

There is one subject which is popular and at certain times very unpopular with the public, and that is taxation. I should like to emphasise the serious effect of the present high Federal taxation on many members of the farming community. Where a farmer has had a few good years and reasonable prices it is almost, if not quite, a penal rate, and the result is that his improvements are not being maintained owing to shortage of labour. He cannot employ the necessary labour and he is paying tax on that money. He cannot reduce his liabilities to any appreciable extent because he has to provide for his taxation liability. I can anticipate—I do not say I hope for—a state of affairs where, in a few years' time, we may have bad seasons, with or without low prices, and we shall be told that the farming community were improvident and did not make proper provision for reducing their debts in times when seasons and prices were good.

Hon. A. Thomson: How can they, when the Government takes the lot!

Hon. H. L. ROCHE: It is utterly impossible for them to do so. I would like to emphasise that. I know that figures have been quoted to show the extent to which primary producers have reduced certain of their liabilities; and figures could also be quoted to show the way in which much of that reduction has taken place. I know of one property in my district which was purchased by a cash buyer; and he paid off a £10,000 debt. That, of course, reduced the farmer's liability. There has been a good deal of that going on, and other factors are also operating. In view of the condition of development in many of the farming areas of Western Australia, it would be worthwhile for the Government seriously to suggest to the people in the gilded palaces over Canberra way that some provision should be allowed to the farmer-taxpayer for amortisation of debt, even if it were only two per cent.

Hon. L. B. Bolton: Should not the same be allowed to the business man?

Hon. H. L. ROCHE: I suggest that those who profess to speak for the business man might do their own speaking. I am speaking for the farmer at the moment.

Hon. L. B. Bolton: I can speak for both.

Hon. H. L. ROCHE: It is a pity the hon. member did not do so when he was on his feet. Even an amount of two per cent.

would be something. A very serious position is developing, with all the farmer's ready cash taken by the tax gatherer and with no improvements made to his property—the tax, in fact, having increased as the result of no labour being available to enable him to effect those improvements—and with no reduction in his liabilities. I do not know—I can, however, hope—that this will be one of the remarks made on the Address-in-reply of which some notice will be taken. I have pleasure in supporting the motion.

On motion by Hon. G. W. Miles, debate adjourned.

### BILL—RAILWAY (HOPETOUN-RAVENSTHORPE) DISCONTINUANCE.

Received from the Assembly.

### BILLS (2)—FIRST READING.

- 1, Transfer of Land Act Amendment.
- 2, Bulk Handling Act Amendment.

Received from the Assembly.

*House adjourned at 5.51 p.m.*

## Legislative Assembly.

*Tuesday, 20th August, 1946.*

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

## QUESTIONS.

### ROADS.

#### (a) *As to Condition of Great Eastern Highway.*

Mr. KELLY asked the Minister for Works:

1, Is he aware of the very bad state of the Great Eastern Highway between No. 5 Pumping Station and Southern Cross, and that nearly 40 miles of potholes and corrugations have become so dangerous as to constitute a nightmare to travellers?

2, Is he further aware that one of the worst boggy stretches in the history of the Great Eastern Highway is situated about 1½ miles east of Southern Cross, and remains impassable for weeks on end, excepting by way of a deviation to the north of the railway line?

3, In view of his statement that bitumen for the completion of the Great Eastern Highway from Coolgardie to No. 5 Pumping Station will not be available for 12 months, will he authorise early and continuous maintenance on the above section?

The MINISTER replied:

1, This section of the roadway is known to be in bad condition and construction of it will be commenced in October of this year.

2, This boggy stretch of roadway is on the programme of works for construction before next winter.

3, Yes.

#### (b) *As to Yellowdine-Lake Seabrook Construction.*

Mr. KELLY asked the Minister for Works:

1, Since authorising the expenditure of up to £4,000 on the Yellowdine to Lake Seabrook Road, what amount has been expended?

2, In view of the importance of gypsum to the building trade, will he give high priority to the early completion of this road?

3, When does he anticipate that the section will be completed?

The MINISTER replied:

1, £597.

2, Yes.

3, Road will be fit for use towards the middle of October and completed by 30th November, 1946.

## TRACTORS.

### *As to Permits and Imports.*

Mr. LESLIE asked the Minister for Agriculture:

1, What is the number of applications on hand, not yet approved, for permits to purchase tractors—

(a) for agricultural purposes;

(b) for industrial and/or other purposes?

2, What is the number of applications approved and awaiting the arrival of tractors—

(a) for agricultural purposes;

(b) for industrial and/or other purposes?

3, What is the number of applications approved and for which permits were issued since March, 1945—

(a) for agricultural purposes;

(b) for industrial and/or other purposes?

4, How many tractors were imported into Western Australia since March, 1945?

5, What proportion of the total Australian importation of tractors is allotted to Western Australia and what proportion of Australian manufactured tractors is allotted to Western Australia?

The MINISTER replied:

1, (a) Wheel tractors, 1,600; crawler tractors 460; (b) This information is not in the possession of the State Government.

2, (a) Nil. Tractors are not allocated until such time as they are available for delivery; (b) See answer to (b) of question 1.

3, (a) Wheel tractors, 1,064; crawler tractors, 43; (b) See answer to (b) of question 1.

4, 1,177 for agriculture, including 70 which arrived from England recently, but are not yet ready for delivery.

5, (a) 7.8% for agricultural purposes; (b) This information is not in the possession of the State Government. However, the total number of tractors manufactured in Australia at the present time is small and information is available that six of such tractors suitable for wheat farming have been imported into this State in recent years; also 10 Australian-made tractors with rotary hoe attachment.

## STATE DEFICIT.

*As to Recommendation of Grants Commission.*

Mr. McDONALD asked the Premier:

Will he lay on the Table of the House a copy of the Report of the Grants Commission recommending payment to this State of £912,559 under section 6 of the States Grants (Income Tax Reimbursement) Act, 1942?

The ACTING PREMIER replied:

A copy of the report will be laid on the Table of the House on Tuesday, 27th August, 1946.

## VETERINARY SURGEONS.

*As to Number Registered, etc.*

Mr. McLARTY asked the Minister for Agriculture:

1, What are the total number of veterinary surgeons registered in Western Australia?

2, How many are employed by the Government?

3, What action has the Government taken to obtain the services of additional veterinary surgeons, and with what result?

The MINISTER replied:

1, 14.

2, Six.

3, Vacancies for veterinary surgeons have been advertised in the Eastern States; and, as Australian graduates are not available to fill the positions, applications have been invited in London through the Agent General—closing date 31st July, 1946. Results have not been received yet.

## SOLDIER LAND SETTLEMENT.

*As to Bank Advances to Partnerships.*

Mr. TELFER asked the Minister for Lands:

1, Can two or three returned soldiers group themselves together, under "soldier settlement," and buy a farm property and receive finance 70 per cent. on approved farming land from the Rural Bank?

2, Can each of the prospective soldier settlers receive special allowance of £1,000 to assist in the purchase or working of farm lands jointly, viz., £2,000 or £3,000?

The MINISTER FOR AGRICULTURE replied:

1, Yes, subject to certain considerations which govern all advances and which require that every case must be treated on its merits.

2, Yes, subject to—

(a) Each soldier being eligible under the Commonwealth Act and Regulations;

(b) the remaining financial requirements of the applicant being satisfactorily arranged, and

(c) that the proposition will provide a reasonable living for each partner and enable finance commitments to be met.

## GOLDMINING.

*As to Commonwealth Assistance to Re-establish Industry.*

Mr. LESLIE asked the Minister for Mines:

1, How many privately owned goldmines in Western Australia, equipped with plant, were closed down because of manpower difficulties during the war (1939-45) period?

2, How many of these mines, equipped with plant, are not yet in operation—

(a) developmental;

(b) production?

3, How many of such mines have applied for financial assistance from the Commonwealth Government for rehabilitation of the mines?

4, How many have been granted assistance?

5, Have representations been made by the State Government to the Commonwealth Government stressing the urgent necessity in the interests of Western Australian economy for financial assistance to re-establish the gold-mining industry, and that the Commonwealth Government should keep faith with the mine owners in accordance with promises made during the war period?

6, If not, why not?

The MINISTER replied:

1, 408 mines were granted war-time exemption from labour and/or rental covenants because of lack of manpower or other war causes. Many of these mines did not possess plants, some had small plants, while others were mines with large plants and which employed a considerable number of men. There were 16 of the latter.

2, Of such 16, seven are not yet in operation.

3, Of such 16, six have applied to the Commonwealth for financial assistance for rehabilitating the mines, and undertaking further development.

4, Two of such applications have been approved, three are under consideration, and one has been refused.

5, Yes.

### DRAINAGE.

*As to Survey of Canning, Belmont and Gosnells Districts.*

Mr. CROSS asked the Minister for Works: Following on the deputation to him recently from the Canning, Belmont and Gosnells Road Boards asking for a survey for a comprehensive drainage scheme to effectively drain the land below the hills in the districts referred to, will he supply the following information:—

(a) Has the promised survey been made?

(b) If not, what progress has been made?

The MINISTER replied:

1, No.

2, One of the road boards concerned was late in supplying the required information which came to hand only last week. The whole matter is now being considered on the basis of the information supplied by the three local authorities.

### BILL—FEEDING STUFFS ACT AMENDMENT (No. 2).

Introduced by the Minister for Agriculture and read a first time.

### BILLS (3)—THIRD READING.

1, Railway (Hopetoun-Ravensthorpe) Discontinuance.

2, Transfer of Land Act Amendment.

3, Bulk Handling Act Amendment.

Transmitted to the Council.

### BILL—MEDICAL ACT AMENDMENT.

#### *Second Reading.*

Debate resumed from the 15th August.

HON. N. KEENAN (Nedlands) [4.40]: The Minister, in moving the second reading, described the Bill as being of very small

compass, which is very true, and of very great importance, which is not quite accurate because it is only of great importance to one individual. Whilst, in ordinary circumstances, this would be a grave objection, because nothing can be worse than one-man legislation, in the circumstances existing it would appear to be of advantage to the State and a matter of justice to the individual. The individual affected is an alien doctor who, under the provisions of the National Security (Alien Doctors) Regulations of the Commonwealth, was ordered to and did act for three years as medical officer at Nannup, and the object of the Bill is to allow those three years to count in the seven years he is called upon to serve in a regional district before he can become registered under the Medical Act. In the peculiar circumstances of the case, there can be no objection to all parties aiding the B.M.A., the Medical Board and the Minister in this case, and so I propose to support the second reading.

Question put and passed.

Bill read a second time.

#### *In Committee.*

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

### BILL—FACTORIES AND SHOPS ACT AMENDMENT.

#### *Second Reading.*

Debate resumed from the 15th August

THE MINISTER FOR WORKS (Hon. A. R. G. Hawke—Northam) [4.45]: On behalf of the Minister for Labour, I desire to express appreciation to the members who spoke on the Bill. It can fairly be said that the proposal aiming at establishing the Saturday afternoon closing of shops generally was given a much more friendly reception on this occasion than on the several previous occasions when a similar proposal was before the House. There appeared to be a fair amount of confusion in the minds of two or three speakers about the position that would exist at seaside resorts in the event of shops generally being closed on Saturday afternoon. The opinion was expressed that such action would prevent people who go to seaside resorts for week-ends from obtaining any-

thing very much in the way of eatables, such as butter, cheese, cooked foods, and commodities of that description.

One speaker suggested that the position at Rockingham and Safety Bay would be made extremely difficult. The fact is that both Rockingham and Safety Bay are within the metropolitan shop district, and consequently are already operating on the basis of the Saturday afternoon closing of shops generally. Therefore, the position at those places would not be altered in any degree by the passing of the Bill. As to the question of shopping facilities at seaside resorts generally in the event of Saturday afternoon closing being made general throughout the State, the complete answer to all the arguments is that three of the largest seaside resorts in the country already have in operation the Saturday afternoon closing of shops and have had that system in operation for several years.

Mr. McLarty: To which places are you referring?

The MINISTER FOR WORKS: Geraldton, Bunbury and Albany. The fact that those larger seaside resorts have worked under the system of Saturday afternoon closing of shops for several years and the further fact that no move has been made in recent years to change the Saturday afternoon holiday afford convincing proof that smaller seaside resorts, such as Busselton and perhaps Mandurah, would experience no very great difficulty in accommodating themselves to the same conditions. The confusion regarding Busselton, Safety Bay and Rockingham arises, I think, through failure to appreciate that, under the Factories and Shops Act, certain shops are allowed to remain open until quite late hours every day in the week, including Sunday. Those shops are known as Fourth Schedule shops and they are entitled to sell up till 11.30 p.m. every day perishable commodities such as vegetables, fruit, cooked foods, butter, eggs, cheese and so on; and they thereby meet the requirements of all people who might go to any particular seaside resort for a week-end. At Rockingham, Busselton, and Safety Bay there are, of course, several shops of this class established and operating.

Mr. McLarty: General stores only at Safety Bay.

The MINISTER FOR WORKS: The member for Murray-Wellington shakes his head very vigorously, but I think it can be shown that at Busselton and Rockingham shops of this kind are in operation. In addition, there are other shops operating in all these places which enjoy the benefit of what is known as suspension, under Section 112 and Subsection (1) of Section 113 of the Act. Under this suspension, those shops have the right to trade until 8 p.m. on week days so long as, after the ordinary closing time, they sell only perishable commodities, including foodstuffs. In this class of shop the ordinary lines of groceries such as jam, and so on, have to be placed under lock and key, as it were, and they must not be sold outside the ordinary trading hours. That is only fair from the point of view of competition in respect to other shops in the same area which do not seek any suspension under Section 112 or Section 113 and thereby have to close at the ordinary time.

I think it becomes clear, therefore, that at every seaside resort in the country and, for that matter, in every town or centre in the country of any consequence, there would be available every week-end for those who required to buy them commodities such as I have mentioned. It is absolutely certain that any person going to the country, irrespective of whether he went to a seaside resort or an ordinary country town, would not starve because he could not purchase in some shops or in a shop foodstuffs such as butter, eggs, bacon, cheese, cooked meats, and articles of that description. I do not suppose it was suggested by any speaker that drapers' shops should be permitted to remain open on Saturday afternoons, or hardware shops or the big general grocery stores selling general groceries which will keep for days or weeks or even months in the majority of instances. I hope therefore that in regard to this particular aspect of the Bill there will now be a much clearer understanding of what the actual position would be in these places in the event of this Bill becoming law.

One of the other arguments put forward against the State-wide closing of shops generally on Saturday afternoons was that any such action by Parliament would take away from the people in each shopping district in the country the democratic right

they now enjoy themselves, to decide by referendum on which afternoon of the six week days they shall observe the half holiday for shops locally. An argument of that kind indicates rather strange thinking. Is it right and proper that any group of people in a district should, by referendum or by vote under some other arrangement, be able to decide on what afternoon in the week the shopkeeper shall keep his shop open or on what afternoon the shop assistants shall have a half holiday? I think we would establish an extraordinary state of affairs if we were to extend that principle and apply it to every class of business within the State. Is it right and proper, in fact, for a group of people, suiting only its own convenience, to say that the shopkeepers at Northam, for instance, shall have a half holiday on Wednesday, and keep their shops open on Saturday, and that the shop assistants of that town shall have a half holiday on Wednesday and work on Saturday?

Why not give the people in the country the right to decide on what afternoon in the week stock and station agents and banks and lawyers and dentists shall observe the half holiday? In my opinion, that is exactly the same principle. But no one has ever suggested that that right—that democratic right, if members like to describe it as such—should be given to the people. Because the people in the country districts have not the right to decide by vote when those classes of business shall observe the half holiday, all of them remain open on Wednesday afternoons but close on Saturday afternoons. The fact that they do close on Saturday afternoons seems to be an important argument in favour of that part of this Bill which says that closing shall be general in country districts on Saturday afternoons.

Mr. McDonald: Any shopkeeper may remain open on Saturday afternoon if he wishes to, in spite of a poll. Is that not so?

The MINISTER FOR WORKS: It has been argued against Saturday afternoon closing that if shops are closed on Saturday afternoons in country towns local people, especially farmers, will be greatly inconvenienced; that they will suffer loss of time and activity on their farms, and so on. Yet all of those farmers, at some time or other, have business with the local stock and station agent and the local dentist, and with many other business concerns in country

districts which close on Saturday afternoons. I admit that the volume of business is not nearly the same and not nearly as regular; but the fact is that all those places close on Saturday afternoons. Let us, however, develop that side of the argument a bit further. In the districts of Narrogin, Katanning and, I think, Mt. Barker, and certainly Albany, the Saturday afternoon closing of shops has operated for many years, and in all of those districts there are many farmers. If the farmers of those districts—and there are many other districts where the shops close on Saturday afternoon—are able reasonably to accommodate themselves to the Saturday afternoon closing of shops, why in the name of commonsense could not the farmers of Northam, York, Kellerberrin and Pingelly do the same thing? I am sure they could.

I think the member for Greenough hit the nail fairly and squarely on the head when he said he thought that the whole question of the afternoon on which shops should close was largely, if not entirely, one of habit. In that regard I instance a town in my own electorate, namely, Meckering. There the shops are open on Saturday afternoons, but the farmers' day at Meckering is Friday. It cannot be said that the farmers' day there is Friday because the train service, the postal service or any other service is better on that day than on Saturdays because, as every member knows, the train service at Meckering is practically the same every day. That town is fortunate in being placed on a busy main line so that it gets passenger and goods trains in fairly considerable numbers on every day in the week, except Sunday. So I think it is largely a matter of habit as to which day in the week the farmers go to town for the purpose of doing their business. In some of the Eastern States the Saturday afternoon closing is State-wide. That applies in South Australia, and everyone accepts the position and makes his arrangements accordingly.

