Hon. W. J. MANN: I do not think anyone desires that state of affairs to continue. The butter industry has been built up over a long period of years during which it has suffered many setbacks. It must be said to the credit of those engaged in it that they have served the State extremely well and have established a worthwhile industry. We should be particularly careful not to permit the introduction of any unnecessary competition or competition from a source that is served to a great extent by cheap black labour, for that would be against the policy of Australia.

While I shall support the Bill, I shall do so with no great pleasure but merely because of the position existing today. I trust that in Committee members will see fit to reduce the application of the Bill from three years to one year, which will enable us to review the position at the expiration of that period. The butter industry is worthy of fostering in every direction and the Government and Parliament would be remiss in their duty if they did not protect it to the greatest extent possible.

On motion by Hon. A. L. Loton, debate adjourned.

*House adjourned at 9.31 p.m.*

# Legislative Assembly.

Tuesday, 12th October, 1948.

**CONTENTS.**



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

## QUESTION.

### CEMENT WORKS, RIVERVALE,

*As to Minimising Dust.*

Mr. GRAYDEN asked the Minister for Health:

(1) Is it a fact that to manufacture 200 tons of cement, 200 tons of shell and 200 tons of stone are required, and that 200 tons are thus dispersed in gas?

(2) Is he aware that the cement works at Rivervale plan to manufacture 400 tons of cement each day?

(3) Has the cement company concerned implemented the recommendations made by the Health Department some months ago in regard to minimising cement dust?

The MINISTER replied:

(1) This information is not within the knowledge of the department.

(2) No.

(3) Following an inspection of the works by the Assistant Commissioner of Public Health and the Chief Inspector of Factories, the latter requested the management to effect certain repairs and modifications to the suction ducts installed to carry off dust. These have in the main been completed and the special dust precipitation apparatus should shortly be in operation.

## BILL—WORKERS' COMPENSATION ACT AMENDMENT.

*Third Reading.*

**THE MINISTER FOR EDUCATION** Hon. A. F. Watts—Katanning) [4.35]: I move—

That the Bill be now read a third time.

**MR. FOX** (South Fremantle) [4.36]: I should like to ask the Minister whether a worker will be covered during a meal hour and during smoke-o.

**THE MINISTER FOR EDUCATION** Hon. A. F. Watts—Katanning—in reply) [4.37]: After a private conversation with the member for South Fremantle, I went to some trouble the other day to peruse the judgments and decisions of the High Court and of compensation boards in the other States, which are contained in the text books available on this subject. I think I can safely say there is no doubt whatever

that, in the great majority of such cases, provided the worker were on the job, he would receive cover.

There was one case to which I specifically drew the hon. member's attention. That was the case of a waterside worker who, during the lunch hour, went to get a billy of water for his tea and, when returning, fell over and was scalded. He was awarded compensation. Also in the case of a somewhat similar happening occurring during the period of smoke-o, compensation was awarded. I think I can say in all honesty and without any reservation in mind that if this Bill, as it stands, be passed, there will be few if any cases where such occurrences will not be covered.

Question put and passed.

Bill read a third time and transmitted to the Council.

## BILL—PREVENTION OF CRUELTY TO ANIMALS ACT AMENDMENT.

Read a third time and returned to the Council with an amendment.

## BILL—MARRIAGE ACT AMENDMENT.

*Recommittal.*

On motion by the Minister for Housing, Bill recommitted for the further consideration of Clause 5.

*In Committee.*

Mr. Perkins in the Chair; the Minister for Housing in charge of the Bill.

Clause 5—Repeal of Section 11 and substitution of new section:

The MINISTER FOR HOUSING: The member for Kalgoorlie raised a question as to the correctness of the wording of this proposed new section and I undertook to have it examined by the Registrar General and, if necessary, by the Parliamentary Draftsman to make sure there was no mistake. I have consulted the Registrar General who tells me that the wording is in order. He explains that on a marriage there are three certificates prepared and signed by the parties to the marriage and by the person celebrating it. When a registrar celebrates a marriage, he hands one copy of the certificate to one of the parties to the marriage and retains the other two copies. He then proceeds to register those two copies.

Mr. Styants: They would be identical. Why register both of them?

The MINISTER FOR HOUSING: What he does by registration is to sign each of those two copies as registrar and to affix to each of them his official seal and enter the marriage in his official numerical register, giving it the number to which it is entitled. Of those two copies which he so registers, the registrar retains one in the district registry, which is the record in that district. The other copy he sends to the Registrar General and that forms part of the registry in the head office.

Mr. Styants: The Bill does not provide for anything beyond the District Registrar.

The MINISTER FOR HOUSING: A minister of religion who celebrates a marriage also has three copies of the certificate of marriage prepared. One he hands to one of the parties; the second he retains and enters in his church records. The third certificate the minister sends to the District Registrar who forwards it to the Registrar General, so that it forms part of the register at the chief office in the State. When a marriage is celebrated by a minister of religion no spare copy is received from the minister to put on the district register. Therefore the practice is that when the District Registrar receives the certificate of marriage from the minister of religion, he makes a copy of it and places it on his district register.

When I discussed the matter with the Registrar General, he made a suggestion to which I suppose to ask the Committee to agree; namely, that in line 13 of proposed new Section 11 the word "another" be struck out and the words "the second" be inserted in lieu. By inserting those words the second certificate referred to in line 13 is linked up with the second certificate referred to in line 17. That helps to make the position reasonably clear. The Registrar General has also suggested that there should be added at the end of the proposed new section the words "who shall enter in the Marriage Register Book kept by him a copy of such marriage certificate and duly register the copy so entered." That will mean that the section will be expanded slightly so as to state more clearly what the duties of the registrar are to be in connection with marriages celebrated by him or by a minister of religion. At present the proposed new section does not indicate

to the District Registrar that he must make a copy of the marriage certificate sent to him by a minister of religion and enter that copy in the district register.

The addition suggested by the Registrar General will mean that there will be drawn to the attention of District Registrars the fact that in addition to sending on to the Registrar General the certificate of marriage received from a minister of religion, they have also the duty of making a copy of that certificate and registering it in the district register as part of the records of the district registry. I told the Registrar General that I thought there was room for a general overhaul from the point of view of draftsmanship of the Marriage Act and the complementary Act known as the Registration of Births, Deaths and Marriages Act. For example, a marriage certificate is so referred to in the Marriage Act, but in the Registration of Births, Deaths and Marriages Act it is given a different description. Being the same thing, it should, under good drafting, be known in both Acts by the same terminology.

The Registrar General tells me that these Acts—dating back to 1894—would be well served as to clarity by revision and redrafting. He proposes next year to address his attention to that subject. As it is a large undertaking, I do not think it would be worth while to postpone these Bills in order to revise the wording, especially as both statutes are clear enough in practice and are well understood by the department, District Registrars, and ministers of religion, so that no difficulty arises in their actual administration. I wished to explain the matter as I think the member for Kalgoorlie was well advised in raising the question of the clarity of this proposed new section. The Registrar General informs me that the wording is in order and conforms to the well understood practice of the department and registrars of marriages. These two small amendments will, I think, make the provision a more explicit guide to District Registrars in the performance of their duties. I move an amendment—

That in line 15 the word "another" be struck out and the words "the second" inserted in lieu.

Mr. STYANTS: I have no objection to the amendment, which is in line with the practice of the Registrar General's Department at present. However, as to the disposal of the two additional marriage certificates, even now there is no provision for their custody beyond the District Registrar's office. There is nothing to take that custody to the hands of the Registrar General. When I first raised this point, the Minister said provision would be made in the sister Bill, but I do not think that is sufficient. This Bill now provides that when a District Registrar celebrates a marriage he shall hand one copy of the certificate to one of the contracting parties and shall immediately afterwards register the two remaining copies. The parent Act provided that the three copies should be literal copies of each other, each bearing the original signatures of the contracting parties, and it seems to me that the wording could still be improved upon, because there is no need to register two certificates when they are exactly identical with one another. However, if the Registrar General, in consultation with the Minister, thinks this provision is all that is required, I have no objection, though I believe the average layman or member of Parliament, on reading the clause, would be unable to follow its intention clearly.

The MINISTER FOR HOUSING: This clause will later be redrawn in more lucid form, but for the time being, as I have said, I think we should make the best of it as it stands. Section 40 of the Registration of Births, Deaths and Marriages Act lays down what is to be done with the third copy of the certificate in the case of a marriage celebrated by a registrar.

Mr. Styants: We should not have to refer to another Act to find what this measure means.

The MINISTER FOR HOUSING: I agree, but unfortunately that is the case with a number of Acts. That is one of the reasons why I feel that this legislation is due for review.

Amendment put and passed.

The MINISTER FOR HOUSING: I move an amendment—

That at the end of the clause the following words be added: "who shall enter in the Marriage Register Book kept by him a copy of such marriage certificate and duly register the copy so entered"

That refers to the duties of the registrar when he receives a certificate of marriage from a minister of religion, and it specifically tells him that he has to make a copy of the certificate, enter it in his register book and register it accordingly. This provision has been a matter of necessary practice, though I do not think it is contained in either Act. The Registrar General has suggested that this amendment be made to give District Registrars a more definite idea of their duty in the case of marriages celebrated by ministers of religion.

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

Bill again reported with further amendments.

## BILL—WEST AUSTRALIAN CLUB (PRIVATE).

*Second Reading.*

**MR. NEEDHAM** (Perth) [5.1] in moving the second reading said: The preliminary steps in connection with the introduction of the Bill have already been taken and the Select Committee has presented its report to the House. The reason for, and the object of this rather unusual Bill are set out in the preamble. The West Australian Club was registered in November, 1893, under the Companies Act, 1893, as a limited company with the name of "The Exchange Club Limited." Initially, the nominal capital was £500 divided into 500 shares of £1 each, but in 1924 the nominal capital was increased to £750. The rules of the club, together with such parts of Table A of the Companies Act as are not inconsistent therewith, constitute the articles of association of the company. Later on, in 1897, four years after the formation of the club, the name of the company was changed to "The West Australian Club Limited." Pursuant to Section 29 of the Companies Act, 1943-1947, consent was given on the fifth day of March, 1948, to the word "limited" being deleted from the name of the company, which is now termed "The West Australian Club."

The scheme of the rules is that the members on election shall be the shareholders of the company and each be allotted one share. As a fact, each member with his nomination pays the sum of four shillings which is intended to be on account of the purchase of his share, such being regarded as paid to four shillings. The rules provide that on death or other cessation of membership all the interest of the member shall survive, accrue and belong to the other members of the club for the time being. The rules do not, however, provide any machinery for the transfer of a share to any other member or members. That is one of the serious difficulties which the management committee of the club is now experiencing. In practice, no scrip has, over the years, been issued to a member on election and no share register has been kept for many years, if at all. It can therefore be seen that the matter is rather involved.

The records of the club were lost prior to the year 1925 and it is quite impossible to determine who are the present legal shareholders of the company. The number of shareholders is, by reason of the amount of the nominal capital, limited to 750, and it is obvious that this number was exhausted many years ago. Rule 70 provides that if upon the winding up or distribution of the club's assets there remains any surplus after payment of liabilities, such surplus shall not be paid or distributed to members. Therefore, no member has any financial interest in the assets of the club under the present rules. The club's assets consist of a freehold property under the Transfer of Land Act, 1893, in St. George's Terrace, together with the furniture and fittings therein. The only liabilities, apart from a mortgage to the A.M.P. Society of £17,000, are ordinary current debts for supplies and the like. There is a balance sheet for the year 1947, which I will submit to the House later on.

The legal position of the club cannot be rectified by any procedure under the Companies Act or by any approach to the courts, and therefore the only possible way of placing the matter in order is by Act of Parliament. The proposals of the Bill are firstly, to constitute the present town and country members—who number 581—the shareholders of the company, each with one share paid to four shillings each. Other types of members, such as honorary members, have naturally been excluded. Secondly, it is proposed to form an association under the Associations Incorporation Act, 1895, to take over the assets and activities

of the company. The reason for this is that an association under that Act is much more suitable for the conduct of a club of this nature. In fact, that is the object of that Act. Once the shareholders have been legally constituted an extraordinary meeting of members will be held to pass a special resolution under the Companies Act, approving of the vesting of the club's assets in the new association.

A general meeting of members was held on the 10th September, 1948, at which the proposals of the committee of the club, as already mentioned, were approved and there is no doubt that approval to the vesting in the new association will be given. It will be seen, therefore, that every constitutional action has been taken to secure approval for the vesting of the assets of the West Australian Club. It will be seen that Clause 4 is the main portion of the Bill, for it provides for the registration of the new association and the filing with the Registrar of Companies of a resolution approving of the vesting of the assets in the association. The clause also provides that the liabilities, as at the date of vesting, shall be taken over by the association and that all existing members shall be members of the association without payment of any entrance fee.

Paragraph (2) of the clause provides the machinery to enable the freehold of the club premises to be transferred, under the Transfer of Land Act, to the association. It also provides that no stamp duty will be payable on the document registered with the Registrar of Titles. This is fair and reasonable because there is no real change in ownership. If another company, as distinct from an association, were being formed by way of reconstruction, Section 433 of the Companies Act sets out that the stamp duty shall be waived and this is a similar position. Clause 5 deals with the question of dissolution.

