by a firm like Stone and James or Parker and Parker. I ask the Minister to take into consideration some scheme of contribution based on the amount of trust funds involved; for instance, ½ per cent. or ¼ per cent., or whatever may be deemed right, on the average volume of trust moneys handled by him. But the Minister should not call upon a man making only a bare living in the country to come forward with a contribution in addition to the contribution he has to pay already for the maintenance of the Chair at the University simply because he is practising law, although possibly in the course of a year he does not handle more than £100 of trust funds in all. That does not appear to me at all just or equitable, and therefore I again ask the Minister to give consideration to that aspect. A certain amount of the contributions is now used for supplying books to the local courts, and that amount could be devoted to the creation of this proposed fund. Subject to that, I ask the Minister to consider whether some provision should not be made in the Bill to temper the amount of the burden to the capacity of the practitioner.

Question put and passed.

Bill read a second time.

In Committee.

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

Clauses 1 and 2—agreed to.

Clause 3—Amendment of Section 6:

Hon. N. KEENAN: This is the clause which gives the power by prescription to fix the annual contribution to be paid to the fund by legal practitioners to whom the Act applies.

The Minister for Justice: Subparagraph (h) of paragraph (c) is the provision the hon. member desires to amend.

Mr. WATTS: Does the Minister say that Clause 3 has no reference to the contribution to the annual fund? Instead of fixing the amount of the contribution, it is described merely as "not to exceed £10." Therefore the discretion of the Barristers' Board would be used as to whether the amount should be less than £10.

Sitting suspended from 6.15 to 7.30 p.m.

Point of Order.

Mr. Watts: On a point of order, Mr. Chairman: Am I to understand that it is your ruling that members of the Committee should stand at your entrance?

The Chairman: It is not a ruling; but decorum or Parliamentary procedure demands that every courtesy and respect shall be paid to the Chair. The same rules of debate apply in Committee as when the House is sitting. That will be found in the Standing Orders. It is no desire of mine that members should stand but it has been the practice, and it is expected of every member that he should pay respect equally to the Chairman of Committees and to Mr. Speaker.

Mr. Watts: Am I at liberty to disagree with your ruling?

The Chairman: I want to point out that decorum does not demand a ruling. It is a power conferred upon the Chair to enforce decorum and respect for the Chair, both when the House is sitting and when it is in Committee.

Mr. Watts: I am of opinion that neither the Standing Orders nor the established practice of this House or another place requires that what you say should be done. Unfortunately, as you will not rule that it should be done, I am not in a position to disagree, and take other rulings on the subject. That is my difficulty.

The Chairman: All I wish to point out is that there are occasions on points of order where a ruling must be given, but in the case of decorum or order in debate, no such thing as a ruling applies. Power is conferred upon the Chair to enforce order in debate and in such circumstances no such thing as a ruling can possibly be given. Only on points of order would Mr. Speaker or myself be expected to give a ruling. But we are both empowered to ask every member to pay respect to the Chair. In that regard the same rules apply to Committee as to the House as a whole. Standing Order No. 155 provides—

> The several rules for maintaining order in debate shall be observed in every Committee of the whole House.

Mr. Watts: Do you rule that standing on the entrance of the Chairman is preserving order in debate?

The Chairman: I want to ask the Leader of the Opposition not to reduce Parliament to the point of being farcical. I have given no ruling. I say that the procedure as set down requires that when Mr. Speaker enters this House, members shall pay respect to the Chair by rising, and the same rules apply in Committee.

Mr. Watts: Am I in a position now to disagree with your ruling, since you say that the same rules apply to Committee as apply to the House? If that is your ruling, I propose to disagree on the ground that neither the Standing Orders of the House nor established practice require that procedure to be followed.

The Chairman: I wish to point out that when it comes to a matter of paying respect to the Chair or keeping order in debate, the same power is conferred on Mr. Speaker and on the Chairman. I gave no ruling, but I sincerely hope the Leader of the Opposition will be the last member of this Committee to say he is desirous of breaking away from a practice that has been adhered to strictly since the time this institution was first established. Personally, I have no feeling in the mattter, but I give no ruling. I say it is a matter of courtesy and respect due to the Chair, and that practice has been adhered to and sanctioned, so far as I can gather, by all Parliaments from the time of the establishment of the Mother of Parliaments. I give no ruling, and I hope members of the Committee will understand that what I have stated is the only reason I ask for the practice to be followed.

Mr. Doney: With all respect, might I make a comment on your remark that it has been the practice of the House to accord to the Chairman of Committees the same respect as is given to the Speaker? In ordinary usage that is so, but I am forcing my mind back for some 16 or 17 years and I cannot recall that it has been the established practice to rise upon the entrance of the Chairman of Committees.

The Chairman: Will the hon. member please resume his seat? I want to point out that there is no question before the Chair. There is a proper way of approaching this subject, and the hon. member can adopt that course long before the termination of this session by moving a motion and letting the House decide exactly what the procedure shall be, if there is any doubt in the minds of members. So far as I am concerned, I am quite easy and would like an instruction from the House as to what should be done and what is considered to be decorum or respect for the Chair. I hope members will not hold up the debate any longer.

Committee Resumed.

Mr. WATTS: At the tea adjournment, I was asking the Minister if he would be good enough to explain to me why it is necessary for the Barristers' Board to collect £10 for an annual practice fee when already we have evidence to show that the board has a substantial reserve and that the annual collections are far more than is required for the conduct of the Chair of Law, and in addition there is an annual surplus of £300 or £400 expended upon things not contemplated by the Legal Practitioners Act.

The MINISTER FOR JUSTICE: As the Act stands, the minimum fee that can be collected is £5. Now we are making a maximum of £10 and no minimum, and the Barristers' Board is in a position to charge less than £5.

Mr. McDONALD: When speaking on the second reading I referred to the fact that legal practitioners, through their practice

certificates, had assumed obligations for what should, I think, be Governmental expenditure. I quite agree with the Leader of the Opposition that the revenue from practice certificates should not be expected to meet the provision of books for law courts or for the Parliamentary Library or the salary of the librarian of the Parliamentary Library.

The Premier: The Parliamentary Library?

Mr. McDONALD: The Law and Parliamentary Library at the Supreme Court. As I read this Bill, that is going to be overcome. Under the present Act, the practice certificate fee must not exceed £10 and not be less than £5. By the amending Bill, the board will have power to prescribe a lesser fee than £5. It can prescribe a fee that will meet the obligation to contribute to the Chair of Law and that will meet proper incidental expenses in connection with the Barristers' Board, but it need not make provision in the future for the outgoings which have been mentioned by the Leader of the Opposition. It is possible that in future the practice fee can be reduced below £5. In normal times, the obligation of each practioner towards the Chair of Law would be a little over £3, but as the number of legal practitioners grows, the time will come when the obligation of each practitioner will become very much less. It is conceivable that as time goes on the practising fee may be reducible to £3 or some such figure.

I do not think that legal practitioners would wish to go back on the responsibility they assumed to contribute towards a Chair of Law at the University. That was one of the ideas of the late Mr. Davy, which is in accordance with his generous nature and sense of community interests. I recollect the occasion when he referred it to a meeting of practitioners and asked if they were prepared to support the proposal. The practitioners all agreed that they would assume that obligation. In order that it might be a contribution in which all should take part, the idea was to incorporate it in an Act of Parliament. I do not think the legal fraternity would wish to terminate a contribution that it has made for so many years in the interests of legal education and legal standards in this State. In view of the provisions of the Bill we can look forward to a progressive reduction in the amount of the practising fee which, when so many young men are starting out upon their career, should be as reasonable as possible. In the same clause reference is made to the annual contribution to the guarantee fund. When that fund reaches £10,000 the contributions will cease entirely, and if it has a favourable experience during the next six or eight years the fund should reach that amount. Unless any substantial calls are made upon it, at the end of that period the contributions to the fund should cease or should be of a limited amount only. Inquiries I have made indicate that there are two alternative ways of providing protection to the public. One is the guarantee fund provided for in the Bill and the other is by way of an insurance policy with one or other of the insurance companies.

The Minister for Justice: That can be done under the provisions of the Bill.

Mr. McDONALD: Yes, but that is an interim measure. My inquiries show that the legal practitioners discussed the insurance policy method with the Law Society, and doubtless had the profession preferred the insurance policy system the Government would have been prepared to entertain it.

The Minister for Justice: A Bill with that object in view was drafted.

Mr. McDONALD: I understand that the legal practitioners consulted preferred the system incorporated in this Bill, one of the reasons actuating them being that if the experience were favourable the fund might reach its maximum amount in six or eight years and contributions would then either cease completely or be comparatively small, whereas under the insurance policy system the premium payments would continue indefinitely. In the opinion of a number of the legal practitioners, the system embodied in the Bill is preferable to the insurance policy system.

Mr. WATTS: I move an amendment—

> That in line 2 of subparagraph (i) of paragraph (g) the word "ten" be struck out and the word "five" inserted in lieu.

So far no fee in excess of £5 per year has been levied for a very considerable time. That fee has provided a surplus of approximately £2,000 and an annual surplus that is liable to increase unless spent on items not contemplated by the law and not within reason. There is every indication that the intention of the Barristers' Board will be to reduce the amount of the fee below £5 for the reasons explained by the member for West Perth. To provide for a maximum

fee of £10 when there has been no need to levy a fee in excess of £5 with the prospect of a lower fee in future, is not reasonable.

