

ance rate of $2\frac{1}{2}$ per cent. for short term and $3\frac{1}{4}$ per cent. for long term were fixed for recent Commonwealth £35,000,000 loan and current £100,000,000 loan.

That indicates that $3\frac{1}{4}$ per cent. would be the highest rate, yet the farmers have been told by the branches of the Agricultural Bank that the moneys they are collecting now will be re-advanced to them next year at $2\frac{1}{2}$ per cent. A half of $3\frac{1}{4}$ per cent. is nothing like $2\frac{1}{2}$ per cent.; it is about 1½ per cent. I notice in the Victorian Act that they have made the advances at £1 15s. per cent. That being so, I say the farmers in this State are being deprived of conditions to which they have a right. The proposals in the Bill are simply those outlined in the Commonwealth Act, which I have read. They cannot fix the interest rate beyond saying it should not be more than half of what the Commonwealth has to pay. The other conditions are simply that the money will not bear interest during the first year of the loan. That is simply passing on the concession granted by the Commonwealth which has undertaken to pay the whole of the interest during the first year.

During the succeeding six years, the loan interest is to be payable by the farmer at the same rate as that paid by the State; that is a half of whatever the Commonwealth has to pay. The other condition is that there shall be no repayment, during the first three years, of the principal, and that the remainder of the principal shall be repaid during the last four years of the loan. Those are the conditions of the Bill. There may be a doubt as to whether we are encroaching on the revenues of the State, but again I point out that this money is made available not to go into any general fund, but to be repaid to the State, and must be kept in a special fund. The whole of the money made available to the farmers has to be passed out to them if required, and if the pastoralists come into the matter it will certainly all be required.

If the farmer is to get this money at the same rate of interest that the State has to pay, then I claim that the whole of the money made available by the Commonwealth should be passed on to the farmer. It cannot be maintained that there is any encroachment on the revenues of the State by this Bill. It simply makes available to the farmers the money made available by the Commonwealth, which we were pro-

mised last year would be done through regulations. Unfortunately those regulations have not yet been framed. The Bill provides that it is only to take effect if the regulations are not gazetted by the 1st December. If they are gazetted by then there is no necessity for the Bill, and I shall be only too pleased to see it withdrawn or passed out with the slaughtered innocents, but it would be a great breach of faith with the farming community in this State if these concessions were not passed on to it. I move—

That the Bill be now read a second time.

On motion by the Minister for Lands, debate adjourned.

House adjourned at 10.57 p.m.

Legislative Assembly.

Thursday, 6th November, 1941.

	PAGE
Questions: Education, Kent street school	1727
Perth tramways, as to office telephone service	1728
Agriculture, as to transport of harvest	1728
Bills: Broome Tramway Extension, 1R.	1728
Financial Emergency Act Amendment, 1R.	1728
Reserves (No. 2), 1R.	1728
Roads Closure, 1R.	1728
Mortgagees' Rights Restriction Act Continuance, 1R.	1728
Industries Assistance Act Continuance, 1R.	1728
Plant Diseases (Registration Fees), 1R.	1728
Law Reform (Miscellaneous Provisions), report	1728
State Government Insurance Office Act Amendment, 2R.	1728
Main Roads Act (Funds Appropriation) (No. 1), 2R.	1729
Land Drainage Act Amendment, 2R., Com. report	1737
Rights in Water and Irrigation Act Amendment, Com. report	1740
Fire Brigades Act Amendment, Council's amendment	1740
Annual Estimates: Com. of Supply, votes and items discussed	1745

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

QUESTION—EDUCATION, KENT STREET SCHOOL.

Mr. RAPHAEL asked the Minister representing the Minister for Education: When does the Government intend to commence building at the Kent-street school, Victoria Park—(a) the domestic science centre: (b) metalwork room: (c) assembly hall?

The MINISTER FOR THE NORTH-WEST replied: (a) Kent-street school is already equipped with a domestic science centre. (b) A metalwork centre and general science classroom are included in extensive additions proposed for this school. Consideration is just now being given the matter of financing this work. (c) The erection of an assembly hall is not contemplated at present in view of the more pressing needs of the Education Department.

QUESTION—PERTH TRAMWAYS.

As to Office Telephone Service.

Mr. CROSS asked the Minister for Railways: 1, Is he aware that frequently telephones connected with the head office of the Tramways give the engaged signal? 2, Will he inquire whether sufficient lines are connected to cope satisfactorily with the business of the public and the department? 3, If sufficient lines are not now provided, then in order to save the present delay and inconvenience will he direct that an additional line or lines be installed?

The MINISTER FOR THE NORTH-WEST (for the Minister for Railways) replied: 1, 2 and 3, Complaints were received of overloading of lines, but an additional one was put in quite recently and the business is being coped with satisfactorily.

QUESTION—AGRICULTURE.

As to Transport of Harvest.

Mr. BERRY asked the Minister for Agriculture: Would it be feasible for the military authorities to provide transport units, at a charge to be fixed, for the cartage of the coming harvest where such cartage has been adversely affected by enlistments of men and machinery?

The MINISTER FOR AGRICULTURE replied: The possibility of using military vehicles for the cartage of crops at harvest time has been explored. Owing to military requirements, it is not possible to make the necessary arrangements.

BILLS (7)—FIRST READING.

1. Broome Tramway Extension.

Introduced by the Minister for Works.

2. Financial Emergency Act Amendment.
3. Reserves (No. 2).
4. Roads Closure.
5. Mortgagees' Rights Restriction Act Continuance.
6. Industries Assistance Act Continuance.
Introduced by the Minister for Lands.
7. Plant Diseases (Registration Fees).
Introduced by the Minister for Agriculture.

BILL—LAW REFORM (MISCELLANEOUS PROVISIONS).

Report of Committee adopted.

BILL—STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT.

Second Reading.

THE MINISTER FOR LABOUR (Hon. A. R. G. Hawke—Northam) [4.38] in moving the second reading said: By this Bill it is proposed to amend the State Government Insurance Office Act of 1938 for the purpose of giving that office the right to transact all classes of insurance associated with the ownership and use of motor vehicles. The Bill further provides that the right proposed to be thus given shall operate only so long as third party motor car insurance is compulsory by law in this State. Members will probably interpret that statement to mean that there is a likelihood of legislation being introduced with the object of making third party motor car insurance compulsory. With that in view, it is desired that the State Government Insurance Office shall have the right to transact not only third party motor car insurance, but all classes of insurance associated with the ownership and use of motor cars.

A Bill exactly the same as this was introduced two sessions ago. At that time Parliament was not agreeable to giving the State office the right to do other than third-party motor car insurance. We consider that to give the State office the right to do only third-party motor car insurance would be altogether unfair, would place the office in an unreasonable position and would make the transaction of such business not at all satisfactory. If the office is to be

given the right to do third-party motor car insurance, it should have the right, in competition with insurance companies, to carry out general insurance in respect of motor cars. The Bill asks for that additional right and authority for the State office.

The business of motor car insurance represents quite a large percentage of the total insurance business done in this State. It is a class of insurance in which the State office can reasonably ask to be allowed to participate. The insurance of motor cars entails the insurance of human life as well as property, and therefore, in connection with general motor car insurance, it is thought that the entry of the State office into the field may easily prove to be beneficial to motorists generally without involving the State in any loss in the transaction of that business. It would be quite unsatisfactory for the State office to have the right to do third-party motor car insurance and yet have no right to provide the other classes of insurance required by many motorists. True, some motorists do not insure at all; it is also true that some motorists cover themselves to a limited extent only, and it is true that only a minority of motorists cover themselves completely in respect of every possible class of risk arising from their ownership and use of motor cars.

The Bill is easy to understand. It is a question of deciding whether the State office shall be given the right to do general motor car insurance as well as third-party insurance. We feel that if third-party insurance is made compulsory, this right should be given to the State office and should be retained by the office so long as a law remains in operation compelling motorists to cover themselves in respect of third-party risks. If a law for compulsory third-party insurance be not passed, this measure could not become operative even though it had been accepted by Parliament. If third-party insurance is made compulsory by law, the proposal in this Bill will operate only so long as the other law operates. If the other law ceased to operate at any time, this proposal would also cease to be effective, and we would revert to the position that exists at present. I move—

That the Bill be now read a second time.

On motion by Mr. Watts, debate adjourned.

BILL—MAIN ROADS ACT (FUNDS APPROPRIATION).

Second Reading.

Debate resumed from the 4th November.

MR. HILL (Albany) [1.46]: I oppose the second reading of the Bill. I quite realise that the responsibility for financing roads should be the responsibility of the road users, but the responsibility for providing the unemployed with work is that of the State as a whole and not of a section. There are different ways in which the Commonwealth Government can assist this State, and it has assisted this State. We hear quite a lot about Commonwealth grants, subsidies, etc., but I desire to point out that many years ago the Commonwealth Government endeavoured to assist the States by giving very sound advice on transport matters. In about the year 1926 the Commonwealth Government brought from England an eminent expert to report upon transport in Australia with special reference to port and harbour facilities.