There is never any complaint from farmers and certainly no desire on their part, or on the part of any other people in the community, to change from the Saturday afternoon closing of shops to the opening of shops on Saturday afternoons. I am quite sure that the farmers of Western Australia are as capable of accommodating themselves to new circumstances as are the

farmers of any other State in Australia. Therefore it seems to me that Parliament could quite justifiably, and with every good reason, approve of this Bill, and especially that section of it which aims to establish the State-wide closing of shops on Saturday afternoons. If that were done there would, of course, necessarily have to be an adjustment, in many instances, of the present train arrangements. The railway time-table is naturally based upon the requirements of each centre. That department tries, as far as is humanly possible, to so arrange its time-table as to give each centre on its system the best and most convenient service. If, however, a district that has been operating on the Wednesday half-holiday changes to the Saturday half-holiday then the necessary adjustment to the railway time-table is made, especially from the point of view of ensuring that the people have the opportunity to receive mails and perishable food-stuffs at a convenient time for the week-end, and get them before the shops close on Friday night or Saturday morning.

One of the biggest arguments I have heard in the country against the Saturday afternoon closing of shops by way of referendum is that where one town agrees to close on Saturday afternoons and other towns in the vicinity decide to remain open there is a loss of trade by the one town to the three or four or more other towns round about. That is exactly the position at Northam. That is exactly the position at Northam. As members are aware there are, in the vicinity of Northam, the towns of York, Meckering, Toodyay and Goomalling. Northam did try the Saturday afternoon closing of shops, but it was soon found by the storekeepers that much of the trade that previously came to Northam on a Saturday afternoon, or on a Saturday, went to York, Meckering, Goomalling and Toodyay—and it might very well be that the trade ought to have gone to those places all through, but that is a question which the customer himself always decides and it is perfectly reasonable that he should. But because of that the traders in Northam were responsible for having another referendum held, and they fought the referendum, not on the question of convenience to their customers, but on the loss of trade to the town and the detrimental effect upon the town as a large, and I hope, progressive centre.

The big majority of the traders at Northam are today extremely anxious that this Bill shall become law because they will be quite satisfied and quite happy to close their shops on Saturday afternoons provided that the shops in the surrounding towns are closed also. I have, during the last two or three days, received information from traders in other centres, indicating their complete support of this Bill in connection with the Saturday afternoon closing of shops. In fact today I received from the traders of Pingelly this telegram—

One hundred per cent. Pingelly traders favour Saturday afternoon closing.

Mr. Seward: I can tell you who sent that.

The MINISTER FOR WORKS: It is in the name of Mr. Treasure, as nearly as I can read it.

Mr. Seward: I know.

The MINISTER FOR WORKS: The name of the person signing it appears to me not to matter at all. He states that all the traders of Pingelly favour the Saturday afternoon closing of shops, and I take it for granted that the member for Pingelly does not question the veracity or reliability of Mr. Treasure. I have also a very interesting communication from the traders at Kulin, in which they set out the reasons why they think the Saturday afternoon closing throughout the State is desirable and, generally, advantageous. One of the best arguments they put forward is that the Saturday afternoon closing of shops spreads the business more evenly throughout the whole week. They claim that with the Saturday afternoon opening there is a sort of mad continuous rush on Saturdays, with the result that the storekeepers and the assistants are worked to a frazzle then, and the week-end becomes practically useless to them because the only part of it that they have available is Sunday and on the Sunday they are more or less fagged out so that all they can do is, as fully as possible, to recover in order to go back to work on Monday morning.

Mr. J. Hegney: That is what they found with the late shopping night here.

The MINISTER FOR WORKS: So I think there is something to be said for that point of view. The question of Saturday afternoon as against Sunday afternoon sport in an organised way was mentioned

in the debate, I am not aware of what happens at Narrogin, Katanning, Albany and Wagin so far as organised sport is concerned. I do not know whether it is carried on in those places on Saturdays or Sundays.

Mr. Watts: Both.

The MINISTER FOR WORKS: But I think every member would say that it is desirable, as far as possible, to encourage the holding of organised sports on Saturday afternoons and to discourage it on Sunday afternoons. Where the Saturday afternoon opening of shops operates obviously there is only one afternoon of the week on which organised sports can be held, and that is Sunday. If the shops are closed on Saturday afternoons the people concerned at least have the opportunity of organising and holding their sports on that afternoon. That, I think, is another argument why this Bill should be passed in its present form. So I think there are sufficient solid arguments in support of the Bill to justify its acceptance by both Houses of Parliament. I am satisfied that if it becomes law it will take only a short time for people, who oppose the idea of Saturday afternoon closing of shops in country districts, to become accustomed to it. I am equally satisfied that once they do become accustomed to it there will be no desire on their part, or on the part of anyone else, to break away from it and we will find the Saturday afternoon closing of shops established generally and firmly in this State.

There is one other point I would like to mention. The tendency in these times is for the number of hours in the working week to be reduced. At present, as members know, there is a joint application by the unions of Australia before the Commonwealth Court of Arbitration for the granting of a 40-hour working week. One of the ideas behind that application is that the workers should share in the modern practices applying to industry and thereby share in the prosperity which modern industry has made possible. But a further reason is that in these times people are entitled to an increasing measure of leisure and naturally the best time for people to have this increased leisure is at the week-ends. Where the 40-hour week has been introduced it has, I think, in almost every instance, been on the basis of a five-day week. Even where the 44-hour working

week applies, as it does in many industries, the work is, in many instances, carried out in five days to enable everyone concerned to have a large amount of leisure at the week-end.

Compare that position with that of storekeepers and their assistants where Saturday afternoon shopping is in operation! There the assistants work on Mondays and Tuesdays and on Wednesdays until 1 p.m. They have Wednesday afternoons off. Then they return to work on Thursdays and Fridays and all day Saturdays. Then they have Sundays off. It is neither one thing nor the other, but just a hotchpotch. As a matter of fact, the breaking of the continuity of business in the middle of the week is quite silly and would not be countenanced in any other avenue than this. For instance, can we imagine the member for Nedlands closing up his legal business in the middle of the week and keeping open each Saturday?

Hon. N. Keenan: That was done at Kalgoorlie for many years.

The Minister for Education: But they saw the light!

The MINISTER FOR WORKS: I think the right thing to do is to abolish this mid-week break, which is of no avail to the storekeeper or his assistants and ensure for them a break and a reasonable amount of leisure at weekends. I may add that the Minister for Labour has asked me to indicate to members that he does not desire the Committee stage of the Bill to be proceeded with until his return. I understand his wish in that respect is due to the fact that he and the Leader of the Opposition have some understanding as to certain amendments which the latter is to move.

Question put and passed.

Bill read a second time.

## BILL—STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT.

### *Second Reading.*

Debate resumed from the 13th August.

MR. WATTS (Katanning) [5.19]: There is much in the Bill I find it in my heart to support, but there are unfortunately two or three paragraphs therein to which I cannot lend my aid to have them placed on the statute book. Without labouring the subject, I think it just as well to refer members



back to the report of a Select Committee appointed by this House in 1937, which dealt with a Bill to validate the State Insurance Office. Many times before that Select Committee was appointed efforts to validate the operations of the State Insurance Office had failed. Upon that Select Committee both I and the present Minister for Works sat and on the great majority of the matters involved we arrived at similar conclusions. The Minister himself was chairman of the Select Committee and among the things we decided to do, and on which there was unanimity, was to exclude from the rights to be given the State Insurance Office that connected with the undertaking of life assurance work.

In the report of the Select Committee and the proposed amendments to the Bill, which were submitted by it to Parliament at that time, will be found the proposal that the term, "Insurance business" as defined in the Bill should not include life assurance business. The Bill now before the House proposes among other things to extend to the State Insurance Office the right to do life assurance business. It was alleged by the Minister for Labour who introduced the Bill that it was desirable that we should now go contrary to the proposals emanating unanimously from that earlier Select Committee because the Commonwealth Government has seen fit to interfere with a life assurance Act, which is a curious measure because it enables, by regulations under the Act, the Commonwealth Insurance Office to enter upon other types of insurance work none of which seems to be connected with life assurance at all. As a matter of fact, I am inclined to question the validity of the proposal in the Commonwealth Life Assurance Act that regulations under that measure can extend to fire insurance, plate glass insurance or some other kinds of insurance as well. Of course, I do not know that that is a better opinion, but I do say that because the Commonwealth, in my opinion unwisely, seeks to meddle with life assurance business is not a sufficient reason why the State should do so.

Mr. Withers: Not if the Commonwealth is going to take the State over eventually?

Mr. WATTS: I think that if there is one type of insurance that has been conducted reasonably and properly by the various companies concerned—most of them, inci-

dently, not of the shareholder variety at all but of the mutual type where every policy holder is in effect a shareholder—

Hon. W. D. Johnson: Not on a single vote, too.

Mr. WATTS: —it is life assurance, and that we could not improve substantially, if at all, on the policies and conditions that are issued and followed by those particular companies. If that had not been so, it would be amazing to me that those companies, particularly the mutual companies, should have gained and retained the respect and confidence of the community that they have throughout Australia, and that those companies should have made a very substantial contribution, as they have made, to the financial projects of this country. I do not suppose there have been any greater contributors to recent Commonwealth loans than the societies of a mutual character undertaking life assurance business. I say quite definitely that their future, their solvency and their assets are as much bound up with the success and future of the Commonwealth as it is possible for anything to be, because I take it from the figures advertised from time to time—I have no reason to doubt them—that they have quite three-quarters of their assets, upon which the policy holders must rely, invested in Commonwealth bonds.

I cannot for the life of me see any justification whatever for the inclusion in the Bill of the right of the State Government Insurance Office to undertake life assurance business in Western Australia. I go back again to the genesis of the recommendation respecting which we were unanimous on the Select Committee in 1937. It was the opinion of all five members of that Select Committee that where insurance was of a compulsory character or, shall we say, of a social description and therefore should be made compulsory, it was obviously necessary that someone should undertake the performance of that business without any thought of profit. It was agreed that it was necessary that someone should undertake social and compulsory types of insurance quite apart from any question of profit and in the public interest.

While members of the Select Committee, including myself, agreed that as a contribution towards that end the State Government Insurance Office should be validated to

undertake workers' compensation insurance and employers' liability insurance and, in the event of third party insurance or other accident insurance becoming compulsory, to be authorised to take up that class of work as well, we at the same time expressed the belief that the undertaking of those types of insurance, even through the State Insurance Office, was doubtfully the best method of undertaking them and that there should be appointed a Royal Commission to investigate the question of some better method. I was then convinced, and am now convinced, that those types of insurance can only properly be undertaken by a State instrumentality in that they must be dealt with quite apart from the question of profit. If it is proper to undertake at the cheapest possible rates the work both for the employer and the employee, the motorist and the pedestrian or the ordinary citizen who may be affected by accidents that they are intended to undertake or to provide compensation for, it is quite obvious from the observations of the Minister for Labour that the State Insurance Office is by no means dissociated from the question of profit, because he told us in the course of his remarks that, quite apart from the amount that had been paid into Consolidated Revenue, the office had some £750,000 worth of reserve funds which had been accumulated by it since its inception.

Hon. J. C. Willcock: And it has incurred heavy liabilities.

Mr. WATTS: It is quite obvious to me that the State Government Insurance Office is neither providing industry and the public with insurance of the compulsory or social types, to which I have referred, at the cheapest possible rates nor is it providing it without that profit motive. I submit that the meddling of the State with insurance of that type, as I have suggested previously, is not justified unless the public receives that insurance against those compulsory risks, or any others that may be made compulsory, at rates that are the lowest possible. By that means only is it possible for the burden upon industry—and indeed to some degree the cost of living—to be reduced without minimising in any way the benefit or the compensation which is available to the injured person.

Bearing in mind the fact that the State Insurance Office has made substantial pro-

fits, it does not fit into my category of what is desirable any better than any other insurance company and therefore it is deserving, in my view, of no further extension of its powers than it was granted by the Select Committee, and Parliament thereafter, in 1937, and what has been given to it pursuant to that recommendation by changes of the law in the meantime. To add to the already over-large number of insurance offices in the State—and that over-large number has been made express reference to by the Minister for Labour—is simply to add another unnecessary insurance concern to an already over-long list. While I continue to subscribe to that to which I have subscribed before and to support the State Insurance Office and everything associated with it to that extent, I can see no valid reason for any extension on the lines contemplated by the Bill. Nevertheless, the measure contains provisions for straightening out the positions and conditions of employment of the staff of the State Insurance Office and for regulating the control and management of the office as a State trading concern; and to the majority of those proposals, in lieu of those in the existing Act, I can see no objection but perhaps some benefit.

I have, however, the strongest objection to one clause in the Bill and I hope it will not be insisted on by the Government. The Bill contains a schedule of regulations for controlling the business of the office, which schedule is given legislative effect by one of the clauses of the Bill. This clause provides that the Governor-in-Council by proclamation may add to, alter or amend the schedule and, when he does so, what he says in his proclamation shall have effect instead of the clause in the schedule itself. I think every member should agree that to superimpose upon Parliament a right in the Governor to repeal and re-enact in a different form legislation actually passed by Parliament is something extraordinary. We give the Governor power to make regulations. When these are gazetted and tabled the House has the right to disallow them; and consequently there is no objection, as a general rule, to empowering the Governor to make regulations for the carrying out of the objects of the Act, difficult at times to put into the words in the Act itself. But we know that a proclamation cannot be so disallowed by this or any other House of Parliament. It is simply

making the Legislature completely subordinate to the Executive Council and that is something I certainly will not submit to.

To take an example of what could be done under this proposed schedule, I point out that the schedule provides that, notwithstanding the State office may not be liable, it shall, if conducting the business of fire insurance, contribute to the fund for fire brigades, as other insurance offices do. It would be possible to pass that provision in good faith. It is quite a reasonable proposal, as it presents at least some small measure of equity as between the Government office and other insurance companies. In a couple of months' time, the Executive Council could decide, "Oh no, we will not contribute at all. We will make a little proclamation saying that that clause has been amended or that it has been deleted from the schedule, and what we said a while ago will go by the board." I anticipate, as a matter of fact, that members will agree that this particular clause definitely requires some amendment. At this stage I do not propose to say any more on the measure. I shall support the second reading. My future views on it will be subordinated to what happens in the Committee stage.

**MR. McDONALD** (West Perth) [5.36]:

As the Minister said in introducing the measure, it has a history. Our minds go back to the time when the then Minister for Works presented Parliament with what I may call a *fait accompli*, by setting up an insurance office to take care of the insurance of certain miner's diseases. Looking back on that period, there may be some arguments for the attitude taken up by the then Minister, who desired some organisation which would undertake the responsibility to men who should be protected in respect of those illnesses. There was some disagreement, the merits of which I need not go into at this stage, with the regular insurance companies as to the attitude those companies were prepared to adopt. They thought they were not being given sufficient information to quote the premiums and apparently the Minister thought they were. In the meantime, however, the Minister set up his own organisation to protect the men engaged in the particular industry on the Goldfields. Later, it became a matter of putting what had been done by the Minister on a regular legal basis. The Minister's

organisation either had logically to go out of existence or be legalised and established by Parliament.

After some years and some debate and some hesitation, the Minister's action was legalised and the State Insurance Office became an authorised office for the transaction of certain business. That authorisation took place in 1938, the functions of the State Insurance Office being limited to insurance of a certain class, a kind which has been described just now by the Leader of the Opposition. Both Houses of Parliament were prepared to put the matter in order and did in fact accept the proposals of the Government upon a definite undertaking in the Bill, and in Parliament at that time, that the State business would be confined to certain classes of insurance. The Honorary Minister (Hon. E. H. Gray) speaking for the Government in the Legislative Council on that Bill, said, in 1938—I quote from "Hansard" of that year, Vol. 1, page 1530—

I emphasise that the State Insurance Office as a business concern, will confine its activities to workers' compensation business.

Thereupon both Houses passed this legislation. There is nothing to suggest or to warrant that the business of the State Insurance Office should necessarily be static, but if it had been a question at that time of the State's undertaking general insurance business, including life assurance, then I think the matter would have received very much more consideration and the principle involved would have been regarded with very much greater care. This Bill is not, I suppose, going to wreck the private insurance businesses in this State. There is, however, an aspect which I feel is not without a fair amount of weight. A Government always has certain political principles; it is entitled to have them, it should have them, and it is entitled to act in accordance with those principles and bring down measures for the consideration of Parliament that are aimed at carrying those principles into effect.

The Government now in power in this State belongs to a political party whose platform says that it stands for the socialisation or nationalisation of the means of production, industry, distribution and exchange. The party and the Government are perfectly entitled to have that objective; and if they set out a programme to put that objective into force they are also entitled

to do so, and whether it is put into force or not is a matter for the Parliament of the State and for the people of the State. If they set out on such a proposal to implement a policy in those terms, then we all know where we are. But this measure is a kind of infiltration measure; it is a kind of nibbling measure and I think it may have a tendency to make people feel that they do not know where they stand. We have in this State businesses carrying on various types of insurance not hitherto covered by the State office. The companies have come here on the basis that they were not subject to competition by the State under existing circumstances and they have invested large sums of money here. In some cases those large sums of money are not shareholders' money; they are the property of hundreds of thousands of people who are owners of mutual assurance societies.