The MINISTER FOR JUSTICE: Seeing that the Barristers' Board will handle the fund, it is not likely that it will penalise legal practitioners to the extent of levying the maximum fee of £10. As the Barristers' Board conferred with legal practitioners and others regarding the provision for a maximum fee of £10, I feel I would be breaking an obligation to them if I agreed to the amendment. I do not see why we should distrust the Barristers' Board.

Mr. Watts: No-one distrusts the board. Why not leave it so that the board can levy whatever fee it deems fit, for that would be trusting the board fully?

The MINISTER FOR JUSTICE: If the Leader of the Opposition would be prepared to move in that direction I would be willing to trust the board to that extent. The time might arrive when the board would desire to impose a fee of more than £5.

Mr. McDONALD: I am sympathetic regarding the amendment but I doubt whether the Committee should alter the amount of the fee without further inquiry. Before the war the practising fee brought in £860 but as about half of the legal practitioners of this State have enlisted, the sum derived from that source now will be, say, £430.

The Minister for Justice: Over half the legal practitioners have enlisted.

Mr. McDONALD: That would reduce the amount beyond that required to meet the obligations to the University and to meet other administrative charges. Without information as to the precise amount required from the fees chargeable for practising certificates to meet the obligations, I would not feel justified in accepting any particular figure.

Amendment put and negatived.

Clause put and passed.

Clause 4—New part:

Hon. N. KEENAN: May I ask, Mr. Chairman, whether you intend to put the clause as a whole or to put the numerous proposed new sections seriatim?

The CHAIRMAN: If there is no objection, I shall put each proposed new section separately.

Proposed new Sections 28A to 28I—agreed to.

Proposed new Section 28J—Contributions to be made:

Hon. N. KEENAN: In my opinion, and I hope in the opinion of the Committee, it would be grossly unjust to ask a country practitioner to pay exactly the same fee as the biggest firm in Perth. In the latter case it would be a very small matter but for a country practitioner just starting on his career the charge would be important. The country man would handle an infinitesimal amount of trust money compared with that handled by a large legal firm in Perth. I suggest that the Minister should devise some means of making the provision more equitable. There are many ways of doing so. One would be to assess the fee on the average amount of trust moneys held by the practitioner. Another would be to pay half per cent. on the income earned during the year. As the provision stands now, a most unfair burden will be imposed upon the legal practitioner who is starting in life and to whom every single penny is a matter of importance.

The MINISTER FOR JUSTICE: The member for Nedlands mentioned this point to me and I made inquiries which proved not very favourable to his point of view. The man who is just starting out on his career is more apt to get into trouble than is an old-established firm. So that there is really more necessity for the protection of the individual than there is in the case of the big firm. It would penalise a firm with a net income of £20,000 a year as the cost to such a firm would be £100.

Hon. N. Keenan: If it had a net income of £20,000, the firm could afford to pay.

The MINISTER FOR JUSTICE: In addition, taxation is very heavy and high incomes carry high taxation. The legal profession is not in favour of the hon. member's suggestion. When a practitioner becomes established, the risk is very small. The risk generally occurs when a young man is just starting business.

Proposed new Section 28J—agreed to.

Clause put and passed.

Clause 5, Title—agreed to.

Bill reported without amendment and the report adopted.

Third Reading.

Bill read a third time and transmitted to the Council.

BILL—ROAD CLOSURE.

Second Reading.

THE MINISTER FOR LANDS [8.6] in moving the second reading said: The Road Closure Bill this year deals with four roads. The first one is an area in South Perth. In 1937, at the request of the South Perth Road Board, the whole of Lot 20 of portion C of Swan location 38a was resumed to provide an extension of Market-street to connect with View-street. At the request of the road board this was then declared an extension of Market-street. After adoption, it was found that the whole of the area was not required to be added to Market-street and a strip 13.7 links wide of the adjoining Lot 19 to fit in with the alignment of the two streets was desired by the road board to be sold to the adjoining owner. The road board met the cost of the resumption of Lot 20 and is entitled to receive the proceeds of the sale of the narrow strip of road which it is now intended to close. It is understood that the road board has received from the owner of the adjoining land the sum of £10. As this strip was included in the original declaration of the area to be included in the road, its resumption cannot take place under Section 29 of the Public Works Act and can be excised from the road only with Parliamentary approval. I will table a plan that clearly shows the position. The excision of this strip 13.7 links wide from the road will straighten out the alignment, will enable the frontages to be adjusted and will permit of the owner of the adjoining land purchasing the strip from the road board for £10.

A further clause deals with an area in North Fremantle—a portion of Lancelot-street between Bracks-street and Napier-road. This road lies between the railway and the sea and is between land held on both sides by the Shell Co. The company desires to have the street closed and to purchase the land. The North Fremantle Municipal Council supports the proposal as it considers that the street is not required. It is rarely used, except for the purposes of the Shell Co. in approaching its large storage tanks on the areas owned by it and fronting both sides of the existing street. There is a main avenue of approach to the Shell Co.'s area from North Fremantle via Irene-street into Bracks-street. At present that street is only 33ft. wide and the Shell Co. is anxious, following the closure of this road under statutory authority, to add to that narrow road from portion of its existing land, so that from the end of the block that will be created when the road is closed, the Shell Co. will present the council with sufficient land to enable a wide road to be formed. A petition signed by over 100 ratepayers was recently received against the closing of this road, but the council has advised that very few of the signatories to the petition could have any interest in the matter and could not possibly be affected by the closure. The council, by a substantial majority, agreed to inform the company that it would raise no objection to the closure of the road provided the company agreed to transfer to the council an area sufficient to enable Irene-street to be widened.

Hon. N. Keenan: Widened by how much?

The MINISTER FOR LANDS: To make it a full width road. The company is to pay the council the full cost of reconstructing Irene-street to permit of the re-alignment and the increasing of the width. The council estimates that this contribution will be not less than £500 in addition to the donation of the land. I have it from the Town Clerk that the Shell Co. has agreed in writing to these conditions. The matter, as is usual, has been referred to the Surveyor General and the Town Planning Commissioner and they have no objection whatever to the closing of Lancelot-street and the contribution of an area sufficient to enable Irene-street to be widened. In plan B it is clearly shown that there are only three houses that could possibly be affected by the proposal and the consolidation of the area if the road is closed.

Another clause in the Bill deals with an area in the Mosman Park road district. Hoskins Foundry, Ltd. has for some time been endeavouring to obtain a new site for its engineering works. Towards the end of last year, the firm had agreed, after consultation with the Surveyor General and the Town Planning Commissioner, on the suitability of a site in the Mosman Park district. This site includes part of Class B reserve 1635, portion of Stone-street, and a small area of land on the other side of the

street from the reserve. The proposal was originally held up because the road board desired to scrutinise the matter thoroughly and to reach a decision as to whether the whole of the area should be proclaimed an industrial area. The road board has extended its area to include this land and to allow of the erection of the engineering works proposed to be built by Hoskins Ltd. The Government has arranged to lease that portion of the area which is a reserve to Hoskins Ltd. for a long period to enable the firm to erect elaborate and costly engineering works; but before the lease can be given effect to it is necessary to close—as is provided in this Bill—that portion of Stone-street between the area purchased by Hoskins Ltd. and the "B" class reserve which I have mentioned. This matter has also been referred to the Surveyor General and the Town Planning Commissioner, who have agreed to the closure of the street. It is usual in cases of this kind that adjoining owners should agree to the closure of a portion of a street; and in this case the owners of land on both sides of the road have agreed, so no difficulty will be experienced in that respect. The road board has agreed to pay—for the proposed resumption of the road—for a very small portion that passes through private land.

The only other clause in the Bill relates to an area of land at Merredin. Early in 1942 the Commonwealth entered into negotiations to purchase large areas of land, both private and Crown, at Merredin, including roads and streets. The Commonwealth took possession of the land under the National Security Regulations for the purpose of erecting a store depot for the R.A.A.F. In the Reserves Act of 1940 provision was made for the excision of a piece of land from a Government reserve on that area to enable the Air Force to proceed with the plans and the erection of the buildings. The area included part of a Class "A" reserve which previously had been dedicated for park lands and recreation; but in the adjoining area which was subsequently acquired by the Commonwealth there existed on private land a road between the parkland and the area purchased under the National Security Regulations from private owners. The Commonwealth agreed to a 25-year lease of the whole area in which it was interested in this district. It is necessary for the Commonwealth to obtain a lease instrument and for the whole matter to be put in order to close a portion of the road affected. Plan D, which I shall submit, clearly sets out not only the area which was formerly the reserve, but the portion of the road which it is now intended to close. I will, when introducing a subsequent Bill, deal with the excision of a certain portion of a reserve to enable this project to be put in order. I now lay on the Table plans relative to this measure, and move—

That the Bill be now read a second time.

On motion by Mr. Thorn, debate adjourned.

BILL—RESERVES.

Second Reading.

THE MINISTER FOR LANDS [8.20] in moving the second reading said: This Bill deals with certain reserves in connection with which excisions are necessary. The first deals with a portion of a reserve adjoining the road I mentioned a few moments ago which it was desired to close to give effect to the plans of the Commonwealth for its Air Force buildings at Merredin. Portion of Reserve A14803, the property of the Crown, adjoins two or three roads as well as areas that have been acquired by the Commonwealth. The Commonwealth has agreed to accept the terms of the State Government in the matter. The Town Planning Commissioner and the Surveyor General have agreed to the proposal and have raised no objection to it. The Commonwealth Government has included a small area, formerly a road board lease, and the road board has agreed that it should be handed over to the Commonwealth to make the alignments regular and to permit of the workshops to be built. In the plan which I will submit the total area to be leased will be clearly shown. The roads to be closed, which are the subject-matter of another Bill, will be shown in a distinctive colour, while the reserves and subdivided vacant land will also be clearly marked. It will therefore be seen that a regular area, by the closing of the road and the excision of this portion of the reserve, will be available to the Commonwealth to proceed with their plans, and the lease which I have already mentioned will then be completed.

