

Legislative Assembly.

Wednesday, 16th September, 1936.

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

QUESTION—SWAN RIVER FORESHORE.

Reclamation and Beautification.

Mr. NEEDHAM asked the Minister for Works: If the policy of reclamation and beautification of the foreshore between Barrack-street and Mounts Bay-road cannot be determined until the authority of control is agreed upon and the question of utilisation of the respective parts of the reclaimed area is decided, will he take all necessary steps to convene a meeting of the joint committee representative of his department and the City Council to consider—(a) the authority of control; (b) the utilisation of the respective parts of the area; and (c) the necessity for an immediate start with the work of reclamation and beautification of the area?

The MINISTER FOR WORKS replied: (a) and (b) Yes. (c) This is a matter for subsequent consideration.

QUESTION—AGRICULTURAL BANK.

Dispossessed Client.

Mr. WATTS asked the Minister for Lands: 1, When A. J. Addis, of Pingrup district, was dispossessed of his property by the Agricultural Bank, what amounts were owing to the Bank for (a) principal, (b) interest? 2, Were tenders called for the property; and, if so, how long after Addis left it? 3, If so, when tenders were called

for the property, was any cash offer received for it? 4, If so, what amount was offered, and why was it not accepted? 5, Is the property still available for purchase, and, if so, at what price?

The MINISTER FOR LANDS replied: 1, Principal, £1,367 7s. 10d.; interest, £110 10s. 11d. 2, Yes; three months. 3, No. 4, Answered by No. 3. 5, Land open for re-selection, subject to bank debt.

PAPER—AGRICULTURAL BANK BOOKLET.

MR. STYANTS (Kalgoorlie) [4.35]: I move—

That the booklet giving the terms and conditions of service and general instructions to the staff of the Agricultural Bank be laid on the Table of the House.

I wish to offer a few words in explanation of the motion. Quite recently a booklet has been sent to the employees of the Agricultural Bank setting out the nature of their employment. It has been necessary for each employee of the Bank to sign an acknowledgment of receipt of the booklet. What I am particularly concerned about is the conditions of service as outlined in the book, as to whether they are in conformity with conditions generally obtaining in the Public Service. State employees under the Public Service Act have the knowledge that their working conditions can be reviewed by Parliament, and that the Public Service Association can appeal to members of Parliament to reform those conditions. Now, employees of the Agricultural Bank, I understand, are not under the Public Service Act, although some of them are members of the Public Service Association. The Agricultural Bank Commissioners can prescribe, and have prescribed, working conditions. I hold it to be our duty to see that the conditions imposed are, generally speaking, in conformity with those operating under the Public Service Act. The book may contain only conditions in accordance with Government policy, but the case may be otherwise; and I hold that the only means of ascertaining what is the actual position is to have the book laid on the Table for the perusal of hon. members.

On motion by the Deputy Premier, debate adjourned.

MOTION—HOUSING PROBLEM.

To Inquire by Royal Commission.

MR. SHEARN (Maylands) [4.36]: I move—

That in the opinion of this House a Royal Commission should be appointed for the following purposes, that is to say:—Generally to inquire into and report upon—

- (a) The housing position in Western Australia with special reference to—
 - (i) the metropolitan-suburban area;
 - (ii) the goldfields;
 - (iii) the agricultural and other districts;
- (b) residential financing; and the provision of facilities for home-ownership;
- (c) the special problem of citizens in the lower income groups and the necessity of there being available for their occupation, at a rental within their means, a sufficient number of houses which conform with reasonable standards of health, decency, and general amenity;
- (d) the adequacy and effectiveness of existing provisions for—
 - (i) the prevention and/or clearance and improvement of unhealthy areas;
 - (ii) the repair or demolition of insanitary houses; and
 - (iii) overcrowding;
- (e) co-operation between the State and Federal Governments, local governing bodies, social and welfare organisations, and all interested branches of private enterprise in the solution of housing problems and in the planning, finance, and development of housing projects;

and to make recommendations calculated to promote the welfare of the community, and to effect any improvement or development which may be considered necessary or desirable, in respect of the foregoing matters or any of them.

The motion should commend itself to every hon. member, as there is surely no phase of human existence more important than the adequate housing of the people. Improper housing constitutes one of the leading evils of our social problems. Large expenditure of public funds is devoted to hospitals, sanatoria, and various other institutions. Much of this expenditure would not be required were it not for such things as unsuitable housing conditions. We can trace much of the disease of both body and mind, and also much destitution, to bad housing. The insistent problem of the proper housing of the people is one of those questions which demand due attention from all who are charged with civic and governmental responsibilities, as well as those at the head of industry and finance. It is a

problem upon which there should be a properly defined public opinion. With the changing world conditions, socially and otherwise, we do not know what may come. A feeling of unrest certainly appears to be widespread. But in the midst of all these circumstances there is, I believe, a realisation that a home is something tangible and real, and is at any rate an anchorage for men and women. We all realise the value and strength of environment, and the influence it has on the growth of the people. A mere superficial study of national life emphasises the fact that the nations with most stability are those whose people are home-owners and home-lovers. Home-ownership not only confers a benefit on the individual, but re-acts to the advantage of the State generally; and, as I have briefly indicated, the possession of a stake in the country confers a strong sense of social responsibility, and thus tends to promote stability of the State. The citizen with a stake in the country becomes a firm friend of orderly progress and good government. In its economic aspect the advantages of a programme of home-building are not less potent. Members will agree that the building industry, as a key industry, reflects its activities on employment in many other avenues. The essential requirement of home-purchase by the average citizen is a long-term mortgage repayable by convenient instalments over a period of years. In this State such facilities have, to a certain extent, been afforded by two very excellent institutions, namely the Workers' Homes Board and the Perth Building Society. The Workers' Homes Board, according to their latest report, have £680,000 advanced to borrowers; and the latest report of the Perth Building Society shows that they have some £750,000 spread over some 2,000 properties. Advances by the Workers' Homes Board are limited to a maximum of £800, and are restricted to persons in receipt of an income of not more than £400 per annum. No such restrictions as to either the income of the applicant or the amount of the advance are imposed by the Perth Building Society. The building society requires applicants to provide at least a security of 25 per cent. of the value of the complete security. The Workers' Homes Board requires a margin of not less than 10 per cent. Both these institutions appear to have their financial problems, although they are of an entirely opposite nature. The Workers' Homes Board suffer

from a lack of funds. On the other hand, the building society is embarrassed by the offer of more funds than it can profitably employ in making advances upon its usual terms and conditions. It should not be beyond the bounds of possibility to reconcile these two problems for the greater good of the State. I received last week a copy of an address recently delivered by Mr. H. K. Watson, and I understand other hon. members have also received copies, from which it will be seen that Mr. Watson delved into the problems under discussion and his remarks show how these problems, both in England and the United States of America, are being dealt with. I would like to quote from the address the following extract:—

In Canada, the Dominion Government, co-operating with the provinces and municipalities, has recently passed a Housing Act which encourages the reduction of unemployment and the lowering of the relief burden by the expenditure of many millions of pounds on house construction; such expenditure being provided as to 20 per cent. by the builder, 60 per cent. by a lending institution, and 20 per cent. by the Federal Treasury.

There is active co-operation and co-ordination between the Government, the local authorities and the building societies; and that these arrangements have been productive of the most satisfactory results, both in respect of housing generally and the special problem of the development of garden suburbs and the proper housing and re-housing of the workers in the lower-income groups, is amply demonstrated. This co-operation is not of a casual or general nature. It embraces a definite scheme which is covered and confirmed by legislation of the countries in question. In this State, Government assistance in housing and home-ownership falls far short of what has been accomplished in other States. In New South Wales the Advances-for-Homes Department of the Rural Bank has advanced some £12,000,000. The Credit Foncier Department of the State Savings Bank of Victoria has advanced £14,000,000 for home-purchase on easy terms. Here I would also like to quote from the Melbourne "Weekly Times":—

The housing committee set up by the Government to investigate slum clearance declares it is beyond the capacity of private enterprise. It recommends that re-housing of the poorer-paid community be a national undertaking. The committee does not suggest how the housing problem should be financed.

Referring specifically to Victoria, the paper states—

Building on the Government slum re-housing scheme at Fisherman's Bend is nearly ended, and the State Cabinet will decide soon who shall occupy the 42 homes. The choice will be made from sustenance families living in the worst metropolitan slums. After their transfer to Port Melbourne, their present homes will be demolished to make way for central re-housing. Already more than 400 applications have been received. Rents have not yet been fixed, but will be small, and probably based on the tenants' ability to pay.

I understand that the Workers' Homes Board has at present large numbers of applications from clients in the country and in the metropolitan area, and that if one were to lodge an application to-day it might easily be 12 months before the necessary finance could be secured. It is a very unfortunate but indisputable fact that there are in our midst many citizens whose incomes are, for various reasons, insufficient to permit them to pay an economical rental for reasonable accommodation. Then there is the twin problem of slums, or incipient slums caused through the overcrowding, etc., which is fostered by the lack of adequate housing at rentals within their means for the poorer classes and for special groups, such as large families and aged people. To cater for these people is, I suggest, our bounden duty. It is surely unworthy of any people that any recognisable proportion of its individuals should be housed in conditions that are dangerous to health and strength and which tend to depress the spirits of those affected. Much has been heard recently of the slum menace. It will be agreed that this menace is prospective, generally speaking, rather than actual, but it is none the less real on that account, and the time to attack the problem is now. The State owes a debt of gratitude to the "Daily News," to Councillor Boas, to the Town Planner, and to the executive of the Institute of Architects for their efforts in these problems confronting us to-day. I was pleased to read that the conference convened by the Architects' Institute last Monday evening was so successful and so representative, and that after much discussion it did me the honour of resolving to support my motion. For that attitude I now express my appreciation. Also I wish to voice my appreciation of the attitude and efforts of the Minister for Employment towards this problem. It

is greatly to his credit that he has taken a keen interest in the matter, an interest that was lacking in his predecessor. So I wish to pay my earnest tribute to the present Minister for Employment. It may be, Mr. Speaker, that the local authorities require further powers to deal with houses that are insanitary or in a dilapidated condition, or it may be that the local authorities have not been exercising the powers which they already have. This question should be tackled now. If it is neglected it will assuredly develop into the great social problem experienced in England, in New York and in other parts of the world. To set out merely to remedy the special problems which have arisen will be treating the effect rather than the cause. The particular problems are merely the outcome of our failure to attack and overcome the general problem of housing. This housing problem is of such magnitude and has so many angles that its proper solution can only be achieved by the co-operation in a definite plan by the State and Federal Governments, the local authorities, the building societies, and all the social welfare organisations. The financial aspect, I admit, will be very important, but not insurmountable. We have the technical advice, we have the necessary labour, and we have the materials available. The whole difficulty in getting a thorough and up-to-date investigation into the matter is that there has been no definite responsibility thrust upon anybody to do the job; and when it has been tackled, it has been in a half-hearted manner, and with no sense of responsibility to get the information necessary to formulate sound judgment on the question and to make adequate plans for the future. A piecemeal or superficial inquiry will be quite useless. While I commend those who are directing their efforts upon the conditions in the metropolitan area, I feel that we should treat this matter from the national point of view, and deal with the whole State. The member for Kalgoorlie (Mr. Styants) made the position on the goldfields very clear when he moved the Address-in-reply motion, and the newspaper reports amply justified his references. Although a representative of a city constituency, I claim to have some little knowledge of the position in some country centres as well as in the city area, and this it is urges me to ask that the whole position be reviewed. I find, Sir, that almost every civilised country in the world has had such an inquiry into its housing problem

and is attacking that problem according to a definite plan based upon conclusions arrived at after due inquiry and mature consideration. Such an inquiry is overdue in Western Australia and I therefore commend to the House this motion for the appointment of a Royal Commission to investigate and report upon the matters therein mentioned, and to make considered and concrete recommendations calculated to promote the welfare of the general community in that direction. I trust members will appreciate the fact that there is quite a lot of subject matter which I might have introduced, but I felt that this question has been given so much publicity that there has been a very definite assurance by the Minister as to the sincerity on the part of the Government in their wish to see the housing problem tackled. So I felt that there was little further needed to impress on members the fact that the time is now for the holding of such an inquiry in Western Australia. Hon. members, I am sure, will give me credit for sincerity in the moving of the motion. I have already definitely indicated my belief that if we are successfully to unravel this problem it will be possible only by viewing it as other countries have viewed it, from all of its many angles. I trust the motion will be agreed to and that it will have the desired effect.

MR. LAMBERT (Yilgarn-Coolgardie) [4.53]: In seconding the motion, I should like to assure the mover that he need have no misgivings that the party on this side will assist him in getting his motion through.

Mr. Hegney: You are speaking for yourself, of course!

Mr. LAMBERT: I do not feel competent to speak for the interjector.

Mr. SPEAKER: Order! The hon. member will address the Chair.

Mr. LAMBERT: If Liberal ideals stand for anything, we on this side stand for the proper housing, the proper feeding and the proper educating of our population. As to how far we can reasonably extend our social services in an effort to embrace a comprehensive policy of housing, depends upon the finance available. We have our several financial institutions, but since this is so very largely a question of finance, the Commonwealth Government might reasonably be asked to come to the assistance of the State in financing any housing scheme. I am entirely in accord with the

hon. member in his desire to have the proposed investigation, but I submit that such investigation is absolutely unnecessary. The question is whether Parliament will accept the responsibility of handing over the social services of the State to some outside authority.

Mr. Tonkin: Apparently you are seconding the motion under protest.