Mr. SPEAKER: Order! The hon. member must not deal so much with the clauses of the Bill.

Mr. NEEDHAM: I am not actually dealing with the clauses. It will be seen that the club finds itself in difficulties and the only remedy is by way of the Bill. The management committee has tried every avenue in seeking a remedy, but the court has no jurisdiction in the matter nor can any relief be obtained under the Companies Act. That being so, the only court to which the committee could appeal was Parliament. For that reason, I move—

That the Bill be now read a second time.

On motion by the Attorney General, debate adjourned.

## BILL—REGISTRATION OF BIRTHS, DEATHS AND MARRIAGES ACT AMENDMENT.

*In Committee.*

Mr. Perkins in the Chair; the Minister for Housing in charge of the Bill.

Clauses 1 to 4—agreed to.

Clause 5—Amendment of Section 13:

Mr. MARSHALL: At the second reading stage I dealt with the principle involved in the clause which will limit to ten days the period within which a medical practitioner shall submit a death certificate to people requiring it under the terms of Section 34 of the principal Act. I have conferred with the Registrar General regarding this matter and also on another point dealt with later in the Bill, which to a large extent covers the situation so far as it was objectionable to me. However, I am still in some doubt as to what the position actually is. I have had unfortunate experiences when endeavouring to secure copies of death certificates in order to lodge applications for compensation. The Act requires District Registrars to forward to the Registrar General on the first of each month particulars regarding registrations so that a proper register may be kept on a State-wide basis. I take no exception to that, but if the copy of the death certificate had to be procured from the Registrar General a delay of at least six weeks would occur. I was under the impression that the District Registrar was legally obliged to refuse to permit copies of certificates to be furnished on application, but, unless there are regulations repugnant to the Act, I do not know why a District Registrar should not make available copies of death certificates when requested to do so.

As the Registrar General assures me that copies should be made available, that affects the position materially, but I do not know why the Minister really requires the amendment embodied in the clause. The Registrar General argues that there are certain cases, possibly limited in number, where a medical

practitioner would not be in a position to give a death certificate forthwith. I do not know that that would apply in cases other than those where a post-mortem had to be held, or where a coroner had to consider the circumstances surrounding a person's death with a view to arriving at a verdict. Apart from such circumstances, the medical practitioner would normally be fully aware of the nature of the individual's illness prior to death. I had intended to move to delete the provision for ten days' notice, but, having been assured that copies of certificates will be forthcoming when required, I shall not challenge the Minister or the Registrar General on the point that the amendment embodied in the clause is essential.

Clause put and passed.

Clause 6—agreed to.

Clause 7—Amendment of Section 16:

Mr. MARSHALL: I move an amendment—

That in line 4 of the proviso after the word "adopted" the words "or is an illegitimate child" be inserted.

The proviso furnishes the Registrar General with discretionary power to prevent a search of the register or to refuse to make available a copy of a birth certificate where adopted children are concerned. I think illegitimate children should receive the same protection. There are a few sticky-beaks with a keen desire to find out all about someone else and to spread the news about.

The MINISTER FOR HOUSING: I regard the amendment as a good one. The same protection that the Bill provides for adopted children from people who may desire to search the register from motives of curiosity, should be extended to illegitimate children. I discussed the matter with the Registrar General who agrees that the amendment could appropriately be inserted in the proviso.

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

Clause 8—Amendment of Section 20:

Mr. MARSHALL: I have an amendment on the notice paper, but before moving it I would like the Minister to intimate whether he is satisfied that the provision in the Bill is satisfactory to him. The proposed new subsection seeks to provide facilities for people in isolated centres and will enable contracting parties, who are at centres far removed from a District Registrar and where no minister is available for the celebration of marriages, to secure the assistance of the Registrar General to appoint some person, nominated by the head of a religious denomination favoured by the contracting parties, to celebrate the marriage. No-one could find fault with that, but I would like the Minister to say whether he thinks the use of the word "expedient" is satisfactory. The new subsection furnishes the Registrar General with this authority, provided he is "satisfied that it is expedient" for the marriage to be celebrated. If I were to be told that certain persons were being married because it was expedient, I would know what that meant, but as the proposed new subsection stands, that term is to be given general application. The Registrar General will have to consider whether the marriage is expedient or is absolutely necessary and whether he should permit it. I think the use of the word has a limiting effect.

The MINISTER FOR HOUSING: After the member for Murchison had made some observations on this point during the second reading stage, I discussed it with the Registrar General who thinks, as I think, that the wording of the new subsection is correct for the purpose intended. Possibly we could use a more appropriate word, such as "convenient" or "advantageous," but on the whole I think the word "expedient" will cover the position and not have any limiting application. The Registrar General's main consideration would be that the new provision should not be abused. For example, there are certain people authorised to celebrate marriages, namely, ministers of religion and District Registrars. The Registrar General would not feel that it was expedient to make use of this clause if the parties were only 10 miles from a church or a District Registrar but, if the parties were 100 or 200 miles away, he might well consider that it was expedient.

Mr. Marshall: Do you think that the head of a religious organisation would be agreeable if there were a church convenient?

The MINISTER FOR HOUSING: The privilege would be exercised by heads of churches; but the nearest church might be the church of some other denomination, and it might be that a religious organisation might prefer the marriage to be celebrated

according to its rites, and therefore, shall I say, might be tempted to obtain the application of this particular provision. I think the member for North-East Fremantle might bear me out when I say that the word "expedient" has some affinity to the word "expedition," that is to say, the business could be done more quickly and satisfactorily.

Mr. Styants: Proper under the circumstances.

The MINISTER FOR HOUSING: Yes. In view of the discussion that I have had with the Registrar General, the member for Murchison may take it that the word will meet the case.

Mr. MARSHALL: I move an amendment—

That at the end of proposed new Subsection (4) the following words be added:—"or the Registrar General, on receiving a request in writing under the hands of the intended parties to the marriage may at his discretion register the name of a person designated by him who shall be authorised to celebrate such marriage according to the form applicable in the case of a marriage celebrated by a District Registrar."

Some people may not desire to be married in a church, and the amendment would give them the same rights as are enjoyed by those who do believe in religion and would not be married outside a church.

The MINISTER FOR HOUSING: The amendment is in accordance with the principle which is contained in the existing section. It is a useful addition to the section, as it provides for a marriage by a District Registrar in a remote area in the same way as the present clause intends to provide for the marriage through a religious organisation. I support the amendment.

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

Clauses 9 to 12—agreed to.

Clause 13—Amendment of Section 34:

Mr. MARSHALL: I have been making a close investigation of the working of the parent Act. From my experience in the remote parts of the State, I was aware that the provision in the parent Act was not being complied with. The clause will get over that difficulty, but why does the Minister wish to bring in the occupiers of dwellings? If the clause were confined to the managers of institutions such as hospitals and convalescent homes, I would have no objection to it. Why should the licensee of a hotel or the proprietor of a boarding house be called upon to supply the information required by Schedule 4 to the parent Act? This work is now done by the undertaker when he receives the medical certificate. I do not think the occupier should be made responsible.

The MINISTER FOR HOUSING: The amendment proposes to go some distance to meet the question raised by the member for Murchison, as it will make the undertaker an authorised person to give the particulars.

Mr. Marshall: He has done it all along.

The MINISTER FOR HOUSING: Yes, in practice. This provision recognises the practice. The term "occupier" is defined as the principal occupant of a dwelling house or the matron or person in charge of any hospital, gaol, institution and so on. We should still retain the word "occupier" and thus place some responsibility on the person, who is the chief person in the house, to make known within a proper time, a fact of importance to the individual, the family and the community. The provision has been in existence since 1894 and, as far as I can learn, no difficulty or unfairness has been found in its working.

Clause put and passed.

Clauses 14 and 15—agreed to.

Clause 16—New Section 39A:

Mr. MARSHALL: I took strong exception to this clause on the second reading debate, as it would throw additional work on local authorities, who will be required to send monthly returns to the Registrar General setting out the names and the last previous addresses of all persons whose bodies were received during the preceding month for burial or cremation at a cemetery or crematorium, under the jurisdiction of the local authority. Local authorities are now having difficulty in carrying out the work already required of them, as they cannot get efficient labour and I do not think it right that this extra burden should be placed upon them. The road boards in my electorate are doing a great deal of work for both the Commonwealth and the State Governments in order to help their various depart-

ments. This is a new provision, and I can see no reason for it. Why is it included? I do not know that anyone would want to steal a body, but if he did, he could do so after it was buried, and although the road board said it was in a cemetery, it might not be there. I would like to strike out the word "shall" and insert the word "may" in its place in order to make it optional for the local authorities to submit these returns. To test the Committee, I move an amendment—

That in line 2 of proposed new section 39A the word "shall" be struck out.

The MINISTER FOR HOUSING: This is a polite way of killing the clause. I appreciate that this duty will be something additional for some people, but not a great many, I think. In some of the remoter areas, the duty would fall upon the secretary of the road board. I discussed this matter with the Registrar General after the member for Murchison previously spoke on the Bill, and he told me that the reason for the provision is to have an accurate record of the deaths which take place in the State, not only for the sake of our vital statistics, but also in the interests of the relatives of deceased persons. He told me of a case that occurred in one of the remoter districts of a man who died and was buried, and the fact of his death was not reported until six or seven years afterwards. While that may be an isolated instance, such cases can happen. It may well be that there would be much suffering and prejudice occasioned the children or relatives in such circumstances. The Registrar General feels that this will be a valuable check on the statistics, and a means of avoiding cases where no-one is officially advised that a burial has taken place. After some years people drift away and it is hard to find out by inquiry what exactly did take place. If it transpires that this clause will mean an unfair amount of work falling on country road board secretaries, it will be a matter either of paying for it through the department, or of amendment to relieve them of the duties.

Amendment put and negatived.

Mr. MARSHALL: I would not mind if the Minister would favourably consider making this an annual return. In some of the cemeteries in my electorate, very few people are buried. The clause would require a local authority to forward a return even when no burial had taken place.

The Minister for Housing: I think not.

Mr. MARSHALL: An annual return would be sufficient.

The Minister for Housing: There will not be much work for those in the remote areas.

Clause put and passed.

Clause 17—Amendment of Section 40:

The MINISTER FOR HOUSING: In the Marriage Act we say that the third copy of the marriage certificate, when the marriage is celebrated by a minister, shall be forwarded to the Registrar General. Paragraph (c) of Section 40 of the Registration of Births, Deaths and Marriages Act—the parent Act—provides that if a marriage is celebrated by the District Registrar, the second copy shall be forwarded to the Registrar General. That, again, is another of the little inconsistencies which appear between this Bill and the one we have just dealt with. The amendment I propose will mean that the second copy will be retained by the District Registrar and the third copy will be sent to the Registrar General and thus ensure some uniformity between this measure and the Marriage Act. I move an amendment—

That a new paragraph be added as follows:—"(d) Deleting paragraph (c) and substituting the following:—

(c) Whenever the marriage is celebrated by a District Registrar, the second copy of such register form shall be retained by the District Registrar as a record of such marriage, and the third copy shall be transmitted by him to the Registrar General."

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

Clauses 18 and 19, Title—agreed to.

Bill reported with amendments.

## BILL—McNESS HOUSING TRUST ACT AMENDMENT (No. 2).

*Second Reading.*

Debate resumed from the 7th October.

**MR. GRAHAM** (East Perth) [5.58]: In order to gain a proper appreciation, not only of the Act, but more particularly of the amendments that are before us, it is essential to have some knowledge of the

origin of the McNess Housing Scheme. It it most important that some consideration of the earlier history of it be given, because I feel that in the measure before us there is an indication that the original intention is being lost sight of. It was in 1930 that Mr. Charles McNess, as he was as that time, handed to the then Premier, Sir James Mitchell, a cheque for £5,000 for a dual purpose—one to assist in finding work for people in this State in the dark days of the depression, and the other to endeavour to alleviate the distress of so many Western Australians who were suffering in common with other people practically throughout the world. In addition the Government of the day used £15,000 from a grant made by the Commonwealth Government for the relief of unemployment, and thus a fund was established.

From that humble beginning, the fund was increased by additional contributions made by Sir Charles and Lady McNess, and a sum of money was made available by the Lotteries Commission, as well as smaller sums collected as a consequence of donations from private people; that is to say, small collections made in different areas. Not long afterwards, Sir Charles unfortunately died, and he provided that one-half of the residue of his estate, after allowing for certain bequests, should be placed to the credit of the fund. By this time the fund had reached considerable proportions and, in recognition of the philanthropy of the late Sir Charles McNess, the parent Act, which was the State Housing Trust Act, was altered and became known as the McNess Housing Trust Act.

Although subject to correction, I believe the State has not made any contribution, or at least any worthwhile contribution, to the fund. I am emphasising that point because, to my mind, the whole of our conception depends upon it. Moneys were made available from various sources for the purpose of assisting in a practical way, persons in indigent circumstances and those unable to provide proper housing for themselves from their meagre resources. In order that as great a number of people as possible should be assisted, the construction of some of the earlier houses was somewhat crude, owing to the fact that they were not lined, and I believe some of them did not even have verandahs, the purpose being to assist as many needy people as possible and so enable them to obtain accommodation at a minimum figure. Because of the march of time, the change of circumstances and the tremendous increase in building costs, as well as costs generally, steps are being taken under the Bill to allow for a rental to be charged far in excess of that previously obtained. It is to be levied against a section of the community which is defined in the Act as being persons unable to provide accommodation for themselves.