That expert, Sir George Buchanan, in his report, referred to the need for a sound road policy. In 1929 a Commonwealth Transport Committee was appointed consisting of Major J. Northcott, M.V.O., P.S.C., Army Headquarters (Chairman); Mr. S. G. McFarlane, Assistant Secretary, Commonwealth Treasury; Mr. M. W. Mehaffey, B.E., Assoc.M.Inst.C.E., Engineer, Commonwealth Navigation Branch; Mr. T. H. Upton, O.B.E., M.Sc., M.C.E., M.Inst.C.E., member Main Roads Board of New South Wales; Mr. M. A. Remfry, B.C.E., A.M.I.E., Aust., District Superintendent, Victorian Government Railways; Mr. T. E. Moorhouse, A.M.I.E., Aust., Secretary. The committee reported on the co-ordination of transport in Australia. A summary of the report was published in the "West Australian" on the 22nd May, 1929, and the report was considered by the Premiers' Conference on the 23rd May, 1929. The then Premier of Western Australia was present at the conference.

One recommendation of the committee was that the expenditure of loan money on roads should be limited to economic needs, and that when loan money was spent on roads, provision should be made for interest and sinking fund charges so that they would not be a charge on Consolidated Revenue. The Government of this State has ignored that advice. When spending

loan money on roads, it has not limited the expenditure to economic needs. The aim was to provide work for the unemployed, and the Government has spent money in that way without making provision for interest and sinking fund payments. I have a few figures that will be of interest to members. The loan liability on our roads in 1924, when the Collier Government assumed office, was £677,000, and by 1941 the total had grown to £3,443,988. When the Premier was delivering the Budget speech, he turned to the Leader of the Opposition and said, "When you were in office you spent large sums of loan money on roads." That statement is not quite correct. The Mitchell-Latham Government, during its three years of office, spent on an average only £27,668 of loan money a year on roads. The balance of £2,683,498 was spent by Labour Governments, and was equal to an average of £191,678 a year. The Mitchell-Latham Government, during its term of office, introduced the financial emergency tax.

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

Mr. HILL: We are dealing with the loan expenditure on roads.

Mr. SPEAKER: We are dealing with the Bill.

Mr. HILL: The Bill deals with interest charges on roads.

Mr. SPEAKER: I say the hon. member is getting away from the Bill. I point out that I did not stop him under the standing order which provides that no member shall allude to any debate of the same session upon a question or Bill not being then under discussion.

Mr. HILL: I oppose the Bill because my opinion is that expenditure on work for the relief of unemployment should have been provided out of general revenue and not out of loan money. I consider it unsound finance to spend loan money without providing for interest and sinking fund payments. The Bill is introduced with the object of taking some of the roads revenue to meet interest on our loans. Another objection to the measure is that there will be less money available for expenditure on roads. On these grounds I oppose the second reading.

HON. C. G. LATHAM (York) [4.51]: Bills of this kind have come before us on several occasions. The object—as to which I know the Minister for Works will disagree with me—is to transfer moneys from the petrol funds, or Main Roads Trust Account, to Consolidated Revenue. Various Bills have been introduced with the idea of obtaining possession of certain sums of money from that trust account. Apparently the Government has got tired of the previous system, and now it proposes by this Bill to transfer from the Metropolitan Traffic Trust Account certain sums of money which the Main Roads Board spends within the metropolitan area. The intention is to take those sums of money into Consolidated Revenue, and to spend an equal amount from the petrol fund, if I am using the right phrase—hon. members will understand what I mean—for the purpose of doing a similar amount of work.

I do not know whether we are really justified in doing that. I know that for a long time the Treasury officials, who after all are responsible for protecting the finances of the State, have been anxious to lay their hands on the traffic fees. I do not blame the Minister for that, because that occurred in Western Australia long before he became Minister for Works. The traffic fees are easily collected revenue; the amount is considerable, and there is always a large sum of money coming in at the beginning of the year. My contention is that if the Minister is going to take from the Main Roads Trust Account large sums of money collected by the Commonwealth and paid over by way of petrol tax, there will be so much less money to spend on country roads.

A large amount of money is paid into Consolidated Revenue from the Metropolitan Traffic Trust Account, by way of traffic fees. I want members to understand that clearly. From the Auditor General's report of the previous financial year (the report just presented to the House) I find that no less a sum than £22,539 was thus paid in. Some little time ago when speaking on this subject, before I knew this Bill was to be introduced, I asked on what basis the Commissioner of Police was paid for the services of his department in collecting traffic fees. I thought the point was one on which the Auditor General might advise us. Whether because of what I said, or

because he thought it advisable, the Auditor General draws attention to the matter on page 61—

Commission payable to Police Department.—The method of arriving at the amount of commission payable to the Police Department was explained and commented upon on page 65 of the report for 1938-39. The same remarks apply to the commission paid or payable for the year 1940-41.

It will be noticed that the Police Department received in commission £18,583, and additional fees, under Section 9, of 2s. 6d. for each license taken out for the half-year, or £3,956, making a total of £22,539. The Government distributed to local districts within the metropolitan area £114,286. The total was £197,097, representing £182,220 together with a credit balance which made up the difference.

I obtained the Auditor General's report for the year 1938-39, on page 65 of which he states—

The commission paid to the Police Department is upon the basis of 10 per cent. of collections, less refunds, in accordance with an approval given by the Minister. This procedure has been followed since the inception of the Metropolitan Traffic Trust Account. Section 13, Subsection 2 (b) of the Traffic Act, 1919-35, states that all fees paid each year for licenses or transfers of licenses or registrations in the metropolitan area "shall be chargeable with the cost of collection as certified by the Minister . . ." Inquiries indicated that, with the records available, the cost of collecting could not be ascertained. In the circumstances, a percentage on collections is the only practicable method of arriving at the amount to be paid to the Police Department for the services rendered.

So while the law states that the Police Department should be paid the cost of collection, it has been impossible to ascertain what that cost has been, and a guess of 10 per cent. has been hazarded. What I am leading up to is the reason for the introduction of the Bill constantly given not only by the present Minister for Works but by the Treasurer as well: That the Commonwealth Grants Commission insisted upon such a measure and reduced the grant to Western Australia because of that. I think we ought to have a clear understanding with the Commonwealth Grants Commission on this subject. The Commissioners are responsible for advising the Commonwealth Government as to Western Australia's disabilities, and they change their ground from time to

time. Sometimes it is a question of funds, sometimes it is disabilities, and evidently now the Commissioners are basing their contention on a new formula altogether.

I remember the time when Western Australia was a very low-taxed State, and when on account of that fact the Commissioners said, "You will receive no consideration until you increase your taxes." We can thank the present Government for the removal of that objection. Under the present Government's administration Western Australia has become the second highest-taxed State in the Commonwealth, and the former excuse can no longer be advanced. Turning now to the Commonwealth Grants Commission's report for 1941, I quote paragraph 185—

In previous reports the Commission has drawn attention to the failure of Western Australia and Tasmania—

I want members to note that Tasmania is coupled with Western Australia—

—to bring their road finances into line with those of other States by making provision for meeting at least some proportion of the annual interest and sinking fund payments on road debt from the proceeds of motor taxation.

What was the penalty imposed upon Tasmania for not doing what they said they would do? None whatever! The Commission forgot about it where Tasmania was concerned, but imposed it upon this State. Paragraph 186, at page 79, states—

In the non-claimant States, viz., New South Wales, Victoria and Queensland, substantial proportions of motor taxation are paid by the road authorities to the State Treasury towards meeting interest and sinking fund charges on road debt. The road debt of Victoria is about £10,000,000, the annual interest charges thereon being about £400,000. The whole of this amount is recouped to the State Treasury by the Country Roads Board, whose main source of revenue is motor taxation. In New South Wales and Queensland the State Treasury does not recover the full amount of interest on road debt from the road authorities, but the amounts paid by the latter from motor taxation are appreciable. In South Australia legislation has been passed under which the first charges on the receipts from motor taxation are—

(a) Interest and sinking fund on loans raised for roads purposes.

I think members will find that this should be "loans for the year for road purposes." The paragraph continues—

(b) Administrative costs of the Motor Vehicles Department which collects the revenue.

Then the Commission says nothing about this State's paying over £22,000 to Consolidated Revenue, which is far and away more than the cost of collection. I would like to know what the actual cost of collection is; it must be a very small amount. It is not necessary to collect these fees from the people concerned; they must go to the Police Department and pay the fees in order to obtain their licenses. It is the easiest way of collecting a tax that I know of. Paragraph 187, at page 80, is interesting. It says—

Western Australia's loan liability for roads and bridges is £3,406,000, the debt charges thereon for 1939-40 being £163,000. The amount recovered from road authorities, however, towards meeting these charges was only £7,396. Tasmania's road debt is about £5.5m., the annual charges for interest and sinking fund being about £220,000.

Tasmania's road debt is considerably more than is Western Australia's, and Tasmania has to pay considerably more for interest and sinking fund. The paragraph continues—

As far as we are aware, no recoveries are made from the road authorities towards meeting these charges.

What now follows is extremely interesting—

The Western Australian Government appears to be anxious to bring its road finances more into line with those of other States.

I agree that Western Australia does. The paragraph continues—

Legislation designed to divert £75,000 of motor taxation from the Roads Fund to the Consolidated Revenue Fund was introduced into the State Parliament last year but was rejected by the Legislative Council.

Paragraph 188, page 80, reads—

It is not the province of the Commission to interfere with the financial policies of the States; but, in its task of assessing special grants on the basis of needs, it is bound to compare standards of expenditure on various services. Moreover, as expenditure on roads is a very important item we have to satisfy ourselves that the effort made by claimant States to meet annual debt charges on road debt is in reasonable conformity with the effort made in the standard States. In recent years revenues from motor taxation and the annual payments made to the States under the Federal Aid Roads Agreement have increased substantially. In view of these facts we feel that both Western Australia and Tasmania should have brought their road finances more into line with those of other States.