We are told—and I am not going to spend too much time on this aspect—that the State is seeking to develop its resources, to obtain capital, to increase confidence, to bring people here and say to them, "This is a suitable theatre for your enterprise." I venture to believe that if Parliament every now and then, through the side door, so to speak, and not by a frontal attack, brings in a measure under which the State is going to compete with people who come here, there will be a lessening of the confidence compared to what there would be if people knew where they stood. If we intend or the Government intends to proceed with the steady process of socialisation people who come here will know what to expect. They may come here approving of the policy of the Government. If we are not going to do that we should act according to principle and indicate and hold out to the people who come here to start enterprises and bring their capital here that, "If you do so you are not going to be subject to competition and possibly loss by the superior power of the State and the State Treasury." Such an aspect is not academic.

I think in the Minister's speech he referred to the State Insurance Office being in fair competition. There is no such thing as fair competition with the State. There might conceivably be very great safeguards, but as a matter of practical issues there is no such thing as fair competition. For example, all private people pay taxation,

very heavy taxation, but there is no obligation on this State enterprise to pay taxation. In fact—I speak subject to correction because I have not the uniform taxation Act before me—a State instrumentality such as the State Insurance Office is expressly exempt from any obligation to pay taxation.

Mr. Watts: That is so.

Mr. J. Hegney: Do you want State instrumentalities to pay taxation?

Mr. McDONALD: Certainly! Once we accept the principle as such and a Bill comes down providing for competition by the State Insurance Office with private insurance offices, taxation becomes a material feature. No business, whether Foy & Gibson's, the Broken Hill Pty., or any other that is not exempt from taxation, can possibly hope to compete with any business which has not to pay taxation.

Mr. Watts: The 1938 Act made special provision for taxation.

Mr. McDONALD: Exactly. When we talk about fair competition we find straight away that that argument is completely without substance. By passing this Bill to institute a State enterprise and a State business which pays no taxation, we serve written notice of a most definite character on all private businesses that are now here, or may come here, that they will be subject to competition by an instrumentality which has "the wood" on or an advantage over them every time. Further, on this point of fair competition, we all know perfectly well that with regard to State enterprises, all Government servants, or if not all Government servants an appreciable proportion of them, are expected to act as agents for the Government enterprise. We know that when tenders are called for a Government department there is usually a preference for any instrumentality of the State which can supply the service or the commodities for which those tenders are called. I believe—again I speak subject to correction—that in some States, particularly in Queensland where Government enterprises operate, people such as the police, clerks of courts and various other Government servants, are expected to influence business in favour of the State enterprise. All these employees of the State then act as agents for the Govern-

ment enterprise and are paid for their services in connection with their regular occupation.

So it is that the Government enterprise has a host of unpaid influential agents, no doubt men of very fine character and ability, all of whom are mobilised from north to south and east to west to ensure that the maximum business reaches the State enterprise. In such circumstances it is very difficult for any other enterprise to compete against the State instrumentality. If we were to adopt the general principle that we are going to run all these people off the road, and the Parliament and the people accept it, we are at liberty to do so. The popular will is entitled to prevail. But it seems to me that when we bring in Bills of this kind—this Bill may be followed by other Bills which set up State activities in various other areas, which are now performed by individuals or by private organisations—we serve notice that in this State people may at any moment after putting their capital in be liable to competition by the State which may be prejudicial to them and may even be fatal to their existence.

For a State which is developing, I hope, and needs to develop and wishes to develop, I regard this Bill as one which is not calculated to inspire confidence on the part of new capital or of any new kind of enterprise which might otherwise come to our shores. When we weigh any advantages that may accrue from this new State enterprise against the disadvantages which may ensue if we lessen the confidence in the capital and the enterprises that come to our State, it may be that the weight will fall against the proposal which is now before the House or against proposals of a similar kind. Do not let me be misunderstood, Mr. Speaker. If it is desired that the State should take over our industries and should enter upon a programme of competing with and as far as possible taking away the business of other private enterprises, that may be regarded as the legitimate objective of any Government, but if that is its objective it should say so. The people would then know what is taking place and would know what the Government intends. We should tell the people what to expect and they will then know where they are.

We must be very careful about undermining the confidence which we desire to inspire in people that we wish to come to our shores and set up new industries and bring in new capital. I do not know whether there is any demand for the extension of the activities of the State Insurance Office. I have never heard of it, and I have some associations in commercial and business circles and with the general public. In the case of life insurance companies or life insurance business, I cannot think of any demand at all for it. If there is any class of insurance business in which Australia has made a name for mutual societies owned by the people themselves and operating on a democratic basis, it is in connection with the life insurance business.

So far as other businesses are concerned, there is a degree of competition through non-tariff companies with any other companies or any companies operating either in life insurance, fire insurance, or any other insurance, and if it is proved to me that such companies are charging rates to the general public which are extortionate or were beyond fair charges to meet the risk they cover, that would be a different matter, and I would be prepared to entertain any appropriate action which would ensure that they were not exploiting any section of the people. We have no evidence given to us by the Minister to propose such a ground for this legislation as that.

Hon. W. D. Johnson: You admit that State interference has brought about a remarkable reform in New Zealand and Queensland.

Mr. McDONALD: I will not admit that.

Hon. W. D. Johnson: Then you have not studied the question.

Mr. McDONALD: I have no evidence of that. If figures are brought before me I am prepared to entertain them.

Hon. W. D. Johnson: They have been on record for years.

Mr. McDONALD: I have no record of them. In England there is a new Labour Government and measures for the protection of the people have been receiving consideration. Under the English proposals—I think they were brought in before the present Government took office and in the time of the Churchill-Atlee Government—measures were framed by which workers' compensation was

to be a matter of State concern, as the Leader of the Opposition said just now. Time has not permitted me to refresh my memory on the subject, and I do not know how far private companies will still be allowed to obtain some share in the competition for workers' compensation insurance. I fancy the proposal was that the whole field of workers' compensation and industrial insurance should become the province of the Government. I agree with the Leader of the Opposition that there may be something to be said for that.

As far as I am aware, it has not been proposed in England in its recent measures and review of the position that the State should take over or enter into competition with the various organisations which transact life insurance or which transact fire or any other form of insurance outside of workers' compensation and industrial insurance. I might mention another aspect of the matter, though it is not a large one. When the Bill came forward I took steps to find out what I could, and as much as I could, of the views of the companies that might be concerned. They did not approach me, but I approached them or somebody who was in touch with them. They said, "At this particular time we feel it rather hard that we should be about to enter upon a competitive basis with a powerful competitor, with such big advantages as the State must have, paying no taxation, and having the agencies it has—I have mentioned those agencies—especially as we are now in the process of reinstating our service personnel." Through their staffs these insurance companies made a considerable contribution to the various Services in the recent war, as did other sections of the community. They are now taking back these staffs, many of the members of which after five or six years away are entitled to draw salaries which are to some extent out of line with the training they have had, and the services they can render, until they have had some years of experience in which to gain the necessary knowledge to enable them to render a service commensurate with their increased salaries. They are discharging this duty, and it has been suggested to me that in some cases and for some years it may be at no inconsiderable expense so that these men will receive the reinstatement to which everyone agrees they are completely entitled.

But while the insurance companies are meeting this particular obligation, which they gladly undertake, for some years it seems that they are to be faced suddenly by the entry of a new competitor—the State Insurance Office—with the scales heavily weighted, in some respects, in its favour. So, as I have said, this Bill, by itself, might operate to the disadvantage of a certain section of the commercial life of the State. It may damage that section and no doubt will to some extent. If the State Insurance Office is to succeed and grow it will do so at the expense of those who are now in business. Some might have to go out of business. Probably that is not fatal, but I do not think that fair competition exists with a State enterprise carrying on business in these circumstances. But the main point I am concerned about is that if this Bill is passed by Parliament it should be with the realisation that it does not, in my opinion, tend to inspire confidence in enterprise to come here and invest capital because, with this precedent, such enterprise is liable to be faced from time to time with the entry of the State into the field in which it has embarked its capital, and under circumstances where the State has great advantages.

If Parliament should pass this Bill, or any Bill enabling the State to enter into competition with an activity normally carried on by the individual or by private organisations, then the least we can do is to ensure that there shall be paid by such State enterprise the normal obligations, in the way of tax, that are paid by any other similar concern, and that the balance sheet and profit and loss account of the State enterprise be so framed as to be comparable with those of private undertakings so that the people shall be allowed to see whether the enterprise conducted by the State is rendering as good a service, at a comparable cost, as that rendered by private organisations and private individuals in the same field.

My last point is this: I am not impressed by any arguments or suggestions of a demand for legislation of this kind. If my opinion is worth anything about what the people want today, it is that the Government should address itself to meeting the urgent requirements of the time and those are—housing shortages, employment, amenities, education, water—which I am glad to

say is on the way—power, opportunity, development and migration. All those things are in the minds of the people as a first priority. So long as the business, commercial, industrial and productive activities of the community are carried on without profiteering or exploitation, then the people would prefer the Government to address itself to those needs which, in their minds, are urgent and should be the first activity of Government and of Parliament.

**MR. ABBOTT** (North Perth) [6.6]: I do not wish to labour this debate. The member for West Perth has fully set out the major points that I would wish to make. There is only one matter that I particularly wish to emphasise and that is that I do not believe in the Government's policy of socialisation because it has been tried so many times and always at the expense of the lowest paid worker. That is what is going on today. The basic wage earner is the man getting it in the neck, and not the highly paid industrial worker.

**Hon. W. D. Johnson**: That applies to taxation too.

**Mr. ABBOTT**: No, it does not apply to taxation. Then again, it is difficult for any concern conducted by the Government not to grow into a monopoly. I object strongly to monopolies, because they usually exert an unwarranted advantage over those who require their services.

**Hon. W. D. Johnson**: Does that apply in the case of the Post Office.

**Mr. ABBOTT**: Yes.

**Mr. Fox**: How can anything run by the Government be a monopoly? It is owned by the people?

**Mr. ABBOTT**: It has the same effect as a monopoly. It would be infinitely fairer, not only to the private concerns but also to the people, if the operations of the State Insurance Office were carried on by means of a corporation, where the local authorities would at least get their rates. They get no rates now from the State Insurance Office. Then the costs would be shown and the business carried on in such a way that the people could accurately determine whether or not it was warranted. As the member for West Perth said, it pays no income tax, and that is one loss to the State.

**Mr. Fox**: It means that the people are giving a service to themselves. You do not want the people to tax themselves?

**Mr. ABBOTT**: I wish to emphasise that anyone reading the present accounts of the State Insurance Office cannot determine what it is costing the people. It pays no rates and probably pays no rent and gets many other services, such as the delivery of its communications, free.

**Hon. W. D. Johnson**: To whom would the people pay those fees? Back to themselves?

**Mr. ABBOTT**: It does not matter, but the business should be carried on in such a way that those things could be determined. Why should it not be run as a separate corporation?

**Hon. W. D. Johnson**: Surely you do not think it should be taken from one pocket and put into the other?

**Mr. ABBOTT**: It would be a good thing if that were done, because then one would know what the State Insurance Office was costing the people. As it is, we do not know. Should it grow into a monopoly where other companies could not compete, I think we would find that the cost of insurance would rise much higher than it is under existing conditions. Not one State-owned industry pays rates, and hardly one that I know of pays its way.

**Hon. W. D. Johnson**: Surely you would not judge it in that way.

**Mr. ABBOTT**: I would.

**Hon. W. D. Johnson**: That is a narrow view.

**The Minister for Works**: Pounds, shillings and pence are all you can think of.

**Mr. ABBOTT**: I say there should be justice for every member of the community, and I want to see the man who is right down on a low income get a fair share of everything, and not to place favoured people, drawing high remuneration, in protected industries.

**Mr. Fox**: Would you reduce the freight on super for the farmers in order to make farming pay?

**Mr. ABBOTT**: I would not have a close monopoly, like the Lumpers' Union. I would let anyone in.

**Mr. Fox**: What about the lawyers' union?

Mr. ABBOTT: There is no lawyers' union. Anybody can be a lawyer.

Mr. SPEAKER: Order! I ask the hon. member to get back to the debate.

Mr. Watts: He was called aside by the member for South Fremantle.

Mr. ABBOTT: That is all I have to say on this measure. I oppose the second reading.

**HON. N. KEENAN** (Nedlands) [6.13]: I desire to make only a few observations. The Leader of the Liberal Party asked the House to accept his assurance that he has no knowledge whatever of any demand on the part of the public for this Bill. The Minister who presented the Bill did not make any pretence that there was such a demand. His sole excuse for bringing down this Bill was that the Parliament of the Commonwealth had passed a measure to establish a Commonwealth insurance organisation, and that if he did not hop in quickly and get what he is now asking for, he would be left out in the cold.

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

Hon. N. KEENAN: Before tea I was pointing out that the criticism of the Leader of the Liberal Party was well justified, that there was no demand for this Bill and that no assertion of such a demand had been made by anybody supporting the measure. Nor is there any suggestion of a desire for a measure to enable the Government to carry on life assurance in the ordinary sense of the word, not life assurance for a special purpose such as industrial life assurance, but general business. No one has ever suggested that a measure of that sort is wanted. The observation of the member for West Perth that in no part of the world is there such a high and satisfactory standard of life assurance as in Australia was fully justified.

We have this extraordinary position: Here is a Bill for which there is no demand and the objects of which are in a large degree supplied efficiently at the present time. All this we are asked to accept because there is a fear, and only a fear, that the Commonwealth Government will start some scheme of life assurance or other form of insurance and not leave any sphere open for the State Government at some

future time to invade. If the Commonwealth Government did wish to open an insurance office, the fact that the State Government had this power would not make any difference.

Hon. W. D. Johnson interjected.

Hon. N. KEENAN: What chance would the State have, with its puny resources, even if the member for Guildford-Midland were to assist? It would be extremely unlikely that he would assist because he never helps anyone who is in the right. But, I ask, what chance would the State have against the Commonwealth Government? None whatever!

I have serious doubts whether the Commonwealth Parliament had power to pass the statute of 1945. Under Section 51 of the Commonwealth Constitution Act, the Government of Australia has power to make laws governing various subjects. Those subjects are tabulated, and one of them is insurance. That does not give the Commonwealth power to carry on the business. No doubt if the Commonwealth did attempt to carry on the business and its activities constituted any grievous danger to the public or to those engaged in the business, its action would be challenged. Apart from that we are asked to sanction the conduct of any sort of insurance business whatever by the State Office.

This Bill, while seeking nominally to amend the sections of existing legislation which govern the sphere of operations for the State Insurance Office, is now to cover insurance in relation to every class of insurable risk. So far is that from being an amendment to the present definition of what is the limit of business to be carried on by the State Office that I consider the whole lot should be wiped out, leaving merely the declaration that the State Office is to be entitled to carry on every form of insurance, which may include the most extraordinary risks, as I shall instance. At Lloyds', in London, which no doubt has a somewhat similar charter, a gentleman about to be married may insure against his future wife having twins. Would the State Insurance Office carry on that sort of business? Well, it could. No doubt it could also indulge in a form of gambling which is common, namely, to insure organisations about to hold meetings, such as the Royal Agricultural Society, against rain



—to gamble on the weather. In fact, we are now asked to give the State Office leave to do anything conceivable in the mind of man that can be reduced to a form of insurance. If the Parliament of this State is sufficiently mad to give that power, by all means let it do so, but it would be an extraordinary procedure to hand over to a Government institution the right to indulge in every conceivable form of insurance.

I wish to refer to an observation made by the Leader of the Opposition that, by the Bill, power is to be given to the Governor, amongst other things, to pay contributions for the purpose of maintaining fire brigades. As the Leader of the Opposition aptly expressed it, this will be merely a regulation that may at any time be re-seinded and the whole obligation defeated. It must be said for the Federal Act that the measure itself prescribes that if a Commonwealth insurance office came into existence and if it dealt in fire policies, it would be bound by a section of the Act to contribute to the fire brigades in accordance with the laws of the State in which the business was being carried on.

The whole of the Commonwealth statute, however, with the exception of a few sections at the end, deals with nothing but life assurance. Until Section 134 is reached, nothing is said about a Commonwealth insurance office, and then it deals only with life assurance or with such other forms of insurance as may be prescribed. As the Leader of the Opposition pointed out, it is very vague, but no more vague than this Bill is. This Bill provides for every form of insurance, and "every form of insurance" would cover whatever may be prescribed. From time to time we are called upon to consider measures for which there is little or no justification, but very seldom has a Bill been brought before this Parliament for which there was no demand from the public and for which there was no warrant on the part of the State or the public or for the extraordinary provisions that the Bill contains.

**HON. W. D. JOHNSON** (Guildford—Midland) [7.40]: The member for Nedlands forgets that we have had experience of Commonwealth encroachment on to what were previously State preserves.

**Mr. Thorn:** Are you in favour of it?

**Hon. W. D. JOHNSON:** But that was purely because of the apathy, indifference and incapacity of the State adequately to cater for its rights. I have only to outline the position with respect to the gold bonus. There the State had the opportunity to take, as all other nations did, the premium on gold. This State, however, would not do it, and so there was a definite invitation, owing to the neglect of the State, to the Commonwealth to come in and take the money. Today, instead of the gold bonus coming to this State it goes to the Commonwealth, really by our approval because we, as a Parliament, neglected the opportunity that was presented to us.