The next clause deals with an area in the Nedlands Road Board district. It is situated at Swanbourne and is portion of reserve A7804, which is vested in the Nedlands Road Board for park and recreation purposes. The board has power, subject to the approval of the Governor, to lease the land for 21 years. The member for Nedlands knows the area well. It is at Swanbourne and is known as Allen Park. It is portion of the reserve which was originally purchased by the road board and surrendered to the Crown to enable it to be made an area for a park and recreation. The Government, in lieu of this area, granted another area to the board, the board paying the cost of acquisition and transfer. On the land purchased by the board are three small dwelling houses, not of a very substantial character. It is thought that at the end of the term of 21 years it might be possible for the board to clear the area of all buildings and have it set apart wholly for the purpose for which it was dedicated. In the meantime, the board has no right to charge a rental for the area unless the money is used for the purpose of beautifying or developing the parklands. To enable the board to lease the land for that term, the Bill provides that after 21 years the road board shall, if circumstances then demand it, obtain the permission of Parliament to lease the property again. In the plan that I will submit will be clearly shown the situation of the houses on the reserve. Authority is given in this Bill to the board to lease the houses for a period not exceeding 21 years.

The next clause deals with an area at Jarrahdale, reserve No. 19134, which is held in trust for the Serpentine-Jarrahdale Road Board for the purpose of recreation, racecourse and showground. At present the area is leased to a Mr. Tomkin, under terms which require him to maintain existing improvements as well as improve the land for the purpose for which it was originally set apart. The lessee has the right to graze the land until July, 1949. Whittaker Bros. have recently been granted a forest lease and license in that district for a term of ten years and they desire to lease a portion of the recreation and showground reserve upon which to erect a sawmill, very close to the railway yard, and to have access to the railway yard. Parliamentary authority is necessary to allow the road board to lease part of the reserve. The area proposed to be leased is 5½ acres. The rental has been agreed upon between Whittaker Bros. and the road board; and if the site is not available, Whittaker Bros. will have great difficulty in securing an area in the immediate vicinity suited to their needs. This question has been thoroughly scrutinised by the department at the request of the road board. There is no departmental objection to the matter, and the Serpentine-Jarrahdale road board is anxious to obtain Parliamentary approval to enable it to complete the contract with Whittaker Bros.

The next area dealt with in the Bill is at Northam. Since 1893 the Northam Municipality has held the freehold of a Northam lot in trust for the purpose of a town hall. The land has not been required for that purpose and has instead been used for recreation for a great number of years. It is desired in this Bill to give effect to the change of the purpose of the reserve from that of a town hall to recreation purposes. Parliamentary approval must be obtained accordingly. A report has been made by the appropriate representatives of the Lands Department and the Town Planning Commissioner, and they consider that the present use is the purpose to which the land should be put. At present the land includes tennis courts and children's swings and it is used solely for recreation purposes. As the land has been held in trust since 1893, Parliamentary approval is necessary, as I said, to change the purpose.

The next area affects Mundijong reserve 2166. This has been held under a 99-year lease and stands in the names of certain trustees. The lease was issued in 1899 and the trustees are dead. The reserve has not been used as a racecourse for a great number of years. This clause proposes to cancel the reserve and revest the land in the Crown. The road board is prepared to take over the area if the Crown will subsequently vest the area in the board to develop it for the purposes prescribed at that time. For the time being, the department simply wishes to cancel the registration and, for the duration of the war, to declare no future purpose for it.

The remaining clause in this Bill deals with an area in Bunbury. Bunbury Town

Lots Nos. 155, 156 and 174 are reserves originally set aside for the purpose of recreation. They have not been used for that purpose but have been used by the Bunbury Municipal Council as a depot site. In 1909 the council of Bunbury was given the right to use these areas for municipal purposes, as I think the member for Bunbury knows, and they have been used for municipal purposes and for a depot for the council ever since, in spite of the area being originally granted for the purposes of recreation. With the development of Bunbury, these lots are now surrounded by residences and are in a residential area. The Town Planning Commissioner is of opinion that it would be in the public interest if the areas were sold and houses erected thereon. It is proposed that the proceeds of the sale of these lots shall belong to the council to enable it to buy a suitable area in a more appropriate place for depot purposes. The plan that I shall submit to the House will clearly show the nature of the transaction. All these matters have been thoroughly scrutinised and I have advised the Leader of the Opposition that, if there is any one of these matters which requires close scrutiny by him, he is welcome to all the documents associated therewith. I shall now lay on the Table of the House plans relative to this measure. I move—

That the Bill be now read a second time

On motion by Mr. Thorn, debate adjourned.

ANNUAL ESTIMATES, 1944-45.

In Committee of Supply.

Debate resumed from the 30th November; Mr. Marshall in the Chair.

Vote—Mines, £115,655:

THE MINISTER FOR MINES [8.34]: While the general discussion on the Estimates was taking place the member for Brown Hill-Ivanhoe set out to show the inaccuracy of the figures supplied by the Mines Department, particularly for the year 1939. The hon. member used a tremendous number of figures in various ways, which I have no intention of trying to follow tonight. But I do desire to show that his deductions were quite wrong. He need not be worried as to the difference between the number of men said to be employed or engaged in the mining industry at the end of 1939, and the number of men paying into the Mine Workers' Relief Fund. He showed a difference of 5,000 odd men which he could not reconcile with the report. The method of obtaining these figures is a reasonable one and, whilst we do not claim to be 100 per cent. correct, we do claim that if the figures are correlated there is little difference in them. The method is that the mining registrar of each district is responsible for the figures of the goldfields under his control. The returns have to be made quarterly by the holder of each lease, prospecting area, machinery area, tailings area or of seven other classes of gold-mining titles. In addition, he obtains from the inspector of mines and the police officer in each district details of men prospecting on Crown lands. Those figures are then correlated and sent to head office. The figures that will be supplied tonight will show that there is little difference between the figures when they are correlated.

The hon. member also stated, with some degree of truth, that the Mines Department made a great deal of play on the two words "engaged" in the mining industry and "employed" in the mining industry. The difference is that those engaged are those engaged in the mining industry irrespective of whether or not they are employed. The word "employed" is used in connection with men who are employed under a contract of service by a company or some employer. The hon. member took the figures for the year ended 1939. According to the Mines Department report, there were 15,216 men, at that time engaged in the industry of goldmining. He emphasised again that those men were engaged in mining operations irrespective of how they were engaged. Only a proportion of them was actually employed as wages men, the balance being prospectors, small miners working on their own account or on their own holdings, or seeking gold on Crown lands, battery employees, etc. The proportion working in the operations I have just mentioned was composed not necessarily of employees of any employers. The Mine Workers' Relief Fund Act specifically requires the employees—and they are the men engaged in or about a mine under a contract of service as I have just stated—to submit themselves periodically to a medical examination, and they are compelled to contribute to the mine workers' relief fund. This requirement does not

apply to the others although the Act permits prospectors, under certain conditions, to contribute to the fund should they so desire, but there are very few prospectors who take advantage of this facility.

The report of the administrators of the mine workers' relief fund at the 31st January, 1940, seemed to worry the member for Brown Hill-Ivanhoe. Members will observe that the Mines Department report is as at the 31st December each year whilst the Mine Workers' Relief Fund report is a month later. In 1939 we had 15,216 men engaged in the industry and one month later there were 9,832 paying into the Mine Workers' Relief Fund. As I have already mentioned, those so paying comprise the actual paid employees, plus a few prospectors and a few men now out of the mines suffering from miner's phthisis, early silicosis and advanced silicosis. If we subtract the figure of 9,832 from that of 15,216 we get a difference of 5,384. That is about the figure of 5,000 mentioned by the hon. member as being unaccounted for by us in the report. These 5,384 men have to be accounted for and I suggest that they are made up, if the report is looked at correctly, of prospectors, small mine-owners, State battery employees, sands treatment workers, fossickers, etc. In normal times there are thousands of those men in and around Western Australia.

If we take the figures for that particular year we find that at the end of 1939 there were 1,736 prospecting areas in existence and 1,578 leases. Approximately 800 of those leases were held by companies employing men. That means that there were 778 leases occupied by men working for themselves. For every six acres one man has to be employed so that many of these leases would be occupied by two men or probably more. If we work on the basis of two men then 778 leases would employ 1,556 men. Two men for each of the 1,776 prospecting areas gives a figure of 3,552 men. If we add together those figures of 3,552 and 1,556 we get a total of 5,108. If we subtract this figure of 5,108 from the original number of 5,384, being the number who paid into the Mine Workers' Relief Fund there is a difference of 276 men over the total number of 15,216.

Mr. Kelly: Would not the exemption period have some bearing on these figures?

The MINISTER FOR MINES: The 276 may be found there.

[*Mr. J. Hegney took the Chair.*]

Hon. N. Keenan: Are the figures you are quoting current figures?

The MINISTER FOR MINES: No, they are the figures dealt with by the member for Brown Hill-Ivanhoe for 1939. A minimum of two men are required for a lease and it is easy for several leases to be occupied by more than that number so that the figure of 276 can be quite readily made up.

Mr. Marshall: A large number of men take up no tenancy at all until they discover gold.