Mr. LAMBERT: No, but certainly I take exception to the hon. member's interjection, and protest against it, if protest be necessary. An investigation would be helpful and would give the House a great deal of information as to the extent and direction in which we could satisfactorily house the population of the State.

Mr. Shearn: That is all I ask for.

Mr. LAMBERT: No doubt the Workers' Homes Board as constituted, and the amount of money they have at their disposal, are totally inadequate to meet the problem that is before us. While listening to the hon. member's speech, it occurred to me that he might well ally himself with the Labour Party in his desire to see the people of Western Australia properly housed. Only the other night I expressed the opinion that Parliament frequently wasted considerable time on questions of little or no account whatever, while at the same time refusing to face problems such as this one before us. This problem may be said to be acute in the metropolitan area, and it certainly is acute on the goldfields at the present time. It is of no use paying a man the basic wage of £4 per week, and then expect him to provide a roof over his own head and the heads of his wife and family. That is the position that the people on the goldfields are enduring to-day. I hope members will support the motion, because I can see a great deal of good arising from it. But the member for Maylands (Mr. Shearn) must make up his mind as to whether this problem is to be left to private enterprise, whether private enterprise can satisfactorily cater for the needs of the people, or whether some other authority must take over the matter of extending our social services to those who today are not able to provide the necessary housing for themselves and their families.

On motion by the Minister for Works debate adjourned.

MOTION—HEALTH ACT.

To disallow by-laws.

MR. McDONALD (West Perth) [5.0]: I move—

That the amendments to the by-laws made by the City of Perth under the provisions of the Health Act, 1933 (deleting paragraphs (a), (b), (c), (d), and (e) of Subclause (ii) of Clause 29 of Part VI. and substituting new paragraphs in lieu), as published in the "Government Gazette" of the 5th June, 1936, and laid upon the Table of the House on the 12th August, 1936, be and are hereby disallowed.

The by-laws I am asking members to disallow have been made by the City of Perth under the Health Act. They relate to the transport of meat. There are abattoirs at Midland Junction and at Fremantle. The terms of the by-laws to which objection is taken are—

- (a) Every vehicle used in the transport of meat (excepting butchers' delivery vehicles used for delivery of cut joints to householders, and vehicles used by the producer for the conveyance of carcase meat to the Metropolitan Markets, West Perth) shall conform with the following:—

The vehicle shall be completely enclosed so as to protect the meat from the weather, and from flies and dust;

The vehicle shall be constructed of wood or approved metal, and all internal surfaces shall be finished to a smooth surface;

The vehicle shall be properly ventilated;

The vehicle shall be provided with rails and hooks secured to the upper portion thereof, and shall be of ample proportions so that meat hung on such hooks shall be clear of the floor;

No meat (except edible offal) shall be placed on the floor of the vehicle;

Edible offal when carried on the floor shall be contained in impervious containers;

The vehicle, edible offal containers, hooks, and rails shall at all times be kept in a thoroughly clean condition.

- (b) No vehicle used for the transport of meat shall be used at any time for the transport of any offensive matter.

- (c) No meat shall be carried on any railway, except in trucks provided for that purpose, or unless such meat is hung on hooks and is clear of the floor.

- (d) Any person engaged or employed in the transport or delivery of carcase meat shall at all times when so engaged wear a cap with a detachable covering made of durable wash-

ing material and an overall coat of durable washable material, which shall completely cover his clothes. He shall cause such cap covering and overall to be kept at all times in a thoroughly clean condition.

To a number of items in the by-laws, no exception can be taken. The exception which is taken is to those parts stipulating that the vehicle shall be provided with rails and hooks secured to the upper portion thereof, and shall be of ample proportions so that meat hung on such hooks shall be clear of the floor, and also that no meat, except edible offal, shall be placed on the floor of the vehicle. I have been asked by certain interests, who are concerned in the carting of meat from the abattoirs to the metropolis, to seek the opinion of members as to whether the by-laws shall be allowed. These by-laws are to replace existing by-laws of the Perth City Council. Without going into a great deal of detail, I may explain that the existing by-laws contain some of the items found in the by-laws now being challenged. But the existing by-laws simply provide that throughout the operations of transportation, all meat shall be completely covered with clean canvas or other material approved by the chief inspector of the City Council in such a manner as thoroughly to protect such meat from flies and dust. That provision, I am instructed, is carried out.

The Minister for Health: You ought to watch the vehicles coming in at times to see whether it is carried out.

Mr. McDONALD: It is a very sound regulation, and should be carried out. I cannot speak from personal knowledge, but I am told that it is carried out. The difference between the existing by-laws and those I am challenging is that previously the transporters of meat from the abattoirs were entitled to carry the meat placed in clean containers which were piled on the floor of the vehicle, so long as the meat was entirely covered with a clean tarpaulin or some covering to protect it in the course of transit from flies and dust. Those by-laws obtained until the recent ones were introduced. The by-laws which hitherto obtained in the City of Perth are practically identical with the model by-laws made by the Commissioner of Public Health, the only difference of any importance being that the Commissioner of Public Health did not provide for detachable coverings to the men's caps, which after all is a

very minor matter. The Commissioner provided in the model by-laws—

No person shall transport meat in any vehicle unless such meat is thoroughly covered with clean canvas or other approved material in such a manner as thoroughly to protect such meat from flies and dust.

There are two aspects of the by-laws: one is a matter of principle and the other is their fairness to the people now carrying on this transport trade. First of all, on the matter of principle, the meat is transported either from the Fremantle Abattoirs to the metropolitan area, a distance of 14 or 15 miles, or else is brought from the Midland Junction Abattoirs to the metropolitan district, a distance of 12 or 13 miles. Between those two points is a total distance of 26 or 30 miles. The result is that a man who is transporting carcass meat leaves Midland Junction Abattoirs in the jurisdiction of the Midland Junction Municipal Council. The Midland Junction Council have adopted the model by-laws of the Commissioner of Public Health. Therefore, inside the boundaries of the Midland Junction Council, the meat can be carried in containers placed on the floor of the vehicle so long as the whole of the meat is covered with a clean tarpaulin. If the new by-laws of the Perth City Council are to come into effect, the moment a transporter enters the jurisdiction of the City of Perth, which would be somewhere about North Perth, he would come under a separate set of by-laws containing entirely different regulations as to the class of vehicle allowed for transporting the meat and the precautions to be taken in the carrying of meat. To carry the matter further, if the carrier of meat passed outside the jurisdiction of the Perth City Council into the area of the Subiaco Council, Claremont Council, or Fremantle Council, he would probably find that those areas had still different by-laws. I do not know what by-laws the Subiaco Council or the Claremont Council have adopted, but the Fremantle Council have adopted the model by-laws of the Commissioner of Public Health. Consequently, when the carrier reached Fremantle, he would be quite entitled to carry his meat on the floor of the vehicle in containers, instead of on hooks secured to the roof of the vehicle.

Mr. Marshall: What do you call containers?

Mr. McDONALD: I understand that the carcasses are put into large sacks and piled on the floor of the vehicle, and that the whole of the meat is then covered with a canvas tarpaulin, which is tucked in to prevent the meat being affected by flies or dust.

Hon. P. D. Ferguson: Those tarpaulins are often conspicuous by their absence.

Mr. McDONALD: That is a matter of enforcing the by-laws.

Mr. Marshall: It might be better not to have too many containers, as they might not always be clean.

Mr. McDONALD: The Perth City Council and any other local authority, very properly may make health by-laws as regards matters which lie inside and remain inside their own areas. For example, there might be special by-laws for factories or butcher shops or fish shops, which are stationary inside the area of the local authority, but transport passes through the areas of various local authorities and is a different matter. It becomes highly vexatious to those engaged in the trade if they have one set of obligations to observe when passing through one municipality, and a few minutes later, when they cross the boundary to another municipality, they find that something entirely different is required.

Mr. Lambert: The local authorities would have jurisdiction over foodstuffs only within their own areas.

Mr. McDONALD: That is so. While everyone must approve of every effort being exerted by the Perth City Council or any other local authority, to improve the standard of care regarding foodstuffs, when it comes to a matter involving transport, steps should be taken to secure uniform by-laws applying to the whole of the area through which the carriers transporting foodstuffs have to pass. The better course would be that matters of this kind should be subject to the by-laws of the Commissioner of Public Health, who could arrange, by negotiation or otherwise, that they should be uniform throughout the area through which the meat has to be carried. That is the matter of principle, and I hope members will appreciate that to have a number of different local authorities, with different standards regarding the requirements of vehicles and the protection of foodstuffs is very embarrassing to the trade, however anxious the trade might be to conform to the best standards of care. The other point is the question of the fairness of the by-laws to people engaged in

the trade. I have no personal knowledge, but I am told that the position is this: In order to carry out the by-laws and hang the joints, which are carcasses, from hooks, it is necessary that the hooks should be 6 ft. above the floor of the vehicle. Then the roof of the vehicle must be one foot above the hook. When the carcasses are placed on the hook, the shank goes above the hook and there must be a space of one foot above the hook. This means that the roof must be seven feet above the floor. The weight of the carcasses is taken by the hooks which are to be six feet from the floor. When the people concerned saw me, I asked them whether they could not convert their existing trucks. They said they could not do so, because the weight would be carried at the top of their vehicles and would be so high that, if they built on to their existing trucks, they would be very dangerous whenever it came to turning a corner or whenever there was any sway. The weight being at the top of the vehicles would likely cause them to overturn. They said they had seen motor manufacturers, motor builders, and motor people generally, and had found that the only thing to do was to build vehicles which had a low floor, so that the centre of gravity might be much below that appertaining to the ordinary truck. As I have said, the weight of the meat is taken on the hook. With that amount of weight above the centre of gravity a vehicle is much more likely to overturn than it is in ordinary circumstances.

Hon. P. D. Ferguson: Why is it necessary to have the meat suspended at such a height?

Mr. McDONALD: I am not able to say. That is what I am told. The hook must be 6ft. from the floor.

Mr. Withers: They must be for super beasts.

Hon. P. D. Ferguson: And a man could not carry them into a butcher's shop.

Mr. McDONALD: These people made inquiries, and they were told, I am informed, that they must have their vehicles built in the way I have indicated. If they have to secure new vehicles they will have to go to great expense. I am told that one section of the trade which is engaged in carrying these carcasses has between 20 and 25 vehicles. If these vehicles have to be scrapped to comply with the provisions of the by-law the owners will be put to heavy expense. I am informed that one firm alone within the last 12 months has bought three new trucks suitable for the conditions of the

old by-law, but not suitable or convertible to conform with the new by-law. The cost of the three trucks is £1,700. I am informed that if these new trucks have to be bought they will be very expensive. I cannot vouch for the figures, but the information given to me is that they will cost £1,600, compared with £500 which is the cost of each of those vehicles now in use. Furthermore, the cost of petrol will be very much heavier and the license fees will be greater. It will, therefore, be necessary to pass on a considerable additional cost to the price of the meat, and that will operate against the consuming public.

Mr. Marshall: It sounds a big difference.

Mr. McDONALD: These people have been informed that they cannot convert the present vehicles, and will need to buy new ones. These are the quotations they have obtained for vehicles that will comply with the terms of the City Council's by-laws, and give a proper degree of safety in the conveyance of the meat. It will be observed that the new by-law I have read does not apply to certain people. The vehicles which are exempt are the butchers' delivery vehicles used for the delivery of cut joints to householders. I do not complain about that. There is also an exemption in the case of vehicles used by producers for the conveyance of carcase meat to the metropolitan markets, West Perth. When producers convey carcase meat to these markets they are not obliged to comply with the by-laws.

The Minister for Agriculture: And they probably cart a lot of manure in the morning in the same vehicle.

Mr. McDONALD: That is possible. I understand that those engaged in the abattoir trade also go to the West Perth markets, and pick up carcase meat that has been brought in by the producers. The producers can bring in their carcase meat to the metropolitan markets in West Perth without complying with the by-law, but the carrier who takes it away, and is one of the wholesale dealers in carcase meat and delivers it to some butcher or someone else, has to comply with the restricted conditions. I do not suggest there may not be some room for improvement in the regulations regarding the transport of carcase meat in the metropolitan area, but I do say that the conditions should be uniform over the area of about 30 miles over which the trade operates, and secondly if new vehicles must be used to protect the

public, a more equitable basis could be adopted. The by-law could provide for the registration of vehicles now used in the trade, and it should provide that whenever anyone in the trade buys a new vehicle it shall conform to the same exacting standard required by the by-law. By that means as the old vehicles become worn out they will pass out of use, and the new vehicles will conform to these more exacting standards. If what I am told is true, that this will mean the scrapping of a considerable number of very expensive vehicles, and the outlay of a large sum of money for the purchase of others of a very costly description, I submit that the by-law will operate very harshly upon the class of traders who have been carrying on quite properly under the standard which has hitherto been applied by the City of Perth, and which is still operating under every other local authority outside the City of Perth. What I ask members to do is to disallow this by-law so that the City of Perth and the Commissioner of Public Health may reconsider the matter in conjunction with the trade and if it is necessary, to tighten up the standard, to make a new by-law that will protect the general public and not impose undue hardship upon the trade. They should inform the trade so that people in it may know where they are as regards the different local authorities through whose boundaries they may be carting their loads of meat. I hope the regulation will be disallowed not necessarily to discourage the City Council, but disallowed so that the matter may be given further consideration.

On motion by Minister for Health, debate adjourned.

MOTION—LICENSING BOARD'S ACTIVITIES.

To inquire by Select Committee.

MR. MARSHALL (Murchison) [5.25]: I move—

That a select committee be appointed to inquire into the activities of the Licensing Board in the granting and refusal of the different forms of licenses granted under "The Licensing Act, 1911," and also the qualifications of the person or persons making application for any form of license or transfer of license before the Board.