The whole principle underlying the establishment of the fund is being destroyed by the amendments in the Bill. There appears to be a new conception and an endeavour to make the McNess Housing Scheme a payable concern and to give it some relationship to the Commonwealth-State Rental Housing Scheme, which is now in existence. At the present time, the maximum rental figure is 5s. per week and, whilst I appreciate that there has been a considerable increase in building costs and that perhaps some cognisance should be taken of that fact, in the ordinary course of events, because of the underlying purpose of the establishment of the fund and the scheme generally, we should give the greatest consideration, apart from all other factors, to any proposition which seeks to break down those well-established principles.

Whilst I have not been able to lay hands upon the terms and conditions under which Sir Charles made his bequest available, it may so happen that we are transgressing his wishes. We should remove from our minds altogether the idea that accounts should be balanced and should give less consideration to the matter of economics, and regard the scheme as being one with a humanitarian purpose and one seeking to give assistance to persons who are in need. It is appreciated that, because of the operation of the National Security Regulations regarding dwellings, certain peculiarities and anomalies must have arisen. The Minister for Housing gave some examples to refresh the memory of members. He gave some instances where the occupants are in receipt of incomes ranging from £6 to an extreme of £20 per week. It was never intended that persons so comfortably situated should have the right and privilege to occupy dwellings at the almost insignificant rental of 5s. per week.

As the Minister pointed out earlier in the session, when we were discussing the Increase of Rent (War Restrictions) Act, we expressly excluded its application to houses built under the McNess scheme. Whatever may have been the position previously, it is now possible for the trustees of the fund and the scheme to take steps to see that the houses are used exclusively by persons who are in indigent circumstances or are suffering from some peculiar disadvantages. I should say that in future, in all instances where the circumstances of a family have improved, those persons should be removed from McNess houses. The houses should be retained exclusively for people suffering economic difficulties. As the State Housing Commission plays a part in the administration of the scheme, it would be logical for persons to be removed from houses with a rental of 5s. per week and placed in Commonwealth-State rental houses where they would be obliged to pay a rental in accordance with their ability to pay. That rental, of course, is not more than one-fifth of the income of the householder, the maximum being the standard or economic rent.

No hardship would be inflicted upon anybody because if one of these Commonwealth-State rental houses was made available there would be a McNess home vacant to receive a hardship case and one where a very small income was coming into the household. There must be many such people who are living under miserable housing conditions and whose incomes are very small. Only an hour ago a person, in circumstances generally speaking along the lines I have indicated, wished to interview me. He was a blind man with a wife and family and because he is blind his income is extremely limited. I emphasise that these houses should be retained exclusively for indigent cases and, if a house were to change its tenant every two or three years, no harm would be done. On the contrary, persons really deserving of assistance would receive that measure of sympathetic treatment, but as their circumstances and conditions improved and they became in a position to pay, then other accommodation could be found for them.

The Minister indicated that 93 of these houses have been erected or made available under the tenancy scheme. That is to say, only 93 families can be housed in them at one time, but I should say that during the life of those houses they possibly would, or could, or more correctly should, average somewhere in the vicinity of ten tenants each. Where there is a widow with a number of children, or an invalid with a wife and a number of children, the time arrives when members of their families, that is to say the children, are earning money and therefore those households have a capacity to pay. It may not be for five or ten years after they became the tenants, but that time would arrive. Therefore, even these 93 houses could, over a period, provide accommodation for perhaps 1,000 families who were in financial need. The fund is nothing like exhausted—it exceeds £120,000 at the moment—and, from all these houses for which a rental is charged, a certain amount has been put back into the fund.

I appreciate and concede that in view of the increase in building costs a lesser proportion will be going into the fund to provide new houses. It would probably, if not already but very soon, reach vanishing point altogether but, as the fund has done so much good for so many people, although its operations were unfortunately interrupted on account of the war, the Government could give sympathetic consideration to making a grant—and it need not be of tremendous proportions, but an annual grant—to the fund for the purpose of providing a certain number of houses year by year.

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

Mr. GRAHAM: The Act gives the trust ample power to safeguard the position and ensure that deserving people for whom these houses were intended should be in occupancy of the premises. It is provided that the right to occupy shall be for such periods as the trust may think proper. If, as pointed out earlier, the circumstances of a family unit improve to an extent that it is able to pay a higher rental, there is power in the Act for action to be taken to terminate the tenancy. The Act also provides that every applicant shall prove to the satisfaction of the trust that he is an eligible person under the Act, and an eligible person is defined as one who may be regarded as being in the category of being indigent or unable to afford a home of

his own. Therefore, if there is complaint, as unquestionably there is, that persons well able to afford to pay for homes in the ordinary way are occupying McNess houses, there is power for the trust to take action to terminate such tenancies.

[*The Deputy Speaker took the Chair.*]

The Minister for Housing: That has been taken since the trust has had power.

Mr. GRAHAM: Yes, but that subtracts from the Minister's case that, in the event of a person's receiving a substantial remuneration, there should be an increase in the rental charged. I am at a loss to understand how it can be considered fair and equitable to charge up to one-fifth of the basic wage. At the present basic wage rates, the rental in the metropolitan area could be 23s. a week and on the Goldfields 25s. a week, an increase of practically 500 per cent. on the ruling rate.

I am unimpressed by suggestions that a better type of home may be provided. Whilst it is sought to do the best possible in the way of providing accommodation, I am afraid there is a tendency to overlook that the whole reason and purpose of the scheme was to provide some form of accommodation at the lowest possible figure for persons who economically could not afford accommodation in the ordinary way. There is far too great a tendency to regard McNess housing as a business proposition, seeking to balance the budget, as it were, instead of regarding as of paramount importance the original objective of providing houses for needy people. If there is some drain on the funds owing to the present level of building costs, I reiterate that the Government might well make some contribution to the trust to enable the construction of McNess houses to be continued.

No reason was given by the Minister why there should be such a steep increase in the rentals as is envisaged in the Bill. There may have been some logic behind his submissions had they conformed somewhat to a Bill recently introduced by the Minister for Works wherein provision was made that, owing to the increased cost of erecting dwellings, the permissible limit for unregistered builders should be raised from £400 to £600. There was certainly nothing like a 500 per cent. increase envisaged in that measure. Therefore it is unfair to seek to amend this legislation so as to levy an imposition upon that section of the pubic least able to bear the burden.

If the Bill passes the second reading, which I hope it will not do, I shall seek in Committee to make amendments with the object of bringing the proposed increases more into conformity with the legislation introduced by the Minister for Works and endorsed by this Chamber within the last couple of weeks. If there is to be this wide disparity, ranging from 5s. to a possible 25s. weekly, I am afraid that, following the assumption of prices control by the State as against control by the Commonwealth, the prices level in the next twelve months or so will rise exceedingly steeply and the basic wage in consonance with it, so that the maximum rental chargeable may easily become 30s. a week. In many cases, it could exceed the rental being paid at present under the scheme for Commonwealth-State rental homes.

Because there is this wide margin between the minimum, which one would assume would apply to those suffering the greatest hardship, and the maximum range of 25s. to 30s. and possibly more, it would be a natural reaction on the part of the trust to show a bias in favour of people who could afford to pay the higher rental. Consequently, there would be an increasing tendency to seek to secure the greatest return for these houses instead of striving to do the greatest amount of good to the most deserving section of the community.

I appeal to members to remember the origin of the scheme, the cardinal principle being to provide, almost at a peppercorn rental, accommodation for people who, in the terms of the Act, are unable to afford accommodation in the ordinary way. Let us have some regard for what Sir Charles and Lady McNess did in making possible the inauguration of this scheme. Let us be prepared to acknowledge that there is some justice and virtue in the scheme and that it is in every way desirable that we should maintain and continue it.

I am certain that no one would criticise the Government if it made annual allocations to the McNess Housing Trust Fund. Let us not at any stage overlook the primary purpose of this legislation. I am reiterating this point because I can see in this Bill a very definite step to break down the

original conception. No-one would have then thought that within a few years the nominal rental of 5s. a week would be altered by law to permit of the trustees charging, on present figures, as much as 25s. a week. It is scandalous that any such project should be considered for one moment.

People who are in a position to pay 15s., 20s., or 25s. a week by way of rent should not be housed in McNess homes, at the present stage at any rate. Ultimately, when, as we all hope, there are thousands of houses available on the McNess principle, the claims of persons who are better circumstanced economically, might be considered, but there are sufficient people, not necessarily destitute, though finding it a problem to meet the ordinary living expenses, who are unable to afford the rentals that are being asked today. The Government would be continuing the humanitarian object of the scheme—and the power exists—if occupants of McNess homes were transferred to rental homes for which they could afford to pay, and the more deserving and needy people were transferred to McNess houses as they became vacant and were permitted to pay the rental of 5s. a week.

In any event, if consideration is being given to some upward movement in the weekly sum to be paid, surely it is grossly unfair that the rent for the houses constructed before the war at a cost of £250 to £350 should be increased, not because the fund requires it, but merely because of the new formula laid down in the Bill or, to be more precise, because the income of the particular family group has increased to the extent that that family should no longer be considered as a deserving case under the terms of the Act. I am asking the House to vote against the second reading for the reason that the Bill seeks to break down the humanitarian ideals that were embodied in the original Act, and because I feel that, to some extent, in agreeing to the Bill, we would be running counter to the wishes and intentions of the late Sir Charles McNess who made the scheme possible in the first instance.

**MR. FOX** (South Fremantle) [7.46]: In common with the member for East Perth, I do not think there should be any departure from the manner in which the McNess Homes Building Fund has been administered from its inception. The fund was created to provide homes for people who were not in a position to provide for themselves. Before 1930, people who were in intermittent employment had no possible chance of obtaining homes for themselves. We have never had more prosperous times since 1939, after the start of the war; but I do not know whether people are any better off as a result of increased wages, when we take into consideration the increased price of houses. From that point of view they may not be in any better condition than were the people who went before them. Most of the people who received homes under this scheme obtained them because they were destitute and had no opportunity of building for themselves. Most of them were cripples of some sort, or widows with young children, or old-age pensioners. To some of them the homes were given on a life tenure under which they did not pay anything. I do not know how many homes of that description were provided, or how many are now in houses for which they do not pay anything at all. Others were given homes for a payment of £1 1s. 8d. per month.

Mr. May: That was under the purchase scheme.

Mr. FOX: Yes. I do not think that if this Bill is carried there will be interference with contracts of that description.

The Minister for Housing: No.

Mr. FOX: That is quite all right, then. I think—and I stated this when the Labour Government was in office—that a substantial annual donation should be made to the McNess trust by the Government so that more homes might be built for people in indigent circumstances. I feel sure that if the Government did that, and then made an appeal to the Grants Commission, that Commission would favour a refund of the money so spent. I have not made inquiries as to the number of applications which have been made for McNess homes. I know that I fill in hundreds of forms, but it is only rarely that I am able to secure a home for anybody. I do not think the trust has built many of these homes since the war started. Those that were erected in the early days cost about £250. In fact, I think it was

only with the consent of the Executive Council that that amount could be exceeded.

The Minister for Housing: The figure was £370.

Mr. FOX: If the trust is receiving £1 1s. 8d. a month in rent, that should cover the cost of rates, insurance and everything else of that nature connected with the houses. As late as 1941, one of these houses was built in South Fremantle. I have the contract of sale here. The home is a very nice one of wood and asbestos, with a tiled roof, and it was built for £462 13s. 1d. The cost today would be a great deal higher than that. But over the years the Government has made grants to many people not in indigent circumstances. It has given grants to firms to start businesses, and grants in aid to farmers. It has reduced the freight on super, on wheat, and on many other goods. The people receiving such benefits are in a position to help themselves.

I am not saying that farmers should not receive assistance. I think that is necessary, because it is all wrapped up in the economy of the country. At the same time, I do not think the Government should be so niggardly in this instance. I am not accusing this Government alone, but Governments that have preceded it. I have made many appeals for a fairly large sum of money to be set aside to build some of these homes for people not able to help themselves. I am very much against the proposal to raise the rent. I have spoken to many pensioners, and particularly to one man and his wife who are in a McNess home. The man told me that he finds it difficult to make ends meet on the pension he receives at present. The cost of living has increased considerably; and although the man of whom I am speaking is very careful, does not drink, and grows a fair amount of produce for himself, he says it takes him all his time to live on the pension.

I come into contact with single men on pensions also, and I have received many requests for clothes which they say they are not able to buy. So I hope the Government will not persist in endeavouring to have this Bill passed. We should retain the principle of allotting these homes at the lowest possible rental to people who are not in a position to house themselves. I know two families who went into McNess homes many years ago. In one instance the woman has re-married and has a son living with her, and the income in that home must be fairly substantial. There would be nothing wrong in the Government or the Housing Commission giving camps to these people and putting some deserving tenants into the homes they vacate. I know that the Commission might say, "We have a lot of people looking for homes and it would be better to put a larger family into a home than allot it to people who have not already applied."