The MINISTER FOR MINES: That is so. I am trying to show that in point of accuracy the Mines Department report is not nearly so defective as the member for Brown Hill-Ivanhoe evidently considered it to be. The hon. member also dealt with the Mine Workers' Relief Fund itself. We as the Mines Department take no responsibility for that fund. It was the responsibility of Parliament, and remains so today. Moreover, the hon. member's figures were not based on actuarial valuation. The last of these valuations that we obtained did not set out what could be termed a really actuarial valuation, because the actuary showed that under the circumstances of the creation of the fund it was impossible to arrive at a true actuarial valuation. The hon. member declared that there was a quarter of a million of money in the fund, and that it had shown a profit of £17,000 last year. As usual, where there is a large surplus there is someone anxious to get something out of it. However, we have to be particularly careful, and the liability of the fund at the moment is especially heavy in view of the legislation passed by Parliament—it was introduced by myself—during the war period.

We must remember that Parliament passed legislation providing for men who were called up or who volunteered for the Services. The system has now been extended to C.C.C., Allied Services, and internees. The regulation provided that men returning either from the war, or from any locality where they were occupied, could return to the mines. Once they go to the mines they go to the laboratory and are examined, and provided they are not suffering from tuberculosis are allowed to work in the mines. It has been proved that because of the war a large number of men

who left the industry were not examined before entering the Army. Later they were examined, and it is quite well known that a lot of tubercular men had remained undiscovered. In the New Guinea campaign there were numbers of men entitled to return to the mines upon returning to Australia, and it is very doubtful whether they are equal to the strain of mine work. Many of them are likely to become a charge on the fund. We must be particularly careful as to the liability we may strike. And so we come to the present position of the goldmining industry.

During 1943 there were 2,051,010.53 tons of ore treated for a return of 531,747 fine ounces of gold, the equivalent to an average of 5.185 pennyweights per ton. That represents the lowest average grade of ore ever treated in Western Australia. Both the tonnage and the yield were considerably less than those for the previous year, as the result of the manpower position, which has changed very little during the past 12 months. A few men have drifted back into the mines, but on the other hand the wastage has been more than large enough to compensate for the number of men who returned. Up to September, 1944, the production of gold was 350,670 fine ounces, again less than the production for 1943. I do not know whether we are treating lower grade ore, but the average has been lower than in any previous year. The position is difficult as regards replacements and spare parts for the industry. Many of those things come from oversea, particularly replacements and spare parts for the mining industry, these not being considered as products of strategic industry. We have had a great deal of difficulty in obtaining the requirements of the industry in these respects.

When a number of men were taken out of the industry it was argued by the Commonwealth Government that it would be impossible to bring requisites for goldmining from America and Great Britain, because the shipping tonnage would be needed for war purposes. However, the mining companies, evidently believing, shrewdly, that there was war coming, had at least three years' mining requisites in hand. Those reserves are now becoming shorter, and the Government is using every endeavour to obtain the requisites. We have kept the position in front of the Commonwealth Government, and have an assurance that everything possible will be done. With the improved war position of recent months, influential mining companies are already paying attention to possible gold areas, with the idea of opening up new mines immediately the manpower position and the war allow. The interest being shown is such that I have no doubt our industry will, after the war, re-assume its important position. There has been considerable activity in regard to a number of strategic mineral deposits and a lot of material has been produced for use by both the Australian and American Governments.

The main minerals produced have been tantalite, beryl, antimony, arsenic, pyrites, phosphates, mica, felspar and alunite. It is also pleasing to be able to state that the blue asbestos operations in the Hamersley Ranges now appear to be on a sound footing. Two large companies are established and between them have expended, to date, approximately £200,000 on plant and development; and there is little doubt but that this industry will be of very considerable importance after the war; and it should greatly help in opening up what was previously a very isolated locality. The Government is assisting its establishment in every way, and is providing roads and other facilities. Considerable attention has been given to the coal deposits at Collie. The State Government assisted the Griffin Coal Mining Company by a bank overdraft guarantee of £39.000, to enable the opening up of the new Wyvern Colliery. This has opened up a fine seam of coal, and will be operated in a modern manner. The open-cut, sponsored by the Government, has provided a lot of coal over the difficult war period, and, having now reached the second seam, a better one than the top seam, will produce a lot more.

Mr. McDonald: Is this coal better than the usual?

The MINISTER FOR MINES: I would not say it is better. But it is good.

Hon. N. Keenan: Where is that area?

The MINISTER FOR MINES: The Wyvern is out from the Griffin mine. We put in a railway siding there, and everything is going very well indeed just now. The coal I refer to at the open cut, the top seam, is a 7 ft. seam, which is not of very good quality but is adaptable for the production of electricity. Underneath this there is a

larger seam of coal now being worked by a mechanical shovel, and we hope to obtain at least 200 tons per day from this. There is quite a lot of it there.

Mr. McDonald: Did the survey show that there was plenty of coal down there?

The MINISTER FOR MINES: There is enough coal in the Collie area, without going to any other place, to last us for the next 500 or 600 years. There is any amount of good coal there. It will be appreciated that the cost of transporting coal from Collie to Geraldton for the railways is high; in fact, it is 15s. a ton. There is, however, some coal at Eridu which some people think will serve our purpose. It is believed there is a good seam there, 22ft. 6in. through. We have endeavoured to sink a shaft to it. We got to within 20ft. but the water was so strong that we had to stop. We tried to get a sufficient sample out to try it on the railways, but the water beat us and we had to close down until we could get a pump sufficiently large to deal with the water. In the meantime we have shifted the plant and the men to the Irwin River where there is a number of seams. We are sinking a shaft in a 4ft. seam and hewing out a tunnel to get a sample for testing out. The Irwin River has a number of small seams; the biggest is 12ft. But that is down about 538ft., whereas at Collie the seam starts from the surface and the coal can be obtained very quickly.

An unfortunate fact is that it is all in the country belonging to the Midland Railway Company so that, whatever we find there, the Midland Company will reap the benefit. In the case of most land which is leased or sold, any coal or any gold found belongs to the Government, but the Midland Railway Company's land was sold to it with minerals, so the company will get the lot; anything found in the Irwin River district will belong to that company. The Schools of Mines at Kalgoorlie, Wiluna and Norseman are still doing good work and the training now being given should be of great value in the post-war period. At present, men going through the School of Mines can obtain a diploma but not a degree. We are negotiating with the University authorities with a view to the School of Mines being affiliated with the University and, after discussing the matter with some of the leaders at the University, we are hopeful that arrangements will be made for men going through the School of Mines and working to be able to obtain not only a diploma but also a degree from the University.

The chemical laboratory is now at work and is doing a wonderful job. We have a very excellent laboratory. I do not know whether members have seen it, but I suggest to those who have not that they should take a walk down town and have a look through it; it is well worth seeing. A great deal of work is being done for Government departments generally, including the Agricultural, Public Works, and Forests Departments, and we have also undertaken special war work at the request of the Allied Naval, Air Force and Army authorities. As a result, the staff has had to be considerably increased. There is no doubt that research is entering into all avenues of work to a greater degree than ever in the past. Geological examinations of our vast areas have continued, and have been of considerable value, particularly in regard to our strategic mineral deposits. We hope to expand the geological activities in the future as part of our plan to develop our mining activity.

Dealing with oil, it will be remembered that a big company was doing a lot of geophysical and geological work in the North but when Japan came into the war the company was ordered out. We hope that it will return before long. I regret to say, however, that the chief man, Mr. Bremner, later joined the American Army and was sent out prospecting for oil; and only a few weeks ago he was killed in an aeroplane accident. I regret his loss, because he was a very fine man personally, and an expert in his business and had a good grip of prospects in the Kimberleys. The State Batteries have been maintained, although the tonnage has been very much reduced. They have enabled those prospectors who are left to continue operations and they will be ready for any immediate increase in activity when the war position allows. Opportunity has been taken to overhaul the plants and improve them where possible. After a long career in the department, the former State Mining Engineer, Mr. R. C. Wilson, has been retired and Mr. J. S. Foxall appointed to the position. Mr. Foxall was previously Assistant State Mining Engineer.

The medical examination of all miners in regard to industrial diseases has continued throughout the war period. One hundred men were examined at Collie. Incidentally, I take this opportunity to pay a tribute to the Collie coalminers for the way they have stuck to their work and produced coal. They have done a particularly good job in view of the fact that 160 young men—physically strong, big fellows—enlisted and that the average age of the men now is in the vicinity of 50. Before the war they worked seven to eight shifts a fortnight, but suddenly the number was increased to 12. They discarded the traditions of coalminers, who had never worked on pay days and undertook to do 12 shifts a fortnight, this having later been reduced to 11 because they were unable to stand up to the strenuous time they were having. In view of what we hear about coalminers generally, it can be said that they have done a good job during this war. Some concern was expressed at the Collie mines by men who thought they were suffering from diseases experienced by goldminers. At their request, we sent the mobile van, which was on its way from Meekatharra, to Collie. We got the men who had been in the mines longest and examined them. There were only three or four who showed signs of silicosis, but their history indicated that they had been working in other mines—and one in a quarry—where they could have picked up dust. We were pleased to discover that the men chosen for the examination were found to be not suffering from any of the diseases goldminers usually experience.

Mr. Marshall: Thank God for that!

The MINISTER FOR MINES: So say all of us! The inspection of machinery by our inspection branch has been carried on while the explosives inspection section has been given additional duties, at the request of the Commonwealth Government, in regard to security precautions throughout the State. That concludes my outline of the position of the department.