I appeal to the older members of this Chamber not to imagine that I am moving this motion with a view to venting any spleen upon or displaying any vindictiveness towards the Licensing Board. It may be that because of the attitude I have adopted from year to year members will think I have an ulterior motive. I need not appeal to new members, because they have not been sitting in the Chamber over the past few years when I have discussed the activities of the board. I am moving this motion because I feel that the activities of the board are creating a great deal of suspicion in the minds of the public. I am not referring solely to the activities of the board as now constituted, but if the motion is carried I desire that inquiries should be made into all the transactions of the board since its inception, or since the alteration in the liquor laws in 1927. That was the time when the tribunal was altered from a Licenses Reduction Board to a State Licensing Board. There should be no doubt on the part of any person who is aware of the position, that this board has unlimited powers, so that it is impossible to get any knowledge of the details of its activities, because there is no appeal from any of its decisions. I doubt whether there is any board in the Commonwealth that possesses such powers. There is no appeal from its decisions, no means of challenging any decisions, and no possibility of investigating any of the board's activities except by means of a motion like this and an inquisitorial examination of its activities. I feel there is some reason for doubt as to the wisdom of some of the decisions of the board. There appear to be a great number of inconsistencies in those decisions. The board does not grant licenses but recommends them. These recommendations cause the Governor in Council to decide in the direction recommended by the board. Truthfully speaking, a recommendation by the board is tantamount to the complete settlement of the matter at issue. Some years ago a citizen of this State made four or five attempts to get a hotel established at Bassendean. He wanted either a hotel or a provisional certificate for a license. There is not a hotel or licensed premises for about two miles on either side of Bassendean. It is now rather a big suburb, and yet there were many interruptions concerning the granting of the

license. When we compare Bassendean with the licensing of a hotel at Mt. Hawthorn we find there is a great deal of inconsistency in the attitude of the board. At Mt. Hawthorn there are licensed premises within half a mile on the Perth side, and within a mile and a quarter on the Osborne Park side, of the Mt. Hawthorn hotel, yet not much trouble was experienced in securing the license at Mt. Hawthorn. On the other hand, there was great difficulty in securing a license in the other instance, although there were no licensed premises within a much greater distance. The same thing has happened in many other instances. There was an application lodged for a license at West Perth. There were no licensed premises within a fair radius of the site, yet the application was refused and has not since been granted. Several instances can be mentioned in which applications for licenses have been granted without much trouble, although licensed premises already existed within reasonable distances. On the other hand, provisional licenses have been applied for and refused, although no licenses existed for quite a considerable distance. When the present Licensing Act was under consideration by Parliament, we decided to drop the old local option sections of the earlier Act. That was done because it was ascertained when referenda were taken under the local option provisions, that where the greatest number of hotel premises were situated the people voted for more licenses, and in places where there were no hotels, the people voted for no licenses. I can remember a Minister of the Crown at the time pointing out the fallacy of such results under the local option provisions. If the results were anomalous under the local option provisions, it surely must be regarded as equally anomalous for the Licensing Board to grant licenses in the same manner. It seems quite easy in some instances for licenses to be granted and most difficult to secure them in other instances. As a layman, and as one not possessing a detailed knowledge of the activities of the board nor the influences that prompt them in their decisions, it seems to me that licenses were justified in instances where the board withheld their approval. I will deal with what I consider to be a most remarkable attitude on the part of the Licensing Board. When the mining revival commenced at Wiluna, there was one gallon license in existence at that centre.

Wiluna rapidly developed into a fairly large goldfields town. As the population increased, business expanded and a very respectable young fellow from Meekatharra went to Wiluna and opened a grocery store. I may explain to members that Wiluna consists of four separate and distinct towns. There is Lakeside to the east of the line, where about 400 families have settled. Then there is what is known as the Compound, where the married men and single chaps employed by the mines live in homes provided by the companies. Then there is Red Hill, which is situated between the mines and the town, and finally there is the town proper. It will be realised that the population is scattered over a fairly extensive area. It is a costly matter for some of the residents to go to Wiluna often, and therefore they do not frequent the town proper. As there was one gallon license only in the centre, the young storekeeper I have referred to decided to apply for a second gallon license. In my opinion he was quite entitled to have one and he should have secured the license without much trouble. He was in a very invidious position. With the expansion of his business, he was rapidly becoming the biggest grocer in the town; yet if any of his customers desired a parcel of alcoholic liquor he had to go to the hotel and purchase the supplies that he subsequently delivered with his orders. If his customers could not be obliged in that direction, they had to go to the grocer who had the sole gallon license. The young fellow made four or five attempts to secure the second gallon license before he finally succeeded. Here is the remarkable feature of that particular instance. The young man had been in possession of his gallon license for a year or two when the holder of the original gallon license became bankrupt and was desirous of selling his license or having it transferred to someone else so that the two gallon licenses could be retained in Wiluna. To the amazement of everyone, when his application for the transfer went before the Licensing Board it was rejected and Wiluna was left with one gallon license. That position obtains to-day. Let members compare the Licensing Board's attitude on that occasion with their attitude in dealing with gallon licenses at Geraldton. Members know that Geraldton is a seaport town and its population is approximately equal to that of Wiluna.

Mr. Patrick: What is the population of Wiluna?

Mr. MARSHALL: About 7,000.

Mr. Patrick: Then it is bigger than Geraldton.

Mr. MARSHALL: Geraldton has a much better climate and its population is congested in the sense that all the residents are within easy access of licensed premises. On the other hand, the population at Wiluna is scattered over an area four miles by two miles. I do not want the House to think that I am referring to the board as constituted at present. When I speak of the Licensing Board, I am dealing with them as a board without regard to personnel. At a time when there were six gallon licenses in Geraldton, the seventh was applied for. If that is not correct, then the position is that when there were seven gallon licenses there, an eighth was applied for, and the Licensing Board had no hesitation in granting that additional gallon license at Geraldton. In the circumstances that obtained at Wiluna, the board refused to grant the transfer of a gallon license. It would be interesting to know the reason that actuated the board in refusing the transfer. I do not desire to cast any aspersions of dishonesty on the board, but it will be admitted that the Wiluna decision does not seem to have been fair. One individual could succeed only in his fifth application to secure a gallon license at a centre with a population of 7,000, yet at Geraldton the seventh or eighth gallon license could be granted without any trouble at all. It must not be forgotten that the refusal of licenses means the loss to the State of a fair amount in taxation. During the summer months at Wiluna people will not travel any distance to make purchases, but prefer to buy case lots and keep the liquor in their coolers. If they do not deal with their storekeeper, they go without. I do not say that they are any worse off for doing so, but the loss of business involves some loss to the State. I do not think the Licensing Board should be responsible for the loss of revenue to the State in that direction. There is another anomaly. I hope members will not imagine I am troubled about the decisions of the board from the standpoint of who has secured the license and who has been refused a transfer. I am not concerned about the decisions one iota, but only about the workings of the board from the standpoint of

fairplay and justice to all concerned. If we go to South Fremantle, we can see a wine saloon that is about 100 yards, or less, from licensed hotel premises. The wine saloon overlooks the promenade or beach. What purpose a wine saloon can serve in that position is a mystery to me. If there is any type of license that can be granted under the Licensing Act, the granting of which should be discouraged, it is that applying to wine saloons. I do not like them; they do not provide any residential accommodation or convenience. They merely serve as a medium of sale for the one class of alcoholic beverage.

Mr. Fox: They sell wine that is grown locally.

Mr. MARSHALL: It does not matter where the wine is grown; that would not make any difference at all. I do not think there should be wine saloons or licensed premises at our pleasure resorts. I do not like to see them where people congregate for pleasure and where women and children are mainly in evidence. It does not look nice. It is not nice to make such provision for the convenience of people who will take advantage of them and purchase their liquor and consume it in public parks or on public reserves, in front of women and children.

Mr. Fox: Have you ever heard any complaints about that particular wine saloon?

Mr. MARSHALL: No, it is very well conducted. That does not prevent others from making a convenience of the place and not conducting themselves too satisfactorily. That is the point. I do not complain about the manner in which the wine saloon at South Fremantle is conducted, but view the matter from the standpoint of the individuals who do not conduct themselves properly.

Mr. Fox: In these days a mile is neither here nor there.

Mr. MARSHALL: If the member for South Fremantle (Mr. Fox) can inform me what service that wine saloon renders to the public, I shall be pleased. It can render no valuable service whatever in that particular position. It does offer a great convenience, when holidays are being celebrated and women and children are about in large numbers, for the beery element to become intoxicated with "pinkie" and misbehave themselves. Another matter that appears to me as rather peculiar is the granting of a license for the Yanchep Reserve.

Hon. W. D. Johnson: Was it granted?

Mr. MARSHALL: I do not know whether it was granted or taken, but there is a license for that particular site. I positively disapprove of the granting of licenses on public parks and reserves. I do not think it is a right and proper thing to do. God knows, people can get alcoholic liquor fast enough to these sites by motor car, and there is no necessity for it to be handed out practically, as it were, under the shade of the old apple tree. It is far too easy to secure liquor at these places when there are large crowds of women and children about. The unfortunate part is that they assemble there for enjoyment at that period of the year most conducive to the consumption of alcoholic liquor—the thirsty period. If I had my way, I would make it illegal to consume alcoholic beverages—

Mr. Sleeman: Anywhere!

Mr. MARSHALL: No, I would not go as far as that; but on public highways and reserves.

Mr. Sleeman: There is not so much on the highways.

Mr. MARSHALL: There are things going on under the hon. member's nose, and evidently he has not seen them. I should like him to come with me when I am on my way to catch my bus. He would find in Cathedral-avenue, surrounded by churches, both males and females of juvenile age openly consuming liquor and committing other nuisances on the public highway. That is not very nice. It is no credit to us, or to those who do it, or to the laws of this land which permit it.

Mr. Sleeman: What about 6 o'clock closing?

Mr. MARSHALL: If I had my way, I would keep hotels open until midnight. It is in hotels that liquor should be consumed; there, or in a person's own home. A man is entitled to liquor if he wants it, but he is not entitled to make an objectionable exhibition of himself and to be an inconvenience and nuisance to others. A similar situation obtains in connection with Freshwater Bay, another public reserve to which a license has been transferred. I think that is unfair and unjust, and if the State Gardens Board, or whatever they call themselves, are responsible for this—

Mr. Sleeman: You are referring to the Keane's Point license.

Mr. MARSHALL: Yes.

Mr. Hegney: That is in the Fremantle district.

Mr. MARSHALL: I do not care where it is.

Mr. Tonkin: The member for Middle Swan only wishes it were in his electorate.

Mr. MARSHALL: The position as I see it is that it is most objectionable, and the motion should be carried so that investigations might be undertaken into the activities of the board with a view to seeing whether it is advisable for the board to continue much longer. I am told that on occasions provisional certificates are applied for in certain places where there is justification for further hotel premises, but that this board continues to reject the applications for a further license.

Hon. P. D. Ferguson: Did the majority of the people want the licenses?

Mr. MARSHALL: I should say so, but although petitions were signed and the usual formalities complied with, the applications were refused.

Hon. P. D. Ferguson: That is farcical, is it not?

Mr. MARSHALL: People go to the trouble of complying with the requirements of the Act, and present a petition stating that they want a hotel, and after they have done so the board tells them they cannot have it. It is ridiculous to go on like that. It would be a rather peculiar position for some of us if after we had secured a majority of votes at an election we were told by a board to stand by while they put someone else in our place. Such inconsistencies are in existence all the time in relation to the operations of the board.

Mr. Hughes: That has happened at elections, too.

Mr. MARSHALL: I think it has, now that the hon. member reminds me. I desire to move this motion because there is a great percentage of the population of this State who are of opinion that all is not fair and just with the administration of the board. If there is nothing wrong with the board, an inquiry will do it no harm. If there is anything wrong, it should not be tolerated for another 24 hours. It is merely to clear up the suspicions that have been created in the minds of the public that I desire to have the motion carried. I have heard about the two hotels at Inglewood and Nedlands, but I do not know anything about the manner in which the licenses were obtained. If the motion is carried we can have these cases

investigated and learn exactly what took place. The public generally are not satisfied with the administration of the licensing laws and I respectfully suggest that an inquiry is worth while and the cheapest way to conduct that inquiry is by the appointment of a select committee. I submit the motion.