The Commission goes on to excuse Tasmania. If the Treasurer had received, through the

Minister for Works, the £75,000 for which he asked last year, he would have had a surplus of £86,000. As the Commission bases its recommendations on the needs of a State, is it likely that Western Australia would have received what it is getting this year? Surely if it is a question of needs and we have a surplus, then our needs cease to exist. We have balanced our budget and have an amount in excess of our expenditure. I look at the matter from this angle: If this is really a faithful intention of finding money from traffic fees to meet interest and sinking fund on road expenditure, then why take the money away from the metropolitan area only?

The amount of Loan Funds expended on roads and bridges in the metropolitan area is infinitesimal in comparison with the amount spent in country districts. One would have thought that the Government would say, "If we have to find this £163,000 for interest and sinking fund, then we ought to make it a charge against all the road users." We must not overlook what I think we are sometimes apt to forget, that whether the Commonwealth Government, the State Government, the local authorities or the traffic authorities impose a tax, that tax is imposed on the same people. What I am afraid of is that immediately we tell the Government it can have this revenue the expenditure of traffic fees on roads will cease. Traffic fees are an important part of the revenues of local authorities. They are the easiest revenue to collect, much easier than are the rates imposed on land. Once the local authorities lose this revenue, the Government will not let it go. I know what Governments and Government officials are; once they get their hands on something they are reluctant to let it go.

Mr. Withers : There is much of human nature in that.

Hon. C. G. LATHAM: Yes. I can remember only one abolition of a tax. That was when the Federal Government relieved patrons of amusement places of the Federal amusements tax. But what happened? It was immediately picked up by the State. If local authorities allow the State Treasury officials to get hold of these fees that will be the end of them, as far as the local authorities are concerned.

Mr. North: It means commission rule, too.

Hon. C. G. LATHAM: I object to the statement that additional taxes can be imposed on land. Those taxes have to be met from industry and they are difficult to collect today because of the condition of our primary industries. These cannot bear that additional burden today. A land tax, whether it is imposed by the State or by local authorities, does not fluctuate. It is a flat tax that is imposed and has to be collected whether the season is good or bad. I cannot perceive that any compensation will be available to local authorities if they once forego this amount. The member for Williams-Narrogin (Mr. Doney) has made a special study of this matter, but he is unfortunately absent. He has gone with the Minister for Justice to a war loan rally. I regret he is not here.

The Minister for Works: I do not mind the debate being adjourned.

Hon. C. G. LATHAM: I am grateful to the Minister. I am sure the member for Williams-Narrogin would like to have something to say. He may not agree with my views. This cannot be regarded as a party matter by any stretch of the imagination. In the interests of local authorities I have opposed this suggestion every time it has been before the House, because I feel that once they allow this revenue to go it will be difficult for them to recover it. We have no right to allow the Grants Commission to tell us how we are to raise our revenue. Western Australia is the second highest taxed State in the Commonwealth. If we have to go as mendicants to the Federal Treasurer and ask for money, and the Commonwealth Grants Commission is going to call the tune every time, we shall be in a hopeless position. We ought to take a stand against that kind of thing. I am expressing only my personal opinion.

The Minister for Works: We took a stand against it and it was a very expensive stand.

Hon. C. G. LATHAM: I do not think we have ever told the Commission that we have for a long time paid from £22,000 to £25,000 a year into Consolidated Revenue. After all that is where the interest and sinking fund comes from, and we are imposing taxes out of proportion to those imposed by other States. The very States the Commission talks about are taxed on a very low basis, except Queensland which is a very highly taxed State. Victoria, however, is the low-

est taxed State in the Commonwealth and taxation in New South Wales is also low. Those States are wealthier and have a denser population, and density of population counts in the earning capacity of a State. The Commission should bear that fact in mind. I am concerned about the future. Under this Bill the money will be paid into Consolidated Revenue and an equal amount will be paid out of the petrol tax. The day may not be far distant, however, when the petrol tax money will not be available. The present Federal Treasurer—and future Federal Treasurers for that matter—may have the greatest difficulty in securing sufficient money to do all they want to do. I would not be the least surprised to find the States being asked to agree to the cancellation of the agreement entered into.

The Minister for Works: They do it differently. We get 3d. out of 1s. 2d. We used to get 3d. out of 7½d. They have gone up and up.

Hon. C. G. LATHAM: I know, but at the same time that money may have to go altogether. Looking to the future—and the very near future—my sympathy goes to the Federal Treasurer; I do not care who he is.

The Minister for Works: Mine goes to the State Treasurer.

Hon. C. G. LATHAM: I know it does, but I am sure that the State Treasurer's views are the same as mine, namely, that we must make sure that we are playing our part in hastening the termination of this war. He agrees with me because I have heard him express himself along those lines. He has said that whatever money can be made available to the Federal Government must be made available. I would not complain if the Federal Government asked for this petrol tax money to be returned to it in order that it might have sufficient to equip men going oversea.

The Minister for Works: You are very much concerned about the local authorities and the Federal authorities, yet you are a member of the State Parliament.

Hon. C. G. LATHAM: That is so. The Government does not require this money because it had a surplus of £11,000 last year and this year has less claim on the money. I know the Speaker will not allow me to talk about the unemployed, but work has been provided for the unemployed from this source. The Minister for Employment made a statement the other day that

there were only 18 men dependent on the State for sustenance. Our troubles in connection with unemployment have disappeared and there is no justification for this measure today. I accept my responsibility as a member of the State Parliament. At the same time I do not consider that we should take money from the same people the Federal Government is taxing, the State is taxing and the local authorities are taxing. I am prepared to accept responsibility for anything I say. I object to being coerced into agreeing to legislation simply because the Grants Commission wants to tell us how to run this State, which is managed as well as is any other State. I object to the Grants Commission coming to us with a threat, and telling us that if we do not alter our procedure we will not receive assistance.

The Minister for Works: How did South Australia get so much?

Hon. N. Keenan: It is perfectly marvellous!

Hon. C. G. LATHAM: I do not know. South Australia received a terrific sum of money, and a tremendous number of people in South Australia are employed on Commonwealth works. The consequence is that the liability on industry in South Australia to provide employment must be considerably less and Western Australia is a more highly taxed State. I agree with the hon. member that it is marvellous. The Grants Commission says the State Government is anxious to take this action. I know it is. That is why it has introduced a Bill of this kind on three occasions. I agree that this Bill is slightly different from the last one, but the amount is somewhat similar.

The Minister for Works: It is a small amount. The amount is £29,000, which is only 22½ per cent.

Hon. C. G. LATHAM: The Auditor General shows the amount.

The Minister for Works: Oh no! That is what we collect this year. It is only for this year. The amount has been considerably reduced.

Hon. C. G. LATHAM: It has been reduced, but not very much. I was surprised at the amount of traffic fees collected, taking into consideration the imposition of petrol restrictions. The distribution to local authorities last year was £114,086.

The Minister for Labour: Let someone move that the debate be adjourned.

Hon. C. G. LATHAM: I am quite willing. I would like to give the member for Williams-Narrogin an opportunity to speak on the measure.

MR. McDONALD (West Perth) [5.19]: Hitherto I have opposed this type of legislation. It appeared to me to be of no real significance, and did not involve any additional taxation. It did not involve the road districts or the local authorities in the country being called upon to pay any additional taxation in order to meet some of the interest charges on the loans raised by the State for road construction. I have always thought the Commonwealth Grants Commission—and I say this with due respect to the commission—attached too much importance to the mere headings under which these particular items of revenue and expenditure happened to be in the State's accounts; but in view of the attitude adopted by the Commission in its last report I have come to the conclusion that we must take a realistic view of the situation. In the last report it was not clear that the deductions made in the amount of the grant, which we would otherwise have got, were occasioned entirely, or mainly, by this particular matter of contributions towards the interest and sinking fund of our loan expenditure for roads. But this time it is beyond all doubt that we have been penalised to the extent of £65,000 in the amount of our grant, because we have not made some provision which the Grants Commission thinks we should make to allocate part of our traffic fees towards meeting the liability of servicing this class of loan.

The Minister for Works: We have been penalised to the extent of £65,000.

Mr. McDONALD: It is true that we have been penalised to that extent, and I agree with the Minister that the irresistible inference from the report of the Grants Commission is that if we take steps to comply with what it referred to as the proper method of dealing with this liability for loan interest, then the penalty imposed by this report will not be imposed the next time the amount of the grant is under consideration.

On this occasion I do not intend to oppose the Bill. I am fortified in that determination because it is a Bill for one year only. It cannot be repeated next year without the consent of Parliament. It applies only to the current year. Before next year arrives

I hope Parliament will have received some clarification of the position from its discussions with the Grants Commission. The Minister stated that this Bill is more or less forced upon Parliament by the attitude adopted by the Commission. Because it has been forced upon Parliament, I am supporting it; or, to put it another way, I am not opposing it. I make that very clear. I am not opposing it, under protest. The Grants Commission was set up by a Federal Act of 1933. That Act contains no directions whatever as to the basis upon which the Commission may recommend assistance to the various States. It only appoints the tribunal and authorises it to act. The Commission operates under Section 96 of the Federal Constitution, which empowers the National Parliament to make grants of financial assistance to any particular State. Again, Section 96 does not specify the basis on which those grants are to be made.