MR. MARSHALL (Murchison): There is little that one can say in regard to the Mining Estimates in these days. I can remember when goldmining took precedence over every other form of mining. Today of course the industry is experiencing a very lean time. The war has taken away most of its efficient and ablest miners; numbers have been reduced materially and the industry has felt the effect most acutely. I suppose some people will continue to accuse me of little or no particular admiration for the goldmining industry, simply because I argue that gold is not a proper or logical basis for the currency issue. I do not propose, however, to drift into an argument concerning its value in regard to currency. All I wish to say is that never yet have I argued that, as an international unit of account, gold will not hold its importance in the future as it has in the past. Because of its divisibility and acceptability, and because of the belief inherent in the nations on account of practices over past years, it will be accepted in payment for goods. It will be accepted as a medium of clearing adverse balances by nations. It may yet, and I hope it will—I can find no fault with it as such—hold the important position it has held in past years. As a basis of currency, it is fraudulent. That has been proved and accepted by most of those authorities who have given it every consideration and expressed their views in writing. I agree with that.

We have to respect the fact that the goldmining industry of Western Australia was instrumental in speeding up the development of other industries in this State. It did something more than that. In its early career, it saved hundreds of thousands of people from dying of starvation in the Eastern States. Many of our forefathers were pleased to migrate from that environment to Western Australia and many made good and most got a decent living, thanks to the goldmining industry. In 1933 we had a similar experience. When all other prices had fallen and poverty was surrounding us, thousands of people—bread winners—went on the goldfields and obtained a lucrative form of employment in the goldmining industry. It has been a great asset to this State, but it has been costly in other regards. There are no statistics, nor could any statistician compile the figures to show conclusively the number of lives that have been lost in the goldmining industry.

It is true that we have records and statistics of those injured or killed by virtue of accident in the industry, but there are thousands of men who have worked in it and died from disease without any record of them being kept. So it has been very

costly in this regard, and I venture to say that if all the money put into the industry could be calculated and on the other side of the ledger the quantity of gold won from the industry could be taken into consideration, it would be found that the cost per oz. far exceeded the value paid per oz. of the gold won. Many millions of pounds sunk in the industry have been lost. Many hundreds of thousands of pounds that were invested did not result in the recovery of an oz. of gold. So I do not think we can calculate this item fairly or justly—the actual cost per oz. of gold. There is one aspect regarding which the Minister and I shall probably be at variance. When some member referred to the price being paid for gold in India, the Minister interjected that India was a black market. I say frankly to the Minister for Mines that India is not a black market.

The Minister for Mines: I am only giving the information as it was given to me.

Mr. MARSHALL: India is not a black market. What is a black blot on the history of Australia is the fact that prospectors and goldwinners generally are not permitted to sell their gold to the highest bidder.

The Minister for Mines: I agree.

Mr. MARSHALL: If they were permitted to do so, they could get approximately £20 per oz. for their gold.

The Minister for Mines: For a small proportion.

Mr. MARSHALL: Be the proportion large or small, why should the winner of this valuable commodity, which he has obtained as a result of his hard labour, dispose of it at half the price that he could obtain elsewhere, simply because 33 central banks situated in various countries agree amongst themselves to buy gold at a given price—and they fixed the price? Because these international gangsters arrive at a decision as to what they will pay for gold, our prospectors and gold producers are obliged to sell at the fixed price, and the Commonwealth Bank refuses to exercise its prerogative in the interests of Australia. The policy of the Commonwealth Bank is directed from London. Whatever is done by the Bank of England is done by the Commonwealth Bank. The necessary directions are given to the Commonwealth Bank, and that policy must be adhered to strictly. The winners of gold can get justice only where there is competition between buyers and therefore India is no black market. The black market is the rigged market that is controlled by a clique of international gangsters.

Mrs. Cardell-Oliver: How does India escape?

Mr. MARSHALL: She escapes because she does not permit the central banks to direct her policy. She buys and sells on the open market irrespective of what the central banking institutions may declare. That is not the policy here. We are obliged to market our goods in accordance with the laws and regulations that are promulgated.

Mr. Triat: You cannot hold gold; you must hand it over to the banks.

Mr. MARSHALL: Of course that is so—in this land of freedom! The prospectors and small mine-owners are being robbed again. During the 1914-18 war Western Australian gold producers lost £3,000,000 because of the same international robbery. Whether the Commonwealth Government profited to that extent I do not know. I do not know whether the foreign investors got the £3,000,000. What I do know is that Western Australian gold producers lost that amount—and we are losing more during this war. I do not know whether the Minister for Mines has been negotiating with the Commonwealth Government on this matter, but I know that were I in his place someone in the Commonwealth Government would be enjoying a very severe headache if he were not able to give a more reasonable answer than we have had so far regarding this most iniquitous position. He would have that headache if the Government were not prepared to place the gold producers of this State in a position to get full value for the results of their labour.

The prospectors and the small gold producers have enough to contend with under their ordinary daily living conditions, without being robbed of the value of their product. I want the Minister for Mines to give me an undertaking that he will persist in further negotiations with the Commonwealth Government with a view to securing justice for the people to whom I have referred. We must remember, of course, that the big mining companies may or may not be interlocked with the banking institutions, and that may influence the situation. At any rate, the prospectors and small mine-owners should be permitted to procure on the world's open markets the full value of

their product. It is of little avail saying that gold is required for the winning of the war, because that does not hold water these days.

The Minister for Mines: It is not wanted.

Mr. MARSHALL: The powers-that-be are now admitting what I have always contended. Gold has never been the true measure of values but only a medium, and the bankers' faked-up trickery has made people believe that before they can get a loaf of bread they must have gold in their pockets. No more ridiculous argument can be advanced, and it has now been exploded. Next I shall refer to the certificates for miners. The Minister has got in before me with a regulation which I am told has been tabled. It is rather belated, but the regulation covers everything with one exception. The Minister should amend the regulation. I take no exception to the substance of it except that it omits to do one thing. I do not desire to be over-critical. My electorate has probably suffered more from this standpoint than any other part of the State owing to the demands of war. Two of the principal producing mines in the electorate have been definitely closed down because of manpower demands for industries considered necessary for the prosecution of the war and also for filling the ranks of the Armed Forces. The regulation provides that certificates held by men taken out of the goldmining industry and put to work in industries considered necessary for the successful prosecution of the war, will, irrespective of the nature of the certificate granted, have such certificate continued. That is quite right. There are four different types of certificates—provisional, initial, re-admission and special.

The provisional certificate is granted to a man in the industry until his examination at the Kalgoorlie laboratory or by a unit under the Mine Workers' Relief Act; the initial and re-admission certificates are given to men who are entitled to compensation when they are found to be suffering from an industrial disease or tuberculosis. The regulation is all right to the extent that it provides that those certificates will come into force if the holders were taken out of the mines for employment in the Civil Construction Corps or for employment as an artisan, or for employment in a factory which is engaged on war work. The point I make is that there are a few men who, when the mines in my electorate were closed down, were of no value to the Army nor yet to any industry engaged in connection with the war effort. Some of those men had worked for a considerable time underground, and in view of their domestic responsibilities, found it impossible to take work far from their homes when the mines closed down. In consequence those men will have been out of the industry for a period longer than that allowed under the Act, namely, two years, and unless the regulation is amended, those men will not be readmitted to the industry and will not be compensated later on should they prove to be suffering from an industrial disease due to the effects of their employment in the mines. That is unfair and certainly unjust. I know the Minister is sympathetic and I hope that he will amend the regulation to overcome that difficulty. As a matter of fact, we provide for interned foreigners who evidently were disloyal or they would not have been interned.

The Minister for Mines: Who paid into the fund.

Mr. MARSHALL: Yes, they have paid into the fund, but being disloyal have been interned. I cannot see any justification for providing such men with a certificate that will enable them to continue in the industry when, owing to the circumstances I have outlined, good loyal Australians will be prevented from doing so. I hope the Minister will give some attention to this matter. Not many men will be affected, but most of them reside in my electorate. Unless something is done to rectify the position, those who have contributed to the mine workers' relief fund—even now some of them are suffering from compensable diseases—will experience a grave injustice and will certainly be harshly treated compared with others who merely left the mining industry to participate in war work.

There is another matter on which I should like some information from the Minister. I understand the Commonwealth has created a mining panel. I have to depend upon the Press for what information I have. I do not know who constitute the panel, what its obligations are, what service it is going to render to Western Australia, or what it is going to cost taxpayers before its work is finished. I want to know what its

real objective is. I think the Minister will agree with me when I say we need no such panel to investigate mining in Western Australia. No-one can tell us anything about our mining industry better than can the Mines Department. Let me pay that compliment to the department that it is most efficient and exacting. Nothing is discovered in this State without the Government Analyst or Government Geologist investigating it and recording the discovery. Every class of mineral or metal is investigated and tabulated. What this mining panel is going to do here or whether it is coming here I do not know, but if it does come, the best thing it can do will be to save the taxpayers' money by going direct to the office of the Minister where it will get all the information it requires in five or ten minutes. Certainly it could do nothing in the way of investigating any form of mining in this State. The Mines Department has been simply wonderful. For ability, courtesy and efficiency, no department surpasses it. I cannot conceive what the panel is for or what it might do. Anything it might investigate is already known and tabulated in the department.