MR. HUGHES (East Perth) [5.56]: There is no doubt that an exhaustive inquiry should be conducted into the activities of the Licensing Board and the administration of the licensing laws. I am afraid, however, that the hon. member's motion does not go far enough. The Licensing Board labours under the most unfortunate disability that any such body exercising judicial functions could work under, in that it has no security of tenure. The personnel changes with a change of Government. The appointment of the members is for only three years, and as we know, there have been repeated changes in the board. It is therefore impossible to get a continuity of policy, and one of the main things that have made the public suspicious of the board is that the qualifications demanded of those to be appointed need not include any judicial knowledge or experience; all that appears to be necessary is the political colour of their views. Therefore the public cannot be expected to have any confidence in a board so constituted. Frequently applications are made for licenses by people who have no intention of carrying on the business in the event of the license being granted. They are mere dummies for someone else. Again people have gone to the expense of getting signatures to petitions praying that a license be granted for a certain locality. If we want to get to the bottom of the licensing board's activities, we must have an examination of the whole of the ramifications. Personally I do not think much satisfaction will be got from a select committee, because that body would not have the power to obtain the documents wanted. I have no doubt that when we do get the Royal Commission which has been promised, I shall be able to show, with the aid of the Commission's powers, that certain dummies have been applying for licenses; and I shall also be able to show who were the real applicants. Then this Parliament will be in a better position to grasp the true situation as regards the licensing board. With the select committee we shall not be able to get

the documents that a Royal Commission can secure. A select committee will not be able to put witnesses on oath. Of course the dummies will not come in to give evidence unless forced. Neither will they disclose for whom they were acting unless they are compelled to do so. But if we must have a select committee, we ought to go into the whole question. It has been suggested that we should inquire into the qualifications of the persons who have applied for the various licenses. I suggest there are many things wrong with licensing administration. The worst feature, undoubtedly, is the dummying that goes on, not only in connection with applications but also in the conduct of hotels. I venture to say there are, in Perth and elsewhere, any number of licensees who are mere employees of the real licensees. Consequently, if these apparent licensees transgress the law and the law is enforced, all that the real licensee does is to change his manager and get the license transferred to somebody else. Frequently there is an agreement between the licensee whose name is over the door and the real licensee that at any time the former will transfer the license at the direction of the latter. The person who ought to be bearing the penalty, if any, is not the man whose name is over the door but some more powerful person behind the scenes. The system leads to trafficking in licenses. A man gets a license, sells it, and immediately makes a rake-off without supplying any public requirement whatever. And of course we know that the land to which the license attaches, increases in value immediately there is a prospect of a license being obtained. I submit that if a block of land is worth a certain amount, any increased value attaching to it as the result of the granting of a license is not rightfully the property of the landowner at all, but the property of the people of the State; because by giving a monopoly to sell a certain commodity on that land, the community immediately enhances the value of the land. Thus the owner of that land makes a rake-off and puts it in his pocket. I suggest that the amount of that rake-off belongs to the taxpayers at large, and not to the individual landowner. The moment any property in city or country has a license to sell liquor attached to it, it brings a very much greater price than it would bring without the license. A building of a certain value and land of a certain value have a certain economic value: but attach a liquor license to the premises, and the rental the owner

can expect is occasionally doubled and trebled as compared with the rental obtainable without a license. There again, by virtue of granting a monopoly to certain premises for the sale of liquor, we put a handsome unearned increment into the pocket of the owner of those premises. I submit we should inquire to what extent that state of affairs exists. There are, of course, nebulous statements concerning rentals paid by hotel licensees. I saw a tin shack in a mining town that could not have cost more than £1,000 for land, building and all. I was told that the rental of that shack, which is an hotel, is £75 per week. I do not know whether that is correct or not, but we frequently hear of enormous rentals being paid in respect of premises to which a license attaches. That phase should be gone into; and if we find that by virtue of the liquor monopoly we are putting huge unearned increment into the pockets of private individuals, we should amend the law and declare that the unearned increment belongs to the taxpayers generally, and we should take steps to see that that increment is brought back. The member for Murchison (Mr. Marshall) referred to the case of a majority of the people in the district saying they want a hotel and the licensing board coming along and saying to them, "No, you don't." The hon. member drew a parallel, saying what a tragedy it would be if in Parliamentary elections a similar system obtained, and if in Parliamentary elections votes were obtained in the same way as signatures are obtained to petitions for the establishment of hotels. In my opinion the method of obtaining signatures is not satisfactory. We hear that frequently people are sent around to gather signatures and are paid so much per signature. In point of fact, it has been stated that as much as 3s. 6d. per signature was paid in respect of a hotel application in the metropolitan area when the applicant had got to within a hundred or so of the number legally required. Canvasers were sent out on wages, and were paid 3s. 6d. per signature. One can imagine what hurrying and scurrying for signatures there would be under those conditions. But it is wrong to say to the majority of the people in the district that they can have a license and then to let the licensing board intervene with a negative, and thereafter, when somebody else comes along with a majority of signatures

in more or less the same area, the board saying, "Yes." There should be some priority. Again, the people who canvass for signatures do not tell the signatories the facts. They do not come along and say, "Although the application is for a hotel, it is really an application for a hotel made by a man who already has nine or ten hotels." Very few people would sign a requisition for a hotel if they knew the party who was to get the hotel had already nine or ten. They would say, "No; why does he not let somebody else have a chance? Why should he have all the hotels?" If any inquiry is made, we should go into the question of what information is disclosed to signatories, and into the methods employed by and the remuneration paid to canvassers. More important still, the Licensing Board to-day generally insist on the erection of premises costing a great deal of money. To one who takes the trouble to investigate the ownership of licensed premises it seems that a monopoly in licenses is being established. Licensed premises are gradually falling into the hands of small groups—and not very small groups either.

Mr. Marshall: Principally breweries.

Mr. HUGHES: Yes. Many people dummy for breweries. I have no objection to a brewery holding a license provided the brewery's name is put over the door as licensee. If there is any transgression of the licensing law, let the brewery be penalised and not the unfortunate employee who nominally holds the license. There is a good maxim in the law that secrecy is the mother of deceit. If any gentleman wants ten licenses, I have no objection to his having them, provided his name is over the door of each hotel, so that the Licensing Board, if he applies for yet another license, may have the opportunity of saying, "What, again?" Undoubtedly as the result of monopolistic tendencies the prices of alcoholic liquors are too high. If hotels had to depend on me, they would never sell any alcoholic liquor at all; but there is no reason why even people who do not drink alcoholic liquor should be prepared to see a certain group become a weapon to exploit those who do drink such liquors. Another matter concerning which one hears many complaints in the city, is that occasionally proceedings which are started by the police for breaches of the Licensing

Act do not come to maturity. I do not know whether there have been cases where, after the police have launched proceedings, those proceedings have been stopped; but, even so, it is unfair, because if there was sufficient *prima facie* evidence for the launching of proceedings by the police, the magistrate is the right person to determine whether or not a breach has been committed.

Mr. Sleeman: The licensing bench has nothing to do with that.

Mr. HUGHES: While we are on the job, we may as well deal with that aspect. It is only a matter of calling for a return from the Police Department. After a license has been granted, it often costs a lot of money to put up the hotel. I would like to see the State put up the hotels. The State could then call for tenders for leasing over a period of five years. At the termination of such a lease, the State could call for tenders again. Thus the whole of the unearned increment derived from the monopoly would come back to the State.

Mr. Sleeman: Why do you want the hotels leased?

Mr. HUGHES: I could never get the hon. member interjecting to agree to nationalisation of the industry.

Mr. Sleeman: You do not know.

Mr. HUGHES: The hon. member has been a long time over there without—

Mr. SPEAKER: Order!

Mr. HUGHES: As I mentioned before, while Parliament is constituted as it now is, there will be no danger of anything being socialised. The State could own the hotels, and could lease them for a period by calling public tenders. That would mean that a man with limited capital could undertake the conduct of a hotel. If he merely had to take a lease and pay a certain rental, besides putting up a guarantee of, say, six months' rent, he would have an opportunity to become a hotelkeeper. And it is not to be forgotten that this method would put into the pockets of the State a good deal of money over and above the amount of interest and sinking fund required in connection with the hotel structure.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. HUGHES: We should further extend this inquiry to ascertain whether, as the result of the several factors I have enumerated earlier this evening, such as trafficking

in licenses, excessive land prices, monopolistic tendencies and the methods of financing applications for new licenses and petitions in support thereof, and the building and furnishing of hotel premises, the price of alcoholic liquors is too high. Where we set up a monopoly and allow only certain people in the community to trade in certain commodities, there is a great tendency for the price of the commodity to be unduly enhanced, in consequence, mainly of course, that with the elimination of competition the people who have the favourable sites can charge anything they like. And as that tends to become a monopoly, it is almost inevitable; we have only to look at the value of premises and the price of shares in different organisations to see without any very close scrutiny that the prices charged for the commodities must be too high. We know that what ought always to go hand in hand with any restriction of competition is to see that, where the State is not running the venture and guarding the property, those who get into the protected positions do not use their positions to exploit the rest of the community, as we have had in tariff-making in Australia and in every other country where tariff-making is indulged in. This is in the nature of tariff-making, and if we limit the opportunity for people to trade in this particular commodity we shall leave the consumer at the mercy of the favoured people. I think the investigation may be taken into all the ramifications, because I presume the object of the mover of the motion is not merely to have an investigation for the sake of making an investigation, but to ascertain if there is anything wrong in the operation of the licensing laws today, and to see in what direction the laws need to be altered and rectified; so that as the result of the findings of the Commission and the evidence adduced before the Commission, the amendments in the Act that are necessary will be disclosed and the evidence in support of those amendments will be collated with a view to having the law brought into an efficient state. Finally, I think we should inquire as to what extent the dummying of licenses is going on in the existing licenses; because the law places a licensee in a favoured position and puts certain responsibilities on him. If he can put a dummy into his position, he can then snap his fingers at the Licensing Act, because as soon as one dummy has two or three convictions against him, the real licensee can

transfer the license and put in someone else. That is an important aspect of the operations of the Licensing Act, and particularly of the functions of the board in making transfers. The board could refuse to transfer if of opinion that the holder of the license wanted to transfer to someone else. But I have never heard of a case of the board refusing to transfer. Maybe the board do not know what is known to every Tom, Dick and Harry in the street, and it may be that they accept the position that they ought not to know; and again it may be that they would not refuse to transfer a license even if they knew it was to a dummy. So, I think the inquiry should go to the length of investigating the Act and making recommendations to Parliament as to what amendments may be desirable. I move an amendment—

That the following words be added to the motion:—"and to inquire further—

1. Whether, and if so, to what extent—

(a) applicants for licenses during the past 12 years have been 'dummies'; if there have been such 'dummies,' who were the real applicants;

(b) there has been trafficking in licenses;

(c) lands upon which licensed premises have been built have been sold for excess values in consequence of the prospective licenses; if so, what persons have derived such excess values;

(d) premises to which licenses have attached have provided rentals over and above the true economic and site rental value of the premises concerned; if so, what persons have derived such excess rentals.

2. Whether the present system of gathering signatures for new licenses provides adequate means for ascertaining the true will of the residents concerned.

3. Whether in gathering such signatures a full disclosure as to the real applicant, the number of licenses already held by such applicant, and all other relevant information is supplied to the prospective signatories.

4. What have been the methods of remunerating the persons so employed as signature gatherers.

5. Are the methods of obtaining such signatures conducive to obtaining a true expression of the will of the electors in the areas concerned.

6. Does the operation of the licensing laws tend to create a monopoly or a situation in the nature of a monopoly.

7. Have proceedings for breaches of the Licensing Act been instituted against licensees and subsequently discontinued; if so, upon what grounds have such discontinuances been made.

8. What are the methods employed of financing the building and furnishing of hotel premises?

9. Is, as a consequence of—

- (a) Trafficking in licenses;
- (b) Excessive land prices;
- (c) Monopolistic tendencies;
- (d) Methods of financing applications for new licenses and petitions in support thereof and the building and furnishing of hotel premises;

(e) Any other causes;
the price of alcoholic liquors too high?

10. Are any existing licenses merely 'dummies' employed by others; if so, by whom are such 'dummies' employed?"

Mrs. Cardell-Oliver: I second the amendment.

On motion by the Deputy Premier, debate adjourned.

MOTION—TRAFFIC ACT.

To Disallow Mid-block Crosswalks Regulation.

MR. RODOREDA (Roebourne) [7.42]:
I move—

That the new Regulation 312 of the Traffic Regulations, 1931, as published in the "Government Gazette" of 26th August, 1936, and laid on the Table of the House on 8th September, 1936, be and is hereby disallowed.

In submitting the motion I am not actuated by any desire to criticise unduly the Traffic Department or their efforts in endeavouring to exercise further control over the motor and pedestrian traffic in the interests of pedestrians. Also I may say that I have not been instigated to take this action by any outside influence; I have not consulted with the Royal Automobile Club or with anybody else, but I am taking this action in the hope that a discussion in the House may ensue and that we may be able to evolve some better regulation than the one at present in existence. The regulation itself reads as follows:—

In the city block in Perth and in the city block in Fremantle the driver of every vehicle shall yield the roadway to any person crossing the roadway within any marked crosswalk, except at intersections where the movement of traffic is being regulated by a police officer. The definition of "crosswalk" reads "any portion of a roadway specially marked by the local authority for the direction of pedestrians." I am not concerned with the regulation as it applies to crosswalks at intersections; I think that is a move in the right direction, and there is no doubt that

the present system is working very well indeed at the intersections. But I am concerned with the position that arises at the crosswalks in the mid-blocks.

[Resolved: That motions be continued until the member for Roebourne has concluded his speech.]

Mr. RODOREDA: The same regulation applies to what I might term the mid-block cross-walks; in other words, the unattended sidings. Members of the Country Party will understand that illustration. My main objection to the cross-walks is that they are unattended. No control whatever is exercised by the traffic authorities at the cross-walks, and the regulation throws the whole of the blame on the motorist for any accident that might occur there. There is no qualification whatever; the regulation says that the pedestrian shall have the right-of-way, no matter how careless he is or what he may do. If a motorist hits a pedestrian in one of the cross-walks, the motorist is in the wrong. I think that is rather unfair. According to another regulation the pedestrian is allowed to cross at right angles anywhere at all; he has to give way to the motorist, but the motorist is warned in the same regulation: that he must exercise all due and reasonable care. In the regulation applying to the cross-walks, however, there is no qualification whatever. The pedestrian is in the right, so long as he is in the cross-walk, no matter what he does. I consider that too much responsibility is being thrown upon the motorist. The regulation says that the pedestrian shall not have the right-of-way at intersections where a police officer is in control. The point that immediately occurs to mind is who has the right-of-way when a motorist wishes to turn either left or right through a stream of pedestrians crossing the road. The regulation says that pedestrians shall not have the right-of-way there, but further on in the regulations we find another that gives pedestrians the right-of-way. Of course, the two regulations are in conflict, and that is why I say that for each class of crossing, whether at the intersections or in the middle of the blocks, a different regulation is required. I would not attach so much importance to the present regulation if police were in control to stop motorists when pedestrians were on the cross-walks. That is done at the intersections, and there is more danger at a cross-walk than at an intersection. If the

regulation is enforced, I think the police should have a man in control at the cross-walks, or else we should have some automatic devices such as signal lights that would enable a motorist to tell before reaching a cross-walk whether he had the right-of-way or not. It is very difficult to see where the cross-walks are. A country motorist coming into town would have no idea of them. If he was a bit doubtful, he would have to leave his car outside the city block and make a tour on foot to ascertain exactly where the cross-walks were. At night time they are very difficult to find. I know fairly well where they are located now, but oftentimes I have been in doubt. People are not prevented from crossing a road at any point, and they still wander across everywhere along the length of the road, so that one cannot be guided by the number of people crossing a road in determining where the cross-walks are. The authorities should do one thing or the other—confine the pedestrians definitely to the cross-walks, or let them cross a road anywhere at right angles, but at their own risk.