The Grants Commission has, by and large, adopted a basis commonly called the "needs" basis. We are to be kept, more or less, afloat; we are not to be allowed to sink too far below the standards of other States. We are expected to use all proper exertions to look after ourselves. If we are not sufficiently active and do not make these exertions, then we are to be stirred up by a series of penalties or fines. That is the basis adopted in the past, and it is still substantially the basis of the Grants Commission's recommendations.

I desire to say a word or two on this matter, because it is one of great importance. The Grants Commission says it does not presume to dictate the financial policy of the claimant States. In effect it is doing so. I have a respect for the Grants Commission. Its work has been valuable, and its views useful. Its investigations have been of distinct value to our State, and I feel sure the Commission will be of value in the future.

The Minister for Works: A proper audit of accounts is always valuable.

Mr. McDONALD: Criticism of a constructive and helpful nature by people outside the State is of great value. We were under a cloud, so far as the Grants Commission was concerned, for some years because our taxation was not high enough; we did not at that time tax our people on the same standard as did other States.

Under the influence of the Grants Commission, to some extent, we have overcome that position. We have become, as the Leader of the Opposition said, the second highest taxed State in Australia. For that position the Grants Commission, as well as the Government, must take responsibility. Has that policy of the Grants Commission been a wise one? We are so highly taxed now that we are not an attractive proposition for capital and new industries. We must realise that. We have a demand here, but ours is a very small home market as compared with the home markets in other States. In addition to our geographical disadvantages and the handicap of our small population, we compare unfavourably with all the other States of Australia in the matter of taxation rates except Queensland.

If this State is to advance at all, it seems to me it can only do so by being made attractive, and so encouraging fresh people, capital and industries. It can only do that by being established in Australia as the land of opportunity as it once was years ago. The attitude of the Grants Commission in complaining of our low rate of taxation per head in the past has been to bring us to a position where, as compared with the older and more closely populated States, we are handicapped and our prospects of development are greatly reduced. The density of population in Victoria is 40 times that of Western Australia. Comparisons with Victoria, New South Wales, and even South Australia and Queensland, are quite untenable. While Parliament may pass this Bill to comply with, if not the demands, at all events the moral pressure of the Grants Commission, the opportunity should be taken, especially as a new chairman has been appointed to the Commission, to try to persuade it to re-orient its outlook towards this State and its view on the functions to be exercised in relation to help rendered to Western Australia.

The Minister for Works: You might get back to the suggestion by the member for Nedlands, for example.

Mr. McDONALD: That may be so. I hope the members of the Grants Commission will take the opportunity to read the reports of the debates in this House on the Bill and will give consideration to our respectful objection, which is none the less forceful

because it happens to be couched in respectful language, that the only hope for the population of Western Australia is that the commission will endeavour to see that conditions are made such that the State will provide some attraction to people and capital. If that is not done Western Australia will always be a sparsely populated, primary producing State, and will constitute a serious weakness not only in the economy of the Commonwealth but in the defence of Australia as well.

There is something more to be said, and it is that the people of Western Australia, who have carried on with commendable courage in the past and who have a per capita productive capacity exceeding that of any other State of the Commonwealth, will commence to lose some of their courage and hope for the future that have sustained them in the past. It is now or never for Western Australia. One result of the war is the creation of immense new industries which, if it had not been for the present hostilities, would not have been established in Australia for many years to come. Because time is the essence of the contract, those industries have been almost entirely concentrated in the Eastern States. If the Grants Commission does not realise that trend and, through its recommendations, apply some economic action, then the future of this State will not be nearly as bright as it should be.

It is not always good to be an optimist in the face of reality. At the present time we are passing through a dangerous crisis respecting the future of our State, and this is due to the abnormal conditions resulting from the war. Unless a broad and national view of the position is taken by the Commonwealth Parliament and by the Grants Commission which advises it, as well as by the Eastern States, then there will be fastened on to Western Australia for an indefinite number of years the role of the poor relative of the richer States.

Mr. Marshall: Western Australia will be the wood and water joey for the Eastern States.

Mr. McDONALD: Yes. Now is the time when we should make the strongest possible representations to the Grants Commission as to how we stand, and those representations should be made to the National Parliament as well. I shall support the Bill—or perhaps I should rather say that

I am not opposing it—under protest and because its operations are to be confined to one year only.

Mr. Marshall: Are you sure of that?

Mr. McDONALD: I accept the Minister's assurance that it is to operate for one year only, and that assurance is in accordance with the wording of the measure. Should that not be the position, the next Parliament will certainly have something to say about the matter. May I comment briefly on the statement of the Grants Commission that the passing of this legislation will mean an increase of £65,000 to Western Australia? That means that the Commission is prepared to grant us £65,000 more merely for an entry in the ledger, as the member for Murchison (Mr. Marshall) would say. If that is the position, it is cheap money—and I am prepared to take it. At the same time, I protest against money being paid to us merely because we put an entry in the ledger or transfer an item from one page to another. That is only playing with the real issue. It is dealing with trivialities compared with the big problems of this State and its people. I hope the Grants Commission will tackle the larger issues. Should it do so, we shall have no need to worry very much about book entries.

I want to add one more point. I do not necessarily endorse the proposed method of complying with the criticism or suggestions of the Grants Commission. Parliament may adopt the course outlined in the present Bill for this one year. Should the matter come before us again, we might refuse our consent. As to the manner in which we provide funds from various sources to service the debt that has been contracted for road construction, I am not satisfied that the course suggested is the best. However, without possessing fuller knowledge of the subject and having at hand the benefit of the advice the Minister can obtain from his officers, I am not prepared to suggest a better alternative. I think there may be such an alternative and if we are to be asked to do anything of this sort in the future then any such alternative could well be considered. That is my attitude, and for that reason I shall not oppose the second reading of the Bill.

On motion by Mr. Seward, debate adjourned.

BILL—LAND DRAINAGE ACT AMENDMENT.

Second Reading.

Debate resumed from the 30th October.

MR. McLARTY (Murray - Wellington) [5.37]: I am prepared to support the second reading of the Bill but with some qualifications. The measure will give the Minister power to control all drains that have been constructed by the Government in proclaimed drainage areas. I also appreciate that it is useless to spend money on drains unless they are maintained. When introducing the Bill the Minister informed the House that over £1,000,000 had been spent on drainage operations, and it is true that a single settler could upset the whole of the drainage system of a district. There will always be need, so long as there are drains, for their maintenance. The principal Act requires that before a drainage area can be constituted a majority of the settlers affected must be in agreement with the course suggested. I am afraid that in the past the farmers have not always been given the opportunity to agree.

The Minister knows that the drainage works have been a great employer in the past, and successive Governments have sought that class of works in order to provide employment. To absorb large bodies of the unemployed, drainage operations have been put in hand. In order to get to work quickly men so employed, property owners have not been given the opportunity to object to the proposed works being carried out. Naturally I agree that those undertakings have been responsible for a great improvement in the rural areas, and have played an important part in the successful development of the South-West. Thousands of acres of land that were waterlogged and produced very little are now productive and amongst the best pasture land in the South-West.

I was pleased to hear the Minister say that, if the Bill becomes law, it will not inflict the slightest hardship or inconvenience on any farmer. I do not doubt the Minister's word; nevertheless I am glad to have that statement in black and white because some day other Ministers will be in charge of country water supplies and the statement may be very useful. I hope, however, that to refer to it will not be necessary. No doubt the object of the Bill is to collect

more drainage rates and rope in a larger area. The Minister told us that insufficient rates were being collected to cover the maintenance cost of drains. I can understand that, but I hope he has no intention of trying to collect sufficient rates to cover maintenance on over a million pounds worth of drains.

The Premier: Why should he not?

MR. McLARTY: Now the Treasurer is coming into the argument! Farmers served by drainage are not in a position at present to bear the cost of the whole of the maintenance in the areas now being served.

HON. C. G. LATHAM: If the farmers in the South-West cannot do it, they cannot do it anywhere.

MR. McLARTY: I do not think the Minister intends to gather the whole of the maintenance cost on over a million pounds worth of drains.

The Minister for Works: The farmers are not charged interest and sinking fund on the capital. They are rated only to maintain the drains, and they will not pay that.

MR. McLARTY: If it is the Minister's intention to collect sufficient money to keep the whole of the drainage system in order, the farmers will certainly suffer hardship and inconvenience. The Minister knows perfectly well that a number of drains pass through Crown lands and that for their provision extra money has been spent. I do not think the Minister would expect the farmers to maintain the drains that pass through Crown lands.

The Premier: If they did not, they would get the water on their own land.

MR. McLARTY: The Premier should bear in mind the indirect return. Reference to the indirect return causes the Premier to smile, but I shall mention it. Unquestionably the indirect return to the Government as a result of these works is enormous. As I have pointed out, these works have provided the most remunerative employment of any public works that have been put in hand. I think the Premier will agree with that statement. Such works have been sought for because they were remunerative. These facts should be borne in mind when drainage rates are being struck in future. I appeal to the Minister to keep the rates down to the lowest possible level. The present is not an opportune time to load the

man on the land with additional taxes. I presume that all the main drains will be nationalised.

Mr. Fox: Are you advocating nationalisation?