**Hon. N. Keenan:** Did you ask Mr. Munsie the reason for that?

**Hon. W. D. JOHNSON:** I know the member for Nedlands contributed to a maximum extent to keep the amount down; and because it was kept down to £80,000 we, by our action, allowed the Commonwealth to impose its will on us and take away from us a very large sum of money. I am trespassing, however, and I do not want to proceed further on that subject, but one must give an illustration to demonstrate that the Government should be alert and meet the danger that might confront the State if we fail to realise that the Commonwealth has definitely entered into the insurance field. It has passed the first reading of a measure which will ultimately, to my idea, give absolute control to the Commonwealth of a life assurance activity to cover the whole of the Commonwealth. To that I would of course subscribe. There is no room for any other control of life assurance but community control. Why should anybody trade on the life of another? Why should private individuals derive profit from the life of a fellow-man? If life assurance is essential to the common good it is a community responsibility and the resulting profit or loss should be for or against the community. It is wrong to maintain that life assurance should be associated in any way with private profit.

**Mr. North:** Do you believe in national insurance?

**Hon. W. D. JOHNSON:** I know I shall be told that we have mutual life assurance companies that are more or less community-

controlled; but they are not community-controlled in actual fact. True, the proceeds of life assurance business are distributed to the policy-holders who contribute to the profits of those mutual companies. But those mutual companies are all top-heavy. There is no control over the top, because of the voting power vested in the top by the respective charters of the companies. In the case of the A.M.P. Society the top has up to 20 votes; and when members realise the ramifications of this mighty society—it extends practically from China to Peru—they will appreciate what few chances there are, if any chance at all, of the individual policy-holders altering what has in a way become a menace. The position is unfair, as those high in society are controlling and directing these mutual life assurance companies with reward to themselves. I question myself whether those mutual companies ought to be fostered and encouraged any longer. The time is opportune and necessary for the Commonwealth Government—and I believe that is what has influenced the Government—to get the right to deal with insurance companies and stop once and for all this exploitation for individual gain of the lives of men and women.

Mr. McDonald: You do not believe in co-operative insurance?

Hon. W. D. JOHNSON: I believe in co-operative insurance because, if it were possible, it would be based on a different principle, so that those who controlled the life assurance would be on a democratic basis. The hon. member referred to the democratic basis of mutual life assurance companies. They are not on a democratic basis; those at the top have been there for generations and they remain leaders of society, men in big positions financially. They are the men who control the mutual life assurance companies and they cannot be removed because the present voting system makes it impossible. The Commonwealth Government did not take action without some justification. It appreciates what is going on in Australia today; and just as I stand for community control in other things, so I want community control and community ownership of life assurance particularly.

Mr. Thorn: Where do you stand now? Are you supporting the Bill or are you against it?

Hon. W. D. JOHNSON: If the hon. member cannot follow me I am sorry.

Mr. Thorn: It is very difficult to do so.

Hon. W. D. JOHNSON: I am speaking to the intelligent members of the House, the members with commonsense.

The Minister for Works: Hear, hear!

Mr. Thorn: That is a matter of opinion.

Mr. SPEAKER: Order!

Hon. W. D. JOHNSON: The member for Nedlands has referred to Lloyds and mentioned what a gambling combination it has developed into. It is becoming the plaything of the wealthy capitalistic class of London and the surrounding localities. Lloyds is purely a set of gamblers with more money than they know what to do with. They plunge with it and if it is lost, well, it is a little loss that does not hurt them; if they win they go to the club and rejoice, and show how clever they are compared with somebody else who had invested his money in the same form of gambling, still under Lloyds. As the member for Nedlands said, Lloyds will gamble on whether a person has twins or triplets or no children at all. One could proceed and illustrate what they will do to foster the gambling instinct that has been developed through Lloyds. I do not want to interfere with these people; they can live their own lives and use their money, once they get it, as they like. I would prevent them from getting it if I could, because the wealth that rolls into them today in the way of interest would go, if I had my way, into the pockets of the community at a far greater rate than it is getting there today. What I object to is that Lloyds come to Western Australia and gamble here. The member for West Perth said, "Why come in and upset these private companies? Everything in Perth is all right."

Mr. McDonald: Did not Lloyds cut the rates in Perth?

Hon. W. D. JOHNSON: Yes. I am going to deal with that point.

Mr. Thorn: They cut the rates of the company of which you are a director.

Hon. W. D. JOHNSON: The member for West Perth said, "Why upset things in Western Australia?" As a matter of fact, the most disorganising influence, the organisation which is doing most towards undermining the stability of the fire insur-

ance companies, is Lloyds. After all, the member for West Perth knows that Lloyds only pick the eyes out of the business. They take what suits them and do not accept all applications made to them for insurance. They choose some and reject others. We do not want a basis of that kind.

Mr. McDonald: Lloyds will take anything. That is their feature.

Hon. W. D. JOHNSON: They will take anything if one is not looking. If the hon. member were not wise, very likely they would take from him! I think the hon. member is too cautious and too Scotch for even Lloyds to be able to penetrate into his reserves. However, the point is that in Western Australia we really have no Western Australian insurance companies. The member for West Perth stated that if this Bill were passed these companies would have to close down. That is not so. They would simply close their offices and go back to the place whence they came. There is no Western Australian company as such in this State and therefore we are being exploited in regard to insurances of all descriptions.

Hon. N. Keenan: There is a company under that name.

Hon. W. D. JOHNSON: It is the West Australian Insurance Company and its head office is in London. In other words it is Copley's old establishment that took a Western Australian name in order to try to make itself popular; but the member for Nedlands knows perfectly well that the West Australian Insurance Company, so named, is not a Western Australian company in actual fact. The only genuine Western Australian concern is the concern that the Minister for Labour controls. That concern is doing something for Western Australia. It is taking for the community that wealth and that profit which the community provides. It is restoring to the community the result of the community's spending. Why do we want always to have a middleman in between, taking a cut and a profit and taking advantage of the operations of the community?

I welcome a Bill of this description and I welcome the point to which the member for Nedlands takes most exception. He said the Bill is too wide in definition. But that is the best feature of the Bill. The hon. member knows perfectly well that if, in legislating, we start to prescribe exactly what the legislation is to cover, we immediately

limit it. What we must do is not to prescribe in detail but to deal with the whole in one general clause. The Minister in charge of the Bill, or the draftsman, has evidently repeated what we already have and then said, "We are going into the lot," and that should satisfy the member for Nedlands that we are going in for a comprehensive life insurance department that will operate without restriction and without limitations. The only exception that can be taken to that is that it will interfere with the profits of certain people. There was a time when profits were taken into consideration over and above the rights of the community, but we know what is developing today.

We know the provisions of the Atlantic Charter, and that in the new world we are now building we must rely more on community support for activities of this description to ensure that the common people who subscribe the greatest amount to these activities will get back for themselves and their families amenities and profits and social advantages distributed on an equitable basis. The member for North Perth said that he is against socialisation because the basic wage worker is always the sufferer. He did not outline exactly how he arrived at that conclusion, but later on he said that socialisation was monopolistic. In the first place he says that the worker is the one that suffers by it and then he says it is monopolistic. Why does the worker want to monopolise a thing he suffers under? The fact remains that if we go into these activities as a Government, we go into them as representing the community and something cannot possibly be monopolistic when it belongs to the people. We are not monopolising it from anybody else; we are monopolising it for the advantage of the community.

Mr. Abbott: Or one section.

Hon. W. D. JOHNSON: No! How can that be? The hon. member must appreciate that we cannot monopolise anything for a special section unless that section controls.

Mr. Leslie: It is happening in the Federal sphere.

Hon. W. D. JOHNSON: I am dealing with where we are today. It is true that there is a little interference with this community control and a liability to become monopolistic, but that does not apply in this Chamber. It applies because we have an-

other place. In that place there are monopolistic sectional interests that would defeat a Bill of this description or emasculate it in such a way as to make it inoperative. The hon. member is always fearful of a section. I assure him that the danger of the world is the section he represents. There is no question that the people of the world are divided into sections—those that take undue profit and exploit the public; and those that try to be fair with one another, acting on the principle of "Love your neighbour as yourself; treat him as you would yourself and see that he gets a reward commensurate with the service he gives, a reward equal to that attained by any other individual."

Mr. Leslie: You will talk yourself into giving away your commercial interests soon!

Hon. W. D. JOHNSON: I cannot do that. I have no commercial interests.

Mr. Thorn: Not half!

Hon. W. D. JOHNSON: All this is restricted and hampered by another Chamber. There we have vested interests; there we have sectional control; there we have people who will see to it that community ownership and distribution are rendered impossible because they have the final say in reforms of this description.

Mr. Doney: On a point of order, Mr. Speaker, I suggest that the hon. member is a long way astray from the subject-matter of the Bill.

Mr. SPEAKER: I certainly think that the hon. member is getting away from the Bill.

Hon. W. D. JOHNSON: This Bill has to pass another Chamber. It has to be submitted to another place.

Mr. SPEAKER: The other Chamber is not under discussion. I must ask the hon. member to keep to the Bill.

Hon. W. D. JOHNSON: This Bill represents a desire to place under the control of the community an activity covering all forms of life insurance, and I am pointing out that unless we work, unless we ventilate our views, there is a danger of another place interfering with an ambition of this kind. I want to warn members that unless they are alert and realise that this Bill has to pass another Chamber, they are in dire danger of having the Bill defeated.

Mr. SPEAKER: The hon. member has already pointed that out.

Hon. W. D. JOHNSON: Yes; I just wanted to justify that as being part and parcel of the range over which one can deal with a Bill of this description.

Mr. Thorn: Nobody takes any notice of you, anyway!

Hon. W. D. JOHNSON: The member for Nedlands says that there is no possibility of the Commonwealth expanding into insurance activities or in other words creating in opposition to this State, if this Bill is passed, any form of insurance controlled by the Commonwealth Government and the Commonwealth Parliament. After all, that is only an expression of opinion. The hon. member admits that the Commonwealth has already demonstrated its interest in insurance of all kinds. The Commonwealth Act is not limited to any one form of insurance; it is comprehensive. The fact that that start has been made is surely an indication that the Commonwealth is not going to stop there. What service is the Commonwealth giving to the community in passing a Bill like that in the Commonwealth Parliament?

Hon. N. Keenan: None whatever.

Hon. W. D. JOHNSON: None whatever. The hon. member said there was no need for this Bill; that there would be no call for it; but there is a call for it because of the attempt of the Commonwealth Parliament to become interested in insurance activities.

Mr. Abbott: You do not approve of the Commonwealth?

Hon. W. D. JOHNSON: I prefer local control, and I will deal with that on another matter that is coming before the House. My course is as straight as a tramline.

Mr. Thorn: That is all over the place.

Mr. Seward: Even the Minister for Railways laughs!

Hon. W. D. JOHNSON: If one follows the tramline, one gets to one's destination.

Mr. Seward: If you are lucky.

Hon. W. D. JOHNSON: I have a definite destination, and I hope to arrive there. Thank God we are making wonderful progress in this matter of socialisation, municipalisation, or co-operation if you will. They are the activities that I am interested

in and to which I have devoted what little spare time I have from the arguments I get into in this Chamber.

Mr. Leslie: In an entirely honorary capacity?

Hon. W. D. JOHNSON: Not entirely! The hon. member knows perfectly well that once a month there is a board meeting for which I get paid a fee. But it is not what one is paid but what one does towards servicing the co-operative movement that interests me. It is not a question of payment but of the service one gives. If the Leader of the Opposition or the member for Pingenelly will make inquiries as to the services I give and find out the compensation I receive, he will be able to enlighten the member for Mt. Marshall on the subject. That hon. member had a co-operative concern, but it went where many others have gone because of the lack of activity and the want of education on the part of the people.

Mr. SPEAKER: Now, get back to the Bill.

Hon. N. Keenan: This is a Bill—

Mr. SPEAKER: Order!

Hon. W. D. JOHNSON: I commend the Government for introducing the measure.

Mr. Thorn: The Commonwealth or the State Government?

Hon. W. D. JOHNSON: It is in accordance with world movement and world ambition. Why should not we in this State anticipate the kind of world that people want, and try to make provision for it within our limitations? There is not a great deal left that this State can do, but this is one thing that it can. It is something by which we should give service. I emphasise that we do not come into competition with any other State concern under this Bill. The profits made out of all kinds of insurance in this State are distributed elsewhere, with the exception of those of the mutual companies. Those companies pay bonuses to the policyholders who contribute in this State, but the actual control, management, supervision and direction of every insurance concern in Western Australia are from sources outside the State. Therefore, since we have nothing here, surely there is a call for us to create something, and it is beyond the capacity of individuals, or a combination of individuals, to start some insurance concern. Therefore only the State can do it.

The member for Nedlands and others say there is no call for it. Of course there is a call for establishing within the State these services needed by the State. When we realise that the Eastern States have to service us here, surely we can get to work and service ourselves. I commend the Bill, from that point of view. I believe it is needed, and in conclusion I emphasise that there is a grave danger that unless this State takes the opportunity of getting in before others we might be left, as we have been on previous occasions. I commend the Government for trying to anticipate that eventuality and preparing for it so that the State will be in a position to take its part in this matter. We are circumscribed in the State and the local community can better handle this than by having the whole of Australia coming to Western Australia. Today we have the whole of Australia exploiting Western Australia. We want to give service to Western Australia by Western Australians.

MR. CROSS (Canning) [8.5]: This Bill is long overdue. In spite of what the Leader of the Opposition and the member for Nedlands said, insurance business is pretty lucrative. In Western Australia, about 80 insurance companies operate, and they own the most valuable buildings in the State. All these companies are outside companies. Many of them operate in other parts of the world.

Mr. Abbott: Do you object to their building here?

Mr. CROSS: I object to the hon. member's interjection. The member for Nedlands almost wept at the thought of the State of Western Australia entering into all phases of insurance business against 80 powerful companies, some of which have offices in 50 or 60 countries, for fear the State would wipe them out. I know what the hon. member fears; he fears that the service to be rendered by the State will be of such value that the existing companies might be compelled to lower their rates.

Mr. Thorn: That would be a change.

Mr. CROSS: I do not know that it would. To afford members an idea of how little the member for Toodyay knows, I will give an illustration: Some time ago the State Insurance Office inaugurated a pool for road

boards. It undertook to do all classes of their business. There are 119 road boards in the State, and within three months 69 of them had joined the pool. The concession given was this: Firstly, they were charged the ordinary insurance rate, from which they received 20 per cent discount. Then the State Office took 20 per cent. for running expenses and, after the claims for the year had been met, a bonus of the balance was paid to the road boards in the pool. Those benefits have never been given by any other insurance office.

To show that insurance is profitable, let us take the insurance department operated by the Railway and Tramway Department. I can recollect that on two or three occasions in the last 10 or 12 years, since I have been here, that department, which has charged the ordinary rates, has paid into Consolidated Revenue, after meeting all charges, £50,000. That profit, which was made on the State's own business, went to relieve taxation. I recollect reading some time ago an annual report by the general manager, or the managing director, in Great Britain, of the Prudential Insurance Company. In the course of his remarks, that gentleman said that the largest source of revenue received by his and other companies was from lapsed policies. He said it was strange, but true, that three out of every five policies taken out lapsed. Members will remember that it was this Government that brought down a measure to compel the insurance companies in this State to pay a surrender value on lapsed policies.

Mr. Abbott: Have you any objection to that?

Mr. CROSS: No.

Mr. Abbott: No more have I.

Mr. CROSS: The member for North Perth has, and today he supports the policy of this tremendous field of insurance, one of the most profitable rackets in the world, being monopolised by outside foreign companies, and he would fight against the State taking any share in this lucrative business so that out of the profits it could reduce taxation on the people. We had the Atlantic Charter, which spoke of the Four Freedoms. I want the freedom to insure where I like, and with whom I like. I want to insure with the State Insurance Office,

because it is conducted by the State and for the benefit of the whole of the people of the State. I support the measure.

**THE MINISTER FOR WORKS (Hon. A. R. G. Hawke—Northam) [8.11]:** There are only three or four points that I wish to discuss briefly in connection with the debate on this Bill. Listening to some of the speeches on the measure it would be easy to conclude that the field of insurance business is one into which the State should not intrude or, if it is to intrude, that it should intrude only in the most restricted and handicapped way possible. Broadly speaking it has been increasingly conceded, as years have gone by, that Governments should play a more direct and important part in matters that affect the social welfare of the people. In my opinion all classes of insurance business are social in character, irrespective of whether the class of insurance is compulsory or otherwise. If, therefore, insurance business of any and every type is social in character, there is an undoubted right and probably also an undoubted responsibility for the State or the Commonwealth, as the case may be, to play an important part in seeing that this social service is made available to the people at the cheapest possible rate and under the best possible conditions.

One speaker was at some pains to stress the need for fair and equal competition, as between private companies on the one hand and the Government, if it comes into this field, on the other. The burden of his argument was that the companies operating in the field of insurance should be permitted to operate in such a way as to enable them to carry on successfully and to make reasonable profits—and perhaps large ones—through their operations. The Government's consideration of this question takes into view a much larger field than that. We are not so much concerned with the ability of the companies to make large profits in this field of social activity as we are with making available to the people of the State the various classes of insurance business that they require under the best conditions and at the lowest charges at which it is possible to make the business available to them.

Mr. Abbott: Do you say nobody supports large profits?

The MINISTER FOR WORKS: I would not agree that nobody supports large profits. I am sure that some people do.

Mr. Abbott: You would not want them at the expense of the general taxpayer.

The MINISTER FOR WORKS: If the State Insurance Office is given the unrestricted right to make all classes of insurance business available to the people of the State, might it not be better for them to have that business made available to them cheaper than is the case with the private companies, rather than that it should be made available by the State Government at the same charges as the private companies now offer, and that the financial strength of the private companies should thereby be not reduced one iota? I think it is a question of weighing against maintaining the present financial strength of the companies the needs and requirements of the people. If the State Insurance Office can make this social necessity of insurance of all classes available to the people more cheaply than it is available to them from the private companies, then I think there is on the shoulders of Parliament a responsibility to see that that objective is achieved to the greatest possible extent.