Mr. Patrick: It is fairly safe in the one-way traffic streets.

Mr. RODOREDA: In the two main streets, Hay-street and Murray-street, both narrow thoroughfares, there is only one-way traffic. Consequently, a person has to be very careless to get hit in either of those streets. I should like the Minister, when speaking on the motion, to inform us how many accidents to pedestrians have occurred in the city block away from intersections. I do not know whether the police have that information. They should have it before submitting a regulation of this description. No one, I should say, would drive a motor car in the city of Perth at the present time for the mere pleasure of driving. I say definitely that I would not. Most people who use a car in the city do so because they are obliged to. There are many thousands of workers who are compelled to drive motor vehicles—cars and trucks—through the city in order to earn a living. I doubt whether it is quite fair to throw all the responsibility on those drivers for what I might term the carelessness of pedestrians. I have been driving a motor vehicle since about 1911, a great deal of my time earning a living at it, and I have not yet been involved in an accident of any sort. Members might consider that I have been rather lucky. No doubt I have been.

Mr. Hegney: You are a good driver.

Mr. RODOREDA: I maintain that some skill and attention to driving was also partly responsible.

The Minister for Employment: There were no pedestrians where you did the driving.

Mr. RODOREDA: I have done a lot of driving in the city, but for the Minister's information a man was recently killed by a motor vehicle up my way, so care is also needed on the roads there. It is admitted on all sides that the greatest menace to pedestrians and to other motorists is the drunken driver. There is no question of that. I doubt whether a regulation like this, and the act of drawing a couple of lines across the middle of Hay-street, would have much effect on the drunken driver. Neither do I think it would be much of a protective measure. The real problem we have to deal with in connection with pedestrians in the city is the fact that there is no room for them on the footpaths. It is practically impossible to get along Hay-street at a reasonable pace unless one takes to the roadway. That problem will be intensified as the years go by. The big stores are growing every year, and consequently more people will be coming into the city to deal at those stores. Thus we are going to have a congestion of pedestrian traffic in Hay-street, and I cannot see how it will be coped with. That and the problem of making arrangements for people to cross streets are the important aspects. The motor traffic, of itself, has not become a problem yet. I should say that the police would be doing more good, and making conditions safer for everyone, if they made a concentrated drive against cyclists who ride at night time without lights, and also against careless drivers who carry glaring headlights. I think I can offer an opinion on that point without wandering too far from the subject. In conclusion, I repeat that I have not moved this motion at the instigation of anybody, and that I do not object to the regulations governing the intersections. I hope that in the discussion that ensues, we might be able to get some suggestions that will enable the department to frame a more equitable regulation.

On motion by the Minister for Works, debate adjourned.

BILL—LEGAL PRACTITIONERS' ACT AMENDMENT.

Second Reading.

MR. SLEEMAN (Fremantle) [7.57] in moving the second reading said: This is a small Bill, but it is not a stranger to most members of the House. Owing to the fact that there are a few new members this session, it might be necessary for me to occupy some minutes in explaining the Bill. However, I shall not take too much time because I have no doubt, from the reception given to the measure last year, that it will be equally well received this year, and will be passed by the House. Unfortunately, on the last occasion, it was amongst the slaughtered innocents in another place, because the item could not be reached on the Notice Paper. For the benefit of new members I shall quote Section 13 of the Act, which states—

No articled clerk shall, without the written consent of the board, during his term of service under articles, hold any office or engage in any employment other than as a bona fide articled clerk to the practitioner to whom he is for the time being articled, or his partner; and every articled clerk shall, before being admitted as a practitioner, prove to the satisfaction of the board, by affidavit or otherwise, that this section has been duly complied with.

I claim that it is not fair to the young fellows in this State to stipulate that on no account shall they earn anything outside of their articles. The argument has been advanced on one or two occasions that no articled clerk has ever been refused permission. There may be a certain amount of truth in that, because a young fellow, before being articled, makes his application to the Barristers' Board and pays a fee which I believe amounts to something like 13 guineas. When they say that no articled clerk has been refused, there may be some truth in the statement. I have investigated this matter on several occasions but have been unable to find anyone, with the exception of two people, who has been given permission to earn money. One of these was the late member for Kanowna (Mr. Thomas Walker), and the other is the present member for East Perth (Mr. Hughes). So far as I can discover these are the only two who have been granted permission by the Barristers' Board to earn any income outside their articles. It is unfair to say to a young fellow of poor parents that he must subsist on the very little he gets from the

office in which he is articled. Sometimes the amount is very small indeed. It is unfair to say he must subsist upon that small sum and go through his articles on that basis. I have told the House before that the ex-Governor General of Australia (Sir Isaac Isaacs) informed me that when he was a boy his parents were so poor that, in order to go through the legal profession and carry on with his articles, he frequently had to do very menial work around Melbourne. His mother could not support him, and Sir Isaac Isaacs said that but for the fact that he was able to get small jobs occasionally, such as carrying groceries around Melbourne in a basket, he could not have gone through his articles. He certainly could not have done that in this State. In the other States the procedure existing here does not apply. Here a boy cannot get permission from the Barristers' Board to earn money while articled. I know of one case in which a man who was originally a carpenter in Queensland went through the profession, was called to the bar, and eventually became one of the most learned judges Queensland had. If that gentleman had lived in Western Australia he could never have been called to the bar under such conditions, nor could he have become a judge. He could not possibly have lived on what he received as an articled clerk, and would have had to give up all idea of entering the legal profession. The New Zealand Act contains the following section:—

Provided that it shall not be competent for the Senate to require that any course of study or practical training shall be taken at a University college in New Zealand by any candidate who for the time being is resident more than ten miles from such college, or who being engaged in qualifying for a profession, learning a trade, or earning a livelihood, is in the opinion of the Minister of Education thereby prevented from attending lectures.

In New Zealand a man or a woman can be engaged in a trade or can be earning his or her living in any other way than by means of being articled to a solicitor. I hope this House will do as it did on the last occasion, pass the Bill through all stages. For the benefit of new members I would like to read a letter which was received from the Barristers' Board in reply to a communication sent by a young fellow who wanted permission to earn money outside his articles. The letter is as follows:—

I duly placed your letter of the 23rd ultimo before my board for its consideration, on the 13th June last. Whilst appreciating the diffi-

culties of your position the members of the board present at the meeting directed me to point out to you that at present you are not an articled clerk, consequently the meeting could not deal with the subject matter of your letter.

Of course the young fellow was not an articled clerk. He was not going to make application to the Barristers' Board only to be turned down, and then find he could not recover his 13 guineas. The logical thing for him to do was to make application before any money was paid, and to see if there was any chance of permission being granted. The board on that occasion, as on others, turned him down flat. The letter continued:—

The exercise of the board's statutory discretion can only be invoked by an articled clerk on an application made under the provisions of the Act and Rules. Such application would be dealt with by the board at a meeting of the board, and such meeting may be attended by members of the board who were not present at the meeting above-mentioned. For your information, however, I may state that as a matter of principle, the members present at the meeting were of opinion that an articled clerk cannot satisfactorily serve two masters.

If that is the attitude of the Barristers' Board, the time has arrived when its wings should be clipped. The board should not be allowed to say to the son of a poor man, "Unless you can earn enough at your articles, you are not going to be allowed to be called to the bar." I have much pleasure in moving—

That the Bill be now read a second time.

On motion by the Minister for Justice, debate adjourned.

MOTION—TRAFFIC ACT.

To Disallow Trailer Regulations.

Debate resumed from the 9th September on the following motion by Mr. Watts:—

That the new Regulations to be numbered 30 (7) and 30 (8) of the Traffic Regulations, 1931, as published in the "Government Gazette" of 17th July, 1936, and laid upon the Table of the House on 11th August, 1936, be and are hereby disallowed.

MR. DONEY (Williams-Narrogin) [8.7]: It has become necessary to amend the motion as originally moved by the member for Katanning. When he rose to speak last Wednesday, he became aware that the regulations he desired should be disallowed had been withdrawn, and other

regulations put in their place. These new regulations can be described as paragraphs 41 and 46 of the Traffic Regulations laid on the Table of the House on the 8th September. Although these new regulations are differently described, they seek precisely the same objective as those which they displaced. The remarks of the hon. member, therefore, on his motion will apply just as properly to the new proposals as to the old ones. I support the hon. member's objections to the regulations for the sufficient reason that they would lead to an expenditure, if carried into effect, of £8 per trailer. It is very difficult to see that any benefit at all could accrue from that relatively large payment. Certainly it could not be commensurate with the outlay. There is a stout longitudinal bar which connects the trailer with the vehicle in front. The trailer and the vehicle are, to all intents and purposes, one vehicle. I have examined the position and discussed it with others who should know more about it than I do, and they cannot see that any benefit will accrue from the change. I therefore move an amendment—

That all the words after "numbered" in line 1 down to and including the word "August" be deleted, and the following inserted in lieu:—"41 and 46 of the Traffic Regulations, 1936, as published in the 'Government Gazette' of the 26th August, 1936, laid upon the Table of the House on the 8th September."

Amendment put and passed.

On motion by Minister for Works, debate adjourned.

PAPERS—CASE OF SETTLER MOSES.

Debate resumed from the 9th September on the following motion by Mr. Boyle:—

That all papers in connection with the dis-possession of R. G. Moses, of Nukarni, by the Agricultural Bank be laid on the Table of the House.

THE MINISTER FOR LANDS (Hon. M. P. Troy—Mt. Magnet) [8.15]: I suggest that the hon. member withdraw the motion. If he will agree to do that I will give him an assurance that he or any other member may come and see the file at my office.

MR. BOYLE: I will agree to the Minister's suggestion, and formally withdraw the motion.

Motion, by leave, withdrawn.

BILL—JUSTICES ACT AMENDMENT.

Second Reading.

MR. WATTS (Kataning) [8.18] in moving the second reading said: The Bill is one to amend the Justices Act for the purpose of assisting those who are resident at considerable distances from a police office. The Bill provides that in certain circumstances summonses for offences that are not indictable offences, that is to say, offences that are of a less serious nature, may in those circumstances with the approval of the resident magistrate, or the clerk of petty sessions, be served by post. The present system is that all such summonses are served personally, and if they are served at a distance from a police station, there is a service charge at an average rate of 1s. per mile. So the further one is from the police office, the greater the cost incurred in the case because of this mileage, and in consequence, if one is convicted, the greater the penalty he is called upon to pay. It may very easily happen therefore that where two persons are charged with the same offence, the one whose residence happens to be in close proximity to the police office, where no mileage is incurred in the service of the summons, is fined, say, £2, whereas the other, who has committed the same offence in similar circumstances, but who resides, say, 50 miles from the post office, is charged a further £2 10s. mileage. So where £2 is a fair penalty for the one £4 10s. becomes a fair penalty for the other, whose only added sin is that he lives further from the police office. I am not going to say the police officers in a number of cases dealing with persons in outback areas do not try at times to minimise the effect of the fact that mileage has to be paid. I know there are cases where the police officers make an attempt to get a person into the nearest town and have the summons served there. But that is not the case with every police officer. In fact, it could not be, and even if they did make the effort there is no guarantee that the message would reach the person concerned or, if it reached him, that it would be acted on. The consequence is that in a general way mileage is paid in the great majority of cases, and it will be agreed that what is a fair penalty for the one offence in the one case is fair in the other. It may be said against the Bill that the service of a summons by post, as prescribed in the Bill, will unduly

cause some delay, and that that is a sound objection to the Bill. As will be noticed, the resident magistrate or the clerk of courts is authorised to inquire whether there will be any unsatisfactory delay, and whether any undue expense will be incurred, and generally to decide whether the summons shall be served by post or personally. If we leave the decision as to whether the summons shall be served by post in the hands of the clerk of petty sessions, or the hands of the resident magistrate, I feel sure that undue or improper advantage will not be taken of the provisions of the Bill. It will be remembered that service by post under the provisions of the Local Courts Act in civil actions has been in operation for a very long time. The method adopted is that the clerk of courts despatches the summons in a prepaid registered letter, addressed to the place nearest to where the defendant is. At the same time an acknowledgment card is despatched with the summons, and when the defendant receives the letter, he signs the card and returns it to the clerk, and it becomes acknowledgment of service. It is suggested that the same method should be adopted in this instance. It is not proposed to serve summonses on witnesses in this manner. It is readily realised that the service of a summons on a witness is a different proposition from the service of a summons on a defendant. It may be assumed that if a witness has to be served it is because the charge is to be defended, and in consequence, the defendant has taken on himself the responsibility of incurring the costs in the matter. As a general rule there will be no witness subpoenaed unless the defendant intends to make a defence to the charge. And, as I said before, the power to decide whether it shall be sent by post is to be in the hands of the clerk of petty sessions or of the resident magistrate, and they are empowered to determine whether the charge and the circumstances suggest that it is necessary to have an early hearing at considerable expense. There may be times when they will have to say that they must have a hearing earlier than a summons by post could be served on the defendant and an acknowledgment returned. But of the cases that are dealt with by summons in a court of petty sessions, many are not of a nature where a little time would concern either party. Offences against the Traffic Act, or against the by-laws of local authori-