Mr. McLARTY: The farmer cannot be expected to maintain main drains, and I do not think the Minister would ask it of him, but we would be wise to define what are main drains. I wish the Minister would introduce a further amendment of the Act to exclude town blocks. It is not fair that a townsite should be included in the drainage area. So far as I know, town blocks do not derive any benefit from drainage. Road boards have a right to tax the town blocks and the taxing of such areas should be left to the local authorities.

The Premier: But for the drainage, some of those town blocks would be inundated and good for nothing.

Mr. McLARTY: I agree that drainage generally has benefited the towns, but the actual taxing of town blocks for drainage should be left to the local authorities.

I agree that the Minister should be empowered to fix by by-law the commencing date of the financial or rating year. The reason he gave was sound. It is necessary that the appeal committee should view the land when the water is on it. It would be of no use for the committee to view it, say, in October. Regarding appeals generally, there is no doubt that a larger area will be rated and there will probably be appeals. The Drainage Appeal Committee at present consists of the Hydraulic Engineer, the Engineer in charge of drainage in the South-West, the Irrigation Expert, and an accountant from the Public Works Department, all of them officers in the Minister's department. Recently the Minister has acceded to a request frequently made to him by me that the farmers in the various districts should be given representation on the committee. Now, when an appeal is made, a representative of the farmers in the district affected sits on the appeal committee.

The position is that the men who carry out the work and assess the value of the work are those to whom the farmer has to appeal if he is not satisfied with the rate imposed upon him. Then, if the decision goes against him, he can appeal to a magistrate. I suggest to the Minister that he should further amend the Act regarding the appeal, and should agree to the appointment of an arbitrator instead of a

magistrate. A magistrate has no practical experience of benefits derived from land draining. I have known of cases where the magistrate has gone out to inspect the land, but I should say that for such a purpose the land should be inspected, and the benefits derived from its drainage assessed by, a man having knowledge of the subject. True, the magistrate hears evidence; but the question is one for a practical man to decide. Therefore it would be better to have an arbitrator with practical knowledge of drainage than to have a magistrate.

Another provision asked for by the Minister—and one which I think he should be given—is the exemption of minor works from the lengthy and cumbersome procedure prescribed by the Act before works of any magnitude can be undertaken. The maximum amount for minor works, however, should be specified. An engineer might decide to go on a man's property and to spend £1,000 on putting a drain through the land, and in doing so he might cut the land about considerably. The engineer might contend that this was a minor work, but in the mind of the farmer it would be a major work. Therefore I suggest to the Minister that the Bill should define what is a minor work. I would recommend works not exceeding in cost £400 in any one year. I believe the Minister would be wise to accept such an amendment, because I feel sure that arguments will arise as to what could be termed minor works on the one hand and major works on the other. The amendment would go a considerable way to clarify the position and ensure smooth working of the measure.

Once again I express the hope the Minister will not reach out with heavy taxation for maintenance rates, but that he will be considerate to settlers in the drainage areas. It is only now, really, that such settlers are reaping the benefit of drainage; and at present they are not in a position to bear any further heavy taxation. I support the second reading of the Bill.

MR. WILLMOTT (Sussex) [5.55]: Having read the Bill carefully, I believe it will affect areas within my electorate. Up to the present, Sussex has been outside any drainage area or drainage board, but Clause 3 provides—

If any drain or works has or have been constructed, partly constructed or improved by the Crown whether before or after the commence-

ment of this Act in any portion of the State at a time when such portion of the State was not comprised in a drainage district constituted under any Act repealed by this Act or under this Act . . . any such drain or works aforesaid shall, for all purposes of this Act, be deemed to have been constructed under the provisions of this Act . . .

Those words, in my opinion, would include the Busselton district and the whole of the Vasse Estuary area. My electors are quite aware that, as the Minister said when introducing the Bill, the existing drain in my electorate drains all the flat plain country between the hills and the coast. Undoubtedly it has improved that country; but in doing so it has caused much hardship to settlers right on the coast, because before the draining of that country those settlers used to get the water soaking through from the plain country. Now, however, all the winter water is carried straight to the sea, severe hardship thus being caused to the settlers during the summer months.

I am aware that the Minister is acquainted with the position regarding the Vasse Estuary, as I have spoken with him many times on that aspect. The drains were put in when group settlement first started. The country had to be drained because it was found, after the land had been repurchased for group settlement, that it was too wet during the winter months. For that reason it had to be drained; and in draining it the Government took the water straight out to sea, whereas prior to this drainage the water used to run down the Vasse River into the Vasse Estuary, and remained there for a longer period at a greater depth than it does now. The drain having been carried straight to the sea, very little water goes into the Vasse Estuary. The Minister for Works has frequently been requested to put in boards where the flood gates stop the salt water from coming into the Abba River area, the effect of the boards being to hold the fresh water back for a long period.

If the Bill passes, that work could probably be done as a minor work, as it will cost only a small amount. The engineers, I believe, have stated that it would be a small job which could be done at very low cost. I know that all the settlers on the Vasse Estuary would welcome that work, but I also know that all the settlers, both in the drained area at the back and in the area on the Vasse territory, are strongly opposed to paying any drainage rates.

The Minister for Works: They always are.]

Mr. WILLMOTT: Their view is that though drains may have had to be put in after the land was taken for group settlement, they were indispensable if the land was to be made at all productive. Therefore I do not see that the settlers should be required to pay any drainage rates whatever. As I said here recently, the settlers are doing moderately well; but that is no reason for casting further taxation upon them. They are only just beginning to come into their own. A great deal of hardship would be caused to them if further rates were imposed on them now. I really do not know whether I shall support or oppose the second reading of the Bill. I fully agree that all this drainage is needed, but the settlers in my electorate also require that the water should be held back for a longer period in the early part of the summer. If that benefit is obtained there would be something in the drainage scheme. I trust that the Minister, when replying to the debate, will state what is the position; and then I shall be able to do what I consider right on behalf of the settlers in question.

MR. SAMPSON (Swan) [6.9]: I realise that in respect to exceedingly large areas of this State, drainage is the one hope of salvation. Undoubtedly, enormous quantities of water are lost each year, which means there can be no prosperity or success in those areas; there can only be great difficulty in trying to make a living. If the Government would go even further than is now intended, I am sure widespread prosperity would prevail in the State. Time after time Western Australia has been compared to California; but it resembles California only as regards climate. We have not the opportunity here which exists in California to turn arid land into fertile, smiling country. The more vigour the Government puts into this work, the more prosperous will the State become. There are numerous gullies across which could be thrown walls or weirs, whose absence at present means that water runs to the sea and is lost. I recall a tour that I made with the C. J. de Garis Press party throughout the Sunraysia districts, through Mildura and some of the Darling River country into South Australia. We saw what great progress had been made there because of the realisation

by Governments that water would turn arid country into arable land. In the old days, Chaffey Bros. faced tremendous problems.

Mr. SPEAKER: I hope the hon. member will connect that with the Bill.

Mr. SAMPSON: Yes, Mr. Speaker. I am surprised at your suggesting—

Mr. SPEAKER: Order! There is nothing to be surprised about. I want the hon. member to connect his remarks with the Bill.

Mr. SAMPSON: This work should receive every encouragement from those who have the future prosperity of the State at heart. I wish the Government could see its way to extend these drainage works further north, so that water which at present is wasted can be put to use. We should then have a tremendous increase in output of stone fruits and vine fruits, and our dried fruit industry would be stimulated. The time is not far distant when larger quantities of those products will be required. I trust, therefore, that the Government will proceed with this drainage work and extend it even further than is at present intended.

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—RIGHTS IN WATER AND IRRIGATION ACT AMENDMENT.

In Committee.

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

BILL—FIRE BRIGADES ACT AMENDMENT.

Council's Amendment.

Amendment made by the Council now considered.

In Committee.

Mr. Marshall in the Chair; the Minister for the North-West in charge of the Bill.

The CHAIRMAN: The amendment made by the Council is as follows:—

Clause 2.—Add the following proviso to the clause:—

Provided that for the purposes of this subsection the term "Annual estimated expenditure" shall not include any moneys expended or proposed to be expended in relation to or arising from either directly or indirectly war or warlike operations.

The MINISTER FOR THE NORTH-WEST: I do not propose to agree to the amendment because it will hinder the operations of the board without achieving the objective of the mover. Subsection 2 of Section 41 of the Act stipulates the source from which the revenue of the Fire Brigades Board is to be derived. If the amendment is agreed to the board's operations will be restricted. It appears to me that should the amendment be passed and a fire occur in one of the big emporiums in the city, a meeting of the board would have to be called to decide whether the fire was caused by sabotage, by a bomb from an aeroplane, or by some other cause, before the brigade could be sent to the scene of the outbreak.

I defy anybody to place a different interpretation on the amendment. That may be drawing a long bow, but it is something that could happen. Again, the onus is on the board itself to decide just what expenditure it anticipates for the forthcoming 12 months. The board being composed of very sensible men, I do not expect that it will propose to spend huge sums of money on unwarranted machinery or devices for fire-fighting. Already there has been expenditure on extra contrivances, pumping plant, etc., in anticipation of hostilities, but these facilities were bought and paid for by the Civil Defence Council under the Civil Defence (Emergency Powers) Act, and not by the board. The extra pumping plant was handed over to the Fire Brigades Board as custodians only. I cannot imagine the board buying extra appliances from its revenue when it knows the Civil Defence Council has undertaken to do so. Furthermore, the Federal Government is assisting the Civil Defence Council in the purchase of equipment for A.R.P. work, and if amendments of this type are included in our legislation Federal co-operation will be discouraged.