Another contention put forward against this Bill was that there had been no noticeable vocal demand for it. It would be just as illogical to argue that people do not require to have any other services made available to them more cheaply than they are available at present. There is always in the minds of the people the idea that they should have every service, no matter what its nature, made available to them more cheaply. The fact that they do not organise public meetings demanding that some service be made available more cheaply certainly is not proof that they do not desire every service that they require made available at less cost, if it is possible for that to be done. Would anyone argue that the people of this State do not desire cheaper insurance? Is there one member in this House who would claim that the people are against having insurance business made available more cheaply?

Mr. McDonald: They even want cheaper taxation!

The MINISTER FOR WORKS: They want everything cheaper, especially that important section of the community of which

the member for West Perth is a conspicuous figure. It is the natural thing that people do desire to pay less for all the services they receive.

Hon. N. Keenan: Not the member for Guildford-Midland.

The MINISTER FOR WORKS: So I say that the contention that this Bill should not be endorsed by Parliament because the people have not organised a demand on Parliament to pass such a measure, has no logical merit of any kind. Most people in Western Australia would embrace insurance business very quickly and enthusiastically if it could be made available to them more cheaply than it is at present.

Mr. Watts: Then it is a wonder that more people have not favoured the non-tariff companies.

The MINISTER FOR WORKS: There is no need to wonder at that. We know what happens through the various organisations of trade and commerce in this State and in other parts of the world. Perhaps no-one in the House knows better than does the Leader of the Opposition what happens. He knows that there is a link between this section of trade and that section of trade, a tie-up between this section of commerce and that section of commerce, and because of these tie-ups, one section of trade blacklists another section, one section of commerce blacklists another section, and consequently business is done as between the sections that are in agreement one with the other. This applies perhaps more in the insurance world than it does in any other trade or commerce activity.

Mr. McDonald: Business men look for the cheapest price.

The MINISTER FOR WORKS: It is not true that in trade and commerce generally business men always take the cheapest service available to them but, as I have said, that is true in regard to the people generally who have to watch every shilling they spend. I have explained on previous occasions that manufacturers in this State could obtain their workers' compensation insurance cover much more cheaply from the State Insurance Office than they now pay by obtaining it from the private companies.

Mr. Doney: Is the State office always cheaper than the private companies for compensation insurance?

The MINISTER FOR WORKS: In 90 out of 100 instances it would be cheaper, but even in the 90 where the rate is cheaper, the private manufacturer, on principle, goes to the private insurance office. In some instances the directors of the private industries are also directors of the insurance companies, and all these tie-ups, as I have mentioned, lead to the operation of the practice of putting the business wherever the white list operates and not where the black list operates. As to the argument that the passing of the Bill might possibly discourage other insurance companies in future from establishing offices in this State, I would say that the State would lose nothing by reason of that happening.

Mr. McDonald: Does that apply to other industries, too?

The MINISTER FOR WORKS: No.

Mr. McDonald: Well, why to this business?

The MINISTER FOR WORKS: It would apply to a commercial undertaking such as insurance because already the number of offices in this State is far and above what is required to meet the reasonable necessities of the people. So I would not be a scrap worried about the possibility that some new company in future might decide not to establish an office in Western Australia because of the State office having the legal right to carry on every class of insurance business. In any event, such a prophecy, I think, would not come to pass. Any new company of consequence, I believe, would establish an office in this State irrespective of whether there was a State office legalised to undertake all classes of insurance business. To prove a contention or prophecy of that sort, it would be necessary to show that, in the State of Queensland, some of the existing offices had been closed down because the State office of Queensland had full legal right to carry on all classes of insurance. I think that a new company would establish an office in this State irrespective of whether the Government office were operating to the full extent or not.

Another important point, and the last with which I propose to deal, is that of all the insurance offices operating in this State, only one—the State office—is purely and completely a State organisation. Anyone listening to some of the speeches could easily have thought that the insurance companies estab-

lished their offices in this State for the benefit of the people of Western Australia. Does any member seriously think that that is the reason why they started operating here?

Mr. Doney: Did any speaker say that?

The MINISTER FOR WORKS: More than one speaker suggested it and left that impression in the mind of anyone who was carefully sifting what was being said and trying to find the real point of the argument. The companies established their offices in this State mainly for the purpose of carrying on their activities successfully and at a profit.

Mr. Doney: Obviously!

The MINISTER FOR WORKS: When they make a profit, it does not remain in this State, but is taken away and used elsewhere. The whole of the activities of the State office, of course, are within the State. All the expenditure incurred in connection with the business of the State office circulates within the State and for the benefit of the State, and the profit made from time to time remains within the State for the benefit of the State. Therefore I am completely at a loss to understand why members—some of them great and earnest advocates of Western Australia and everything associated with it—should oppose the move contained in the Bill to extend the State-owned and State-operated insurance office. I am completely at a loss to understand why they should oppose that when, by so doing, they leave within the hands of companies, whose headquarters are either in the Eastern States or in other countries of the world, a much greater share of the money that the people of Western Australia are prepared to make available for the purpose of insurance cover.

Mr. McDonald: Do you think we should try to freeze out the Eastern States' companies?

The MINISTER FOR WORKS: I do not think we should try to freeze them out. My over-riding consideration, and that of every member of the Government, is that we ought to make this social activity of insurance available to the people at the lowest possible charge.

Mr. Abbott: We all agree with that.

The MINISTER FOR WORKS: In theory, the hon. member agrees with everything that is worth-while and meritorious,



but in practice, strange to relate, he opposes the same thing. So, in theory, he agrees with what I have said about the Bill, but when the second reading goes to a division—if a division be called for—he will vote against it. I therefore make a special appeal to every member of the House, who believes that every effort possible should be made to make insurance available to the people at the lowest possible rate, to support the Bill.

Question put and passed.

Bill read a second time.

*In Committee.*

Mr. J. Hegney in the Chair; the Minister for Works (for the Minister for Labour) in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 2:

Hon. N. KEENAN: I move an amendment—

That in line 1 of paragraph (a) the words "inserting in" be struck out with a view to inserting other words.

The effect of the amendment would be that instead of retaining the old definition clause and tacking something on to it, when in effect an end is being put to it, the whole definition would be struck out. If every class of insurance is to be open to the State office, it is no use defining the classes of insurance which it may undertake.

The MINISTER FOR WORKS: The amendment is sprung on me, although I quite understand the member for Nedlands did not do that deliberately. I have not had a chance to study the amendment in order to ascertain how it would affect Section 2 of the principal Act. I am, however, quite prepared to have the amendment inquired into; and if as a result of the inquiry it is found that the wording of the member for Nedlands is better than that now contained in the Bill I will undertake to have the necessary alteration made.

Hon. N. KEENAN: The Minister understands that if the amendment is agreed to other words will have to be inserted.

The Minister for Works: Yes.

Mr. WATTS: Does the Minister intend that the amendment should be dealt with here and now, or is it the intention to postpone

the consideration of the clause? I am in a difficulty. I also have an amendment to the clause and if this amendment succeeds it will make a considerable difference to mine.

The MINISTER FOR WORKS: I undertake to have the Bill recommitted if it is found that the amendment of the member for Nedlands is worth adopting.

Amendment put and negatived.

Clause put and passed.

Clauses 3 and 4—agreed to.

Clause 5—The Schedule:

Mr. WATTS: This clause deals with a portion of the Bill to which I made some strong reference during my second reading speech. I move an amendment—

That the words "Such provisions may from time to time be amended by way of addition or otherwise by the Governor in Council by Order in Council published in the Government Gazette" be struck out.

The schedule to the Bill, if passed, will become an important part of the Act. It lays down a great many conditions, authorities and powers of the State Insurance Office which ought not to be amended except by Parliament.

The MINISTER FOR WORKS: I have no objection to the amendment.

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

Clause 6—State Insurance Funds:

Mr. WATTS: I move an amendment—

That in line 3 of proposed new subsection (6) after the word "called" the words "in the case of fire insurance the 'State Fire Insurance Fund,' in the case of life assurance the 'State Life Assurance Fund' and in other cases" be struck out.

It seems quite unnecessary to me, even if we approve of the State's carrying on fire insurance business—which all of us do not—to specify the two funds mentioned. It is obviously the intention to have separate funds; that is the intent and implication of the clause.

Hon. W. D. JOHNSON: These provisions have a definite relation to the suggested amendment of Clause 2. If Clause 2 remains as printed, after the Minister has analysed it, this wording is necessary.

Mr. Watts: No, because there is no specific reference to fire or life insurance in Clause 2.

Hon. W. D. JOHNSON: No, but it is already in the Act. The Fire Insurance Fund is specified today and it is proposed definitely to undertake life insurance. It is therefore desirable that Parliament should know how the fire insurance fund is progressing and how it is being administered, so that if the profits are such as to justify a reduction, the information will be available for our assistance. Again, it would be quite wrong to say that we should pool the income of the fire insurance department with the income from the life insurance department. The two funds should be kept separately.

Mr. Watts: The hon. member entirely misunderstands me.

Hon. W. D. JOHNSON: The provision to which the member for Katanning is taking exception declares that the State will meet any needs that are demonstrated over the years for the purpose of creating other funds. It is provided that the type of insurance shall be specified and a special fund created for it. If Clause 2 stands as printed, the words it is proposed to delete should remain. It is obvious that when this Bill was being framed, the draftsman took into consideration the provisions of Section 2. I hope the Government will not agree to the deletion of these words until we see exactly what is determined in regard to Clause 2. I disagree with the opinions expressed by the member for Katanning. I agree with the Minister that the matter should be investigated but I shall be sorry if there is any interference with the provision, because I believe the drafting is sound and necessary. With the separate activities having definite funds, Parliament will be able to analyse the results and see where we are losing and where we are gaining: where a little extra should be charged, and where there should be a reduction.

Mr. CROSS: I understand that in insurance practice it is the custom to keep ledgers relating to the various classes of insurance so that the profits and the scale of charges in relation to any particular class can be computed.

Mr. Abbott: There is no suggestion it should be otherwise.

Mr. CROSS: The Leader of the Opposition said that we needed to keep the operations within the purview of Parliament. Under the Bill, separate books of account must be kept, as is done by all companies operating today. The words should be left in so that we may know what profits are being made and may determine whether cheaper rates are possible.

Mr. WATTS: I trust that the member for Guildford-Midland and the member for Canning will pay a little closer attention to the provisions of the Bill and to my remarks before they address long speeches to the Committee, based on misunderstanding of the arguments in which they are engaged. I have not the slightest objection—in fact, on the contrary—to separate accounts being kept for each class of insurance. I am convinced that if we are going to undertake various classes of insurance, we must keep separate accounts; but I maintain that Clause 6 says the same thing twice, and I only wish to have it said once, and to that end desire to see some of the words in the clause struck out. The clause, as I would have it amended, would read—

In respect of each class of insurance business carried on by the Office, a separate and distinct fund shall be created to be called the "State (name of class) Insurance Fund."

So, whether it be for life, fire, plate-glass, workers' compensation, marine or any other kind of insurance the office is lawfully authorised to conduct, it will keep a separate fund to deal with that insurance under the heading which is concerned with the particular fund. As the clause stands, it states that there shall be, first, a State Fire Insurance Fund, and then a State Life Assurance Fund, and then it says, "and in other cases the State (name of class) Insurance Fund," which is only mere repetition. The member for Guildford-Midland mentioned life and fire insurance as being referred to in Section 2 and in Clause 2. I presume that when he mentioned Section 2 he referred to the Act; but there is no reference to life insurance or fire insurance in Section 2. When he referred to Clause 2, I presume he meant Clause 2 of the Bill; but there is no specific reference to any type of insurance in Clause 2 of the Bill. It refers to "insurance in relation to every class of insurable risk not already mentioned"; those that are not already mentioned are all the types except workers' compensation, employers' liability,

personal accident, comprehensive and third-party, and certain types of pool insurance authorised by this Parliament in times past. Because I believe there is a duplication of intention in Clause 6, I want the clause amended.

Mr. McDONALD: I agree with the Leader of the Opposition that we do not want any tautology or repetition in phraseology, but there is another aspect on which the Minister may have a note. If my memory serves me rightly, there are certain statutory obligations, especially in the case of life insurance, to render periodical returns of the fund separate and distinct from any other class of business. I am not sure whether there are such statutory obligations regarding fire, but I thought there might possibly have been in the draftsman's mind some regard to those statutory requirements in the way of returns that insurance companies have periodically to file.

The MINISTER FOR WORKS: I have not any note from the draftsman in connection with this particular clause, but it does appear as though the words which the Leader of the Opposition seeks to have deleted are unnecessary.

Hon. W. D. Johnson: But they will not be unnecessary if Clause 2 stands as it is. How can you anticipate what insurance funds you will want?

The MINISTER FOR WORKS: Paragraph (a) of this clause seeks to delete certain words from Subsection (6) of Section 7 of the Act, and insert other words in lieu thereof. The words proposed to be substituted are—

In respect of each class of insurance business—

I think the governing words there are "each class." The clause continues—

—carried on by the Office a separate and distinct fund shall be created to be called— and then follow instances—

—in the case of fire insurance the "State Fire Insurance Fund," in the case of life assurance the "State Life Assurance Fund"—

Then it becomes general—

—and in other cases the "State (name of class) Insurance Fund."

If the words proposed to be struck out by the Leader of the Opposition were deleted, I do not see how the wording would lose

any of its strength or safeguarding characteristics. Apart from the point raised by the member for West Perth it appears to me that the words regarding the State Fire Insurance Fund and the State Life Assurance Fund are put in as examples of how each fund should be given a separate title. The words might also, as often happens with draftsmen, have been put there out of a spirit of abundant caution to make what appears to be already sure doubly sure. However, in view of the point raised by the member for West Perth, I would like the opportunity of checking with the draftsman as to whether there is, in fact, any real necessity for the words in question to remain to meet the situation outlined by the member for West Perth. I trust that the Leader of the Opposition will see his way clear to withdrawing his amendment for the time being. If, when we reach the third reading stage, we find that the words are superfluous, action can be taken to recommit and have them deleted.

Mr. WATTS: I will accept the Minister's assurance, and ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause put and passed.

Clauses 7 to 9—agreed to.

Schedule:

Mr. WATTS: Paragraph 3 provides that if required by the general manager, every agent, not being a clerk of courts, clerk of petty sessions or mining registrar, or other State officer appointed under the Public Service Act, shall give security for the due performance of his duties, as the general manager thinks proper and sufficient. Will the Minister tell us why it is not proposed that other officers, acting as agents for the State Insurance Office, will have to give such security for the due performance of their duties?

The MINISTER FOR WORKS: I have no information on that point at this stage, but I will obtain it and make it available to the Leader of the Opposition.

Schedule put and passed.

Title—agreed to.

Bill reported with an amendment.

**BILL—MARKETING OF BARLEY**

(No. 1).

*Second Reading.***THE MINISTER FOR AGRICULTURE**

(Hon. J. T. Tonkin—North-East Fre-mantle) [9.0] in moving the second reading said: The purpose of this Bill is to create a barley board to take the place of the present Barley Board which exists by virtue of the National Security Regulations. The continuance of the Barley Board has been requested by the barley section of the Primary Producers' Association and has not been objected to by the brewers or maltsters. It is generally recognised that the best incentive to production is a guaranteed market, and that is why the present Barley Board came into existence. It became necessary to take steps to encourage the production of barley so that the supply of barley for malting needs would meet local requirements. In 1942-43 only one-third of our total malting needs were produced locally. As the result of steps taken by the board in the following season our production was doubled, and in 1945 we had to give consideration to the possibility of over-production and the taking of steps to ensure that the crop was not so large as to embarrass the board and bring about a serious fall in the returns of the growers. I mention that to illustrate the results that follow from giving producers a guaranteed market for their product.

Recognising that the action taken during the war years has resulted in a considerable stimulation of barley growing, the Agricultural Council in February of this year gave consideration to the desirability of providing a stabilisation plan for grains other than wheat, and they had in mind barley, oats and grain sorghum. The standing committee of the Agricultural Council, after going thoroughly into the matter, was of the opinion that the barley industry should be given some form of stabilisation, and it was generally agreed that the stabilisation of that industry would require a comprehensive scheme necessarily based on State marketing legislation. The growers in Western Australia are not enamoured of a Commonwealth scheme. They objected to being under it in the first place, and because of the objections made a request was submitted to the Commonwealth, and Western Australia was exempted from the operations of

the Australian Barley Board, and we were enabled, under Commonwealth authority, to set up our own Barley Board.

The Bill that is at present before the House differs somewhat from the draft legislation that has been forwarded from the Commonwealth to the different States for consideration. As the result of a decision of the Agricultural Council the chairman of the Australian Barley Board had draft legislation prepared for the Commonwealth and State Parliaments, and I have been supplied with a copy of that. The Commonwealth proposals differ from ours inasmuch as they make provision for a guaranteed minimum price and the present draft of the Bill, which of course is subject to alteration—I am referring now to the Commonwealth draft—indicates that if there is any shortage of funds to make good the guaranteed minimum price the deficiency must be found from the Consolidated Revenue of the Commonwealth. That is quite different from the wheat stabilisation proposals where there is provision for a tax on the price of wheat in order to set up a fund from which money can be drawn to keep the price stabilised, though it is true that there is provision under that legislation for an appropriation from Consolidated Revenue should there be insufficient money in the fund to pay the guaranteed price.