ties, are not of such a nature as to merit that the court should hear them within a few days of the charge being raised. There will be a great number of cases where resident magistrates or clerks of petty sessions might reasonably arrive at the conclusion that the benefit of the provisions in the Bill should be conferred on the defendant. In these days it has become increasingly popular to impose minimum penalties on defendants by various statutes. Only last year a minimum penalty was imposed for certain traffic offences, I think amounting to 50 per cent. of the license which had not been paid. If it is an offence for one man living in a town not to pay his license, and in consequence he has to pay a minimum penalty for non-payment of the license, it is no greater an offence for a person living 50 miles from the police office, where the summons is served on him personally, and the mileage charge is entailed, and so that man has to pay the minimum prescribed by the Act, plus the mileage incurred. So the further one lives from the centres of population, the more liable is one to be charged with a heavier amount for offences similar to those committed by others in a denser population, and who therefore have no mileage to pay. In a country such as this, where it is essential to encourage people to remain in outback areas, and not to put them under any unnecessary inconvenience, I believe that legislation of this kind is desirable. I want the House to understand in considering the Bill that it is not going to render it impossible to have a summons served personally for an offence against such statutes and regulations as are dealt with in those courts; but it is going to make it a matter of the magistrate or the clerk of petty sessions deciding whether or not there is a reasonable case made out by the applicant for summons by personal service. If the magistrate or the clerk comes to the conclusion that it is a proper case for service by post and a saving of undue expense I can see no objection to accepting the principle in the Bill. Undoubtedly from time to time it will do considerable good to those most deserving, in that they have cut themselves off from the larger centres of population and settled down to develop this country far from police stations. There are many places, not only agricultural districts, where the circumstances are to be found. Not long ago I remember

receiving a letter from the then Minister for Police with reference to improved police facilities at Katanning. In that letter I was advised that such facilities were much more urgently needed on the goldfields areas, particularly in the northern portions, where there were many settlements 80 miles from police protection. In such circumstances as those I have mentioned, those people on the goldfields, 80 miles from a police office, would find themselves in the position of having to pay mileage. So, not only those engaged in agriculture, but those in various other portions of the State, would have to pay mileage if they are far away from the places where the powers that be have been able to set up police protection, and thus provided persons to serve summonses on minor delinquents for offences that they may commit. I do not think it is necessary for me to add anything further. I believe I have made both the intention of the Bill and the results I anticipate we shall obtain from it fairly clear to the House, and I have pleasure in moving—

That the Bill be now read a second time.

On motion of the Minister for Justice, debate adjourned.

BILL—ELECTORAL ACT AMENDMENT.

Second Reading.

MR PATRICK (Greenough) [8.31] in moving the second reading said: This is a very simple Bill. It contains only two principles, one dealing with compulsory voting and the other with the hours of polling. Both of those principles were included in the consolidating Bill that was before Parliament last session and both of them were approved, I think, without discussion here or in another place. Therefore I do not think there is any need for me to detain the House very long. Compulsory voting was first introduced in Australia by Queensland in 1915, and now over 92 per cent. of the electors go to the poll. In 1924, Senator Payne, of Tasmania, introduced a private member's Bill into the Commonwealth Parliament, and practically adopted the measure as introduced in Queensland. Senator Payne, in introducing the Bill, was probably influenced by the fact that in 1922 only 58 per cent. of the electors of the Commonwealth voted. In Tasmania, the State from which Senator Payne

came, only 45 per cent. of the electors voted, and in Western Australia only 46 per cent. voted. So it was very necessary that a measure should be introduced. In 1925 the percentage rose to 91, and it has been over 95 at each election since. Victoria adopted the principle in 1926. At the two previous elections the percentage of electors who voted was 57 and 59, and it rose at the first election under compulsory voting to 91. It has been over 94 per cent. at every election since then. Victoria has also adopted compulsory voting for the Legislative Council, but I have not included that principle in this Bill.

Mr. Cross: Why not?

Mr. PATRICK: There are a number of difficulties in the way, but there is no reason why a member in another place, if compulsory voting is desired for that House, should not move to amend the Bill in that direction. Today Victoria is the only State of the Commonwealth that has compulsory voting for the Legislative Council.

The Minister for Employment: What would be the difficulty?

Mr. PATRICK: There are a number of difficulties. I think there has been only one by-election in Victoria since compulsory voting was adopted for the Legislative Council and a very satisfactory percentage of the electors went to the poll. Tasmania adopted the principle in 1928, and the percentage of electors who voted rose from 67 to 82, and has been over 94 at each election since. New South Wales adopted compulsory voting in 1930, and the percentage rose to as high as 96 in 1932. To-day there are only two States, Western Australia and South Australia, that have not compulsory voting, and both of those States record a very low percentage of voting at the poll. In Western Australia, for the five elections previous to 1933, the average for the Assembly was only 68 per cent. In 1933 it rose to 90.6 per cent., but that was owing to the secession referendum for which voting was compulsory. That made voting practically compulsory for the whole electorate. The percentage fell to 70 at the last election. Northam held the record for the highest percentage of voters at that election, namely 85.76, while Kalgoorlie was the lowest with 57.64. Thus there was a tremendous variation. I think Western Australia was one of the first States to adopt preferential voting. That principle was adopted mainly with

a view to preventing the return of a member of a minority representation. We have also adopted compulsory enrolment; yet we are one of the last States to adopt compulsory voting. There was a time when men fought for the right to obtain the vote and women in England did most extraordinary things to obtain the same privilege, but now they have it, they do not seem to value it so much and, to an extent, are evading their responsibilities.

Miss Holman: They do not value it any more than the men do.

Mr. PATRICK: I am referring to both men and women. If democratic Government is to continue, people must be prepared to accept their share of the responsibility.

The Deputy Premier: They do not accept their share of the responsibility.

Mr. PATRICK: One of the minor advantages of compulsory voting is that we obtain a much cleaner roll. In some of the figures I have quoted, members will have observed that after the first election under compulsory voting the percentage continued to rise. The reason is that when notices were sent out to voters calling for an explanation as to why they had not voted, a large number did not reply. Inquiries were then made and it was found that many people had left the district. I was informed by the Chief Electoral Officer that a considerable amount of cleaning up of rolls was done in this State after the secession referendum. We are all aware that there are a lot of names on the rolls that should not be there, and the only way to clean up the rolls is by securing personal replies.

The Minister for Agriculture: Have you thought of providing better facilities for postal voters in isolated districts?

Mr. PATRICK: That is a more controversial and difficult matter to deal with. When we find that in the State of Tasmania the first election after compulsory voting recorded 82 per cent. and that it has been over 94 per cent. ever since, that cannot be taken as an indication that a greater percentage voted. The explanation is that the percentage is based on a cleaner roll. That is a considerable advantage. The only other question dealt with by the Bill is that of hours of polling. I propose to bring the hours of polling for the State into line with those of the Commonwealth.

A considerable amount of confusion exists amongst electors as regards Federal and State elections. The Federal poll closes at 8 p.m. and the State poll at 7 p.m. A large number of electors arrive at the booth after 7 p.m., thinking they have up to 8 o'clock to vote. The main reason for that amendment is to prevent confusion between the two elections. I do not think there is any necessity to say anything further. I move—

That the Bill be now read a second time.

On motion by the Minister for Justice, debate adjourned.

ANNUAL ESTIMATES, 1936-37.

In Committee of Supply.

Debate resumed from the previous day on the Treasurer's Financial Statement and on the Annual Estimates; Mr. Sleeman in the Chair.

Vote—Legislative Council, £1,865:

MR. NORTH (Claremont) [8.40]: It appears to me that the observations of the member for Nedlands (Hon. N. Keenan) last night regarding the Commonwealth Grants Commission met with the approval of all sections in the House. Not only those who stand for secession, but Federalists seem pleased with his remarks, and I believe that representatives of another school of thought coming into the limelight, the new economists, were also pleased. I should like to add a few remarks to the discussion regarding the reduction of the disabilities grant. As yet it is only a recommendation, because we are not sure that the Commonwealth Parliament will endorse it, though members might consider it a foregone conclusion that the Commonwealth will endorse the recommendation of the Commission. However, there is another side of the picture and that is the Federal side. In considering this possible reduction of our Budget by £300,000, we should not fail to remember the announcement made at the same time regarding the Federal Budget. That announcement was certainly very favourable. It was intimated that there would be a reduction of taxation to the extent of £5,000,000, a large increase in the expenditure on defence, as well as other features which must reflect favourably on the State finances. Although, as the member for Ned-

lands pointed out, we are to receive very unfavourable consideration as compared with that extended to South Australia and Tasmania, yet, judging the case as a whole, we who are citizens of both the Commonwealth and the State should realise that what we lose on the State swings we shall probably gain on the Federal roundabouts. It stands to reason that if there is to be a reduction of taxation to the extent of £5,000,000 in the Federal sphere, we in this State should receive, on a population basis, a benefit of something like £400,000 of that reduction. We are told that the business men will unbutton their trouser pockets and start to spend more freely, and that the State Government will be in a rosy position in the course of a few months. Let us hope that that will be so. From the point of view of the Commonwealth, we cannot expect to have advantages both ways, at any rate not under the present system of economics and finance. There is another aspect, namely that of combining the two Budgets and looking at them together. Whereas we shall be punished heavily by being required to find another £300,000 suddenly, the Federal Government are reducing taxation and the net effect will be much the same. I think it would be a good idea if by some means, perhaps at the instigation of the Government, we could submit both Budgets at the same time to the Federal Banking Commission now sitting. It would show them that in their generous endeavours, the Federal Government are able to achieve the results they are striving for, popular in their own sphere, at the expense of the States and that that is not very much good in the long run, although it may be cheering to them. The remarks of the member for Nedlands were very apposite, and I feel sure they will receive the endorsement of many different sections of the community who hitherto have probably been hostile, even to the extent of fighting over such points. The main discussion this session seems to have centred around the question of finding full-time employment. During my remarks on the Budget, I do not intend to waste any more time in bringing forward that matter. It has been dealt with already and will be dealt with by others. There is one part of the Budget I should like to bring specially under the notice of the Government, namely the Child Welfare vote. When we get outside the ranks of those who are in part-time employment, we

have to consider the welfare of those people who come under the Child Welfare Department. So long as their spending power is low, as it is to-day, we cannot say that we have made a true recovery. I remind members of what has occurred at Geneva, of what has occurred at the League of Nations under Mr. Bruce, and the attitude of the Federal Government on the question of improving the nutrition of those on the lower scale as well as their general living conditions. We should approach the Child Welfare Vote from a new angle. In the last two or three years that vote has not been expended by the department. I cannot find fault with the officials over that. They have in the past dealt with that vote as any other department deals with its vote. The officials have presumably been told to handle the matter in a business way, to show a surplus, and to keep in good standing with their Minister and see that all the money was not spent.

Mr. Cross: They are not over-generous.

Mr. NORTH: If there is a vote which this Committee would agree should not be cut down, it is this particular one. The actual wording of the vote is "To widows and others upon whom children are dependent." For the last year or two this vote has shown a substantial surplus, thousands of pounds which have been allotted to it not having been spent. In view of the outlook that is extending throughout the world in regard to the failure of nutrition and the unsatisfactory food which people consume, and owing to the outcry in regard to slums that is being broadcast in many parts of the world, we here should set an example by urging the Minister to bring a new view-point before his officers. Probably the officers have definite instructions from the Treasurer and the Minister to keep the vote within bounds and if possible show a surplus.

The Minister for Employment: No such instructions have been given.

Mr. NORTH: I am glad of that, but feel sure the officials are operating as they have done in the past. Governments all over the world are trying to improve the food and conditions of the people generally. This new outlook justifies us in urging the department to take a new view of their obligations, and to act differently from the ordinary spending department. The Deputy Premier told us that rigid economy must

still be exercised. It is not advisable, however, that this particular department should be run on those lines. At present the Government say, "Where there is no squealing the matter can go; if there are a few complaints, adjust them."

Mr. Cross: We want more sympathetic treatment.