Other States are not so well supplied with mining information. A few years ago, I was shocked to find the real state of affairs in the Eastern States. I was on the lookout for some improved mechanical or other contrivance that would provide better ventilation and better conditions for the miners underground. I was looking for some up-to-date invention; I wondered whether the methods in the Eastern States were better than ours. I was astonished to find that Western Australia was miles ahead of any other State. I cannot speak as to the coalmining, but as regards goldmining there is no State that can show Western Australia a lead. This is due to the efficiency of our Mines Department and its officers. So I say that a mining panel might serve a useful purpose in other States. From what I could ascertain, other States take little interest in tabulating discoveries of metals or minerals. They have little to do with metalliferous mines; their chief interest lies in coal. Consequently, the panel might serve some purpose there. I want to know whether the Minister for Mines sanctioned the creation of the panel or played any part in its creation.

The Minister for Mines: I did not.

Mr. MARSHALL: Did the Commonwealth refer to the Minister on the subject?

The Minister for Mines: No, I was never asked.

Mr. MARSHALL: Courtesy demanded that the Minister for Mines in this State should be consulted.

Mr. Triat: That is the usual Federal method, is it not?

Mr. MARSHALL: I am pleased that the Minister has not been a party on behalf of Western Australia to the establishment of this panel. I hope that when we again consider the Mines Estimates, we shall be on the road to a revival in the goldmining industry. I pay a tribute to the officers, and especially the Under Secretary, of the department, for their courtesy and efficiency. There is one thing the Minister might do, and that is to inspire a little more enthusiasm in his officers in the matter of exploring known metalliferous deposits. Whenever the Commonwealth required minerals, we were producing them, but we have deposits in other parts of the State, and no enthusiasm has been shown in the matter of opening them up and developing them.

The Minister for Mines: Whenever we can get a market, we develop them.

Mr. MARSHALL: We ought not to wait for a market before ascertaining what a deposit is worth. Many of these deposits have been merely scratched over, and we cannot tell what life is in them. While it is difficult to get efficient labour, by which I mean physically fit and experienced men, there is quite a number of elderly men who would be willing to go out and do a little work on many of the known deposits and would explore them to the extent of establishing without doubt their actual value. If we wait until a demand occurs, we then have to start to find out what we have. We ought to be able to say to anyone, "If you want tantalite or beryl or some other mineral, we have this, that and the other deposit. We have tested those deposits and can show you exactly what they contain." I do not know the possibilities at Poona, out from Cue, but beryl exists there.

The Mines Department has been obliged to undertake so many Commonwealth jobs that it has overlooked the important work of getting these metalliferous discoveries opened up and proved. We ought to know more about their value. We know the deposits exist, but nobody knows how

long they would last if they were actively exploited. We should be utilising the services of the older men who are to be found in most of our mining towns, and who are capable of doing a good day's work. They would be prepared to go out and explore these deposits. It is one of the finest experiences of my life to chat with some of these old men about their discoveries. They are fine old citizens, still able to work and willing to work. Now that the department is being relieved of much of the paraphernalia, such as civil defence and other obligations willingly accepted on behalf of the Commonwealth, an effort should be made in the direction I have indicated, without loss of time.

I hope there will be no let-up in our efforts when the war comes to an end. That is the time when we should start producing real wealth—not goods to destroy life but wealth to benefit life. I hope we shall then see a new and prosperous Western Australia, one busy producing wealth that will go to satisfy the complex desires of the people, so that the standards of the people can be raised, and they will aspire to higher things in art, science and culture and in spiritual welfare instead of being left in poverty, misery and degradation.

MR. TRIAT (Mt. Magnet): I support the remarks of the member for Murchison, more so in the matter of the price of gold in the open market. I am completely puzzled at the action of the Commonwealth Government in not being able to announce to the people of Australia why gold cannot be sold in America. The Commonwealth Government has participated in the profit from gold, 50 per cent. of which goes into the Commonwealth Treasury. Just before the war, the Commonwealth was taking a million of money from Western Australia by way of special taxation on the production of gold. I cannot but believe that it would be to the advantage of the Commonwealth Government to dispose of gold in the open market. It has been announced that the price of gold in America is 5s. above what it is here, but that is due to transport. We are supposed to get the world's parity and we get £8 8s. an ounce. In Australian currency, we get much more. I hope the Minister will give consideration to this matter and will obtain a real authentic explanation of why we are not able to dispose of some of our gold at a higher price. It is essential that action along these lines should be taken because many of our prospectors rely on gold for a livelihood. Some of them are doing well; some are doing not so well. If all of them were getting the true price for their gold, all of them would be doing well. I hope the Minister will give this matter the necessary attention.

The Minister for Mines: It has been receiving a lot of attention, but we have not got very far.

Mr. TRIAT: Then the Minister ought to remember that we have representatives in the Commonwealth Cabinet. If the Commonwealth Government will not do anything, why not take the matter up with our members and get them to demand that it receive attention? I feel sure that if the case were put before Mr. Johnson, M.H.R., he would ask for the information and would forward it to us. That would be one way out of the difficulty if we cannot get the information for ourselves.

I notice that very little work is being done at the State Batteries. I have had quite a lot of complaints to the effect, not that there is not much crushing being done, but on the ground of the existence of laxity. It all depends on the man measuring the ore. Quite a lot of factors are against measurement as opposed to weight. Surely it is possible in Western Australia to secure material necessary to repair a broken weighbridge! There is a weighbridge broken down at Boogardie, near Mt. Magnet, and the State Batteries Department advise that they could take a weighbridge from Rothsay to Mt. Magnet; but that would only be robbing Peter to pay Paul. The weighbridge would have to be transported for 90 miles after being dismantled. That would be equal to the cost of a new weighbridge. We have many firms here who can make weighbridge beams. Complaints have also been made about the old plates on the batteries. Many of these copper plates have been on the batteries for 20 or 30 years. They have to be cleaned, the amalgum must be taken off them, and they get trampled on and the keys are knocked out of the tappets with the result that the plates become damaged and cracked. Certainly, a cracked plate will not yield good results. These plates should be re-annealed or retreated, or otherwise new plates should be put on the batteries. Copper is not very

expensive; and there seems to be plenty of it available.

Mr. Kelly: If the old plates were sold to the Mint they would probably realise more than the cost of new plates.

Mr. TRIAT: Yes. They would contain much gold which cannot be recovered by any known process, except smelting. I sincerely trust the State Batteries Department will see that new plates are fitted to the batteries because when the industry gets busy again there will be a great demand for them. I wish also to refer to the old method of crushing. I sincerely hope that the State Batteries Department will give consideration to the installation of plants suitable for treating some of our refractory ores. There are many mines in the Rothsay district and at Field's Find containing ore worth five or six ounces to the ton which has to be sent away for the purpose of extracting the gold. The ore is of a sulphide nature. If plants were erected at centres like Field's Find these refractory ores could be dealt with on the spot, instead of having to be transported elsewhere for treatment. Of course, there is no occasion to erect such a plant where there is no refractory ore to be treated. At Mt. Magnet the ore is free-milling.

I have recently become greatly interested in the subject of coal. It is expected that some delegates will arrive here from South Australia to make inquiries into the coal position here. These delegates represent coal interests in South Australia, the South Australian railways and the South Australian Mines Department. The object of these three gentlemen is to investigate the methods of gaining coal here and of treating and handling it. Western Australia must therefore have some knowledge of coal that is beyond the ordinary, otherwise we would not have these people from South Australia coming here seeking this information. Personally, I welcome them. It is pleasing to think that experts from other States should come to Western Australia to obtain information on the subject. I am given to understand by people who know, or claim to know, a great deal about coal, that the waste of coal in Western Australia is shocking. There is no method here that is absolutely 100 per cent. up to date. These people say that our coal is not used economically; they say that if it is put in a fire grate of any description it loses much of its value.

Mr. Styants: It goes away in smoke.

Mr. TRIAT: The worst way to use our coal is to put it in a fire grate. If Collie coal is put in a fire grate that is suitable for hard coal, such as Newcastle or English coal, one can look for trouble. As members are aware, Mr. Fox was recently here making experiments in connection with our coal. In my presence he told a responsible railway officer that he was prepared to take the oldest railway engine in Western Australia—some of our engines are 50 years old and have water jackets round them—and alter the firebases in such a way as to guarantee an increase in the heating capacity of the boiler of 33 1/3rd per cent. minimum by using Collie coal. He also said in my presence that Collie coal was flaky coal; if examined under a microscope, one could see a series of small flakes, which make highly inflammable coal. If pulverised, it would be highly inflammable, because immediately the coal comes in contact with oxygen it ignites and becomes a spark coal. The result was that we had bush fires; our crops were burnt, and damage was done along the railway line. He also said that the coal contained highly inflammable gas. He offered to give a demonstration to the Railway Department, but was told to hold over his ideas for a few months while the department gave them consideration. He also said that the sparks were present when lemon-coloured smoke came out of the chimney. As I said, the Railway Department told Mr. Fox to hold over his demonstrations for a few months so that it could give the matter consideration.

Mr. Mann: That is characteristic of the railways.

Mr. TRIAT: Yes. I sincerely hope something will be done in the matter.

The Minister for Mines: Mention it to the Minister for Railways.

Mr. TRIAT: The Minister for Railways has not the power to deal with the matter. One of these days we will have a board instead of a Commissioner, and then perhaps we shall have some little activity in the department which is long overdue. However, I am not dealing with the railways but with coal. Mr. Fox told the railway representative in my presence that the process of which

he spoke was already in operation. He offered to instal it for the department, but the department asked him to hold the matter over. The effect has been that recently a crop was burnt and the department will probably have to pay £2,000 or £3,000 compensation.

Opposition Members: Not on your life!

Mr. Hill: The department does not pay a penny compensation.