This Bill which I have introduced does not guarantee any minimum price. I will deal later with the price aspect of it. It does not make any provision for paying a guaranteed minimum price to the growers. I mentioned the Commonwealth legislation because it could easily be desirable for us later on to amend this Bill—if it becomes an Act—to conform more closely to what is proposed under the Commonwealth legislation, but it became necessary for me to introduce this Bill this session in order to deal with the period that might elapse following the removal of the National Security Regulations and prior to the passing of the Commonwealth legislation to make provision for the marketing of barley.

Hon. N. Keenan: This is a transition measure.

**THE MINISTER FOR AGRICULTURE:** Yes, to deal with the transition period it became necessary for me to introduce this legislation. I mention that it could easily be necessary to amend it later on to con-

form more closely to the proposals that are being submitted for the States generally.

Mr. Watts: If we were exempt during the war, why cannot we be exempted after the war?

The MINISTER FOR AGRICULTURE: I daresay we could be exempted if we did not desire to be governed absolutely by the Australia-wide scheme, but I am attempting to take power in this Bill to enable us to join up with any Commonwealth scheme and to have a relationship with an Australia-wide board, should one be set up for the purpose.

Mr. Watts: If it be found satisfactory, I suppose?

The MINISTER FOR AGRICULTURE: Yes. If we feel that there is no necessity to join up with the Australia-wide organisation or with other States we will have no reason to seek to amend our own legislation, if it works satisfactorily, but if it is obvious that it would be to our advantage and to the advantage of Australia generally that the scheme should be uniform, then I have no doubt that Parliament would readily agree to amend our Act to enable us to participate on a basis of uniformity.

Mr. Seward: Who would determine whether to link up?

The MINISTER FOR AGRICULTURE: We will take that hurdle when we come to it. I am dealing now with certain proposals that are before this House and have mentioned possible eventualities, but I do not want to go into the pros and cons of them.

Mr. Watts: No, I admit they are a little bit sticky.

The MINISTER FOR AGRICULTURE: I would not say that, but what good purpose could be served by dealing with a lot of supposititious cases that might never arise? That would simply waste the time of the House unnecessarily.

Mr. Watts: Unfortunately they might arise when the House was not sitting.

The MINISTER FOR AGRICULTURE: Then we could not do anything until the House did sit.

Mr. McDonald: Your colleagues do not seem interested in barley—except in malted liquors!

Mr. SPEAKER: Order!

The MINISTER FOR AGRICULTURE: The Bill seeks to set up a board for a period of three years. It may become necessary later on to extend the period, but this will give us an opportunity to see how the scheme will work. The proposed board is to have six members appointed by the Government, two of whom shall be producers elected by the producers.

Mr. McLarty: How many barley growers are there in the State?

The MINISTER FOR AGRICULTURE: I cannot say offhand, but I know that the industry has been stimulated to such an extent that more growers are coming in every year and more are likely to engage in it.

Mr. Abbott: You want to shut them out.

The MINISTER FOR AGRICULTURE: No, I do not; but I desire to take steps to ensure that those already in the industry are not involved in any catastrophe nor yet those who may come in subsequently. This is not an attempt to shut anyone out, but any stabilisation proposal is, of course, dependent upon the regulation of production. It is axiomatic that we must have control if we are to stabilise.

Mr. McDonald: There is always a fly in the ointment, and it is necessarily there.

The MINISTER FOR AGRICULTURE: Yes, it is always there, but it is a logical development if we take any steps whatever to put the industry on a stabilised basis and with a guaranteed market, that people will be encouraged to consider going in for barley growing. If we just abandon them and leave the industry to its own devices, there can be only one result. It will mean a bad time for everyone because economic circumstances themselves will force the position on present growers. In that event it would mean going over the long process of building up again and encouraging a few growers to take up the industry. Naturally they would be reluctant to do that having had their fingers burnt before. We do not desire that state of affairs to arise, and we must recognise that if we want stabilisation we must control production.

Mr. J. Hegney: This is really a matter of orderly marketing.

The MINISTER FOR AGRICULTURE: Yes, and control makes necessary the restriction of growers regarding the quantity

they can grow. There is no intention in the Bill of saying to growers, "You shall put in only a certain acreage of barley or grow only a certain quantity of barley." What we intend to do is to say to all licensed growers, who are termed "producers" in the Bill, "You are only permitted to grow a certain quantity for sale as grain. You can grow as much as you like if you want to feed it, but only a certain quantity of barley for sale as grain." As we know, the existing market absorbs about 350,000 bushels, it would be stupid to encourage people to grow, say, 1,000,000 bushels.

Mr. Abbott: Barley makes good stock food.

The MINISTER FOR AGRICULTURE: Yes, it is certainly good for that and if they grow barley as stock food they can grow as much as they like.

Mr. Abbott: For sale?

The MINISTER FOR AGRICULTURE: Yes, for sale as feed but they cannot grow as much as they like for sale as grain, beyond the quantity set out in their licenses. However, I was dealing with the set-up of the board. As I remarked, it is proposed that the board shall consist of six members, three of whom shall be producers. Two of those producers are to be elected by the producers and the third producer is to be nominated by the Minister.

Mr. McLarty: What is the idea of the Minister nominating the third producers' representative? Why should he not be elected, too?

The MINISTER FOR AGRICULTURE: That is just on account of the desire on the Minister's part to see that at least one producer—

Mr. Seward: Is a producer.

The MINISTER FOR AGRICULTURE: —is a man of the highest quality.

Mr. Watts: That does not speak too well of the producers.

Mr. SPEAKER: Order! I must ask members to allow the Minister to present his Bill without interruption.

The MINISTER FOR AGRICULTURE: I am not inferring that the producers would not elect representatives of the highest quality, but accidents do happen at elec-

tions. Let members remember what happens at Murray-Wellington! It is desirable that the Minister should have some safeguard in seeing that he has got at least some quality on the board.

Mr. Seward: At Murray-Wellington they have forgotten what it is to have an election.

The MINISTER FOR AGRICULTURE: The board shall also include a representative of the brewers and one of the maltsters, with a chairman to be nominated by the Minister. The board will have power to control the production of barley for sale. It will be necessary for a producer to apply for his license annually. No-one will have a right to a license. It will be necessary for every producer to apply for one, and anyone to whom a license is granted becomes a producer under the Act and is then subject to control. The board will decide the maximum quantity of barley to be produced by each producer. I want members to note the distinction there because other legislation that will be brought before the House subsequently will deal with the control of production in another way. This Bill proposes to control it by setting the maximum quantity of grain which is to be produced by each producer. The Bill also provides for licensed receivers—persons or firms or State instrumentalities—who will be licensed to receive barley on behalf of the board.

Marketing is an important feature of the Bill. After the appointed date which is to be fixed by the board and announced by it, producers shall not be permitted to sell to anyone other than to the board, nor shall any person other than the board be authorised to buy barley from a producer. The board shall be under an obligation to accept delivery of all barley tendered to it, provided it is of merchantable quality. If a producer is given a license for a certain quantity of barley and he delivers that quantity, the board will be obliged to accept it, provided it is of merchantable quality. Once barley has been delivered then property in it passes to the board, and anyone who has a mortgage or lien or right in the barley will receive a certificate entitling him to compensation from the board to the extent of his right or interest in the barley which was delivered. The rate of compensation will be based on the net pro-

ceeds from the disposal of the barley and in accordance with the quality and quantity of the barley so delivered. There will be separate pools for each grade of barley of each type. Provision is made for interim payments to growers and that is one of the reasons why Western Australian growers previously objected to the Commonwealth scheme. The objection was on account of the length of time that elapsed before payment was received for grain delivered.

Mr. McDonald: Is the liquor trade the chief consumer of the barley grown in this State?

The MINISTER FOR AGRICULTURE: Yes, easily. The only other point is that power is provided for the board to be created in this State to join with other States of the Commonwealth for the purpose of co-ordinating and regulating marketing within or without the Commonwealth.

In conclusion, I wish to explain that growers requested the introduction of this legislation. The barley section of the P.P.A. waited on me by deputation in December last and asked what steps the Government proposed to take to regulate and control barley-growing when the National Security Regulations lapsed and the existing board could no longer continue. The members of the deputation intimated that it was very necessary for some form of control to be exercised. They said they realised that the industry could not be controlled without a restriction of production and were prepared to submit to that because it was necessary if there was to be any stability in the industry. Having been encouraged to go in for the industry, they felt that it ought to be safeguarded and, therefore, the creation of a board was not only desirable but also necessary.

As the maltsters and brewers several years ago had expressed considerable opposition to the setting up of a barley board, I made it my business to inform those interests that I was considering the introduction of legislation for the creation of a board. I received an intimation that they did not object to the formation of a board for a period of one year. I have not introduced this Bill for a period of one year. I have assumed that as they had no objection to it for a period of one year, there could be little objection to a period of three years. If it

were justified under existing conditions, we would easily see later on whether there was such an alteration in conditions as to make it undesirable for the legislation to be continued and could take whatever steps were necessary. I felt I would not be doing the right thing if I asked Parliament to agree to a board for one year only, and so I have provided for a period of three years, which is not a particularly long time.

In view of what is proposed by way of Commonwealth legislation and complementary legislation by the several States, I feel that this type of legislation will become a permanent feature of marketing legislation for a number of commodities. This is another reason why I have not limited the period of the Bill to one year. I see a possibility of need for amendment in the light of developments regarding the setting up of boards elsewhere. I was not able to attend the current meeting of the Agricultural Council, which is sitting in Canberra today, but I know that the stabilisation of barley was one of the matters listed for discussion, and it is quite probable that some decision will be arrived at there for the adoption of stabilisation proposals.

I mentioned that the Bill did not provide for a guaranteed minimum price. To do so would be extremely difficult for us under the conditions now operating. If the Commonwealth Government introduces a scheme for the stabilisation of barley along lines somewhat similar to those for the stabilisation of wheat, and is prepared to find the money to meet any deficiency should such occur, we would not find much difficulty in taking advantage of those extra funds for the benefit of the producers. If that happens, obviously it will be necessary to alter our Bill to conform with the principles of the Commonwealth legislation and the complementary State legislation for a stabilisation proposal along those lines. I move—

That the Bill be now read a second time.

On motion by Mr. Perkins, debate adjourned.

## BILL—LEGISLATIVE COUNCIL REFERENDUM.

### *Second Reading.*

Debate resumed from the 13th August.

MR. LESLIE (Mt. Marshall) [9.27]: Firstly, I wish to express the opinion that

the task of members elected to the Legislature, whether in this Chamber or in the Legislative Council, is to examine carefully any proposal that is submitted, to consider the accompanying evidence and, coupled with the investigations and our own knowledge and experience, to arrive at a decision as to the extent to which the legislative action proposed is necessary, if at all. When constitutional amendments are proposed, or any innovation that affects the Constitution is suggested, it is more than ever necessary that such examination should be more searching and that we should give very careful consideration indeed to any attempt to alter or in any way affect the Constitution.

In my opinion, three questions have to be taken into consideration when we are dealing with any particular piece of legislation. Firstly, there is the purpose of the legislation; secondly, the reason for that purpose arising, and, thirdly, whether the proposed legislation meets the other two requirements. With these factors in mind, I turn my attention to this Bill, which has for its purpose the submission of certain questions relating to the constitution of the Legislative Council to a referendum of the people. The reason for the Bill, said the Minister in moving the second reading, is to effect a readjustment in the relationship between the two Houses of Parliament. Right here I find myself up against a brick wall because I see nothing at all in the Bill to provide for a readjustment in the relationship between the two Houses.

Mr. Watts: You do not see it because it is not there.

Mr. LESLIE: No, it is not there. The Bill contains two questions which the Government proposes should be submitted to the electors. One of these seeks to obtain the abolition of the Legislative Council. That, of course, is not going to bring about a readjustment of the relationship with the Legislative Council, unless the Minister and the Government are adopting European ideas, namely, that the easiest way to eliminate a difficult proposition is to liquidate or abolish it. That is the easiest and simplest way out.

Mr. Fox: The Minister could not do it. The people could.

Mr. LESLIE: He is evidently trying to find a way to abolish the Legislative Council. That is certainly not providing for a re-

adjustment of the relationship between the Houses. The second question asks the people to agree to a proposal to extend the franchise for the Upper House.

Mr. J. Hegney: That would bring about some readjustment.

Mr. LESLIE: To what extent would it bring about a readjustment?

Mr. J. Hegney: Equal voting for both Houses.

Mr. LESLIE: If by Hitlerite methods the other Chamber is flooded with people the members on the other side of the House desire, it will not bring about a readjustment of the relationship between the two Houses. Neither of these questions, if both or either are agreed to, will achieve the objective sought. Certainly, if the Council is abolished the need for readjustment will disappear.

Mr. J. Hegney: Do you believe that returned soldiers should have a vote for the Legislative Council whether they own property or not?

Mr. SPEAKER: Order!

Mr. LESLIE: I am dealing purely with the purpose which the Minister stated this Bill seeks to achieve.

Mr. J. Hegney: What about discussing the Bill?

Mr. LESLIE: I am dealing with what the Minister discussed.

Mr. J. Hegney: You are doing a lot of harm.

Mr. SPEAKER: Order!

Mr. LESLIE: And that is the purpose of the Bill. I propose leaving that aspect for the moment to deal with the reasons which the Minister advanced. I confess here that I have heard strong condemnation of the Legislative Council because at times it has not seen eye to eye with the legislation passed by the Legislative Assembly and submitted to the Council for its approval.

Mr. J. Hegney: Did you hear that at a meeting of the Country and Democratic League?

Mr. LESLIE: Many people do not see eye to eye with our friends on the opposite side of the House, but we are not suggesting that for that reason they should be liquidated or abolished. We are quite content to see them and their party continue.



Mr. Fox: You are getting very blood-thirsty.

Mr. Watts: Only dictators desire to abolish opposition.

Mr. LESLIE: It certainly is not our desire to abolish it. Although we do not see eye to eye with members opposite, we tolerate them.

Several members interjected.

Mr. SPEAKER: Order!

Mr. LESLIE: The Minister did not advance one reason which I would consider is a reason for the readjustment of the relationship between the two Houses. The Minister did not give one instance to show that the progress of our State had been retarded or its normal development adversely affected because of the existence of the Legislative Council. I have heard many vague, obscure and indefinite suggestions, accusations and condemnations and goodness knows what else, but that is all.

Mr. J. Hegney: I thought you were a democrat.

Mr. LESLIE: I am more democratic than are members on the other side of the House.

Mr. J. Hegney: You think you are.

Mr. LESLIE: The Minister made an unsupported statement that the State had not progressed because of the existence of the Legislative Council. I ask in what direction has progress been lacking or has development been retarded by the Council? I suggest that a mere unsubstantiated statement is not sufficiently convincing to warrant such a drastic step as an amendment of the Constitution.

Mr. Fox interjected.

Mr. LESLIE: May I suggest to the member for South Fremantle, if he is so anxious to support the Bill, that there is plenty of time before six o'clock in the morning for him to speak?

Mr. SPEAKER: I agree with the member for Mt. Marshall and must ask all members to keep order while he is addressing the House.

Mr. LESLIE: The Minister said that the Bill is a hardy annual. I suggest to the Minister that it has passed that stage; it is a very slender perennial whose roots are not embedded in solid earth and it is therefore withering away. This is its last flut-

tering attempt for existence. The time has arrived when this old grouse should be taken out of the Labour Party's political buggy. I have heard mention of political hacks, but this hack has been so hard ridden by the Labour Party that it is now an old moke barely fit for the skin and bone merchant.

It would be possible, perhaps, if our friends made diligent search among past records to bring out some evidence of legislation unacceptable to the Council because it did not reach that Chamber in time to give it the consideration which its importance deserved. It will be found, too, that the reason for its non-acceptance was that underlying the proposal was an attempt to introduce some peculiar political ideology of a particular party, perhaps that of the party on the opposite side of the House. Legislation of that type seeks to advantage one section of the community to the detriment of another. It seeks to serve one section of the community only, and therefore cannot be adopted willy-nilly when introduced by a Government fortunate enough to be able to force it through one House of the Parliament by steam-roller methods. Happily for us, the Constitution of the whole British Empire is such that political ideologies, as they are invented from time to time, can only be implemented when an overwhelming majority of the people favour them. When it is desired the voice of the people is clearly and distinctly heard, and then only do we find an implementation of political ideologies.

Mr. Hoar: What is wrong with the referendum?

Mr. LESLIE: Nothing! I will deal with it in a moment. Our system of democratic government is so designed that any Government must concern itself with practical politics. I heard reference made tonight in that connection by the member for West Perth. He said that a Government must concern itself with practical politics or it will suffer defeat at the next election. It is because of this system that our Governments cannot be stampeded into hasty and unwise legislation. I point this out as an instance of the solidarity of the British Empire today, in contradistinction to the instability of foreign Governments. This solidarity is due entirely to this peculiarity in our Constitution.

Mr. J. Hegney: The retention of the Upper House?

Mr. LESLIE: No.

Mr. J. Hegney: Of course not!

Mr. LESLIE: The fact is that we prefer to make haste slowly and will not be stampeded into adopting some peculiar idea that some loud-mouthed fellow on a place like the Esplanade keeps repeating until eventually he finds somebody soft enough to adopt it.

Mr. Triat: Laws are not made on the Esplanade.

Mr. LESLIE: The progress of the British Empire and of Australia has been slow, but nevertheless sure. Our progress is based on firm and secure foundations. On the other hand, an autoocracy—which is evidently what is required to be established when it is suggested that the Legislative Council be abolished—moves fast and I see very little, if any, difference between an autoocracy and a dictatorship.