If the board should happen to think it necessary to spend money on some fore-shadowed event, all it would have to do

would be to suggest to the Minister, through its estimates, that £25,000 or £30,000 or £50,000, as the case might be, should be spent on some particular implement deemed to be necessary under normal conditions. No Minister would refuse to agree with the board if the board considered such a purchase necessary. That is the only course the board need take to defeat the object of this amendment.

Sitting suspended from 6.15 to 7.30 p.m.

THE MINISTER FOR THE NORTH-WEST: I had nearly concluded my remarks at the adjournment. I was saying that I could see no virtue in this particular amendment. I fear it will result in much hindrance in the general administration of the Fire Brigades Board. In view of the reasons I have already advanced, I move—

That the amendment be not agreed to.

MR. CROSS: If this amendment is accepted, the Fire Brigades Board—

Hon. C. G. Latham: We were going to accept it, and now you prevent us.

MR. CROSS:—could not spend anything at all because it says that the annual estimated expenditure shall not include any moneys expended or proposed to be expended in relation to or arising from, either directly or indirectly, war or warlike operations. If a bombing raid took place in a week or two's time, it would be a warlike operation. The London Fire Brigade has put out over 20,000 fires resulting from the war.

Hon. C. G. Latham: If we had one, it would 20,001.

MR. CROSS: The additional expense is met by the Government. Our Fire Brigades Board would be prevented from spending anything if this amendment were incorporated.

MR. McDONALD: I did not know what attitude the Minister would take on this amendment. We await the Minister's view on these messages from the Legislative Council, before expressing ours when the message comes before the Committee for consideration. I do not like the wording of this amendment. It is too wide. I infer the intention is that if large expenditure is incurred, or is to be incurred by the Fire Brigades Board for additional fire-fighting appliances and additional fire precautions, which expenditure is entirely due to the threat of war, then it should be a matter

for the general public, or the metropolitan area, and not for the insurance companies or the State Government, or the local authorities. After all, the main expenditure in the way of precautions against hostile action, which the Fire Brigades Board might undertake, would be in the metropolitan area. Two-ninths of that expenditure would be met by a levy on all the local authorities throughout the State. The result would be that the local authorities at Northam, Merredin, or Wiluna, would be called upon to meet a share of the expenditure for special precautions undertaken by the Fire Brigades Board to deal principally with a possible danger from warlike action in the metropolitan area.

Hon. C. G. Latham: Northam itself might be involved on account of the military camp there.

MR. McDONALD: That is so. This is a matter for the Commonwealth as part of the war expenditure, or for expenditure by the State. It is outside the scope of the intention of the Act.

The Minister for Mines: The Civil Defence Council, through the Commonwealth Ministry, has already ordered equipment, to the extent of about £500,000.

MR. McDONALD: Largely with Commonwealth funds, the Civil Defence Council is providing for the necessary equipment to guard against hostile action. That endorses the principle I have mentioned. That is the opposite to placing this expenditure on the local authorities, or on the insurance companies. It does not matter to the insurance companies because, by endorsements on their policies, they are not liable for fire caused by enemy action. That step has had to be taken by insurance companies all over the world, because the possible amount to reimburse people for the losses sustained through enemy action would be so great that they could not accept the liability under the present premiums. In England, through the Government, a certain premium is levied on property, which is paid into a fund and goes towards indemnifying people who suffer through hostile action. That again emphasises the principle I mentioned, that it is a matter for the State. In England it is a matter for the whole people; in Australia for the Commonwealth or the States. I can understand the Legislative Council drawing the distinction between the normal expenditure met, or taken into account in the pre-

miums charged by insurance companies in normal times, and the abnormal expenditure due to hostile action for which no provision is made in insurance premiums.

The Bill seeks to impose upon insurance companies 55 per cent. of the expenditure undertaken by the fire brigades on account of war conditions, for which no limit is provided. The Minister has pointed out that the expenditure might not be great should the Commonwealth Government consider that the expense should be borne by the community as a whole. On the other hand, the Fire Brigades Board might claim that what had been done by the Civil Defence Council or with the expenditure of Commonwealth funds was not sufficient, and might embark upon extensive additional precautions which would be paid for from its ordinary funds and a large proportion of that expenditure would have to be borne by the insurance companies.

The Premier: But you must remember that the board's estimates have to be approved by the Minister before such expenditure could be incurred.

Mr. McDONALD: I agree, but what would the Minister say? If the Fire Brigades Board declared it was essential to spend a further £100,000 in the metropolitan area failing which the lives of the citizens and property worth a large figure would be in grave danger, would not the Minister decline to accept the responsibility of ignoring such a recommendation? If that course of action were followed by the board, the insurance companies would have to shoulder increased contributions for which they had made no provision in their peace-time premiums, and a proportion would have to be met by the local authorities without any previous provision having been made.

Hon. C. G. LATHAM: And new policies would carry added premiums.

Mr. McDONALD: If the companies had to undertake additional expenditure they would probably increase their premiums.

The Minister for the North-West: Why should they? Increased premiums have not been levied in South Australia.

Mr. McDONALD: I do not know what is done in that State, but I know that the insurance companies here are required to pay the highest contribution levied in any of the States of Australia except South Australia, where the rates fixed in the de-

pression period have been maintained ever since. I urge the Minister not to dismiss the Council's amendment lightly for there is something in the contention advanced. With revised wording, the amendment should be regarded as reasonable.

Mr. NEEDHAM: Very seldom do I find myself in agreement with an amendment made by the Council to an Assembly Bill. I agree with the Council in this instance. I am not concerned about the insurance companies, but I am regarding the position of local authorities. When another measure dealing with civil defence was considered, I was successful in securing an amendment freeing, to a certain extent, local authorities from bearing part of the cost of air raid precautions or other work associated with the defence of this part of the Commonwealth. To be consistent I must support the Council's amendment now. I regard any expenditure occasioned by the war or for the defence of the Commonwealth as an obligation of the Federal Government and I do not regard such expenditure as the responsibility of the State Government or of local authorities. No one can deny the fact that the responsibility for the defence of Australia rests entirely with the Commonwealth Government.

Hon. C. G. LATHAM: Like the member for Perth, I have always contended that expenditure of the type under discussion is no responsibility of the local authorities. War does not affect us individually but collectively. Any expenditure involved should be on a collective basis. I loathe unloading expenditure on to the Commonwealth.

The Premier: Defence is really a Commonwealth matter.

Hon. C. G. LATHAM: From one point of view, I suppose this may be regarded as a defence matter.

The Premier: It would arise from war conditions.

Hon. C. G. LATHAM: I have previously pointed out the centres along the coast that might be confronted with heavy expenditure in the event of enemy action. Local authorities will be involved in extra expenditure, and, in the event of any such enemy action the insurance companies will be involved in expense, which will mean increased premiums. Insurance policies have a currency of only one year.

Mr. Cross: Some of them could stand reducing.

Hon. C. G. LATHAM: The premiums are calculated actuarially to provide a profit.

Mr. Cross: There are two different rates operating in Perth now.

Hon. C. G. LATHAM: We have been fortunate in not having serious fires, but we have only to get a big outbreak in some part and the companies' liabilities would be very heavy.

Mr. Cross: The companies split the risks.

Hon. C. G. LATHAM: I am aware of that, but the premiums are fairly low.

Mr. Cross: There are two rates in Perth.

Hon. C. G. LATHAM: Yes, one for brick buildings and one for wooden buildings.

Mr. Cross: There are two rates for brick buildings.

Hon. C. G. LATHAM: There might also be two rates for wooden buildings; the premiums depend upon water facilities and other considerations. This provision may mean nothing in the long run. The fire brigades are controlled by the Minister, and if he thought expenditure was justified in the interests of the people, the money would be found somewhere. He would not be one to load on to a few people a liability that should be borne by all. If the people living on the coast are exposed to war risks, residents in other parts of the State should make a contribution because the defence of the whole of the State would be involved. If we could get the Commonwealth to bear the liability, well and good, but if not, it should be borne by the State.

Hon. N. KEENAN: The mover of the amendment in another place suggested that the problem of finding the money should be left open, but he referred to the experience in England where a considerable amount of damage has been done by bombing. On the outbreak of war, steps were taken to nationalise the whole of the insurance risk in England, because otherwise it would have been impossible to conduct operations to extinguish fires. There were different brigades with different appliances within a few miles of each other, and they could not possibly be brought together to combat an outbreak of fire. Every owner of property was compelled by law to insure to the full insurable value of his premises in order to create a fund, and then the Government took the risk and compensated the owners of premises destroyed by enemy action.

The insurance companies would not be liable for damage to the value of a single penny if caused by enemy action. The position is certainly complicated and cannot be solved by the acceptance or rejection of the Council's amendment. The solution would be to compel all owners of property to insure, and use the fund so created as a guarantee against war risks. There is no fund in existence in this State for the compensation of any person for damage arising from enemy action. If the fire brigades acquired a lot of plant to deal with possible outbreaks caused by bombing, those who had insured against the ordinary risk of fire would not be covered. Those who were thrifty and wise and desirous of protecting their property would be exposed to loss, and those who had not insured would possibly make some gain. I appeal to the Minister to consider the whole matter. We cannot shut our eyes to possible developments. It is not only possible but even probable that Perth will be bombed, and we should take precautionary measures at once. The only way to do that is to adopt the English scheme. The Minister should consider the whole matter of dealing with an emergency that may be upon us, God knows when.