Mr. TRIAT: No wonder the railways do not want to stop the sparks.

Mr. North: The fires cost the farmers thousands of pounds.

Mr. McLarty: The Railway Department states that it has efficient spark-arresters.

Mr. TRIAT: Mr. Fox made an inspection of the Collie field and expressed a high opinion of the quality of our Collie coal. He said that no two coal seams were consistent. The coal is like our gold; one gets a high grade of ore in one part of the mine and a low grade ore in another part; it depends on where it is situated. Under modern methods, coal is washed, blended and graded. It is then broken up into a small size, because it is not advisable to have big and small pieces of coal mixed. Mr. Fox said that that was done in America. He took Dr. Kent from the Railway Department to the East Perth Power House and showed him a sample of coal of about 1 cwt. He then gave Dr. Kent a demonstration of what the coal was capable of doing after it had been washed and blended. Dr. Kent is a highly technical man, and after the experiment Mr. Fox showed him the dross that had been separated from the coal, and, based on the tonnage involved, this proved to be equivalent to about £12,000 per year in freight. The railways are paying £12,000 a year to cart dross to the power station. The matter was inquired into by the Coal Panel, which consists of Mr. Fernie, the Director of Works, Dr. Kent, Mr. R. Wilson, ex-State Mining Engineer, and some other member. The panel was told exactly what the position was and promised to inquire into it. That was over four months ago, but so far nothing has been done. Yet the railways are still transporting dross to the power house at a cost to the Government of £12,000 per year. Mr. Fox said that if the coal were treated in the way I have described, it could stand up to competition with Newcastle coal for firing purposes.

Mr. North: When did the panel promise to deal with the matter?

Mr. TRIAT: The panel discussed it for five or ten minutes and then adjourned for a month; it then discussed the matter again for half an hour or so and adjourned for another month. One gets tired of such inaction. It is time somebody took the matter in hand, and it is shocking that this sort of thing should be tolerated for so long. We definitely know that sparks can be eliminated from Collie coal and that its heating capacity can be improved. There is a higher value in Collie coal than we suspect. I sincerely hope the Mines Department will take the matter up.

The Minister for Mines: What has it to do with the Mines Department? The department does not engage in manufacturing. It is an administrative department, and does not use 2s. worth of coal.

Mr. TRIAT: Somebody ought to deal with the matter.

Mr. Seward: Somebody is falling down on the job.

Mr. TRIAT: Yes. If the Mines Department cannot do it, let some other Government department do it. The fact is the Government does not want the job done and takes no interest in it.

Mr. Wilson: We should have a research laboratory to do the work.

Mr. TRIAT: A research laboratory will be set up at Collie, I understand. Applications have been called for a research officer. I am anxious to see that Western Australian coal comes into its own. The Minister has said that the Irwin coal may be of some value and that 15s. per ton could be saved in cartage. Why have we not exploited it before and so saved that 15s. per ton? I hope that whoever is responsible will see that the recommendations made by the member for Collie 20 years ago for blending and grading coal are carried out, and that Mr. Fox, who makes claims for our coal, is given an opportunity to test it. If the railways have no desire to do that, the Government should say, "Let us have one engine so that we can put in a plant and try to get over the trouble caused by the sparks." I support the Estimates, although I feel the Mines Department has not done a good job. I believe the laxity is due to certain officers in responsible positions.

They are not prepared to do anything new or fresh.

HON. N. KEENAN (Nedlands): The Minister for Mines devoted some time to dealing with the comment made by the member for Brown Hill-Ivanhoe some months ago on certain figures he produced that were issued by the Mines Department. The hon. member wanted to show that those figures produced an unduly optimistic feeling; that, in fact, an investor in these goldmines, if he knew the real figures, would not be so happy as he would be if he took those figures to be accurate.

The Minister for Mines: The figures were accurate, but the hon. member tried to make out they were not.

Hon. N. KEENAN: I endeavoured to follow his statement, which was very long, and also to follow his figures. I have also listened to the Minister and both seem satisfied that not only have they convinced themselves but everyone who has listened to them. That is perhaps a desirable result, but it does not lead to very much elucidation. I am glad to hear from the Minister that there is no ground for supposing that the finance of the Mine Workers' Relief Fund is open to criticism. It was suggested that a large burden was about to fall on this fund which it possibly would not be able to bear. Although all the resources of the State could be used for the relief of a scheme of that kind, it would be an unpleasant experience to find that the calculations were not accurate. The member for Brown Hill-Ivanhoe devoted some of his attention to that point. I understand now, from what the Minister says, that, although there may be a possibility of men returning from the war becoming a charge on the fund in an unexpected manner, nevertheless there is no reason to suppose that the fund will not be able to meet those charges. Last year the Minister told us that the average yield of gold per ton for the State was the lowest on record at 5.128 dwts. Although that is correct, it is by no means the lowest for an individual mine.

The Minister for Mines: No, that is for Western Australia. The Big Bell was under 3 dwts. at times.

Hon. N. KEENAN: It is possible, although I hope it is not reasonably likely to happen, that the industry will in future have to depend on lower grade ore. Any mine that has ever been discovered in any part of the world goes down in grade as it continues to be worked, and therefore we can only assume that we shall have to continue this industry in Western Australia on a lower grade in future.

Mr. Marshall: We may discover new mines.

Hon. N. KEENAN: It is possible, but it is only a possibility. Ever since I came to Western Australia there has been a belief that the ground has only been scratched; that the prospectors who went out did not examine it with any care and that if the gold was not sticking out they did not find it. If, however, members care to go over the ground that these prospectors have been on they will find very little gold.

Mr. Styants: No gold of any value has subsequently been found.

Mr. Kelly: What about Yellowdine?

Hon. N. KEENAN: I ask whether the Minister has any record of the amount of ore that has been developed in the past year?

The Minister for Mines: Been developed, or mined?

Hon. N. KEENAN: Developed! The trouble is that the amount mined means the amount taken out of the mine and therefore unless we develop in a corresponding way the life of that mine is coming to an end. In certain reports that are sent to me from the Eastern States the mining companies do not show their reserves of ore. I refer particularly to the Mt. Lyell report. That company has given no returns at all on the ground that it is prohibited from doing so.

The Minister for Mines: Our development is published in the Press day after day.

Hon. N. KEENAN: For some of the mines.

The Minister for Mines: There are not too many mines working.

Hon. N. KEENAN: Is there not an obligation on the part of every mine working to give a regular return showing the amount of ore opened up?

The Minister for Mines: Yes, and we publish it.

Hon. N. KEENAN: It would be interesting to have that and see how it compares with the amount actually mined and used up in the year. I come now to the matter of depreciation and making replacements for obsolescence. Everything possible should be done to assist the mining companies in regard to these two matters. The whole thing

comes down to the question of getting shipping space.

The Minister for Mines: We are getting cyanide and a few extras out.

Hon. N. KEENAN: The mining plants throughout the State must be deteriorating to a large extent. Then there is obsolescence and replacements that would save the plant from falling away to a large degree. This is a matter of concern because, despite what might be said to the contrary, I can never convince myself of anything but this, that if the mining industry is not able by its wonderful capacity for absorbing labour to fill the gap, no other industry is. So we must be prepared to deal with these two important matters in respect of which there is not only anxiety, but something more. Also I understand there is difficulty with the Taxation Department because, for some reason—no doubt a legal one—the amount which can be set aside for replacements, which cannot be obtained today but for which money is made available when they can be got, is not allowed as a deduction by the department. If a mine making a profit sets aside some portion of the profit for replacements that amount is not allowed as a deduction. That is an impossible burden for an industry like mining to bear.

Mr. Marshall: That is provided for in the last Budget.

Hon. N. KEENAN: I do not think that general obsolescence has been provided for. The position of gold after the war is still one of some doubt, but it is only a matter of some doubt for the reason that everything is a matter of doubt. If we examine how the world can possibly carry on international trade without some means for adjusting international balances we are forced to the conclusion that gold must occupy the same position as before the war as no other metal can take its place, and there is nothing but a metal that will do. So of course this position must occur, but whether America will release a large portion of the gold it holds to reestablish the trade of the world we do not know. Unless America is wise enough to do that her own trade may suffer.

It is a fact that a large premium is paid in certain parts of the world for limited quantities of gold. It is doubtful how long that price would obtain if the market were open. Gold is purchased in limited quantities by India and Egypt for as high as £20 sterling. The South African Government is enabling the gold producers of that country to take full advantage by exporting gold in reasonable quantities—so as to prevent the markets from being flooded—to Egypt and India and returning to the industry the full amount received. It seems extraordinary that the Commonwealth Government cannot do something similar. Even if we could do the same thing to a limited extent it would make a considerable difference to the gold producers of Western Australia especially, as pointed out by the member for Murchison, to the small producers. I urge the Minister, if the opportunity arises, to press for some action of that character by the Commonwealth Government.

Mr. Marshall: We lost £3,000,000 from the industry during the last war.

Hon. N. KEENAN: Yes. When the first case was made for some adjustment for Western Australia owing to the disabilities arising out of Federation I am sorry to say that the £3,000,000 that we lost in the 1914-18 period was not allowed to be urged by the Commissioners that came here, as a reason for the request then submitted. There are of course other minerals with which the Mines Department is concerned, and which may have a future after the war is over. Some of these certainly will not, because they are only being produced in Australia today at a cost which the war alone warrants. The moment the seas are open and those minerals can be introduced again from other sources, they will scarcely have a chance of surviving. But tantalite is undoubtedly a very promising development, and all the more promising because it is found not only in the far north but also down at Greenbushes, as the Minister told us. It seems to me that if some of the old miners were induced to go there——

The Minister for Mines: Quite a lot of old miners have been down there to have a look.