The Minister for Justice: It is rather extraordinary, though, that less than one-fifth of the people should control the destiny of this huge State.

Mr. LESLIE: Less than one-fifth?

The Minister for Justice: Yes.

Mr. LESLIE: Might I for one moment get away from the particular subject I was discussing to point this out to the Minister: There are 89,000 enrolments for the Legislative Council. I think that is the figure. There are, I think, 121,106 dwellings statistically recorded in Western Australia. I suggest it would be fair if we averaged the figure out and said that a married couple lived in each dwelling; in some there would be more. That gives us 242,000 people, or very nearly the voting strength of the Legislative Assembly. All of those 121,000 people are entitled to be on the roll, which means with married folk an actual representation of from 242,000 to 250,000 voters whose opinion could be expressed through the Legislative Council.

Mr. Triat: The hon. member is a Cousin Jack calculator. Three times nothing is one according to him.

Mr. LESLIE: That is all right! The hon. member can calculate it otherwise if he wishes. But there is the position. Every

owner-occupier of a dwelling who pays a nominal rent can be enrolled on the Council rolls.

The Minister for Justice: We do not want anything hypothetical.

Mr. LESLIE: That is not hypothetical. If the Minister endeavoured to get those people on the roll he would find that he would have an enrolment treble—and more than that—of that which obtains today. It would be an enrolment that would give fair representation; but the attempt has not been made.

Mr. Abbott: It would not be their policy to do that.

Mr. LESLIE: The figures that have been repeatedly mentioned in connection with enrolments and the reasons stated for the lack of enrolments have been advanced so often that they constitute another old hardy annual or a slender perennial that the Minister and his party would do better to uproot and forget.

The Minister for Justice: You cannot get away from facts.

Mr. LESLIE: I would refer again to this autoocracy that the other side desires to establish in Western Australia by means of inducing the people to vote for the abolition of the other House. Woe betide this country if we are ever faced with that autoocracy! For it is the policy and the practice of autoocracy, either by convenient disregard of existing laws or by suggested expedencies of national economy or social justice, to implement political ideologies, and it is that very thing which the Legislative Council exists to guard against. It is the policy of autoocracy to bestow favours upon one particular section of the community at the expense of another section.

The Minister for Justice: What about Queensland?

Mr. Watts: They have done it there.

Mr. LESLIE: Goodness knows what they may not have done! I assert that those particular ideologies are adopted at times even to the detriment of national economy and national welfare. We have instances of it in Australia today. We find there is a powerful minority group ruling the Commonwealth Government; and because of that, this nation finds itself floundering in the mess and in the chaos and confusion that

exist today, instead of taking advantage of the opportunity that this post-war period offers for development and expansion.

Members: Ah!

Mr. LESLIE: Members opposite may say "Ah!", but that is the only thing they can say against my statement. Their expression is in the nature of an expression of regret that circumstances like that exist. That is the only interpretation I can put on the woeful sounds that came from the other side of the House.

Mr. J. Hegney: That is very weak.

Mr. LESLIE: People demand practical politics from the Government, and it is the Legislative Council's task as a House of review to see that the propositions put before it are practical politics. The members of that Chamber have to take the hard facts of existing circumstances into account and pass judgment on them. I am prepared to concede that at some time or other the Legislative Council may have erred. Who has not? I have heard Ministers on the other side confess that it is possible that their Government and they themselves in their high and responsible positions may have made mistakes at some time or other.

Mr. Watts: It is more than possible; it is probable.

Mr. LESLIE: Yes. In order to make out a case for his Bill the Minister turned to the records of antiquity. He submitted as a reason for introducing the Bill the fact that on many occasions attempts had been made to readjust the relationships between the two Houses of Parliament.

The Minister for Justice: Which is a positive fact.

Mr. LESLIE: All right then! I will give the Minister the actual facts. Those were his words, and he went on to say that the attempts had met with little success.

Mr. J. Hegney: They were always recalcitrant!

Mr. LESLIE: I am anxious to be as generous as possible to the Minister. I searched the records and found them different from what he claimed.

The Minister for Works: You would!

Mr. LESLIE: Possibly I would. Perhaps I searched more diligently. I discovered many attempts to amend the Constitu-

tion Act and I can give reasons why they did not succeed. They were similar to the present Bill. Although they were supposed to be designed to effect a readjustment of the relationships between the two Houses, they were not introduced for that purpose at all. That is why they failed and their failure was natural. Similarly, unless the Minister does something about this Bill, he will be courting another failure.

The Minister for Justice: If you investigated the matter, how many attempts were made?

Mr. LESLIE: In the first attempt quoted by the Minister—

Mr. SPEAKER: Never mind the Minister! Address the Chair, and take no notice of interjections.

Mr. LESLIE: Very well, Mr. Speaker, I will abide by your good advice—if they will let me. The first attempt quoted was that of Sir Walter James—then Premier—in October, 1902. One thing the Minister did not tell us was that the Bill introduced by Sir Walter James was not primarily designed, as he suggested, to readjust the relationship between the two Houses. According to the second reading speech of the then Premier, its provisions dealt with many matters, chiefly a redistribution of seats in this Chamber. Incidentally, I have not been able to locate a copy of the Bill introduced on that occasion. The records of this House are deficient to that extent. But among the proposals I discovered during my search was one that Ministers should follow their Bills into the Legislative Council. That tickled me quite considerably, because I immediately conjured up a vision of our present Minister for Justice following this Bill into the Legislative Council and attempting to persuade members there to accept it. What a pity that amendment to the Constitution was never adopted, even if only to provide for this occasion!

Mr. SPEAKER: I do not think we can discuss that amendment now.

Mr. LESLIE: Very well, Sir. But it was an amendment. The Bill also proposed to submit to the electors questions on which the two Houses could not agree. That was a commendable procedure, one that I suggest the Minister might incorporate in his referendum Bill and one on which I will have something to say at the Committee stage.

The Minister for Justice: Would you agree to the referendum Bill if that were incorporated?

Mr. SPEAKER: Order! The Minister will have the right to speak later.

Mr. LESLIE: The Minister will find out what I will agree to before I am finished. Contrary to the repeated suggestions he made when introducing the Bill, constitutional difficulties had evidently not arisen up to the time when Sir Walter James's Bill was introduced, because it included provision to prevent—according to his speech—anticipated constitutional difficulties arising. The Minister said that discontent existed then. In his second reading speech Sir Walter James said this, and I quote from "Hansard" Vol. 21, page 1522—

Mr. Wilson: Spare us!

Mr. SPEAKER: I think the hon. member is getting a bit away from the Bill. There is nothing about the Constitution in the Bill.

Mr. LESLIE: This deals with the referendum. I am speaking to the purpose for which the Minister introduced the Bill, as outlined in his speech. He dealt with the matter that I am dealing with and mentioned the Bill introduced by Sir Walter James. This is what that hon. gentleman had to say in October, 1902—

We must anticipate that most probably there will be difficulties in the future, and by the Constitution Bill we should anticipate and fairly prevent constitutional difficulties from arising. Provisions for difficulties of this nature are found in the Federal Constitution Act, and we provide in this Bill on very much the same lines. I will not refer to the provisions contained in detail: members can look at these for themselves.

There we find that it was in anticipation of trouble arising that the Bill was introduced.

Mr. J. Hegney: What happened to that Bill?

Mr. LESLIE: It was not carried.

Mr. J. Hegney: Who defeated it?

Mr. LESLIE: The Bill was introduced again the following year. The Minister emphasised the fact that discontent existed when this Bill was introduced in 1902. The following year, when Sir Walter James again brought the Bill down we find on reference to page 337 of Vol. 23 of "Hansard" that he had this to say, and this should be

a fitting reply to the Minister's statement that discontent existed at that time in connection with the Legislative Council—

I must say that on the whole we have had very little cause to complain of our Legislative Council which has not on any occasion placed itself very violently in opposition to public opinion. The difficulty, as a rule, is to get public opinion sufficiently aroused on matters not affecting the Constitution.

Mr. J. Hegney: There has been a revolution in the country since then.

Mr. LESLIE: What revolution may have taken place in the hon. member's mind I do not know, but I point out that the Minister, when introducing the Bill, said he wished to emphasise the discontent that had existed in this Parliament since 1902. I have quoted the remarks of the man who was on the job then to supply a refutation of the Minister's contention. Sir Walter James' statement does not indicate any discontent. In his reference to the attempts made in the past to bring about some alteration in our relationships with the other House, the Minister mentioned many things, but I do not know whether he mentioned that Hon. H. Daglish, who was Premier at the time, introduced on the 2nd October, 1905, a Bill for a referendum on the Legislative Council. The debates of that period will show that the purpose was an extension of the franchise. That was all that was discussed, and no mention was made of any reason for the extension of this franchise. It was simply broadly discussed as being a wise thing to do. Incidentally I point out that at the same time Mr. Nelson, the then member for Hannans, moved—

That this House is of opinion that Ministers should be elected by this House.

If the Minister is going to place such reliance on past attempts made to effect some alteration in the procedure in one direction, he might also accept suggestions of attempts to effect alterations in other directions. Why not follow up Mr. Nelson's suggestion to bring about elected Ministries in this House? The year 1905 was a turbulent one and the Daglish Ministry was shortly followed by the Rason Ministry. Speaking on the 4th October, 1935, Hon. C. H. Rason, who was then Premier said, and I quote from Vol. 27, page 835 of "Hansard"—

Mr. J. Hegney: Let us take it as read.

Mr. LESLIE: No. He had this to say—

I have yet to learn that the second Chamber, the Upper House, has by word or deed done anything of such injury to the interests of the people of Western Australia that it should be abolished.

The Minister suggests that great discontent existed but we find statements like that coming from his side of the House. Included in the procession of attempts that the Minister quoted is that of Hon. Norbert Keenan in 1905 who, as Attorney General, introduced a Bill which again was not an attempt to adjust the relationships between the two Houses but was to effect a reduction in the household and leasehold qualifications of electors by lowering the annual value from £25 to £15.

Mr. McDonald: To what party did he belong?

Mr. LESLIE: I will let members answer that.

The Minister for Justice: There was still discontent.

Mr. LESLIE: The Minister made mention of a motion moved by Hon. T. H. Bath in September, 1909. In Vol. 36 of "Hansard," page 365, we find that Mr. Bath's reason for his motion for a Constitution amendment referendum is—

*I believe one of the greatest obstacles to the creation of strong virile sentiments in Western Australia in favour of home rule, is the fact that we have a constitution which compares unfavourably with that of the Commonwealth. This is the motive actuating me in submitting this motion.*

He wished to bring about an alteration to the Constitution so that it would be on lines more comparable with the Commonwealth Constitution because he was afraid that the people were not sufficiently interested in home rule. It was not to bring about any readjustment of the relationships of the two Houses. That quotation ought to appeal to the member for Guildford-Midland. I am sorry he is not present.

The Minister for Justice: You missed a quotation of his as to whether the Legislative Council should be abolished.

Mr. LESLIE: That was the motion he moved, and I have given his reason. When speaking to this motion Mr. George, then member for Murray, had this to say—and I

quote now from page 378 of the same volume of "Hansard"—

*I do not believe that at the present time the people of the State care a twopenny-half-penny hang whether the Legislative Council exists or is abolished. They have not asked for the abolition. Where are the letters in the newspapers? Why does not even that most impartial organ, the "West Australian" take up the question? I have not seen any particular attack on the Legislative Council in its columns; and yet if it was the people's cry then that influential newspaper would be teeming with articles and with letters from the people, downtrodden and oppressed.*

Even "The West Australian" at that time could find no reason for an alteration in the Constitution, and I repeat that the circumstances that applied then apply today. I might repeat Mr. George's questions now, just as he gave them in 1909. Where are the letters and where is the agitation to effect the changes which the Minister proposes in the Bill?

Mr. Watts: Only in the mind of the Minister for Justice.

Mr. LESLIE: Once again I deal with the Minister's procession of attempts. In Vol. 37 of "Hansard," page 1800, the then Premier, the Hon. W. J. Moore, when introducing an amending Bill similar to that brought down by the Hon. Norbert Keenan, had this to say—

*With regard to our second Chamber, it is to a large extent a revising and suspending Chamber. It can alter and it can reject Bills which it may think that the Lower House has not given sufficient consideration to. That it does not reject, excepting on rare occasions, is due not so much to any lack of power but largely owing to the discretion of the members of that Chamber. It is generally conceded that the Upper House should be the House of review.*

Rather than a procession of condemnations, as suggested by the Minister in his speech, we find a procession of commendation for the Legislative Council, for the actions it had taken over the years.

The Minister for Justice: If that is the case, why are you afraid of the people?

Mr. LESLIE: I am not afraid of the people. I am dealing with the Minister's speech and I can find no evidence of dissatisfaction with the Legislative Council in the instances that the Minister has given.

The Minister for Works: None so deaf as those who will not hear.

Mr. LESLIE: The Minister mentioned the attempt of the Hon. J. L. Nanson, in 1903. This was only the re-introduction of a Bill similar to that introduced by the Hon. Norbert Keenan in the previous year, and it was accepted by the Council with an amendment where the sum of £15 was altered to £17, and that position applies today, as the Minister pointed out. Now we come to the Hon. P. Collier, who is still with us. In 1918, he brought down a measure to amend the Constitution. I will quote from the summary of the Bill. This was the purpose of the Hon. P. Collier's amendment to the Constitution—

The effect of this measure is to substitute one Council electoral qualification for those at present existing. Every person who is occupier, as owner or tenant, of any dwelling-house will, subject to the other provisions of the Constitution Acts Amendment Act, 1899, be entitled to vote for the Legislative Council.

There again we find no attempt to readjust the relationship, but merely an attempt to extend the franchise. I have found no reason why those attempts were made though I confess I did not search diligently for them. I simply searched to see whether they were made because a readjustment was necessary between the two Houses. The Bill brought down by the Hon. P. Collier was not defeated in the true sense of the word in either Chamber. Actually, it received a majority vote here, 20 voting for it and 18 against. That is only 38 out of a Chamber of 50, but, because it required a constitutional majority, it went out. Evidently at that time interest in this very vexed question that has stirred up the people for so many years was of such small magnitude that only 38 members out of 50 were present to vote on it, an event which I consider of some importance. The Bill would not have been introduced unless they were sure that a constitutional majority existed on the Minister's side of the House. In his speech, the Minister referred to the Bill introduced by the late Hon. T. P. Draper, Attorney General. This was another omnibus Bill, dealing with many matters. It did not specifically seek to broaden the franchise or to effect a readjustment of the relationship. Rather was it an attempt to effect a clarification of doubtful points relating to the electoral laws.

The Minister for Justice: Why all this legislation, if there was no discontent?

Mr. LESLIE: There was no discontent. It was just as the Minister has introduced it, because some vague person somewhere in the background has whispered that this sort of attempt is a useful thing to foist on the electors, to set up an Aunt Sally so that someone might have a shot at introducing it in the interests of safeguarding the welfare of the people, and so give the Government something which is not fact to go to the country on. I will tell the House what the object of Mr. Draper's Bill was, when it was introduced in 1919. In Vol. 60 of "Hansard," at page 989, appears the following:—

The object of the Bill is to amend the Constitution Act, and it deals with six subjects. The first relates to making women eligible to become members of Parliament. Clauses 1 and 2 relate to this. The second matter referred to in Clauses 3 and 4 deals with the franchise of the Upper House. The third matter, dealt with in Clause 5, relates to the disqualification imposed upon members of Parliament as regards contracts with agents of the Crown. The fourth matter of this Bill is to abolish the necessity for a Minister, upon appointment as such, seeking re-election. Clause 6 deals with that. The fifth object of the Bill relates to the power of the Legislative Council to amend Bills sent to that House by the Legislative Assembly for acquiescence. The last clause of the Bill deals with an automatic prolongation of the life of Parliament for a few weeks.

Here are a lot of subjects put in one Bill and expected to be dealt with in five minutes by this Chamber and another place. However, this Bill did pass the Legislative Assembly and went to the Council, and there the voting was 13 all for it, and yet, according to the picturesque language of "Hansard," because it failed to secure the absolute majority required, it was laid aside. I think that is picturesque. Out of consideration for members, I will not go through the rest of the Bills mentioned by the Minister. I have gone through the other Bills introduced and they were all designed either to extend the franchise slightly or to clarify the voting qualifications of electors. None of them—as the Minister claims—sought a readjustment of the relationship between the two Chambers.

Mr. Watts: That is where you slipped.

The Minister for Justice: Very badly.

Mr. LESLIE: I contended, in the second reason which I gave at the outset of my remarks, that the Minister has utterly failed

to make out a case justifying the contention that he submits.

Mr. Doney: He did not claim to make out a case.

Mr. LESLIE: He certainly hoped he had. I would suggest that the arguments submitted by the Minister are somewhat similar to those I would expect from someone who desired to establish that the construction of a bridge between Siam and Thailand was an absolute necessity. He succeeded only in establishing an argument similar to that. Readjustment of the relationship between the two Houses may be advisable. For the sake of argument I am not going to dispute that, although the Minister has submitted no evidence in that regard. It is because I do appreciate the probability, or rather, shall I say, the good intentions of the Minister when he says that the purpose of this Bill is to attempt to effect some readjustment of the relationship between the two Chambers, that I propose, when the Bill is at the Committee stage, to move an amendment that will help him achieve that objective. The amendment I shall move will provide the only way by which the objective can be achieved with certainty if the people agree to it at a referendum. I intend to suggest that another question be included for submission to the electors specifically seeking their approval for an amendment to provide for the readjustment of the relationship between the two Houses. The Minister asked for that in his speech, but the Bill, in my opinion, fails to provide for it. If the Minister accepts my amendment, well and good. I suggest it is the only way that he can keep faith with his own remarks and with what he claims are the intentions of the Bill. Let me now deal with the Bill itself and the proposals contained in it.