I do not know whether the trust has any power to put people out of houses. Some of the 95 who were mentioned may be paying for their homes, and I do not see how the charges can be varied in those instances. I hope members will vote against the second reading. I think that Sir Charles McNess would turn in his grave if he knew anything about this. I do not suppose we need worry about Sir Charles; but there are a lot of people in this State who are under a debt of gratitude to him for initiating this scheme, which has brought a great deal of sunshine into their lives. He will be remembered as long as the trust exists, and we must respect his wishes and allot houses to these people at the lowest possible rate. I hope the Government will set aside a very substantial sum and begin to build more houses for people who have given their lives in the interests of the State, who have reared families and who, often because of that, have been unable to buy homes for themselves.

It is all very well for people who have been in sheltered jobs all their lives and have been in receipt of large incomes, but those, who like myself, have lived among the working class all their lives and among people with intermittent employment know what those folk have to endure. I am concerned about the Government's attempt to increase the rent of these homes to 25s. a week or more. That is altogether out of the question and I hope we will respect the memory of the founder of this scheme—the man who donated so much money to its creation—and that we will retain the scheme on the basis on which it has operated since its inception.

**MR. MARSHALL** (Murchison) [7.55]: There are many difficulties confronting the Government, having regard to the difference in the circumstances which prevail now and

which were in existence when this law was first passed, but I think the Government is inclined to take the line of least resistance. I cannot subscribe to the proposal of the two previous speakers because I think that if people have lost their qualifications to inhabit these homes they should be evicted. I feel that the Government has fallen down on its job. It is true that the anomalies that are evident came into existence gradually, almost without the Government's recognition of the fact. But, now the position has been made clear, I think the Government should take a different line of action from that envisaged in the Bill.

I have endeavoured to ascertain exactly how this scheme came into existence. It is true that Sir Charles McNess donated £5,000 to the then Premier of this State, but he did not submit any detailed proposals as to how it should be expended. He left discretion to the then Premier, the present Governor of Western Australia, pointing out that he wished the money to be spent on those unfortunate people who were unemployed and whose possibility of ever being in receipt of an income sufficient to enable them to obtain homes, was remote. At a later date, that same worthy gentleman made further contributions, after he had seen how the scheme had developed. Evidently he was satisfied with the decision as to how the first amount should be expended. There were also contributions from other people who saw the virtue of the scheme.

The only avenue of information I have had as to the formulation of the idea is the speech of the Minister who introduced the original Bill—Hon. (now Sir) Charles Latham. He made some observations as to how the scheme came into existence and pointed out that the donor had approached the then Premier, with a view to doing something for this unfortunate section of the community and had donated £5,000, giving the Premier discretionary power to formulate a scheme for that purpose and realising that wherever the money was spent it would be spent to assist those who could not assist themselves. At page 1862 of "Hansard," 1930-31, Vol. 2, Hon. C. G. Latham, then Minister for Lands, said—

> It is proposed to rent the houses that are being purchased at a fee of 5s. per week. That will include all the charges I have mentioned, rates and taxes, insurance, etc. The only condition is that these tenants will purchase the houses at the end of 30 years. The premises will then be theirs.

Another form of tenure, life tenure, was provided for. There was an agreement with the Government under which such people could occupy the homes for the duration of their lives. Those were the only types of tenure provided for in the earlier measure. At page 1863 the then Minister continued—

> It is intended to allot them to widows and deserving applicants with the proviso and essential qualification that the unfortunate circumstances of the applicant shall not have arisen through any cause within his or her control. If a person deliberately set out to lose his money and then applied for assistance he would not get preference over anyone else. If the applicants are sick, aged or unable to earn sufficient to pay rent on the ordinary scale, they may be eligible to apply for a cottage. The idea is to allot homes to qualified, aged or infirm applicants free of any payment except the small sum to cover rates and taxes and insurance.

That was the original spirit of the scheme. In 1940—to show how such factors gradually crept in—a Bill was introduced to provide for leasehold and rental tenancies, and that was one step nearer to the present position. When introducing the Bill the Minister put forward certain arguments, and no doubt he was quite right, but I know that anomalies have crept in. When the measure was first introduced no-one could foresee what would take place. Only a certain class of individual can live in these homes, and once he loses his qualifications he can be evicted. Apparently the Government has not adopted that course, because the Minister said that there are people with fairly large incomes now living in McNess homes. They should not be allowed to remain to the exclusion of unfortunate wretches who cannot afford to pay normal rentals for houses.

When the circumstances of a person—originally qualified to inhabit one of these houses—change from poverty to affluence, he or she should not be allowed to remain any longer in such a home. A widow, qualified under the Act, might marry a man with a fairly large income, thereby losing her qualification. That is how I read the definition of those eligible to occupy such homes. I do not go as far as the member for East Perth or the member for South Fremantle, who suggested that a person no longer

qualified should be taken from a McNess home and given preference over somebody else for a Housing Commission home. I would say such a person has been fortunate in having enjoyed these privileges for so long. Under the original Act an "eligible person" meant—

(a) any male person of or over the age of twenty-one years;

(b) any female of or over twenty-one years of age who is—

(i) single; or

(ii) a widow; or

(iii) a married woman living apart from her husband,

who proves to the satisfaction of the Trust that he or she has no reasonable prospect or means of purchasing or acquiring a house out of his or her own resources, that he or she is of good character—

and so on. Once they have qualified, by virtue of income, to buy their own homes, they lose their qualification to occupy these premises.

The Minister for Education: Are you sure that is the legal effect of the definition?

Mr. MARSHALL: I do not know. The Minister knows that my opinion differs from that of lawyers on many subjects, and that they differ among themselves. As a lawyer he knows how lawyers can protract a case so long as the wherewithal to keep it going is forthcoming. They argue for weeks or months, but only when they are assured that they will be well paid at the end of the argument. I have quoted the qualifications laid down, and there are no others. The Minister said that the income of the families living in some of these homes is as high as £20 per week. I say that such families have no right, in those circumstances, to occupy the premises any longer.

I agree with the member for East Perth that we are drifting right away from the intention embodied in the original Act. We are now asked to say, notwithstanding the spirit embodied in the original measure, that this trust is to be brought under the laws that govern the State Housing Commission. No-one will deny that the cost of building has risen, but I think that a fair average increase in the rental, comparable with the rise in the cost of building, should suffice. The Minister proposes a maximum charge of one-fifth of the basic wage, which would amount to 25s. per week, a rise of 500 per cent. on the present rental. Some of these homes were built for as little as £250, or £350 and the Minister says similar homes would cost from £1,000 to £1,200 to build today. I say they could be built today for a maximum of £650, an increase of 100 per cent. on the original cost of construction.

Hon. J. B. Sleeman: You do not get much for £600 now.

Mr. MARSHALL: The original Act covered homes costing from £250 to £350 and to build those houses today would not involve an increase of much more than 100 per cent. in cost, compared with the 500 per cent. increase in rent proposed in the Bill. I think the proposal is out of all proportion. If the Bill becomes law we will have done no more than permit the State Housing Commission to absorb all the ramifications of this trust, and then it will not be long before the whole purport of the original measure will have gone by the board.

**MR. STYANTS** (Kalgoorlie) [8.15]: I have read the provisions of the Bill with mixed feelings because I realise that there is much in what the Minister said when introducing the measure that demands an alteration in the policy and the methods of dealing with this matter. With other members who have spoken on the proposal, I am afraid it is altogether too drastic. Had there been a more gradual increase—although we would have regretted getting away from the spirit of the original intention of the Act—we would have been agreeable, but an increase of 500 per cent. is altogether too great.

The Minister for Housing: That increase does not apply. That is the limit in an extreme case; that is, a £20 a week tenant.

Mr. Marshall: The maximum always becomes the minimum.

The Minister for Housing: No.

Mr. STYANTS: It provides for the payment in rent of one-fifth of the basic wage. I take it that a person going into a Commonwealth-State rental home and receiving the basic wage has to pay one-fifth of it in rent so that, with some of these £1,000 homes which the Minister says he proposes to build under this scheme, something under 25s. a week would be a reasonable charge.

The Minister for Housing: It is quite different; I will explain that.

Mr. STYANTS: Under the parent Act there is provision for only two types of tenant. Firstly, there is the life tenant, the person who has the right to live for the period of his natural existence in one of these homes without paying any rent or charges at all. Sir Charles Latham, when he introduced the original measure, said the homes would be free of interest and taxes, and that no charge would be levied against them. That applied not only to a tenant, but also to a married couple where the right to occupy the house continued after the death of the husband or the wife, as the case may be.

The second type was on a purchase system, involving the payment of £1 1s. 8d. per month towards the acquisition of the home and if, after a number of years, it was found that the tenant had lost his qualification to occupy the house or for some other reason wanted to get out, the money paid off the capital cost of the building was refunded to him when he left. Then we come to the 1940 measure and we see a gradual drift away from that system, provision being made for a rental of 5s. per week —not a time-purchase system. In addition, the provision which I have just mentioned, that of refunding the money that had been paid under the time-purchase system if a person lost his qualification or for some reason vacated one of these homes, was deleted by the 1940 measure. It can be seen, therefore, that we are gradually creeping up on the commercialisation of the proposition and getting away from the spirit and the original intention of the parent Act or the founders of the scheme.

Today, we have a proposal in the Bill—I think it contains only one important proposal—to give the trust the right to charge a rental of not less than 5s. and it could be up to one-fifth of the basic wage. What I am afraid of is that the scheme will gradually develop into a subsidiary of the Commonwealth-State Housing and the State Housing Schemes. It seems that the Bill will provide homes for people whom the originator of the fund, Sir Charles McNess, never intended should have them under this scheme. I know there were great difficulties, and that there was a certain amount of imposition on the trust on the part of occupants of these houses while they had protection under the Landlord and Tenant Act during the war period.

The Minister said there were a number of people who had lost their qualifications to remain as tenants in these homes but had refused to vacate them. However, that difficulty should not, I think, exist today because when the legislation was passed providing for the State to take over the landlord and tenant legislation it was stipulated that the McNess Housing Trust homes should be exempt from its provisions. It seems to me, therefore, that the necessity to give the trust authority to charge a higher rent because a person was remaining in those homes has disappeared. I can understand that that would be quite a feasible proposition perhaps where occupiers of one of the McNess homes were earning £10 or £12 a week, and there was no means of getting rid of them. I realise the difficulty of getting rid of the tenants.

I am much alarmed at the proposal mentioned by the Minister that it is likely that £1,000 houses will be built under the scheme. It appears to me that if that is to take place and a substantial rent has to be charged we are getting right away from the original spirit of the proposal. A £1,000 home today, even allowing for all the increases in the cost of building, is a much better type of home than the one which was built for £250.

The Minister for Housing: It is a three-roomed house.

Mr. STYANTS: I heard someone say they cost £250 or £350, but I notice that the parent Act says that a house shall not cost more than £250. It was found that after the lapse of a few years the cost had risen to £350 or £400, and the home was of a very modest type compared with the original one built for £250. It has been said that people today in urgent need are demanding a higher standard of housing. That seems remarkable if it is a fact although I do not say that, because these people are practically destitute, they should be put into hovels. Nevertheless, I have seen some of these early McNess homes and, for the class of people for whom they were intended, they were quite comfortable homes.

My idea is that now the McNess houses have been excluded from the protection of the landlord and tenant legislation, if there

are people in them who have lost their qualification they should be evicted and I think we have the power to do that. Of course, I realise that the problem is to know what to do with them when they are put out. It is altogether unreasonable to say: "You have to get out of the place," because it is realised how difficult it is to get another home anywhere else. If the suggestion of the member for East Perth is adopted, that is, to put them into one of the Commonwealth-State rental homes, then it will probably be found that they will have to be evicted into the street. That is the great difficulty the Minister for Housing will face in getting rid of those people, unless some alternative accommodation is found for them.

I repeat that if I were assured that the trust would not allow new tenants to occupy these homes at a rental of 10s. or 12s. 6d. a week, I would be inclined to support this measure. But I fear, when the Minister says the Government is going to build £1,000 homes, it will let in a class of tenant that the original founder of the scheme did not have in mind when donating the money. I think the increase in the amount of rent as proposed in the Bill is altogether too great. If the Minister could assure us that there will be no new tenants housed at rentals of, say, 12s. 6d. or 15s. a week for homes costing £1,000, I would be inclined to support the measure, but I certainly could not support it without that assurance because I think we would be providing for a class of tenant not originally contemplated. I think we are going to make it into a commercial proposition and a subsidiary of the Commonwealth-State Housing Scheme. It will just be a means of housing some of those people who are not quite capable of paying the one-fifth of the basic wage in rental, and they will be put into these homes at 12s. 6d. or 15s. a week.

**MR. NIMMO** (Mt. Hawthorn) [8.27]: There are quite a lot of McNess homes in my electorate. In Royal-street there are three or four and I would say that the value of those homes is commensurate with what people are paying for them at present; they are worth about 5s. a week. They are some of the original homes which cost in the vicinity of £250. In one of those homes there is a family whose interests I have been looking after for some years through the Legacy Club. I remember when we had to give that family, a widow and children, all the assistance possible; but today the children have grown up and they are supporting and helping their mother. The time will come when these children will marry and they will not be able to support their parent. I take it that if that woman were charged, say, 7s. 6d. a week, she would gladly pay it, but that when the time arrives that she is unable to pay such a sum the rent will be reduced to 5s. I received a petition from some people in another part of my electorate, the object being to prevent five McNess homes being erected.