Hon. N. KEENAN: I am astonished to know that they did not discover the lode. They are such patient adepts at loaming that if they find any deposit that has become a reef, they are certain to track it back. It takes a deal of searching, but by the process of loaming they can pick it up; and they generally do so. Then there is asbes-

tos, on which we are to be congratulated. I believe it is called the blue asbestos. The mining of that should be encouraged and made permanent. I join with the Minister in congratulating the Collie miners on having resisted all temptations and carried on their industry. I believe that on the whole they are far happier men for having done so, and we as a community are certainly far happier. But there is one point of view to which I cannot assent. There is no comparison between the risks of industry that occur in coalmining and the risks that occur in goldmining. As the member for Hannans will recall, in our young days we used to call the coalmines a hospital. If a man broke down on the goldfields, he went to take a holiday in Collie. So as regards effects on health, there is no comparison between coalmining and goldmining.

The Minister for Mines: I did not say that.

Hon. N. KEENAN: What did the Minister say?

The Minister for Mines: I said we sent down a number of men who found the locality very satisfactory.

Hon. N. KEENAN: In my day the State batteries were more or less contraptions. In the first place, there was a stamper battery, the most primitive means of treating ore that one could conceive. One had to have a particular class of ore, a free milling ore containing coarse gold, or a stamper battery would give a very poor return. In the early years that battery was good enough for the prospector and others. If there should be any opportunity in the near future for the reconditioning of batteries otherwise than as mere stamper batteries, I hope the Mines Department will embrace that opportunity. The difficulty of obtaining payable ore will become greater as time goes on, and the problem may become acute. I should like to extend my personal congratulations to the Department of Mines for having carried on under exceptionally difficult circumstances; and I also welcome the statement that the department is alive to the possibilities of the future. I hope that when those possibilities do come they will be realised.

MR. LEAHY (Hannans): I wish to say a few words on the mining industry simply because I have been rather closely associated with it for a great number of years. I feel sure that everyone realises the very important fact that the goldmining industry and the people associated with it have gone through rather an anxious period, owing to want of manpower and owing to the war in general. We do know that our friends the Commonwealth Government took very little interest in our goldmining industry; in fact, so little that had not some steps been taken from the State point of view, the industry would probably have gone completely out of existence. That would have been one of the greatest tragedies that could have occurred to Western Australia. I will bring my reasons for making that statement. The principal one, to my mind, is the fact that this war has every possibility of coming to an end much sooner than many of us expect. Then of course we know that we have another great war—the war of peace, which to my mind will be a tremendous struggle because of the fact that so many men will be thrown out of the Army, and I do not know of an industry in the Commonwealth today extending such favourable opportunities as goldmining for the rehabilitation of those men.

No other industry in the Commonwealth would be capable of providing work for 12,000 to 15,000 men at very short notice. I venture to say that there is not another industry in the Commonwealth today offering such favourable opportunities for employment. I know that there are many people who will say, "Oh, gold is not of very much value!" People were saying that 200 years before the birth of Christ. It is exceedingly strange to say that we have knowledgeable men, wise men, men who have studied the matter, saying that gold has had its opportunity. The retort to that is that gold today is more than ever sought after by all the countries of the world and is bringing a higher price than ever before in the history of the world. This proves conclusively that all countries today are not only anxious to get gold as gold, but also for the purpose of stabilising currency. We have today on the Golden Mile, despite all the adversity associated with the working of those mines, the spectacle of what co-operation can do between workers and the mining companies.

Many of the men who have gone out of the industry slightly affected went back into the industry for the purpose of endeavouring to keep it in existence; with the result

that today we have more payable ore reserves on the Golden Mile alone than we have ever had in the history of the field. And that is simply because the men and the mining companies stuck loyally to the job and did not search too much for big profits. They simply decided, if possible, on keeping the mines open and developing them for future work. Today on the Golden Mile we have about 9,000,000 tons of ore developed and blocked out, of an average value of 4 to 7 dwts. That means somewhere in the vicinity of £26,000,000 at stake. Then we have wealthy mining companies, including Mt. Charlotte, a huge deposit which, if tests result satisfactorily, will be one of the biggest mines on the Golden Mile. I feel that in spite of all that has been said or can be said about gold and its value, there are many rare qualities associated with the mineral. For instance, it is almost indestructible. One does not require very much space for the storing of gold or its transport and, above all, its acceptability in all parts of the world makes it extremely valuable.

Now as regards the men who have given their lives to the mining industry, there are certain factors associated with it that we have instituted for the purpose of keeping mines clean; and in that respect we certainly have achieved something. I think that prior to the taking back of the men who were slightly affected into the industry, we had about 90 per cent. of clean men in the industry. I doubt whether there was that proportion of clean men in either the butchering or the baking or any other industry. I believe the mining industry to be the cleanest industry in this State today, but although we have provided many advantages for those people, there are still many shortcomings. I am honestly of the opinion, an opinion I have always expressed, that we shall never achieve complete cleanliness under the system in vogue today. The system today is that first of all the miner gets the disease. Then it goes on by degrees. It often puzzles me that there should be a percentage of dust once a man has become silicotic. I have often said, and have meant it, that I fear we are on the wrong track. I do honestly believe that immediately a man is found to be affected, it is no use leaving him in the industry. That is not the way to bring such a man back to health. A man who is dusted should be taken out of the industry and given employment and compensation. It is no good going back to the laboratory and saying, "I have another four or five years to go before I become advanced silicotic." I believe we are doing a good job, but we have much more to do. There is another point with regard to compensation and I am a living illustration of this. A man leaves the mining industry after having been dusted, and registers under Section 50. At any time after leaving the industry, he can be examined; and he cannot return to the industry until he has been so examined and declared fit. After having been in the industry for 30 or 40 years, a man leaves it because he is dusted. He goes along casually, like myself, then all of a sudden he thinks: "I should be examined; I do not know how I am progressing. I will go to the laboratory and let them have a look at me." He feels fit and he looks all right. The doctor x-rays him and finally says: "You have done your cut. I am going to throw you out of the industry."

The result is that, after having spent all those years in the industry and having given his working life to it, just because he has not gone to the laboratory within 12 months after registering, he is deprived of compensation under the Workers' Compensation Act. Money has been paid in over the years but the man receives nothing. Some people will say: "Somebody must be held responsible." But that sort of thing is not right, and it is another thing that requires attention. I am a victim of that myself. However, I am not howling for myself. I cannot do much good by howling; I cannot improve my condition; but I can lift up my voice from time to time and try to get some provision for the other fellow so that this will not occur to him. Everyone here must realise the injustice of the position. A man has paid insurance over all the years and paid almost with his life for remaining in the industry but, simply because he was not examined within 12 months from the time of registering, he is denied compensation.

Mr. Doney: Do these men receive a note reminding them it is time to go to the laboratory?

Mr. LEAHY: No. Under Section 50, they may be examined any time they like. They can go there in 12 months or in 12

years. There is nothing to compel them to go regularly. The only compulsion is that before re-entering the industry they must be examined, but they have the privilege of being examined at any time they wish.

Mr. Mann: Would it not be advisable to make it compulsory?

Mr. LEAHY: Yes, because people would know clearly where they stood. That is something I am after. It is not fair to let them go on in a lackadaisical manner. A fellow thinks he is all right and gets a shock when he goes to a doctor and is told he is not. Miners' complaint is a progressive disease; it cannot be arrested. I have known a man to be out of the industry for 25 years and then develop the trouble. It has been there all the time, but gets worse as times goes on. Regarding the future of goldmining, I hope we will revert to the system of Government prospecting. I believe we achieved great results under that prospecting scheme in adverse circumstances. We had to employ men who knew nothing about gold; I think I am right in saying we did it simply to relieve distress. We put on poor, unfortunate fellows who did not know gold from a haystack.

The Minister for Mines: We made a lot of good miners out of them.

Mr. LEAHY: Not too many! Most of them did their mining in the camp. Some did very well, and we got quite a lot of gold; but I suggest to the Minister that there should be a new system, something that is a little better than what we had originally. We must break new ground. Gold means everything to this State. Do not let anybody persuade us to anything different. This State would not be here if it were not for the goldmining industry. Other talk is a foolish waste of breath. We must foster the industry, and I suggest that would be possible by developing many small shows. The value of some of these shows is not very high. Men who ran them were poor and found that the use of the old windlass and hammer and tap was not sufficient to enable them to make a profit. They would work for years and get 6 to 9 dwt. dirt. If we have an honest desire to foster this industry, the Government should be prepared to spend a few pounds on it and some of the money should be expended in this way. The records of the department should be searched and the values of these small shows ascertained. The Government should then select parties of four men to take over these little shows. The men should be provided with a little compressor that would work one jack hammer and haul their dirt. Men who know their job should be employed; and I suppose the whole outfit would cost about £2,000. This would give them an incentive to chase values in those places. At the end of the year, they could be given 75 per cent. of the value of what they had secured. The only supervision needed would be an inspector to go round occasionally. If we got the right type of men for this work, it would be a great success. I hope that the points I have mentioned will be considered by the Minister, particularly those regarding the health of the men and the future of the industry generally.

Vote put and passed.

Progress reported.

House adjourned at 10.41 p.m.

Legislative Council.

Wednesday, 6th December, 1944.

COUNCIL, WEDNESDAY, 6TH DECEMBER.

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