The Premier: That is an entirely different proposition.

Hon. N. KEENAN: Of course it is, but we must face it.

The Premier: The two questions could be tackled separately.

Hon. N. KEENAN: The system of insurance under which we are working will have to go by the board.

Mr. Raphael: The insurance companies have been collecting premiums for many years, and are now going to get out of their liabilities.

Hon. N. KEENAN: Some responsible officers in the United States of America, according to Press reports, have fixed the 15th of this month as the crucial date. At that date there will be, they expect, a declaration, made by a power, that will involve us in the risk not perhaps of invasion but certainly of bombing.

The Premier: That aspect should not be tackled on a Bill of this kind.

The CHAIRMAN: I think the member for Nedlands is hardly in order.

Hon. N. KEENAN: I want the Minister to contemplate the laying aside of the Bill and the addressing of himself and his department to an emergency that may arise on any day.

The MINISTER FOR MINES: The Committee need not worry in connection with this Bill whether the Fire Brigades Board will incur heavy expenditure on account of a possible war position. At the last A.R.P. conference this aspect was thoroughly discussed, fire fighting being on the priority list because it was appreciated that one of the great dangers from a raid would be damage by fire. Therefore the conference decided on the need for standardised fire-fighting machinery, so that it could be readily transferred from one State to another. A conference of fire chiefs of the States, with two expert advisers, sat for three days and arrived at a standardisation which the Commonwealth accepted. The proposition of the member for Nedlands is that the entry of a new power into the war must be taken into consideration. The necessary fire fighting appliances have already been ordered from America, and will be paid for by the Commonwealth and the States. We already have a very fine fire-fighting engine, and we believe that we shall get two or three more.

The MINISTER FOR THE NORTH-WEST: There is nothing new in the arguments put forward by members opposing the motion. Evidently they did not listen closely to what I said before the tea adjournment. I went to some trouble to point out that the necessary additional machinery was already in the custody of the Fire Brigades Board, which, however, had not purchased it. I stated the personnel of the board. Some members seem to fear that the board might propose some very heavy expenditure, and that I would agree to it.

Hon. C. G. Latham: If it was necessary.

The MINISTER FOR THE NORTH-WEST: The Fire Brigades Board consists of representatives of local governing bodies, fire insurance companies, and the Government. Can members imagine such a board asking me to agree to the expenditure of £100,000 for this purpose when the board's members represent the people who would have to find the money? Additional fire-fighting machinery has been purchased and handed over to the Fire Brigades Board

without its costing the board one penny. The amendment should not be agreed to.

Hon. C. G. LATHAM: The Minister now claims that after all this proposal is quite harmless and that there is no need for us to worry about it. If such is the case, I do not mind the redundancy of the Bill. However, the Minister went on to say that if the people represented on the board had to meet the expenditure, they would not do certain things. If there was a necessity for something, the board would find the money from some source or other.

The Minister for the North-West: Why have they not done it?

Hon. C. G. LATHAM: Because there has been no need to do it as yet. Should the necessity arise the Treasurer, I dare say, would be prepared to make the board an advance. The board would not deliberately borrow money merely in order to expend it. A week ago I thought there was a possibility that we might find something happening here. At the moment Western Australia is much more vulnerable than are the Eastern States, because it is closer to a certain power. The Minister's argument that the board would expend money unnecessarily is weak. The amendment would inspire greater confidence in property owners, as it would show them that the State is prepared to stand behind them. If this State is bombed, in my opinion two of the most vulnerable spots would be Geraldton and Northam. Because there is a large military camp at Northam, that town would probably be bombed first.

The Minister for the North-West: Would the amendment prevent that?

Hon. C. G. LATHAM: No; but it would show the people at Northam that they at least would not be called upon to meet all the expense.

Question put and passed; the Council's amendment not agreed to.

Resolution reported and the report adopted.

A committee consisting of Mr. Cross, Mr. McDonald, and the Minister for the North-West drew up reasons for not agreeing to the Council's amendment.

Reasons adopted and a message accordingly returned to the Council.

ANNUAL ESTIMATES, 1941-42.*In Committee of Supply.*

Resumed from the 4th November; Mr. Withers in the Chair.

Vote—Labour, £1,600 (partly considered).

MR. MARSHALL (Murchison) [8.23]: There is only one aspect of the Minister's administration on which I desire to make one or two observations. I wish to refer to the operation on the goldfields of the various Acts with which he is concerned. On several occasions I have mentioned in this House that although our shelves are chocked with laws, there does not seem to be any desire on the part of the Administration to ensure that they are effectively enforced. That applies more acutely to the goldfields than anywhere else. There are compensation laws, price-fixing laws and laws relating to shops and factories and all of those laws are given very close attention in and around the metropolitan area; but I regret that only infrequently are visits made to the goldfields area by departmental officers concerned in the enforcement of those particular laws.

For many years, since the revival in the mining industry, overtures have been made to the Minister for the appointment of some special officer to see that those laws are, as far as is humanly possible, enforced on the goldfields. Although assurances and promises have been given, appointments have not yet been made. I know that the Minister may have experienced difficulty in obtaining suitable officers for this particular work on the goldfields, but I assure him that the time is long overdue for such appointments to be made. After careful consideration and investigation he should by this time have been able to find men suitable for the job, thus giving the people on the goldfields a sense of security in regard to the administration of the laws to which I have referred.

The Minister for Labour: The Government recently decided to appoint an officer and is in process of appointing one now.

MR. MARSHALL: I have had correspondence to that effect from the Minister, but many months have elapsed since that information came into my possession.

The Minister for Labour: That decision was made recently.

Mr. MARSHALL: I am delighted to know that is so, as the people on the goldfields are becoming agitated because of the deplorable position. Many men are employed in and around the goldfields and there is no compulsory cover for them.

The Minister for Labour: There have recently been prosecutions.

Mr. MARSHALL: That indicates that what I say is correct and that, so far as our shops and factories are concerned, there is little or no control. I admit that we have periodical visits from some officer of the department, but that is not good enough because the people of the Murchison realise that when an officer visits the district they must do the best they can with him while he is there, since they are not likely to see any more of him for a considerable time. That does not satisfy them. So far they have been extremely tolerant. I suggest to the Minister that he use some discretion in his choice of this officer. I favour the appointment of a man with practical experience because it has to be realised that in places where great distances must be travelled and where the interests are at considerable variance, so to speak, with interests in the metropolitan area, only a man with practical experience can be successful.

Men with theoretical knowledge are no doubt good for the city area, because they can solicit advice from other officers and provision is made for them to secure information enabling them to carry out their duties fairly thoroughly and efficiently. That could not be done on the goldfields where such officers would be far removed from those particular sources of advice and information, and I suggest that an experienced man—if he had the theoretical knowledge, so much the better—would be the right type of individual to choose for this task. If the Minister cannot secure a practical man who has passed the necessary examinations in shops and factories administration, I suggest that he give consideration to the appointment of an officer as an industrial inspector, an officer with a knowledge of the industrial Acts. He need not bother about the factories because we could have periodical visits, as we do now, from a man competent in that particular line of inspection. What we really desire is a man thoroughly experienced in industrial laws and their administration as

well as being theoretically trained. A practical knowledge is, however, more important than a theoretical knowledge.

The Minister for Labour: You need a capable man for price-fixing control, too, I think.

Mr. MARSHALL: I want the Minister to understand that if he proposes to select an officer with a theoretical knowledge and equipped with a practical knowledge as well, he will find his task particularly difficult without endeavouring to find a man upon whom he can impose the additional obligation of price-fixing. If the position on the goldfields was that we had been getting constant care and control, and administration of these laws up to now, it would not be so bad. Everything would be all right to that extent. The additional obligation of controlling and enforcing the price-fixing laws would be somewhat incidental to the officer's existing activities. But if a new man is to be appointed to administer all these other laws as well as price-fixing, he will have a very busy time for a period at least. The appointment is left to the Minister, and I make the suggestion for what it is worth. He should not be over-enthusiastic about the beads of his department—

Mr. Raphael: Hear, hear!

Mr. MARSHALL: —although I agree that he must take their advice to a large extent. Whoever is appointed to this position will not have tram facilities, nor is his scope of travelling limited to what it is in the metropolitan area. The distance from Leonora to Wiluna is 190 miles, from Wiluna to Meekatharra 115 miles, from there to Cue 80 miles, from Cue to Reedy's 36 miles and from there to Big Bell 18 miles, to Mt. Magnet 45 miles, and 90 miles from Mt. Magnet to Youanmi. Those distances make it practically hopeless for this officer to give effective service if he is not well equipped. Courts in these centres sit about once a month. An officer may arrange to prosecute in Wiluna, and it would not be economical for him to remain in that town until the day of the court proceedings. It would be far more economical for him to go on to one of the other towns and then return, if a lengthy period was to elapse between the issuing of the summons and the hearing of the case.

I want the Minister to watch this matter closely because, if he appoints an officer who will be wasting a lot of his time travelling,

he will not give the efficient and satisfactory service that we desire. This officer will be put to much greater expense than officers operating in closer proximity to the metropolitan area would be. These features must be given consideration. I understand that some of these officers receive between £6 and £7 a week. The lowest paid man on the mines gets that much—the boy. From that fact can be gauged the cost of living in these places. It is not fair to ask an experienced man to carry all this authority, do his job conscientiously and remain honest and just towards his employers, if he is not sufficiently rewarded.