Hon. J. B. Sleeman: You are an optimist if you think the Government will reduce the price of anything.

Mr. NIMMO: That is another matter. When I inspected the site of the proposed homes, I found that the stumps were in and I did not feel disposed at that time to try to stop the work. Now the people in that district have said to me, "We are sorry we gave you that petition as the five McNess homes are very nice." At some time, I would like members to go into the Osborne Park district and look at these homes. I would not care to estimate what they cost, but I would say it would be anything from £700 to £800 each, complete, and they are rather nice. In that group of homes there are people who, I would say, are not in a position to pay much rent. For example, in one of the dwellings there are three people who are all invalids and their pensions are not very great. In another, there is an invalid returned soldier. In Main-street there is a family which is earning big money, and its members told me they would gladly pay a little higher rent. They were quite happy about that, and some said they would like to buy their places. I told them that they were not for sale. At the time Sir Charles McNess set out to finance this scheme, his idea was a splendid one. If he were alive today, I imagine he would like the system changed.

Hon. A. A. M. Coverley: Rubbish!

Mr. NIMMO: I would not suggest that the Government put these people into Commonwealth rental homes. I have many individuals in my district in a far worse position than some who are occupying McNess homes.

Mr. Graham: And some of them should go into McNess homes.

Mr. NIMMO: It would be a good idea if they could change over. I am definitely of opinion that the fund will not be in a position to function much longer, with the prices that have to be paid for houses today. Certainly, they cannot be built now for £400 or £500, unless it is with voluntary labour.

Mr. May: But there are no McNess homes being built at all now!

Mr. NIMMO: What does the hon. member mean?

Hon. A. R. G. Hawke: He means there are none in the country districts.

Mr. May: I want to know if any are being built.

Mr. NIMMO: At the present time?

Mr. May: Yes.

Mr. NIMMO: I would not say that there are at present. The five homes I referred to in Osborne Park are completed.

Mr. May: It has been said that there is no money available for the homes.

Mr. NIMMO: I thought I heard a member of the Opposition say that about £100,000 was in kitty.

Mr. Graham: Over £120,000.

The Minister for Housing: No, that is the total value of the assets.

Mr. NIMMO: I certainly thought the member for East Perth said that a very large sum was in hand.

Mr. May: They say not.

Mr. Bovell: And the Minister has explained that that referred to the total assets.

Mr. NIMMO: If the fund can be built up so that more homes can be erected, it will be a sound policy. I have an open mind about it.

**MR. GRAYDEN** (Middle Swan) [8.34]: I cannot understand why any objection should be taken to the Bill. The original purpose of the McNess Housing Scheme was to provide dwelling places for people in very deserving circumstances. Unfortunately, we have departed from that principle to a certain extent. Possibly every member knows of electors in his district who are in every way entitled to one of these homes, yet the position has arisen where they are living alongside McNess homes occupied by families drawing up to £20 or more per week. Notwithstanding that fact, those people are permitted to live in McNess homes and pay a rental of 5s. a week. It is a disgraceful state of affairs, but the question is: What can we do about it? We cannot evict the people. We know that the Housing Commission each month has 20 or more people applying for assistance because they have been evicted, and what can be done about it? Nothing! Homes cannot be provided for them, because they are not available.

Hon. A. A. M. Coverley: I thought we were told that there were plenty of houses being put up in the Middle Swan electorate.

Mr. GRAYDEN: There are, and certainly more than were provided previously.

The DEPUTY SPEAKER: Order!

Mr. GRAYDEN: I recently had experience of an aged couple sitting on the side of the road with a piece of linoleum over their heads because it was raining. I went there in response to a telephone call. Alongside the old couple was their cockatoo in a cage and, in a chest of drawers, they had some bantams in the bottom compartment. Their furniture was piled around them. The old people had slept at the side of the road during the previous night because they had been evicted from the hut in which they had been living. They could not get a home because there were even more deserving cases than theirs, seeing that they were a two-unit family. Eventually I got the road board to provide trucks, and their furniture was shifted to a shed at the football oval, where the old couple remained until they secured a hut.

There was an instance of a family in every way entitled to a McNess home, yet there are people at Middle Swan living in McNess homes who are drawing up to £20 a week! Those people could well afford to live in an hotel or to obtain other accommodation. We cannot evict such people because it is impossible to provide them with homes, seeing that there are more deserving cases requiring them. The only thing to be done is to raise the rents for McNess homes in the hope that it will encourage the occupants to vacate the dwellings at the earliest possible moment. Although

objections have been raised to the Bill, I do not think any alternative has been suggested, apart from eviction, but the Government could not do that.

Mr. Graham: Why could not such people be evicted?

Mr. GRAYDEN: If there were a large family, they could not be evicted, even though they might be getting reasonably high wages.

Mr. Graham: That is not a case for a McNess home.

Mr. GRAYDEN: It is simply impossible to evict these people.

Mr. May: But there are evictions every day.

Mr. GRAYDEN: A private individual could possibly take it upon himself to evict someone because he wanted the home for himself, but the Government is in a different position and could not contemplate evicting a family from a McNess home. On the other hand, it could increase the weekly rent, which might be an inducement to the person concerned to vacate the McNess home. As the member for Kalgoorlie suggested, I, too, hope that the Minister for Housing will insert some provision in the Bill to ensure that the Housing Commission will not depart from the principle that has governed the allocation of McNess homes to people most deserving of them. It would be a tremendous mistake if we passed the Bill only to find that the Housing Commission handed out these homes indiscriminately, as it were, to those offering the most for them. The Minister should give the House an assurance that the principle of making the homes available to the most deserving will not be departed from. The Bill will enable the Housing Commission, while retaining the minimum rental at 5s. a week, to obtain a larger rental, if the circumstances warrant that course. I certainly hope the principle of making the homes available to the most deserving will not be departed from.

Mr. Graham: Do you think a person who could pay 25s. a week should be entitled to a McNess home?

Mr. GRAYDEN: No. He would be entitled to a home but, in view of the fact that there are so many old age pensioners and others who can afford to pay no more than 5s. a week, they are the people who should obtain McNess homes.

**HON. A. R. G. HAWKE** (Northam) [8.40]: The main reason in support of the Bill is that a number of McNess houses are occupied by people whose incomes are high enough to justify demanding increased weekly rentals from them, compared with the 5s. a week set down as the rental payable for a McNess home. I have very grave doubts whether the course set out in the Bill is the proper way to tackle the problem. Houses built under the McNess scheme have been erected for the special purpose of providing low-rental homes for poor and needy persons in the community. I take it for granted that every house when first allocated was granted to such families. Evidently, however, with the passing of time, circumstances have changed in connection with some families, and their weekly incomes from one source or another have been such as to cause the trustees a good deal of concern regarding McNess houses being occupied by families whose incomes are £8, £10 or, as I think the Minister said applied in one case, as high as £20 a week.

One can quite understand the concern of the trustees when they saw a situation of that kind developing and that they should ask for some steps to be taken to rectify it, so far as is humanly possible in these days. The proposed remedy outlined in the Bill is, in my opinion, no remedy at all; but it it is, it is one that conflicts very severely with the original principle concerning the establishment of the McNess Housing Scheme. The Bill, as a matter of fact, presupposes that McNess houses in future, as well as at present, are to be occupied by a number of families whose incomes will be so high as actually to put them out of consideration as genuine cases for the occupancy of McNess homes. I would much have preferred to see the Government tackle this problem from a different angle altogether.

In that regard, when the Minister was explaining the provisions of the Bill, I asked him, by interjection, whether any steps had been taken to get any of these people removed from the homes. He said "yes," and indicated that an appeal had been made to them to vacate the homes. He also said that some of those who have been occupying homes without merit had responded to the appeal. I imagine, however, that the response was not very great, because evidently the problem still remains in a fairly acute form.

The Minister for Housing: No. I said that on the first day we could do so, namely, when the Commonwealth retired from the landlord and tenant law, we brought in a Bill under which the McNess trustees had power to evict these people.

Hon. A. R. G. HAWKE: That is a different point altogether.

The Minister for Housing: That is what I said. Steps are now being taken to get rid of those tenants.

Hon. A. R. G. HAWKE: If the trustees are now taking action under the new law to remove from the McNess homes the tenants with big incomes, the argument that persons with big incomes are occupying these houses can no longer be put forward as being in favour of the Bill.

The Minister for Housing: I think that if you were a tenant looking for a house you would realise that you could not get one right away.

Hon. A. R. G. HAWKE: The main argument put forward by the Government in favour of the Bill is that a number of families with comparatively big incomes are today occupying these homes.

The Minister for Housing: Yes, and will be until they can get houses.

Hon. A. R. G. HAWKE: The Government has the general housing situation in its own hands. Under the Government's policy of almost complete control of everything, it controls almost all home-building through the State Housing Commission. It also controls the allocation of homes. If a man with perhaps three or four dependants, having a joint income of £10, £12 or £20, or even £8 a week, is occupying a McNess home today, then surely such a family should be allocated a home by the State Housing Commission, and the McNess home which they now occupy should be made available for occupancy by a deserving, poor and needy family.

The Minister for Housing: I should like to show you some of the letters I would get if we did so.

Hon. A. R. G. HAWKE: I know the Minister would receive letters. Members would also receive letters, and I am aware that letters would be written to "The Daily News" and "The Sunday Times".

Mr. Leslie: Do not leave "The West Australian" out.

Hon. A. H. Panton: Even "The Wheatgrower" might get one.

Hon. A. R. G. HAWKE: In this situation everybody cannot be satisfied and I consider it is up to the Government to do what is fair and just in all the circumstances.

The Minister for Housing: Which it tries to do.

Hon. A. R. G. HAWKE: The Government might have to hurt someone in doing the right thing; but where a family here and there might be hurt, some very deserving, poor and needy families, who have been waiting for years to get a McNess home, would benefit considerably. I know of families at Northam who are qualified in every way to occupy a McNess home; but each time I make representation on behalf of such a family I get the same reply, that it is very much regretted that no McNess home is available either at Northam or elsewhere in the State. So these deserving, poor and needy families have to fight on, either paying a rental they can ill afford and thereby depriving themselves of the necessities of life, or living under the most deplorable conditions imaginable from the point of view of accommodation.

The Minister had better give much more serious consideration to the question of whether the State Housing Commission might not be able to help much more than it has in allocating a Commonwealth-State rental home to some of the more flagrant cases of families with big incomes occupying McNess homes. Surely some of these families wrongfully occupying McNess homes could qualify for allocation of a Commonwealth-State rental home under the Commonwealth-State agreement. If not, I think the Government would be justified in taking action against them, because if any such family could not qualify immediately, or in the very near future, for a Commonwealth-State rental home, the number of units in the family must be small, and if the family had an income of £10 or £12 or more per week and were only paying a rental of 5s. per week for a McNess home, they would not receive much sympathy from the public if the Government had to take severe action against them to evict them

from the McNess home in order that that home might be occupied by a deserving family with very little income.

By this Bill the Government is trying to take the easy way out of a difficult situation; and to the extent that the way out provided in the Bill is used the deserving cases for McNess homes will have to wait, perhaps for months or years, before a McNess home is made available to them. I suggest that the Minister give much more consideration to the measure. The Government is tackling a pressing problem by the wrong methods. Let us try to visualise what the position will be if the Bill passes. If it does, the trustees will be authorised to charge a weekly rental ranging from a minimum of 5s. to one-fifth of the ruling basic wage. That would give the trustees the right to impose a rental as high as 24s. a week under the present basic wage. The trustees, among other considerations, would have to give some thought to the financial aspect of the McNess Housing Trust Fund; and although the matter might operate unconsciously to some extent in their minds, they might feel justified in retaining as tenants in these homes people whose incomes would be the basic wage and higher, because that would enable the trustees to receive the maximum weekly rental allowed for in the Bill.

If the measure becomes law, I am afraid we can say goodbye altogether to the McNess Housing Scheme as we have known it in the past; and that would be most unfortunate for the State. I ask the Government to do everything in its power, legal and otherwise, to try to hold the McNess Housing Scheme as nearly as possible to its original conception and to the basis upon which it was established and has been carried on up to date. It might very well be that in relation to McNess homes to be constructed in the future, and even to those which have been constructed since the war, the much higher cost of construction involved would justify the trustees in charging a somewhat higher rental than 5s. a week. Even there, however, I hope the Government might feel that the McNess Housing Scheme is one deserving of whatever financial support the Government can give it, keeping in mind the basic fact that these houses were meant to provide a home for the most poor, needy and deserving people in the community. Even if the Government incurs some deficit from time to time, provided it is not unmanageable, I know of no better cause for which the Government could make money available each year.

Should the Bill be passed in its present form, I am afraid that the action which should be taken against families with big incomes occupying McNess homes will not be taken. It has to be remembered, too, that the number of families with big incomes, or biggish incomes, occupying these homes today will not be the only families of that type in all the years of the future, no matter how carefully the trustees might be in the future in allocating these homes. The passing of time will surely develop circumstances similar to those now existing. If the Bill passes, we shall give permission and consent, as it were, to persons not on low incomes to occupy these houses, and that, I think, would be a very bad principle indeed. For that reason, I am certainly not in favour of the measure. I am afraid the Bill, if passed, will encourage those responsible to allow the type of family I have mentioned to remain in these homes and will also allow similar families in future, when they are in possession of higher incomes, to continue to occupy those that have been allocated to them.