Mr. NORTH: We should have a different outlook to-day. I realise that the money is not in the State coffers to enable all the work to be done. In view of the fact that the Federal Government are acting in another sphere to improve the people's food and other conditions, a little pressure on the part of the State Government might bear fruit. It might lead to the granting by the Federal Government to the Health Department of an amount supplementing this particular vote. Roughly speaking, the amount is about £120,000. In this State we have approximately 150,000 wage-earners, bread-winners, including employers. Thus to-day they are spending nearly £1 a head on widows and dependants. It is a big sum when looked at in that way. If members would go into the houses of some of the families concerned and view their conditions, they would know that the work that is being achieved is not that which is desired either by the Federal Government, the League of Nations, or the Health authorities. Health officers all over the world are speaking out courageously upon the need for improving these conditions. I will not waste time in dealing with full-time employment. That is another aspect of the failure to achieve better conditions. We should bear in mind the general improvement in the viewpoint of the Federal Government and Governments of other countries. I suggest we should endeavour to get a grant from the Federal Government through the Health Department. The time has arrived when we should try to increase the population in our secondary industries as is being done in the Eastern States. The time has gone by for boasting, as we have boasted, throughout the civilised world, that we are a primary-producing State, that we live on the land. We should go beyond that and realise that it is no longer to the advantage of the farmer to preach that doctrine. We cannot hope to build up our secondary structure without the man on the land. When we talk about the

foundations of the State being on the land, we must remember that we cannot build only foundations—like the ruins of Carthage—we must have a superstructure. We have the foundations, and are boasting about them. We all know that these foundations, represented by the amount of wheat we grow, would feed a population of nearly 5,000,000 people, even with three or four thousand abandoned farms, rabbits, grasshoppers and other troubles. The pastoral industry would support not only 5,000,000 people but more than that, in good clothing, blankets, etc. If we had people here making things for us, using the cheap electricity, the development of which the member for Collie is anxious to urge, the farmers would have these citizens under economic control. At present the farmer has no control over the price he gets or the conditions under which he has to live. If people in the city were making boots, clothes and other things, there would be a fair exchange as between the country and the city. To-day we are at the mercy of foreign exchanges and uncertain prices abroad, not to mention war scares. We know the activity that is going on in Melbourne and Sydney in the way of increasing secondary industries and making Australia a self-supporting nation. Even the Governor General took that line a few days ago in a speech he made, and came out in the open to that extent. The time has come when Western Australia should embark upon the effort to increase its secondary industries, and thus get on the ground floor. It may be a slow process. It took a long time to start our wool industry and to open up the wheat belt. It was a struggle, and it will be a struggle to develop our secondary industries, though it can be done. The first step would be to have a thorough investigation. It would be necessary to call in from abroad a consulting engineer, who would report on the best method of developing our coal, and our electrical projects. I doubt if we are keeping up to date in that respect. For many years people have talked about the development of the Collie power scheme, but the world has been moving meanwhile. The ex-Premier used to say, "All are out of step but Patsy." To-day England is covered with the grid system and all over the world we see extensive developments in electricity. Victoria affords an example we might well have followed here, and may yet follow. If

there is any intention to populate the State and develop secondary industries here, the first thing is to get advice from abroad as to how best to develop our electric power. When we have the necessary data, we shall be in a position to invite people to establish industries in our midst. It will be a hard row to hoe and the job may be a slow one. The time, however, has come, if I may paraphrase a phrase used by country members, when we should have an electrical conscience.

The Minister for Justice: You want to use electricity for motive power wherever you can.

Mr. NORTH: We should use only petrol and oil, which have to be imported, when we find there is so much use for our electricity in secondary industries that we have no power to spare. We want to get into the position that we shall have no electrical power to spare for trolley buses and the like, which would then have to fall back upon fuel oil that would have to be imported if it could not be found in Australia.

Mr. Patrick: And the power could be manufactured at Collie.

Mr. NORTH: One of the objects in getting advice from abroad would be to find out if there are other uses to which Collie coal could be put, such as in gas or fuel production. Judging by the expression on the face of the member for Murchison, he is wondering why I am not talking about sound finance. The reason I do not remark on that subject is because the time comes in these movements when they spread far beyond the borders of any particular section of reformers or adherents. What is called the new economics is now common property. I cannot waste the time of the Committee talking about things of which all members approve. The matter is beyond discussion.

The Minister for Justice: Sound finance has been won.

Mr. NORTH: I have something here which answers the question without any further ado—a Commonwealth £1 note, and this is what is printed on it: "This note is legal tender for £1." That is social credit. I do not need to discuss any further in this House what is now accepted. When this great fight began some years ago at the beginning of the depression, those bits of paper, those currency notes spoke of being redeemed by gold at the Commonwealth Bank. But we are now on social credit. This bit of paper is built on the reproductive capacity of Australia. That is all I ever

asked for. I do not say this system is now in use at the Commonwealth Bank of Australia, but it has arrived, and anyone who takes up these notes and looks at them will see that those who preside over our destinies have of their own accord made this necessary change. We have changed from gold on to the productive capacity of Australia. But the settling of the details to suit the member for Murchison and others will take a lot of practice. For instance, at Alberta they are trying certain methods, and in New Zealand and even Great Britain they are trying certain things, and I am hopeful of certain findings from the Royal Commission on Banking. But I do not intend to burden and weary the House by asking for social credit when the thing already exists. The details and final achievements will take perhaps many years. I am sure that with constant fighting by hon. members and the public and all the reformers, there will be improvements made. Members opposite will say I must admit what the Labour Government have done and I cannot deny there has been a big change during the last four years amongst those who come to the door asking for assistance. Four years ago hundreds used to ask for assistance. To-day we have a mechanised scheme in force and one can find out the man's name, and whether he be an A man or a C man, and, as I say, there is always a scheme for him to go to. I see no reason why those improvements should not continue. I am not in the least worried about the financial side of it, because that does not concern me, and I leave it to the experts to get headaches over it. They can go on demanding 100 per cent., but we want the goods, and so long as everybody gets the goods, I am satisfied. The big change had to come, and I must confess it was a fact unknown to the public. Almost on the instant those great institutions suddenly altered their policy from that of regulating our commerce and produce and standards on a thing called gold, to regulating them now on the productive capacity of Australia. What they call it, does not matter to me. Therefore I will leave to the member for Murchison and others the responsibility of carrying on the battle to make the technical improvements further necessary to perfect this new scheme.

Mr. Patrick: You will make the pound next.

Mr. NORTH: No. I make nothing, but the heads have wisely made a very drastic move. In the years to come that will be the movement that will be watched and noted and recorded, that the Commonwealth Bank took off that arbitrary standard of gold and took to regulating its credit on something else, on what I call the productivity of Australia.

The Minister for Justice: And they will still maintain the fiction that it is equal to a sovereign.

Mr. NORTH: Now the Minister can take his pound note to Canberra, and all they will do will be to give him another in exchange for it.

The Minister for Justice: And they will do that for a long time to come.

Mr. NORTH: We must remember that although that was only a fiction, in all the banks of the world, even in the Bank of England, restrictions were set up. The Commonwealth Bank alone never closed its doors, and never refused any demands made upon it from the day it was first opened. Yet even the Commonwealth Bank was an orthodox bank built on gold. But that thing I displayed just now, that pound note, is nothing of the kind. It is a complete change of front, a change of policy and nothing less than social credit. The more members look at these notes, the more clearly will they see that that is the position.

The Minister for Justice: They have changed the conditions of the contract.

Mr. NORTH: Yes. The people will be able to force the pressure on the authorities in order to make that institution far better than it is to-day. But even if some of us should get over to the other side of the Continent and there use our strong voices. I am sure the pressure will be continued here by my friends, and so they will be protecting the Commonwealth Bank. I realise that as we are going on through the years the Loan Council has produced a link which has made the Governments of Australia one **combined Government**. One cannot deny the fact that there is the chain of responsibility right through from the Prime Minister to the lowest member of a State Legislature. We have got the chain, and that has been adjusted and the foundations are laid and the question of credits is a matter which I personally would not like to have to give advice on. I want to leave all headaches where they properly belong. All I am looking for is results. I cannot

see how my friends affect the main issue to this extent, that before the change took place the institutions were all working on a ten to one basis, and those institutions to-day are working on a ten to one basis on notes. The change in the Commonwealth Bank has enabled them to make the issue fiduciary. The method of the retailing banks on the ten to one basis must now move like the planets with the sun. And therefore I do not think they will be heavily involved there. At any rate, we may hear something further when the Federal Royal Commission on Banking present their report, and it is dealt with.

The Minister for Justice: There is a better position regarding credit lately.

Mr. NORTH: I hope there will be a change as a result of the report, because the Government will now have the advantage of the latest work by J. M. Keynes, in which he points to the fact that when a boom starts is the time to reduce interest rates. That is a new point he has presented. Authorities are still working on the theory we have been taught, that when a boom starts is when interest rates should be increased to provide for curbing back to the slump. Mr. Keynes has come forward with his latest work and definitely advises that the time to reduce interest rates is when a boom starts. He goes on to point out that a semi-slump is not the ideal to aim at, and that a semi-slump is all that can be achieved by the upward manipulation of interest rates. I propose to make in quite clear to the Committee that I shall not waste further time on these financial matters, which are a Federal concern.

The Minister for Works: Do you think you could induce the Federal Government to come to light with the missing £300,000?

Mr. NORTH: That is another matter. In my opinion, the remission of £5,000,000 in Federal taxation should at least go far towards reviving industry in Western Australia, and recoup the losses we are likely to incur from the reduced disabilities grant. The member for Nedlands (Hon. N. Keenan) made it quite clear last night how this State was penalised severely as compared with South Australia, but that is not the question before us at the moment. The member for North Perth (Mr. J. MacCallum Smith) has something in his mind that he may bring forward at any moment,

but that is another story. I have one point to make on the General Estimates, and beyond that I shall not contribute towards the major debate. The point I wish to make is that the Child Welfare Department should no longer be treated as a business concern, and to that end no effort should be made by the departmental officers to show a profit. They should spend every penny voted by Parliament, and if the authorities exceed the Vote by £20,000 or £30,000, I believe that their Vote is the one that every member of the Committee will agree may be exceeded.

MR. MARSHALL (Murchison) [9.14]: I do not propose to touch upon any matters that may appear to be parochial. I shall leave those topics until a later stage of the Estimates, and then I shall, with other members, indulge in wailing regarding Government negligence or want of attention to requirements throughout my electorate. This evening I desire to deal with the budgetary distribution which may leave on the minds of the general community a wrong impression as to the effect the provision of manufactured credit may have on the Government and the individual, including the unemployed and the primary producer. The member for Claremont (Mr. North) made some very bright statements, and uttered some worthy remarks. Whether he did so intentionally or not, he certainly evaded the real issue. When he flashed that scrap of straw and bit of paper, he well knew that that represented social credit, but he mentioned nothing about bank-created credit upon which we have to pay annually an enormous sum in interest charges. That particular form of created credit absorbs 99 per cent. of the displacement of general credit throughout the Commonwealth.

Mr. North: Yes, on a basis of ten to one.

Mr. MARSHALL: That is most anomalous, and therein lies the cure for the ills of which we have heard so much since the Address-in-reply debate commenced. The member for Claremont (Mr. North) wants bread for the breadwinners; the member for Subiaco (Mrs. Cardwell-Oliver) wants milk for the infants of the poor; the member for York (Hon. C. G. Latham) requires the rehabilitation of the primary producers.

The Minister for Employment: The member for North Perth wants kilts for the Scots.

Mr. J. MacCallum Smith: I have got those.

Mr. MARSHALL: I am not too sure exactly what the member for North Perth wants. I give him this much credit: He very seldom worries the Government and members generally.

The Minister for Works: Only on the quiet.

Mr. MARSHALL: It would seem that his electorate comprises people who are affluent. They are so wealthy that they require very little from the Government. Seriously speaking, however, practically each member who has spoken has placed before the Government suggestions for further expenditure from a Treasury that is kept positively empty by the demands of our economic conditions. The member for Nedlands (Hon. N. Keenan) spoke the other night in emphatic strain when he presented a good case upon a very worthy subject. He dealt at length in an attempt to show the difference between money borrowed by the Labour Government and money borrowed by the Mitchell-Latham Government. He endeavoured to show how much more the Labour Government had spent than the previous Administration. I do not know that any such comparison is calculated to get us anywhere. Every penny the present Government spend must be from borrowed money. The member for Nedlands taunted the Government with having borrowed money and complained that it had been done without any defined policy or objective. He would have had no complaint to offer if the Government had borrowed the money and spent it on a clear and definite objective. Surely the hon. member should know that there is not a pennyworth of credit circulating in this Commonwealth that is not borrowed credit. Surely he should know that every penny of money, styled credit, is borrowed in some form or other. Let me give one illustration. The member for Nedlands will not deny that the private banks of the Commonwealth and every country have sole control of the money. They control every penny of credit created by themselves, every penny of the fictitious piece of paper that the hon. member exhibited a moment ago. They control the lot. All the money and all the money value is held in private banks.

Mr. Patrick: They have no control of the note issue.

Mr. MARSHALL: Most decidedly they have. Who has the control of the note issue?

Mr. Patrick: The Commonwealth Bank.

Mr. MARSHALL: The Commonwealth Bank is no more a Commonwealth Bank than the Bank of Hongkong. It is controlled by a board of bankers and works in the interests of the private banks. But let me get back to my illustration. Every penny of wealth without exception is controlled by the banks. Let me assume that the Minister for Works, acting as Minister for Water Supplies, got complete control of every drop of water in the metropolitan area, just as the banks get complete control of currency and credit. The position would be that no one in the metropolitan area could get a gallon of water unless the Minister for Works released it, just as it is no more possible for any individual to get credit unless the banks release it. The Minister for Water Supplies agrees to issue water to those requiring it in the metropolitan area and the metropolitan people must have water, just as we must have money under the present system. But he says to every individual, "For every 100 gallons of water I give to you, I will expect you to repay me at the rate of 105 gallons." The people must have water, so they agree, and they get 100 gallons from the Minister. Now where are they going to get the water with which to repay him? Only by going back to the Minister and saying, "I owe you 105 gallons. I must borrow 105 gallons to pay you back," just as we have to go to the banks and get a loan, and then, in order to repay that loan, go back to the banks and borrow more money. Almost all the prominent economists of the world have stressed a point I would like to bring under notice here, and that is that industry can never put back into circulation sufficient credit or wealth or purchasing power to buy all the commodities they make. Hence, there is a large gap between, on the one hand, the purchasing power of the people, and on the other the cost of production.

Mr. Watts: Except in war time.