Mr. Needham: What have you been doing so far?

Mr. LESLIE: I have been dealing with the speech by the Minister.

Mr. Needham: By way of introduction.

Mr. LESLIE: The third question I indicated that it was necessary for this Chamber to consider in dealing with legislation, and particularly legislation of this description, is as to whether the proposals contained in the Bill are satisfactory and meet requirements. We have to ask ourselves whether

the proposals are satisfactory and acceptable. Now I will answer some of the questions that have been fired at me from the Government side of the House and particularly one that came across like a machine-gun bullet. So far as the referendum itself is concerned, no exception will be taken to it, because it is democratic. I remind members that the suggestion from this side of the House was that the taking of a referendum was the proper procedure and evidently that influenced the Minister to adopt that democratic practice.

The Minister for Works: You beaut!

Mr. LESLIE: In other respects the Bill is literally bursting with undesirable features. I propose, as briefly as I possibly can, to deal with some of them at this stage. I observe that on the notice paper of another place appears an indication of a move for the introduction of a Bill for a purpose similar to that of the measure under discussion. I shall be interested to see what the contents of that Bill will be and how they will conflict with the proposals in the Government's Bill.

The Minister for Mines: You are on dangerous ground now!

Mr. J. Hegney: I suppose you will oppose that, too?

Mr. LESLIE: How can I know whether I will oppose it until I have seen the Bill and read its contents? Possibly it may be news to the Minister that notice has been given in another place for leave to introduce such a Bill.

Mr. Watts: The member for Middle Swan will oppose it without seeing it.

Mr. LESLIE: It seems to me that in submitting his referendum Bill, actually the Minister is deliberately inviting the defeat of the measure by including in it, entirely without justification and for no explained reason, a question with regard to the abolition of the Legislative Council. Why has that provision been included? The Minister did not tell us.

Mr. Watts: It is not in the Bill to further his purpose.

Mr. LESLIE: No.

The Minister for Justice: Without saying the reason, it is quite obvious

Mr. LESLIE: I suggest its inclusion was to invite the defeat of the Bill. When I send out an invitation to children to come to my place to a birthday party, I do not put on the invitation card a picture of a bottle of castor oil. I make the invitation as inviting as I can.

The Minister for Justice: That is not comparable.

Mr. LESLIE: One can apply the same thing with respect to the Bill. Then again if one desires to beat a dog, one does not show him the stick when one approaches the animal.

The Minister for Justice: That is just verbosity. There is nothing in that at all.

Mr. LESLIE: This is what the Minister said in the course of his speech—

As far as I am concerned—and I think the Government feels the same—I would not mind if we could get some measure of reform.

That statement by the Minister was in reply to an interjection as to which of the two questions to be submitted to the people he would recommend. In view of that, I suggest that the Minister replies to my question as to why such a question has been included in the Bill. What would happen if there were no Council to be reformed by the Government? The Government says it wants reform.

The Minister for Works: So do you.

Mr. LESLIE: It seems to me that the Government desires the Bill to be thrown out. A little later in his speech the Minister talked about submitting the matter to our masters. That remark of his caused me to think there must be some masters who had compelled the Government to include a question such as that referring to the abolition of the Legislative Council. They on the Government side of the House have their masters, those associated with the member for East Perth and his little coterie in Beaufort street.

Mr. Watts: There is no doubt he had something to do with it.

Mr. LESLIE: I would not be surprised about that. Otherwise, I do not understand why such an undesirable question should have been included in the Bill. Not only is it undesirable but it is entirely unacceptable. So long as it is included in the measure, the

Bill is not likely to find a place on the statute book.

The Minister for Justice: You do not think the people should have the right to say yes or no?

Mr. LESLIE: What is the purpose of the Bill? Members on the Government side of the House are not united in their opinions as to whether they want abolition or not. The Minister certainly did not submit a case in favour of it. The Minister himself is not certain that he wants it—so long as he can get some measure of reform.

Mr. Watts: If the people should answer both questions in the affirmative, what would the Minister do?

The Minister for Justice: There is an alternative.

Mr. LESLIE: The proposal in the Bill is not only undesirable but is aimed at bamboozling the people as much as the Government can.

Mr. Telfer: That is an insult to their intelligence.

Mr. LESLIE: I was going to be more rude on that point, but I have more respect for the electors and for the Government. The relationship between the two Houses and the electoral qualifications are questions so involved that to submit them to the people at a time when other issues are calling for decision, is entirely wrong in principle and practice. The Bill provides that the referendum shall take place not later than the 30th March, 1947. A State general election is about due at that time. Is it the intention of the Government to clutter up the general election issues by holding a referendum at the same time?

The Minister for Justice: Is that what you are afraid of?

Mr. Watts: Of course it is.

Mr. LESLIE: It is most inadvisable that at a State general election referendum questions should be submitted to the people.

Mr. Withers: Would you rather that more expense was incurred for a referendum separately?

Mr. LESLIE: Here is another member worrying about expense! The whole future welfare of this country is at stake, particularly when it comes to a question of amending the Constitution. The freedom and rights of the people are at stake, and yet



here is a member worrying about a pound or two on the score of expense. Are we to protect the people's rights or are we to fritter them away, so that the advantage will fall into the hands of a small majority, like we see in the Eastern States? We had an instance in this State when 80 men could hold up the whole of the affairs of the country.

Mr. Withers: Move an amendment that the referendum be held on a day different from the day of the general election.

Mr. LESLIE: I propose to do so, but I have to convince members on the Government side that it is necessary. I suggest that the forthcoming State election and this proposed referendum are matters of sufficient importance to be dealt with separately. In years gone by, elections were very leisurely affairs indeed. That was a good while ago.

Mr. J. Hegney: Not too leisurely.

Mr. LESLIE: At any rate, they were fairly leisurely; people had ample time to discuss the pros and cons of the various questions that were raised.

Mr. J. Hegney: That might be so at Wyalkatchem

Mr. LESLIE: I am speaking of the time before the hon. member's hair grew a little thin on the top. Nowadays elections are whirlwind affairs and electors are not given sufficient time fully to consider the various points of policy advanced. Much less should they be asked at the same time to try to understand the intricacies of constitutional amendments. Therefore I suggest that for the referendum to coincide with a general election would be quite unacceptable. I shall move an amendment to provide against that and I hope the Minister will accept it.

When the Minister was moving the second reading I did not hear him make any reference to the fact that this Bill proposes a very drastic departure from the normal procedure laid down in the Electoral Act. I want members to pay particular attention to this; The Bill provides for a variation in the definition of "elector." This variation, so far as I can ascertain, is arranged to meet the most unusual—I may say unique—requirements in another part of the Bill. It will permit of an elector, who records a postal vote prior to the day of the referendum, being notified if

his qualification for recording a postal vote is not in order and he may then endeavour to establish his bona fides before polling day.

Mr. Needham: That has been done time and time again.

Mr. LESLIE: I have never heard of it being done before. I do not know what other referendum has been held in the State, but if that has been done, it has been done under the lap.

Mr. Needham: It has not been done under the lap.

Mr. LESLIE: I consider this to be a revolutionary proposal. By virtue of being on the roll an elector is qualified to vote, and that qualification entitles him to vote on polling day, but there is a concession permitting him to vote by post prior to polling day in certain circumstances. The vote, however, is not effective until the actual polling day. In other words, he records his vote and, when it is received by the returning officer, it is put away until polling day without being looked at. The qualification does not enter into consideration at all until polling day. But this Bill provides that when the Chief Returning Officer receives the postal vote prior to polling day, he is to check up and see whether the elector is qualified. If he questions the qualification of the elector, he is to notify the elector and give him an opportunity to establish his bona fides. No elector may do that on polling day, and that is the only day when an elector is entitled to exercise his qualification by virtue of his enrolment.

Mr. Needham: You are wrong.

Mr. LESLIE: What I have stated is set out in plain language in the Bill, and the remarks from the other side of the House tend to confirm my attitude. When I read that provision in the Bill, it gave rise to some suspicion that it was included for some sinister purpose.

Several members: Oh, oh!

The Minister for Justice: I hope you do not judge members on this side of the House in accordance with your utterances.

Mr. SPEAKER: Order!

Mr. LESLIE: If the Minister wants to see this Bill become an Act, it will be necessary for him to agree to the deletion of that clause, lock, stock and barrel. It is wholly unacceptable, is unique, and represents a

very unsatisfactory departure from existing electoral practices. Why not adhere to the Electoral Act?

Mr. Needham: The Minister may agree to that amendment.

The Minister for Works: What a nice sweet fellow you are!

Mr. LESLIE: In matters of this sort we cannot be too careful. There is need to exercise extra caution and extra care. Because of the number of referenda held in Australia since the inauguration of Federation, the procedure is not unknown to the electors, and when this referendum is about to be held they will be looking for some explanation of the questions submitted. They have been accustomed to receiving pamphlets stating the case for and against the proposals to be submitted to them. But in this case there is no provision for the preparation and distribution of two sides of the case for the information of the electors. This, in my opinion, is a vital omission from the Bill. In the Referendum (Constitution Alteration) Act, 1906-26, of the Commonwealth Parliament, provision is made as follows:—

6A. (1) If within nine weeks after the passage of the proposed law through both Houses there is forwarded to the Chief Electoral Officer—

(a) an argument in favour of the proposed law, consisting of not more than two thousand words, and authorised by a majority of those members of both Houses of the Parliament who voted for the proposed law; or

(b) an argument against the proposed law, consisting of not more than two thousand words, and authorised by a majority of those members of both Houses of the Parliament who voted against the proposed law.

the Chief Electoral Officer shall, within two months after the expiry of those nine weeks, and not later than two weeks after the issue of the writ, cause to be printed and posted to each elector, as nearly as practicable, a pamphlet containing the arguments together with a statement showing the textual alterations and additions proposed to be made to the Constitution.

(2) When there are to be referendums upon more than one proposed law on the same day—

(a) the arguments in regard to all the proposed laws shall be printed in one pamphlet,

(b) the argument in favour of any proposed law may exceed two thousand words if the arguments in favour of all the proposed laws do not average more than two thousands words each; and, the arguments against any proposed law may exceed two thousand words if the arguments against all the proposed laws do not average more than two thousand words each,

(c) instead of separate statements in regard to each proposed law, there may be one statement setting out all the alterations and additions to the Constitution to be made by all the proposed laws, with marginal notes identifying the proposed law by which each alteration is proposed to be made.

7. A copy of the writ and a copy of the proposed law or of the statement (if any) attached to the writ shall immediately after the issue of the same be forwarded to the Governors of the several States.

What I have read is the procedure set out in the Commonwealth Constitution for the taking of referenda.

Mr. J. Hegney: After both Houses have passed the Bill.

Mr. LESLIE: We have no provision of that kind, even if 50 Houses passed the Bill. It is therefore necessary to include that procedure in the present Bill.

Mr. J. Hegney: You are not blaming us for that, surely?

Mr. SPEAKER: Order!

Mr. LESLIE: It is a necessary safeguard, to ensure that the people will have the case for and against properly presented to them, that a provision of that kind be included in the Bill.

Mr. Fox: You will be putting a charge under yourself if you do that.

Mr. LESLIE: I have already pointed out that the relationship between the two Houses is a complicated one. It is too much to expect the electors to be able to form a proper judgment on the matter merely from the utterances made in this House and the printed matter in the Press. That information is too scanty.

Mr. Watts: Hear, hear!

Mr. LESLIE: Adequate reasons must be given in a case for and against. When introducing the measure, the Minister said

that all the members on his side of the House were not of one opinion on what is required to bring about a readjustment of the relationship between the two Houses. I ask, then, how the people generally can be expected to exercise a considered judgment and vote intelligently on the questions unless some provision is made to circulate among them the case for and against. I suggest, too, that unless provision is made for such a case, it would be possible, by the use of Government funds, to endeavour to stampede the electors into voting in one particular direction. Such an attempt would not be unusual. It may be unusual as far as this State is concerned, but not in regard to the Commonwealth, where we find that the Department of Information is nothing but a propaganda bureau for the Government. Everyone knows the extent to which the Vote provided for the Department of Information was used on the last referendum. I do not for a moment suggest that the Minister or the State Government is likely to descend to such a practice; but it is possible that the omission of this provision, which is a vital one, providing for a statement of the arguments for and against the referendum, may have been an oversight.

The submission of such a case should be at the cost of the Government, but it is excluded from the Bill and I therefore propose to submit an amendment to provide that it shall be included. However, it is not within the power of a private member to move an amendment which would impose a charge upon the Treasury. If the Minister will not accede to my wish to introduce a desirable amendment along the lines I suggest, I hope he will make it a Government responsibility and include in the measure an amendment which will be just and acceptable to us. There are other unsatisfactory features in the Bill, but I propose to leave them until I reach the Committee stage in view of the position of the hands on the clock. I would mention again, however, that the drafting of the Bill is such as to suggest something sinister in it somewhere. The measure bristles with unsatisfactory features. The way in which the elector is to record his vote on the ballot paper is another unsatisfactory feature. We have had some 14 or 18 referenda and in all of them the elector was required to place a

numeral on the ballot paper. The day when an "X" was used has passed; people were then not so literate and used the "X" as their signature. We have advanced beyond that stage.

Mr. Watts: Everything to puzzle the elector!

Mr. LESLIE: Yes, and nothing to make the thing plain to him. Members on the other side of the House may consider this a small matter, but in my opinion we should adhere to the practice which has been followed for many years past. There are so many unsatisfactory and unacceptable features in the Bill that I come back to what I said earlier in the evening. I begin to wonder whether it has not been deliberately designed to bring about its defeat.

The Minister for Justice: Nothing sinister comes from this side of the House. We do not wish to be judged by what you might think in that direction.

Mr. LESLIE: We hope the Minister is actuated by the best of motives in this case. If so, he should be able to give us an indication of it and prove the fact by accepting the desirable amendments which we are submitting from this side of the House.

Mr. Watts: Move to discharge the Bill and introduce a new one.

Several members interjected.

Mr. SPEAKER: Order!

Mr. LESLIE: The questions should be answered by numerals. In Federal referenda and all elections the people are accustomed to the use of numerals. An "X" may mean to cross out or it may mean to vote for, and that is another reason why its use has been discarded.

Mr. Fox: What would happen if the elector put a "1" in both places?

Mr. LESLIE: What would happen if he put "Yes" in both squares? The Bill specially provides by a specific clause that one of the questions shall be considered an alternative to the other.

Mr. Watts: But the people must vote for both.

Mr. LESLIE: How can one of the questions be considered to be an alternative to the other if a majority of the electors vote "Yes" to both questions? There is then no alternative. The Minister says there is nothing

sinister in the Bill. If that be so, it will be necessary for him to remove the idea that will gain wider and wider acceptance that the Bill is merely erected as another Aunt Sally to be knocked down. It is another hardy annual, another slender perennial, another political hack that the other side has done some hard riding on.

The Minister for Justice: Volubility and tautology predominate.

Mr. LESLIE: That is all right. I would accept that from the Minister without worry, but I fear it is an utterance by him to cover what he realises are the weaknesses that exist in the Bill.

Mr. Withers: It brings out reactionary traits in some Opposition members!

Mr. LESLIE: Let the Minister be convinced of this fact: That the Bill will require to be considerably amended to make it acceptable and that unless he is prepared to accept those amendments that are aimed at bringing the Bill—

The Minister for Justice: You will tell the minority in another place to throw it out!

Mr. LESLIE: —nearer to meeting the declared purpose of the Bill, namely, to readjust the relationships between the two Houses, then with all due respect to what the Minister has said about there being no sinister purpose or motive, the introduction of the measure will be considered to be rank hypocrisy and absolute insincerity; and those charges will lie at the door of the present Ministry.

The Minister for Works: That is rank cheek on your part!

On motion by Mr. W. Hegney, debate adjourned.

*House adjourned at 10.11 p.m.*

## Legislative Council.

*Wednesday, 21st August, 1946.*

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

### ADDRESS-IN-REPLY.

#### *Eleventh Day—Conclusion.*

Debate resumed from the previous day.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [4.36]: It is with great pleasure that I add my congratulations to those already extended to you, Sir, upon your appointment as President of this Chamber. Your 24 years as a member of the House, during nearly 20 of which you have served as Chairman of Committees, have provided you with a wealth of experience which should render you a very worthy occupant of the high office to which you have succeeded. The Legislative Council, which is the oldest institution in this State, numbers among its Presidents men who have served the State long and well, and whose names rank very high in the history of Western Australia. I would like to record that from 1832 until 1870, the Governor, or officer administering the Government, presided over its deliberations. It was then a nominer Chamber. In 1870, the Council became a wholly elective body, and the Governor of the State ceased to be a member.

From then until 1886, Sir Luke Leake presided as Speaker. He was succeeded by Sir J. G. Lee Steere, who held office until the establishment, in 1890, of responsible government when Sir Thomas Cockburn-Campbell was elected the first President of this Chamber. Following his retirement, five gentlemen occupied the Chair prior to your appointment, Mr. President. Not the least of those five was your immediate predecessor, Sir John Kirwan, who presided over this Chamber for a record term of nearly 20 years. The wisdom and courtesy he displayed during this long period, his tact and willingness to assist any member at any time, have helped to mark Sir John as one