**MR. LESLIE** (Mt. Marshall) [8.58]: I do not propose to traverse the ground covered by other members who have spoken to the Bill. I rise because I have what I believe to be a suggestion deserving of the Minister's consideration, one which may meet the circumstances for which the McNess Housing Trust was established, and also the existing circumstances as regards housing today. As we are aware, when the McNess Housing Trust was established accommodation was not the problem. The question then was the making of homes available to those who did not have the means of providing for themselves or for those who, having managed to find suitable accommodation for themselves, found the rent too high for their meagre income, thus depriving them of some of the necessities of life. That was the purpose for which the trust was established. It was to provide a home or accommodation for those who were financially unable to provide it for themselves. I repeat, accommodation was available, but the erection of these special houses was one

means whereby the people I have mentioned could be assisted financially.

Now an entirely different set of circumstances has arisen. Today, lack of accommodation is the trouble. The Government, which is concerned with remedying social disadvantages, is faced with the problem of finding accommodation not only for those who are not well off financially, but also those who are well off. The guiding principle today is the family necessity. I consider that a family consisting of a man, wife and several children has a greater claim upon the available shelter than simply a man and wife. They can be accommodated in some temporary and possibly not-so-good premises, but the larger family must receive primary consideration. It would be an injustice to dispossess any family of a McNess home, regardless of its means. It is only reasonable to ask the people to pay according to what they are receiving. But we still have the problem of those who have not the means to provide adequate shelter for themselves. A good many of them are provided for in some way or another, but they find that their standard of food, clothing, etc., is much below what is desired because of the big call made on their meagre income for rent. The obvious thing is to augment that income in some way.

Mr. May: The older people will be sacrificed.

Mr. LESLIE: No. I make this suggestion to the Minister, that because of the changed circumstances in regard to accommodation since the inauguration of the McNess Housing Scheme, the additional revenue accruing to the McNess Housing Trust, as a result of the power he asks to be given to the trust through the Bill, be paid to the deserving cases to assist them financially.

Mr Needham: In what way?

Mr. LESLIE: Where a family establishes its claim to a McNess home, but one is not available, let the trust accept its responsibility to those old, deserving people who are on low incomes and say, "You will still pay the rent of 5s. that you would be required to pay under the McNess Housing Trust, but because someone with greater family responsibilities than you have is in possession of a McNess home, we shall make up the difference between 5s. and a reasonable rent for the accommodation you now have, so that you will not suffer financially as a result of being deprived of a McNess home." The money for that purpose should be taken from the revenue received by way of additional rent under the Bill.

Mr. May: Why not use the extra money to build more McNess homes?

Mr. LESLIE: That can be done, but Rome was not built in a day. At present there is any amount of money available for the building of homes, but we are still short of them and are likely to be for a long time.

Mr. Reynolds: When did you first discover that?

Mr. LESLIE: A long time ago. In the last two years we have discovered ways of considerably speeding up the building of these homes with the result that the problem now is nowhere near as acute as it was some time back.

Mr. May: You are still working on the same foundations.

Mr. LESLIE: It is still a problem, and it will continue to be one for many reasons which I do not propose to deal with now. Today the circumstances are entirely different from what they were when this scheme started, and we must endeavour to adjust ourselves to meet them. The purpose for which the McNess scheme was established does not exist to the extent that it did, or, at least, it is different altogether.

Hon. J. T. Tonkin: There are over 500 applicants for McNess homes.

Mr. LESLIE: I agree that there are hundreds of applicants, but there were hundreds of houses available when the scheme commenced.

Mr. May: They could not afford to pay for the accommodation then.

Mr. LESLIE: That is so. The whole purpose of the fund was to enable people to pay. The only thing we have to do is to find ways and means of doing that, and my suggestion is to help in that direction. We are not going to solve the housing problem by shifting a deserving family out of a house. Would members agree to allow a man, his wife, and four or five children and a baby in arms, to be put on the street in order to house a couple who are already accommodated? A Bill of this nature is definitely necessary at this stage. In these

homes there are people who would willingly pay an additional amount, and who would be quite pleased to get into other accommodation if it could be found them. They would be prepared to pay even more than the one-fifth of the basic wage mentioned here.

I ask members to face the facts as they are today, and not live in the past. If they do that, they will realise that we have an entirely different problem requiring to be dealt with by different methods. I support the Bill because I believe it is necessary at this stage, but I do suggest to the Minister that some effort be made to disperse the additional revenue that it is anticipated will be received under this measure, so that applicants for McNess homes, who are already housed, will be assisted. The trustees could say to them, "You should be under the McNess scheme, and we will enable you to enjoy the benefits Sir Charles McNess desired you to have." By doing that the moral obligation imposed on them by the McNess Housing Scheme would be met, and at the same time they would be assisting in relieving the acute housing problem. I support the Bill.

**THE MINISTER FOR HOUSING** (Hon. R. R. McDonald—West Perth—in reply) [9.11]: I am indebted to members for their examination of a subject which should be dealt with at this time. That is why the trustees had the Bill brought down. They realise that matters have undergone fundamental changes so that the basis of the McNess trust has simply disappeared, and they have to find a new one. There are several points to bear in mind. One is that the Government does not run the McNess homes. They are run by two trustees, as a body corporate, and quite independent of the Government. The State Housing Commission does not run the McNess homes, nor has it any power over them. All it does is to act as a kind of administrative and technical agent. The control of these homes is neither in the hands of the Government nor the State Housing Commission, but a body corporate consisting of two trustees appointed more or less for life, in accordance with the 1930 Act. They are the people who have the responsibility of administration, and at whose instance the Bill has been brought down for the consideration of members.

Allow me to say a word or two about the question of rents. Speaking broadly, there are today three kinds of rents in Australia. There is the economic rent, which is a sum of money paid by the tenant, equal to interest on the capital employed in buying the land and building the house, rates and taxes, repairs and renovations, and obsolescence or amortisation of the house for the period it is expected to have a useful existence. I think those are the various items involved. That means that the man, corporation or Government who owns the house gets interest on the money and a fair rate of 3½ to 4 per cent. That is the economic rent, and is what the State Housing Commission, under the Commonwealth-State rental agreement charges, provided the family income can reasonably bear it. The second kind of rent is what is called the family rent under the Commonwealth-State agreement, and it is fixed at one-fifth of the income of the family occupying the dwelling, irrespective of the amount of the economic rent based on cost and outgoings, provided, of course, it does not exceed that economic rent.

The third rent is that charged by the McNess trust and it is below the other rents because all that is charged is a sum to cover rates and taxes, and repairs, and meet the amortisation of the house, giving a life of 45 years, which is pretty good for this type of house, because at the end of that period it would be worth nothing and the tenant pays nothing for interest. In the ordinary rent, interest is the big factor but as the McNess trust owns the capital it utilises this in the building of houses and therefore does not need to charge interest. The tenant of every McNess home, if he pays the economic rent which is an amount sufficient to keep the fund intact, has a supreme advantage because he pays far less than anybody else and he pays no interest at all on the amount paid for the acquisition of the land and the building of the house.

Rent in all economic considerations, practical considerations and social considerations is always something which is reckoned on a proportion of the income of the tenant. That is the guiding principle. Normally it has been looked upon that one-fifth is about a fair thing to pay in rent by the occupant of a dwelling and that is why the Commonwealth-State housing agreement fixed one-fifth as the family rent of a Commonwealth-State rental home. Under

the Bill the maximum that could be charged would be one-fifth of the lowest paid ordinary worker receiving the basic wage.

When speaking on the second reading I said that the trustees had now reached a parting of the ways. The last house they built was the single type house of three rooms, one bedroom, a dining-lounge room and a kitchen, but rightly or wrongly the public idea now is that there should be a rather better class of home built. People will no longer live in unlined weatherboard houses. This also applies to McNess tenants. Most local authorities would not allow such a house to be erected, nor would the neighbours tolerate one of that type being built; neither would public conscience allow people who happened to be in indigent circumstances, or even invalids on low incomes, to live in houses that were unlined and without ordinary conveniences.

Mr. Fox: They lined the original houses later.

The MINISTER FOR HOUSING: One member stated that the houses were cheaply built, because, amongst other things, they were unlined. The single house of three rooms built last year, not at all luxurious but with certain minimum standards, cost £850. Some detached houses of three rooms were built for as low as £700 per unit or £1,400 for the full building, but that was before the 40-hour week came into existence and before the recent rise in wages. The trustees tell me that today a house of three rooms which could be built for £850, that is a single unit house, now costs £950 or even more. I asked them if it would be possible to reduce that cost, but they told me that it could be done only if some of the small comforts and conveniences which were included for the convenience of the invalid and other occupants in indigent circumstances, were omitted. Even if that were done it would reduce the cost by only £50 or £75. On a total cost of £900 or so, the trustees told me that they did not consider it worth while.

So the trust has ceased building because of the high rates which now obtain until the matter is considered by Parliament and some policy laid down. On the house built by the McNess Housing Trust for £950 to £1,000, the economic rent, that is the amount payable by way of rent sufficient to maintain the fund and to provide for rates and taxes, repairs and amortisation for 45 years, is about 15s. 9d. per week. There has been no intention on the part of the trustees to charge anybody more than the economic rent, because the idea is that the rent is to be used to maintain the fund intact and provide the cost of the contingencies I mentioned. The tenants do not have to pay interest on the capital cost such as every other tenant is called upon to pay.

Even at present-day costs the economic rent to maintain the fund reasonably intact would be about 15s. 9d. per week on a house costing in the vicinity of £950 or £1,000. In many cases the trustees will be charging much less because some of the houses have been built at a lesser cost. I do not intend to make any statements without full knowledge, but there is no intention to raise charges for rent more than is sufficient to come somewhere near the maintenance of the fund. When I stated that it was a matter of policy whether the fund should be maintained or not, I thought it was desirable to maintain it for as long as could reasonably be done.

And what is the position today with regard to the maintenance of the fund? If the trustees built 100 houses at the present-day cost for single houses, they would lose approximately £28 on every house. That is £2,800 per year or £28,000 over a 10-year period. It would take two or three decades only for the fund to be almost completely wiped out. I am anxious to hear the views of the House as to whether it is thought that the fund should disappear. It will disappear if the trust keeps on building and is forced still to charge the same rent as is at present fixed. I do not know that the trustees would worry about that as they do a fair amount of work for nothing, but they do not think it should disappear because of its public value and personally I do not think it should disappear either.

I would be horrified if the present generation of people in indigent circumstances were to think that the houses should be provided for them but not for people who come after them. These people are getting an advantage by paying a rent which I suppose on the average is half what is paid for current rent by other people, and I think it would be extremely unfair if, in order to keep that rent at 5s. per week, the fund

were allowed to disappear and the future generation forced to take care of itself.

Mr. Graham: Do you think it would be difficult for the Government to make a grant to the fund?

The MINISTER FOR HOUSING: The trust is a handsome benefaction but after all it is a very limited one. It has a total of some hundred odd thousand pounds, but it cannot provide an unlimited number of houses. The people who want McNess houses and all the advantages which they get under the Act would be very numerous, but the fund cannot meet all demands. The McNess trust has been losing money on the economic side for some time past because of the cost of houses. Previous Governments have not paid any money to the trust, and I do not blame them, but the last Government did—and the present Government is carrying it on—arrange for the rent of Commonwealth-State rental houses, where the occupants were in poor circumstances, to be subsidised. I would not like to conjecture until we have more experience but it may be that this will be a considerable weight upon the Treasury. That is being done now and I do not know that we can go too far in that respect. Nor do I think that we should go too far for a class of tenant who is paying far less than will be paid by even the most favoured occupier of any Commonwealth-State rental home.

I, myself, feel that this fund will not necessarily last for ever. It would be rather satisfactory if it could, but I think it may in time be depleted. It should not be wrecked in the course of two or three decades. I hope that it may be possible to keep it going for ever and give people the benefit of interest free rents. That is what the trust amounts to and it will receive that even if the fund is maintained at its present figure by way of the return received from rental houses.

Mr. Graham: Would there be anything to prevent the trustees from charging £1 per week rental?

The MINISTER FOR HOUSING: That will be a matter of policy and I would not like to express an opinion, but if a man is paying 5s. per week, which might be round about the economic rent of a house built in a good location, say, 18 years ago, and he is able to pay more than 5s. for the accommodation I am not going to say that the trustees might not be justified in asking that man to pay 7s. 6d. per week. They might say that the extra 2s. 6d. would enable them to make a lower rent for other people who are occupying a house that had cost more to build. The trust might feel that to some extent such a policy would be justified.

Mr. Graham: If the family had an income of about £10 or £12 a week the trust might feel disposed to charge £1 per week for a 5s. per week house.

The MINISTER FOR HOUSING: My personal opinion is that the trustees would not charge more than the economic rent, which is the amount required to maintain the fund. What they did say to me was that all the people occupying McNess houses and not entitled to do so do not live in Perth. McNess houses have been built in 22 country towns. In a country town there might not be a rental home for an occupant of a McNess house to go to. There is a case at Geraldton, and I am fairly convinced that, if we turned the man into the street, we would have no rental house to put him in for some months. The trustees felt that in such circumstances it would be manifestly ridiculous, if the man were allowed to remain in a McNess house for three or four months until he could get another home, for him to pay 5s. a week when, in the Geraldton case, the money going into that home was £12 or £15 a week.