Mr. MARSHALL: Yes. Then we can get social credit immediately. It is a simple thing. We can always get credit to feed cannons on a bloody battlefield, but we can never get it to feed human beings in peace time. When we want money to spill human blood to satisfy the lust of greed and power, it is easy to get. There is no hesitation in

providing it, but when people want to be humane; when, for instance, the member for Subiaco wants credit to give milk to poor people and their children, it is then that the bankers say, "No, you have already had too much." There is always a huge gap between the cost of production and the amount of money put in circulation by industry, and to make up that gap, there is no way of getting money other than by borrowing. That borrowing is a debt against some individual in business or against the Government. Where are we going to get the money to repay it? The banks have control of everything in the way of printed money, so there is only one avenue from which it can come and that is the banks. So we are continually creating one debt to pay another. This particular gap from which I say we must draw money continually to finance debt is specially stressed in this report of the Select Committee in Tasmania on the Monetary System. I must quote it again because it is so important.

Mr. North: Did you give us the findings of that Commission last time?

Mr. MARSHALL: Yes. In this report particular mention is made of the Commonwealth Monetary Commission's recommendations and stress is laid on the very point I have been making. As their recommendation is endorsed by the London Chamber of Commerce, which I really think includes no Labour man—and I do not think there are too many Socialists in their midst, and I am sure there are no Major Douglas Social Credit advocates there—I am quite safe in giving their viewpoint. This is what they say—

The Committee urges the Commonwealth Monetary Commission to pay the greatest possible attention to the statements in the Journal of the London Chamber of Commerce concerning this gap, and the closely related fact that credit is created and issued by the banks as a debt to the community, and that the money to pay interest is not issued except as a further debt, and that it is therefore useless to seek a solution which does not involve community control of credit.

I know my friend on the right, the member for North Perth, will not agree with that. Let us see where we are going. This particular attack on the Government from the Opposition benches, irrespective of how parties are situated, seems to me to be of no value. We can have a surplus of revenue over expenditure and it might not be profitable at all. Public moneys might

easily be expended unwisely and still a surplus might be shown. To show a surplus for the year is misleading to a majority of the people in the State. They take up the newspaper and note that the Government have shown a surplus on the year's operations and conclude that everything must be well with the community. They form the opinion that ends are being met and that we have reached Budget equilibrium and so prosperity is with us. In reality this country was never in a more precarious financial position than it is today. Gradually but surely we are shackling posterity with an impossible task. Each successive year we add to the financial burden, which is constituting a problem that one day must be solved by constitutional means or by revolution. Having read the Budget Speech delivered by the Deputy Premier, I have no doubt that many people imagine that our financial troubles are at an end, that full-time work should be the order of the day, that an abundance of free milk should be issued to children whose parents cannot afford to purchase it for them, and that workers in the immediate future should be living a happy and comfortable life. We were never further from a realisation of those ideals. Let me quote from the "Official Year Book" the figures of the national debt which concerns us all as taxpayers. I will quote round figures only as follows:—

		£
1930	1,100,000,000
1931	1,156,000,000
1932	1,187,000,000
1933	1,204,000,000
1934	1,222,000,000
1935	1,255,000,000

That shows how successful we have been.

Mr. Hughes: What is another £100,000,000?

Mr. MARSHALL: Nothing.

Mr. North: They are only figures.

Mr. MARSHALL: If the burden were a little heavier, it would be so great that the people would take the necessary action to secure redress.

Mr. Hughes: What is the necessary action?

Mr. MARSHALL: If I were the hon. member, I would mind my own business.

Mr. Hughes: I am trying to ascertain the position.

The Minister for Employment: You suggest a capital levy.

Member: Start borrowing again.

Mr. MARSHALL: I will explain in good time and no member is likely to expedite my explanation. That is the national debt of Australia upon which we have to pay interest. There is evidently an earnest desire on the part of the public Press to hide the real position. Leading newspapers, particularly in the Eastern States, are continually informing the people that certain loans have been redeemed and that our financial position is improving. The "Sunday Sun," a week or two ago, published a statement that, owing to conversion loans from 1923 onwards, we had redeemed £92,000,000 of our national debt. According to the "Official Year Book," in 1923 the national debt was £929,000,000, but it now stands at £1,255,000,000, or an increase of £326,000,000, notwithstanding the reduction of £92,000,000. Members should know that when a loan matures, it is not repaid. All loans lose their identity in the process of conversion. They are merged in a new loan and still remain an obligation against the taxpayers. If we wish to redeem a loan, there is only one way, and that is to go to the people who made the first loan, borrow more money, and repay the other. That is the position in which all Governments find themselves to-day. Side by side with the gradual increase of those obligations, we find that approximately one-half of the money—perhaps a fraction less—collected by way of taxation in the State is paid away in interest.

Mr. Rodoreda: I think it is 37 per cent.

Mr. MARSHALL: It is more than that. I have figures to show that the average worker in the Commonwealth has to work 115 days in each year in order to pay the Shylocks their interest alone. That includes not rates and taxes, but merely interest. Taking the Commonwealth as a whole, over half of all the money collected by way of taxation is paid away in interest. Put in another way, over 10s. in every pound collected by the Commonwealth in all forms of taxation is paid in interest every year, and the interest bill involves a sum of just on £1,000,000 a week. That is our national obligation, and we are told that we have turned the corner. We were never more heavily involved financially than we are to-day. How much longer the people will endeavour to carry this obligation and continue to borrow more in order to keep those who live by creating credit and

charging interest, I do not know. The sooner people wake up to the situation and refuse to go on any longer like this, the better for them. Taxation and our financial obligations, coupled with the right of private individuals to create wealth and issue loans when it suits them, are the great curse of the moment. The member for East Perth says, "Full-time work for all."

Mr. Hughes: Is there anything wrong with that?

Mr. MARSHALL: No. The only pity is that the hon. member has not to do a bit more himself.

Mr. Hughes: He does a fair bit.

Mr. MARSHALL: It should not be full-time work for all, but half-time pleasure for all.

Mr. Hughes: You can send some more work in when you like; we will do it.

Mr. MARSHALL: People want reasonable purchasing power in their hands. The member for Irwin-Moore stated that the farmers had to work day and night, and are obliged to do so. Where are we getting to? Think of all the things that are given for the use of man, the result of scientific research and application! Each and every year provides something to reduce labour, and thus increase the army of unemployed. Machines earn no wages and do not go shopping. Side by side with all the financial obligations I have referred to, other troubles are ever multiplying. It was said at the Geneva Conference in 1933 that there were 100,000,000 persons unemployed in the world. According to an economist, if these people joined hands, they would extend five times around the world at the Equator.

Mr. J. MacCallum Smith: What does that prove?

Mr. MARSHALL: It proves that there are 100,000,000 starving people in the world. That does not matter to the hon. member. He has never known the pangs of hunger, never had to gaze over the heads of starving children. The position is much more serious than he thinks it is. Imagine having this sort of thing in a modern age like ours! Factories are being held up because of over-production and under-purchasing power. Unfortunate parents are begging in the streets so that they may give their children something to eat and drink, and in the hope of clothing them, and attending to their health. That is a subject to be merry about in these times! It is all very well for a bank

director who receives £600 a year for the job, a sum that would keep four or five families. That is not his only income. It is all very fine for him to laugh over these things. There are 100,000,000 souls in the world hungering for food. If that be a subject for laughter, let the hon. member burst out laughing. I want to give members an idea of the great strides we have made in the way of production. It is estimated by economists of England and elsewhere that the productive system has increased in energy 3,000 to 4,000 times in the last hundred years. I ask members opposite, who profess to represent the farmers, if their electors receive anything like 3,000 to 4,000 per cent. better terms in their everyday life than their predecessors did a hundred years ago.

Mr. Doney: You know the answer.

Mr. MARSHALL: They do not.

Mr. Boyle: We know where it all goes.

Mr. MARSHALL: Let me ask members on this side of the House if their electors receive 3,000 to 4,000 per cent better wages and conditions than their predecessors did a hundred years ago. As a matter of fact, all of them are worse off, and others are still worse off because they have no income at all. Even in the old days of slavery, the feudal days, the masters fed, housed and clothed their servants in order to keep them efficient. Under the more scientific form of slavery, employers can exploit their labour, because as soon as the labour becomes inefficient it is discarded and has to fall back on the State for protection.

Mr. Hegney: The people had more security in the feudal days than they have now.

Mr. MARSHALL: Yes. Nowadays it is not necessary to feed, house and clothe the employees to keep them efficient.

Mr. North: Perhaps Spain constitutes a warning.

Mr. MARSHALL: I do not know about that. Members will observe that only recently the coalminers of Newcastle resented the introduction of machinery which meant decreasing the number of men employed. A few months ago the member for Fremantle strongly resented the introduction of scientific methods in the handling of wheat, because of the displacement of labour. This is world-wide. In Holland recently a bonus was being paid on hand-threshed wheat to induce people to drop scientific methods. It

was tried in America and in other countries, but because it was not progressive and was illogical, the attempt failed. How long can this go on side by side with the ever-increasing national debt, and increasing taxation to pay interest? With all these scientific methods, the introduction of machinery to reduce the amount of manual labour, how long can we progress? I have here particulars of a machine that was introduced into some of the coal mines in America. These particulars are taken from "The Engineer" of the 28th February, 1936:—

The 950B Bucyrus-Erie Excavator is employed by the Binkley Coal Co., of Indiana, in coal-stripping. It weighs 1,100 tons. Its bucket has a capacity of 30 cubic yards. Its bucket operates about once per minute. It lifts 40 to 45 tons at each "cut." It handles 2,000 to 3,000 tons per hour. It can dump its load 70 feet above floor level. It can dump its load 200 feet from where it picked it up. It is mounted on four caterpillar trucks, on which it can be moved and steered under its own power. It has 32 different electric motors ranging from one-eighth to 1,000 horse power. It is operated by one man, who sits at the controls in his cabin at the height of a three-storey building.

Is it any wonder the coalminers resented the introduction of modern machinery of that type? Mr. Kellogg, the head of the Kellogg Company, Michigan, U.S.A., states that from 1900 to 1930 he found production increased six times as fast as population. He added—

We shall never solve the unemployment problem by "made work," by the dole, by appeals to patriotism, and other methods that have been tried and found wanting. Nor would it do any good to divide up the available jobs without maintaining the total purchasing power.

That is quite true. The only fault we can find in the present system is that while the competitive system has supplied all goods and services that are essential, the distribution of this supply is altogether unjust and inadequate. And that distribution involves money or credit. So we can only get over our ills, our unemployment position, by attacking that particular evil. And we can never solve it by the Government borrowing money. That is only a temporary solution, and must finally be remedied. As I pointed out earlier, 99 per cent. of the credit issue in this Commonwealth is bank-created credit issued and destroyed, but interest is paid on it. That is the greatest source of profit to private banks.

Mr. North: Your Tasmanian remedy does alter that.

Mr. MARSHALL: I am only just pointing out the origin of credit, and pointing out that 99 per cent. of this Commonwealth credit must be paid interest. That is the killing part of it. That is the greatest source of profit to the banks, and that is where half the money we are collecting in taxation is going. There is only one cure, and that is that instead of its being in the hands of private individuals for profit, it should be in the control of the people. The position to-day is that money does not serve man, but is his master. It tells him whether he will be hungry or whether he shall be fed. It dictates the standard of living that he shall have, instead of rendering him the services it was originally intended for. Money is not an indispensable factor to the community. We could readily do without it, but it is a convenience, and it makes things simple and just. The value of the money system as we know it is not in the money itself, but in the system. That is where the value of money is to-day, namely in the system, in the rule that a community adopts to compute the amount of wealth it produces, and to issue the share that each member of the community shall enjoy. That is all that money is valuable for. It is just a set of rules to get the value of the total amount of wealth produced, and then to see that the wealth is divided, each unit getting its share. The point is that if these rules are the obstacle in the way of equitable distribution of what we produce, and if the community say so, we should take the rules and alter them. So that after all, when we reckon up the mass of wealth produced and get a fair national accountancy value of it, it should be there and should be equally divided amongst the people who are to enjoy it. It should never be at the dictation of the private banks as to how much wealth shall be produced, and thereby the standard of the people regulated. As for the member for Subiaco (Mrs. Cardell-Oliver) asking the Government to find money to provide milk for poor people's children, there is milk all around us, and some of it going to waste. Then we are asked for bread. But there is wheat all around us, and the farmers are walking off their farms. As soon as we know what the trouble is, I hope members will attack it. I know it has a great deal

of influence, and a wonderful power. That is the cause of our trouble, and we will get no permanent advantage, and there will be no decent standard of living for any worker, no security of employment, and no guarantee to him and his children, until we do it.

Progress reported.

House adjourned at 9.58 p.m.

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Thursday, 17th September, 1936.

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

BILL—STATE GOVERNMENT INSURANCE OFFICE.

Second Reading.

THE MINISTER FOR EMPLOYMENT
(Hon. A. R. G. Hawke—Northam) [4.34]
in moving the second reading said: The Bill proposes to achieve four purposes, namely, (1) to validate all past transactions of the State Insurance Office; (2) to legalise the establishment of the State Insurance Office in regard to the transaction of accident insurance business, including workers' compensation, employers' liability, and ordinary accident insurance; (3) to provide power for other types of insurance business to be carried on if authorised by the Governor by Order in Council; (4) to establish the State Insurance Office as an incorporated insurance office approved by the Minister within the meaning and for the purposes of Section 10 of the Workers' Compensation Act, 1912-34. The reasons forcing the State to establish its own insurance office are well known. The main reason at the time was the refusal of private companies to accept the obliga-