If members feel that the trustees are not to be trusted—this is not a profit-earning concern—they can be put on a flat rate, but the 5s. rental has been far from satisfactory. Any two occupants of McNess homes, both fully qualified, still might not be in the same income group. One person might be unable to pay more than 5s. a week while another, though qualified, might well be able to pay 10s. or 12s. a week. Do members realise that 5s. per week in 1940 bears the same proportion to the old-age pension as something like 10s. 6d. does today?

If we are prepared to trust the trustees, they will be empowered under this measure to say to one applicant, "You are entitled to a McNess home, but we realise that you cannot afford to pay more than 5s. a week." To the next applicant they might say, "You are entitled to a McNess home, but you can well afford to pay something

nearer the economic rent. You can pay 10s. or 15s. a week." Even then that tenant would be getting a remarkably good deal compared with a Commonwealth-State rental home or any other home.

Mr. May: Do you know the percentage of affluent tenants?

The MINISTER FOR HOUSING: There are not many. I saw a list three or four months ago and I think those who could be classed as being beyond the income range that would warrant their occupying a McNess home numbered 10 or 15. There are 93 houses now let on a weekly tenancy and, if the number were 10 or 15, that would represent a fairly high percentage. All those tenants entered McNess homes when they were quite qualified to do so, but when their circumstances improved they could not be ejected on account of the National Security Regulations. Immediately those regulations failed to apply, the tenants became liable to eviction by the law we passed, the Increase of Rent (War Restrictions) Act.

Mr. Graham: Has any action been taken?

The MINISTER FOR HOUSING: The trustees have been trying to take action for a long time. I have seen Crown Law opinions on the question whether they could be put out even while the National Security Regulations were operating, but now the trustees will take action as fast as they reasonably can. However, they will not take action that would be in any way harsh or unfair to the families concerned, but will treat them in the spirit of the trust they are administering.

The matters raised during the debate have been very interesting, and I am sure the views of members who have expressed themselves will be read with interest by the trustees. Members have raised matters of policy that have received consideration and are still receiving consideration by the trustees and by me. I do not think it matters much if the Committee decides to knock down the one-fifth of the basic wage. That has been inserted to meet extreme cases—to catch the tall poppies. We can let that go if members so desire; I do not mind. The Committee may insert, so far as my views go—I shall consult the trustees on this matter—a provision that the rent shall not exceed the McNess Trust Fund economic rent —that is, the replacement rent to keep the fund intact.

Hon. A. R. G. Hawke: There should not be any tall poppies occupying McNess homes.

The MINISTER FOR HOUSING: There will not be in future, but there have been through circumstances beyond the control of the trustees or beyond the control of the previous Government. This has been going on for years.

Hon. A. A. M. Coverley: But we did not promise to build houses for everyone as you did. We did not say there would be no difficulty.

The MINISTER FOR HOUSING: That is a candid admission, and I thank the hon. member for the implied compliment. During the war years when people, particularly young folk, earned big money, these conditions arose and the McNess trustees could do nothing about it. Neither could the previous Government. On the 12th August, 1948, however, we were able to do something and we are doing something now. We as a Government could not have acted more promptly and neither could the trustees as trustees.

Mr. Graham: All that is required is that a week's notice be given.

The MINISTER FOR HOUSING: That comes strangely from the member for East Perth. I should have thought he would be the last person to suggest that, on a week's notice, we should throw people into the street. I am not going to suggest that people be turned into the street.

Mr. Graham: I did not suggest that.

The MINISTER FOR HOUSING: The hon. member said they could be given a week's notice.

Mr. Graham: Yes.

The MINISTER FOR HOUSING: That would be of no use unless those people had homes to go to.

Hon. J. B. Sleeman: You said you would evict them.

The MINISTER FOR HOUSING: The trustees could do so when the proper occasion arose. Let the people who are not qualified to continue in occupancy of McNess houses be compelled to leave, but let it be done with some regard to the decencies. It

may be that in some cases four weeks, eight weeks or three months would have to be allowed, perhaps even more, before they could find other accommodation, however hard they might genuinely try to find it.

This is a Bill seeking to provide an equitable rent as between tenants. No two tenants are in the same position as regards capacity to pay. It is a Bill that will preserve this benefaction for much longer than would be the case if the measure were rejected. I suggest that Sir Charles McNess would turn in his grave if he thought that people could occupy homes built under existing conditions for a rental of 5s. a week. I knew Sir Charles McNess, as did many other members, and he made his money by frugality. I do not think he would relish the fact that this money which he made, and which he so handsomely gave to the people, is to be dissipated in 30 or 40 years' time. I suggest we shall be fulfilling his intention if we see that this fund approximates—that is all I say—to an economic basis and is kept intact to help the more deserving people of this State who are in poor circumstances. I venture to say that, while it is not a matter of concern—I think it would not be to the trustees—if we reduced the ceiling, if we brought it down to £1 or 15s., apart from that aspect this approach is the best and only approach to an equitable, sensible, businesslike administration of this fund, while at the same time it is based on rendering the fullest possible benefit to the people on lower incomes that it was meant to serve.

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

| | |
|---|---|
| Ayes .. .. .. .. | 17 |
| Noes .. .. .. .. | 17 |
| | — |
| A tie .. .. .. | 0 |
| | — |

| Ayes | | Noes | |
|---|---|---|---|
| Mr. Ackland | | Mr. Murray | |
| Mr. Bovell | | Mr. Nalder | |
| Mr. Cornell | | Mr. Nimmo | |
| Mr. Doney | | Mr. Seward | |
| Mr. Grayden | | Mr. Thorn | |
| Mr. Hall | | Mr. Watts | |
| Mr. Hill | | Mr. Yates | |
| Mr. Leslie | | Mr. Brand | |
| Mr. McDonald | *(Teller.)* | | |

| Ayes | | Noes | |
|---|---|---|---|
| Mr. Brady | | Mr. Needham | |
| Mr. Coverley | | Mr. Panton | |
| Mr. Fox | | Mr. Reynolds | |
| Mr. Graham | | Mr. Sleeman | |
| Mr. Hawke | | Mr. Smith | |
| Mr. Hoar | | Mr. Styants | |
| Mr. Kelly | | Mr. Tonkin | |
| Mr. Marshall | | Mr. Hegney | |
| Mr. May | *(Teller.)* | | |

PAIRS.

| Ayes | Noes |
|---|---|
| Mrs. Cardell-Oliver | Mr. Wise |
| Sir N. Keenan. | Mr. Collier |
| Mr. Mann | Mr. Leahy |
| Mr. McLarty | Mr. Triat |
| Mr. Wild | Mr. Nulsen |
| Mr. Abbott | Mr. Rodoreda |

The DEPUTY SPEAKER: The voting being equal, I give my casting vote with the ayes.

Question thus passed.

Bill read a second time.

## BILL—NEW TRACTORS, MOTOR VEHICLES AND FENCING MATERIALS CONTROL.

*Council's Message.*

Message from the Council received and read notifying that it insisted on its amendments.

## BILL—GOVERNMENT RAILWAYS ACT AMENDMENT.

*Second Reading.*

**THE MINISTER FOR RAILWAYS** (Hon. H. S. Seward—Pingelly) [9.48] in moving the second reading said: Twelve months ago I introduced in this House a Bill to amend the Government Railways Act. That Bill was framed in accordance with the promise the Government Parties gave to the electors in March, 1947. We then stated that a directorate for the railways would be constituted of which a railway expert would be the chairman, the other members being representatives of the railway unions, the commercial interests and the primary industries. Under the directorate would be a general manager. We attempted to give effect to this policy, as members will recall and, as I have said, a Bill was introduced which passed this House, but was defeated in the Legislative Council.

The principal objection to the Bill when it was in this Chamber, and practically the only objection to it when it was in the Legislative Council, was that a Royal Commission was inquiring into the workings and management of the railways and consequently the Government should not bring in a Bill to alter the control of the system, but should rather await the report of the Royal Commission. That objection—I think we might say unfortunately—prevailed, and the Bill, as I have said, was defeated. Thus

we have been compelled to carry on under the old system up to the present time. However, in due course the Royal Commission presented its report. Copies of the report have been supplied to members, who have been able to study it during the preceding five or six months.

The Royal Commission passed some very severe criticism on the railway system; and, whether we eventually adopt, either in part or in whole, its recommendations, I consider that the cost of the inquiry will have been well repaid to this State because it has revealed to us that the railways were in such a position that had that inquiry not been held they would have suffered a major breakdown. Introducing the Bill last year, I gave the comments of one of the Royal Commissioners because we had in our possession his report on the Midland Junction Workshops. Members will recall that his remarks were not at all complimentary; in fact, they were condemnatory of the railway system. Since then we have had the general report and as I intend to base my reasons for this Bill on the system of management that has been operating to prove that the system has reached the end of its usefulness, I think it not unfitting that I should draw the attention of members to some of the statements of the Royal Commission relative to the management of our railways in the past. Before doing that, I want to say it is the system against which my remarks will be directed. They must not be attributed to any individual or to any persons collectively. I am attacking the system of one-man control. In the report of the Royal Commission we find this statement—

> Although we were naturally impressed with the volume of evidence which was placed before us, we were even more impressed with the evidence of our own eyes, that is, the conditions of general neglect which we found throughout the system. These conditions, which could not have developed in a short space of time, cover such matters as an obvious lack of maintenance of the permanent way; locomotive depots and other buildings in the last stages of decay; bad equipment and lack of proper supervision at running sheds; lack of adequate control of stores; no effort made to reclaim useable material lying about as scrap; neglected and dirty barracks; primitive, neglected and dirty mess rooms, ablution facilities and staff latrines; neglected and dirty station, goods and locomotive offices; neglected departmental houses provided for the staff; general neglect of maintenance of buildings.

Some of these defects were repeated with regular monotony at most of the places visited, and we find it difficult to describe some of the conditions in language which will not give offence. We can only say that our reaction to what we saw at some of the centres visited was one of indignation that a state of affairs had been allowed to develop which, cumulatively, must have the effect of destroying public confidence in the railways and undermining the morale of the staff.

On page 59 of the report we find this—

> After leaving Southern Cross I had a long discussion with the heads of branches accompanying the Commission. I told them I had come to Western Australia with a mass of information concerning our railway system, which I thought might be useful to them. But during the last two days I had seen with my own eyes a state of affairs which I never believed was possible, that is, railways in such a state of general neglect and decay—and this applied to their engines, their rollingstock, their track and other assets which I had seen so far—that they were very near to a general breakdown in their service.
>
> The information I brought with me would be useless as it would be necessary to start with the rehabilitation of the railways in the most elementary manner from the very foundations.

These were my reactions at that time. We will go through the evidence carefully before we finalise our report, but I have not yet seen any light on the subject, in this respect, that there must for years have been a realisation that things were going wrong.

Again, in the report on the "S" and "DD" class locomotives, the Royal Commission passes some severe criticism on the management, thus—

> During our inspection of the depots we were not at all satisfied with regard to the cleaning and servicing of engines, and during this present enquiry into locomotives, it is clear that lack of supervision, carelessness and neglect in the running sheds are responsible for the greater part of the high outages that are experienced, not only for "S" and "DD" class locomotives, but for all classes of locomotives.
>
> In the course of our inspection, we found only one depot where the lubrication was being dealt with satisfactorily with interest and intelligence on the part of the packer and trimmer concerned. This was at Northam. This man (Grant) showed me the gear that he had evolved for doing his job, and his main trouble seemed to be that nobody was interested in the job he was doing, and although he was satisfied (and in the light of subsequent information justly so) that the results he was getting were good and economical, he had been cut down with regard to the quantity of oil that he was allowed to use, although the records indicated that the consumption of oil per locomotive per mile for this depot was better than elsewhere.

The matter of lubrication has been dealt with at some length because of its very great importance as affecting maintenance and traffic disruption, and the situation disclosed by inspection at East Perth and the cross-examination of the District Locomotive Superintendent is, to say the least of it, disquieting. It discloses a lack of managerial responsibility, muddle and uncertainty with regard to the compilation of records, slackness in district supervision, and unsatisfactory inspection and check during preparation and prior to the locomotives being put on the road.

Your Commissioners in previous reports referred to many of these conditions and made definite recommendations with regard to where responsibility for the preparation of engines and their maintenance should rest. Waste of oil; possible improper use of lubricants; the methods of cleaning locomotives; the packing and trimming of boxes are all matters which should finally be the responsibility and under the control of the Chief Mechanical Engineer. Those matters, if not properly dealt with, nullify the efficiency of design, cause expense by increasing maintenance by large and indeterminate losses arising from traffic delays and give rise to dissatisfaction and irritation in the operating staff.

I have made those quotations in support of my contention that the present system of one-man control has long since passed the period of its usefulness, and some better system must be evolved. When the motion for the re-appointment of the present Commissioner was before the House, the Parties now sitting on this side pointed out that the time had arrived for a change in the system of management and that control by more than one man should be introduced. Had our recommendations been adopted, that system might have been in operation during the past four years and then the work of supervision, maintenance and rehabilitation of our railways could have been undertaken very much sooner. There are other evidences of inefficient management, however, so the Government is convinced that a change in the system is essential and that in place of one-man control we must have a system of control by three men, as proposed in the Bill. Before going into that matter, however, I desire to deal briefly with the Royal Commission's report and our departures from it, with the reasons for our not following the recommendations.

Although there are a great many recommendations, many of them can be given effect administratively and do not require legislation. But there is one important recommendation of the Commissioners to which I wish to refer, and that is their suggestion that railway finance should be submitted to examination by a sub-committee composed of the Under Treasurer, the Auditor General and the Comptroller of Accounts and Audit. It was suggested that they should draw up financial clauses for the new administration. The matter was submitted to that sub-committee, but unfortunately, from one aspect, the intrusion of the proposal for negotiations in connection with a standard gauge prevented the sub-committee from completing its report and bringing up recommendations for consideration. The committee needed further information on this question and it was not possible to finalise its efforts and include its recommendations in the Bill.

There is another reason why the recommendations have not been given effect. We considered it would not be proper to bring down a Bill providing for many of the recommendations and then appoint a body of men to give effect to them. That savours to us of putting the cart before the horse. We considered that the proper method was to appoint the new board of management by means of this Bill, and then confer with them on the report of the Commissioners to see which of the recommendations they favoured and in what particular form they should be given effect. Some of the recommendations are a little cumbersome. I want to refer to one; namely, that a staff board of reference and conciliation should be established, consisting of eight members from the staff union, eight from the management and one chairman—namely, a committee of 17 in all. That appeared to the Government to be unwieldy, and it and other recommendations of the Royal Commission we considered should be held over until the new management was set up, so that it could go into all these matters and determine what should be given effect to, and how it should be done. That is all I have to say in my preliminary remarks on the Bill. It is not a large measure, and it follows very closely the lines of that of last year. In it there is provision for the creation of an advisory board.

Hon. A. H. Panton: That was not in the last Bill.

The MINISTER FOR RAILWAYS: No. Previously we provided for a board of management. The advisory board that is pro-

posed here is to act in an advisory capacity only, whereas last year's board of management was to manage the railways. There was a weakness there inasmuch as we were bringing in two laymen to share with an experienced railway man the management of the railways. I approved of that suggestion at the time—this recommendation was not in my mind—as I considered it was absolutely essential to have closer co-operation between the users of the railways, the employees and the management.

In the past the management was supreme, and the only way by which an employee could approach the Commissioner was through the union. We frequently had men coming to members of Parliament, which was a breach of the regulations, and on occasions it was not a railway matter that was involved. By having a representative of the unions on the board of control, that link between the employees and the management will be created, just as it will be with the farming community and the commercial interests. It has been decided, therefore, to appoint an advisory board which will advise the Minister on all matters connected with the management and working of the railways, that affect the interests of the members of the board. It will not advise him on the matter of policy, which is the job of the Minister or the Government of the day.

The advisory board will act on its own initiative or under the direction of the Minister. It will be a part-time office only. The board will be composed of one representative of the primary producing interests, possessing a knowledge of agriculture, nominated by the Farmers' Union and selected by the Minister. Another will be a representative of the commercial interests who shall have a comprehensive knowledge and experience of commerce and industry, nominated by the Chambers of Commerce and Manufactures combined, and selected by the Minister. The third shall be a representative of the industrial unions, with a comprehensive knowledge and experience of labour and industrial matters concerned in the management, workings and control of the railways, nominated by the unions concerned and selected by the Minister. Each nominee is to be from a different union.

If members recall, last year we had a proposal by which eight unions were to submit a panel of three names each. That, we consider, is far too cumbersome. The reason it was adopted was because it was felt by the unions concerned that if any limiting proposal was contained in the Bill, a large union might get all its men on the board to the exclusion of the others. Consequently we have provided here that each of the three nominees submitted to the Minister must come from a different union.

Mr. Marshall: Does that leave the Government the right of selection?

The MINISTER FOR RAILWAYS: Yes.

Mr. Marshall: Will these men be part-time or full-time?

The MINISTER FOR RAILWAYS: The advisory board will be part-time only.

Mr. Marshall: What value will it be from an administrative point of view when it can deal only with policy?

The MINISTER FOR RAILWAYS: I think these men will be of considerable value because they will be in close touch with the management, and able to bring their viewpoints to the Minister who can then attend to them with the commissioners. The commissioner or his deputy shall attend all meetings of the advisory board, but will not have a vote, so that he can be au fait with the matters brought before the board. The members of the advisory board will be appointed for five years, and be eligible for re-appointment. The Minister shall arrange for one of the board's members to be chairman. The management of the railways will be in the hands of the commission, that is the commissioner and the two assistant commissioners, and they will be subject in all things to the Minister.

Last year's Bill contained a provision that the management was to be subject to the Minister as regards matters of policy only. But there was a weakness in that insofar as it was practically impossible to define what was policy. The question was even submitted to the Crown Law Department which finally gave it up. To say that the commissioners shall be subject to the Minister in matters of policy must only lead to arguments. While a certain matter might be one of policy from the point of view of the commercial or primary producing men, the commissioner may say it is one of

revenue to him, and therefore a matter of management.

Under this Bill the commissioners will be subject to the Minister in all things. That brings the railways into line with practically all the other departments. The commissioner will be a man of experience in railway management, working and control. That differs from last year's proposal insofar as we then suggested that he should be an engineer. The main—in fact the determining qualification of the commissioner is that he must have administrative ability, no matter from which branch of the railways he might come. Of the other two commissioners, one will be a man having an engineering qualification and the other shall be experienced in the commercial, traffic and accounting branches of the railways.

Mr. Marshall: That is not in conformity with the report of the Royal Commission.

The MINISTER FOR RAILWAYS: No. The Royal Commission suggested a board of management consisting of a general manager and two assistant managers. That did not appeal to the Government. For one thing, it is quite out of keeping with the practice in the other States and, in addition, we considered it was better to preserve the old title and call the management body a commission, composed of a commissioner and two assistant commissioners. The commission will be a body corporate with perpetual succession and a common seal. Last year we provided that the chief commissioner or general manager should be appointed for five years, which is in conformity with the present Act. The present Bill provides that he shall be appointed until he reaches the age of 65. That is to say he will be there permanently.

One strong reason for adopting this provision is that it is considered we must get the best possible man for the job, and it would not be much inducement to anybody who had prospects of advancement, to offer him a position for five years. If an applicant had a responsible position, as a man I have in mind would have, he would not leave it. Consequently the commissioner will be appointed permanently until he reaches the age of 65. The provisions of the existing Act as regards the removal of the commissioners, are carried forward—that is, if the commissioner or either of the assistant commissioners becomes bankrupt, of unsound mind, resigns or dies, gets involved in any financial matters, or is considered not capable of carrying on, he can be removed from office. If the commissioners are removed from office under circumstances where it might be necessary to prove the position the Governor removes them and the Minister reports to the House within seven days or if the House is not then sitting, within seven days of its being called together. He will report the suspension of the commissioner concerned and, if that commissioner is not restored to his position by the vote of the two Houses of Parliament, his removal becomes effective. Provision exists to deal with the case of any commissioner who should prove incapable after having been appointed to his position.

Mr. Marshall: It is the present provision.

The MINISTER FOR RAILWAYS: Yes, it will overcome any difficulty felt regarding the appointment of a man to that position for life.

Mr. Marshall: Will these conditions apply to the appointment of all three commissioners?

The MINISTER FOR RAILWAYS: Yes, if an assistant commissioner became incapable or perverse or non-co-operative and the chief commissioner could not work with him, steps would have to be taken to remove him, and provision to meet such a situation is made in the Bill. The chief commissioner would be chairman of the board of commissioners and the positions would be full-time jobs at a remuneration to be fixed by the Government. It may be said there is not sufficient work in our railway system for three commissioners, but I point out that it has recently been necessary to appoint a deputy commissioner to enable the commissioner to get out round the system instead of being locked up all the time in his office. No matter how well informed a commissioner may be, he should not have to remain always in his office but should be able to get out and keep in touch with the system generally.

Mr. Brady: He should give his district officers more work to do, instead of running about and doing it himself.

The MINISTER FOR RAILWAYS: Do not talk to me about district officers! I am not pleased with the running of some of

our lines. The member for Murchison could mention that there is much to be desired in the running of some lines. I will not refer to any particular route, but I think it is necessary for the head of the Railway Department to go round the system and see for himself that everything is in order.

Mr. Brady: He has been round it so often that he should know it inside out by now.

The MINISTER FOR RAILWAYS: The Commissioner has not been able to keep personally in touch with the whole system, as he has been tied to his office. Under the provisions of the Bill the Commissioner will be able to get out and become familiar with the position generally. They are other reasons why I think it is necessary to have three commissioners. As the Royal Commissioners pointed out, our railways must be re-built practically from the railbed upwards. That work is estimated to take about 10 years and, in itself, will be sufficient for one man to supervise. In addition there is the possibility of the standard gauge proposals being put into effect in this State. That, again, would be a full-time job for one man. The chief commissioner will, of course, be able to give his attention to matters generally.

It might be as well to inform the House of the position regarding the standard gauge proposals. When the report of the Royal Commission was received by the Government it was found that the rehabilitation of the railways was estimated to cost about £23,000,000, which included rebuilding, from the railbed up, and the provision of heavier rails and better rail beds. The Government came to the conclusion that it should investigate the proposals for the standardisation of the railways put forward some years ago by Sir Harold Clapp, and, more particularly, the agreement arrived at between South Australia, Victoria, New South Wales and the Commonwealth Government, under which those States were to standardise their railways, having secured a favourable financial agreement. We took the matter up with the Commonwealth Government and there have been two conferences between the Prime Minister and the Commonwealth Minister for Transport. Up to the present we have not reached any definite proposal. A lot of information is required and is being compiled in this State.

The matter has now been referred to the Commonwealth Treasurer for a report on the economics of the proposal. If the scheme is eventually adopted—I do not think for one moment that all the railway lines as they exist today will be standardised—before anything is done in the matter it will be submitted to careful scrutiny and will be the subject of a report by competent officers in order to determine which lines should be standardised. It may interest members to know that those responsible for dealing with the standard gauge proposals consider that an annual increment of three per cent. in freight traffic is a justifiable estimate and, if that is achieved, the added volume of traffic alone, without earnings due to the modernisation of equipment, will reduce the cost per ton mile from the current 3.2d. to 2.6d. and 2.1d. at the 10 and 20 years respectively. Therefore the standard gauge besides providing for the abolition of the break of gauge holds a big prospect of reducing the cost of haulage per ton mile.

Another important provision in the Bill provides for decisions at meetings to be arrived at by majority voting. There is provision for the chief commissioner, as chairman of the board, to appoint a deputy to act in his absence. If in any matter the chief commissioner differs in opinion from the assistant commissioners and is unable to reach agreement with them, he must set out the matters upon which they differ and the reasons why he differs from the others, and the Minister will be the final adjudicator as to which opinion is to prevail.

As I indicated, the finance proposals are the same as were contained in the Bill of last year—that is they are to be brought under the Auditor General, with the balance sheets and annual reports as prescribed by him. Those balance sheets and reports will be presented to Parliament, and provision will be made for a continuous audit by the Auditor General, and the commissioners may also have a continuous internal audit if they so desire.

In the Bill of last year there was provision—contained also in this Bill—that any employee fined under Sections 30 or 31 of the Traffic Act could not be punished any further, and no employee should be subject to more than one punishment for the same offence. Those are the provisions of this

Bill. I commend it to the House, realising that unless it is passed it is almost certain that our railways will face a very grave position indeed. Members on the other side of the House are just as keenly aware of the position of our railways as are members on this side. I hope the Bill will meet with a favourable response, thus enabling the new system to be brought into effect as early as possible. I move—

That the Bill be now read a second time.

On motion by Mr. Marshall, debate adjourned.

*House adjourned at 10.20 p.m.*

# Legislative Council.

Wednesday, 13th October, 1948.

CONTENTS.



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

## QUESTIONS.

### OATS.

*As to Control of Marketing.*

Hon. A. L. LOTON asked the Honorary Minister for Agriculture:

(1) Has he been advised whether or not the Commonwealth Government will control the marketing of oats for the season 1948-1949?

(2) If the answer is in the negative, will he, as a matter of urgency, give immediate consideration to having legislation introduced to control the marketing of oats for the season 1948-1949?

The HONORARY MINISTER replied:

(1) The voluntary pool amongst oat growers will cease to function after the 31st December next. The information was given to the States at the last Premier's Conference. This matter was discussed at the conference of Ministers for Agriculture and while the Commonwealth Minister said he would be agreeable to co-operating with the States, that had nothing to do with any minimum price or any "hand-out" to the oat growers.

Hon. A. L. Loton: They would not finance them?

The HONORARY MINISTER: No, they were not interested.

(2) The growers' organisation in the State was approached in August last and I am still awaiting an indication of their desires in the matter before taking action.

### BUILDERS' REGISTRATION ACT.

*As to Prosecutions and Fines.*

Hon. A. THOMSON asked the Chief Secretary:

(1) How many persons have been prosecuted for alleged evasion or breaches of the Builders' Registration Act?

(2) What is the total amount imposed by way of fines?

The CHIEF SECRETARY replied:

(1) 15.

(2) £122.

## MOTION—INCREASE OF RENT (WAR RESTRICTIONS) ACT.

*To Disallow Court Proceedings Regulations.*