Mr. Sampson: You do not reward men to keep them honest.

Mr. MARSHALL: The Minister will need to keep close watch on his departmental heads who will try all they can to cut down expenses. We have waited a long time on the Murchison for this appointment, and have been very tolerant. Much injustice has been experienced by thousands of workers over a period of years in regard to lack of administration of these laws and their correct enforcement. Now that the Minister has assured me that an appointment will be made I hope he will give consideration to the points I have raised, and accept them as being logical and sane. We do not want a man appointed who, in the circumstances, will find himself in the unenviable position of not being able to give effective service when appointed. With these few observations I am prepared to support the vote.

MR. WATTS (Katanning) [8.35]: I listened with a good measure of interest the other night to the Minister for Labour introducing the Estimates, but at the same time with a feeling at the back of my mind that there was much to be done in the department over which he has control, much of which, I doubt if anyone could do at present, however eager he might be, and however capable. I do not suggest for one moment that the Minister does not wish to do everything possible. I think, had it not been for the war and the considerable amount of industrial development that has taken place as a direct result of it, he would have found his endeavours to develop secondary industries in Western Australia not so successful as they have been. I wonder, when the war is over—it may be soon or it may be long, and we

all hope the former—how the Minister will find these factories and workshops, to which he made reference, faring.

He referred, for example, to the small arms factory to be opened at Welshpool. He expressed the hope, but did not appear to be able to go any further, that when peace was restored, some use would be found for that factory. It is hard for me to understand or prophesy a use which could be made, during a long period of peace, of a factory of that nature, which has been erected for the employment of 1,500 men. Our own population in Western Australia, even supposing it doubles, which is a most unlikely contingency for some years to come at any rate, will find it difficult to absorb the output of such a factory, even if we admit, for the moment, that it is comparatively easy, which I doubt, to turn from swords to ploughshares; or from warlike to peacetime operations.

Mr. Warner: From bayonets to toothpicks!

Mr. WATTS: Something like that. We shall find that our factories, opened and carried on as a direct result of the war, will have to receive more support than it is possible for the people of our State to give, if they are to continue on this substantial scale. We must face the position that there has been equally great, or much greater, development in the Eastern States of Australia. Many of their factories will be in the same position. They will want to turn from swords to ploughshares. We will face the very keenest competition. We did not find it easy prior to the war, and in face of the competition after the war I doubt if we will find it easy to sell our goods in the markets of the Eastern States; nor am I optimistic after the expiration of the war, beyond a year or two, of our ability to dispose of the products of these factories in the older countries of the world. We may be able to do so for a time. There has been so much chaos and destruction in these old countries that undoubtedly their output and manufacturing ability will for a few years be considerably restrained. It is a fair assumption that they will do their utmost to restore their industries, both to the state of efficiency and output that they were in before the war, and possibly try to increase them in order to return some measure of prosperity to their people.

I do not know that our industrial development, much as I would like to see it and much as I desire to encourage the Minister in his efforts regarding that phase, will be able, at least insofar as that portion is concerned that arises directly from the war, to carry on in peace time in the manner in which, while the Minister did not directly say it would, he expressed the hope—if he did not even go further than that—would be the experience. I do not think we should lose sight of the distinct possibility of the result to which I refer, and we should not give the people reason to believe that these various industries, to which the Minister referred, having been started during the war and as a result of the war—in many instances having been established for war purposes—are likely, without question, to continue operations afterwards. I hope the position will prove to be better than the Minister thinks it will, and I certainly hope it will be better than I imagine it will possibly be. It is wise, I contend, not always to expect the best but to be prepared for disappointment, in which event, should success not be achieved, the disappointment will not be nearly so intense as it would be if no consideration had previously been given to that possibility.

The Minister made some reference to the efforts of his department towards the preservation of industrial peace. Here again I am not going to deny the efforts that have undoubtedly been made by him, his officers and others associated with the department, and which have been so successful, I admit, in preserving industrial peace in Western Australia. I am, however, more inclined to compliment the workers and employers of the State. I venture the suggestion that there is in no other part of the British Empire any more law-abiding collection of workers and employers than are to be found in Western Australia. I doubt if there is elsewhere any greater co-operation between worker and employer than is apparent in Western Australia—neither in any part of eastern Australia or elsewhere. It is distinctly something upon which both sections of our industrial community may be complimented. It is something which will in future—if it has not already, as I am assured it has—react quite favourably respecting the possibility of industrial development in Western Australia, particularly if that state of affairs continues and may be

contrasted, as it is at present, with the behaviour of similar people in other parts of Australia. If that should be the position, it may serve to overcome to some extent the difficulties that will exist in respect of attempts to retain, when the war ceases, industries which have already been started.

If there is anything that will induce people to continue their industrial efforts in Western Australia it will be, I suppose, the fact that they are likely here to enjoy a substantial measure of industrial peace. It has, of course, to be recognised that the legislation in force in this State for the preservation of industrial peace, is not only good legislation but is well administered, and particularly is that so, I think, in respect of the work of the Arbitration Court itself. In other parts of the Commonwealth, however, legislation of the same type has been enacted and is based on exactly the same principles as is our legislation. Nevertheless, we find that elsewhere it does not work. I cannot believe it is to be attributed altogether to the Arbitration Court that the legislation works so much better here, nor yet is that credit to be laid at the doors of the Minister and his officers. I am of opinion that the reason is that the people of Western Australia, taking them by and large, are as good a class, taken collectively, as we are likely to find anywhere else in the world in these times.

Mr. Needham: There is another reason for industrial peace here.

Mr. WATTS: The hon. member can inform the Committee upon that later on. The two reasons I have advanced are those that I know of, and they are satisfactory to me.

Mr. Fox: We are getting quite respectable in Western Australia!

Mr. WATTS: The Minister also made reference to workers' compensation insurance and the fact that he was now able, on account of the approval accorded the State Government Insurance Office consequent upon the passage of legislation by this Parliament, to prosecute those employers who had failed to insure their workers in respect of injuries they might suffer in the course of their employment. The Minister did not tell the Committee that the very fact that he has had to launch prosecutions is an indication that there are workers who are not covered by the necessary policies. While he may have prosecuted 15 employers—I think that was the number he mentioned—I venture to suggest that there may be 150

or even 1,500 individuals who could be prosecuted if the facts were fully known. It has always seemed to me necessary to formulate some system of insuring the workers under the Workers' Compensation Act that did not involve the risk of there being, at any given moment, some worker seriously injured or killed in the course of his employment and who was not covered under that Act, because his employer had failed to carry out his obligations under the law and the Minister and his officers had not been acquainted with the fact at the time of the occurrence.

That brings me to an argument I have had on more than one occasion with the Minister for Labour, and up to the present I have not succeeded in securing from him a satisfactory answer. So I propose this evening again to put to him the same question, and I shall inform the Committee as to my reason. This is the fourth or fifth time that I have directed the attention of the Minister to the matter. The question I put to him is this: When does the Minister propose to carry out the recommendations of the select committee, of which he was chairman, which was appointed by this House and which sat in 1937? After concluding its inquiries the select committee made the following unanimous recommendation which appears in paragraph 16 of its report:—

Your committee believes that the compulsory provisions of the Workers' Compensation Act, and particularly the provisions of the Third Schedule thereto, support the theory that the relief of injured workers and workers whose health has been undermined by their employment, is in the nature of a social service and should not be regarded as a business proposition in the usual meaning of the term. A careful perusal of the report of evidence taken by your committee will provide many instances where witnesses have supported this view. Some interesting proposals were made by certain witnesses, which require much more careful and expert consideration than can be given by the members of your committee.

For the benefit of the employer and the worker, the lowest cost collected in the easiest manner is very desirable where cover in respect of accidents arising out of or in the course of employment is necessary. If compulsory third-party insurance (vehicular accidents) is provided for at any time, similar remarks would apply. Your committee therefore feels that a Royal Commission, having at least one actuary as a member, should be appointed to make the most careful investigation into the whole matter, including the suggestions put before your committee in evidence and also what is taking place elsewhere, and to collect data and report

fully as to the possibility of a workable scheme so that Parliament may give consideration to the matter. Your committee desires to record its appreciation of the services given by Mr. E. L. Wilson, of the State Insurance Office, who acted as secretary to the committee. A. R. G. Hawke, chairman, 7th October, 1937.

One particular item of evidence which helped the select committee, of which I was a member, to bring forward that unanimous recommendation was given by Mr. John Thomson, who was then general manager of Westralian Farmers Ltd., and who was called in his capacity of manager of its insurance department. In the course of his evidence, referring to unemployment and workers' compensation insurance, he said—

None is scientific, and there seems to be need for an attempt to place these services on a scientific basis. It has been found that the cost is extremely heavy, and my contention is that it is foolish to use for that purpose insurance machinery which, in itself, adds to the cost so materially. Perhaps I might instance what I have in mind.

In workers' compensation insurance, apart from the cost of securing the business in the first place, there is a lot of detail work in putting up proposals, checking the proposals, issuing policies, collecting cheques and issuing receipts. This, in my opinion, is entirely unnecessary. If it were run as a fund and the insurances collected in the same manner as hospital tax and financial emergency tax, which are based on the wages paid, and the tax was paid by the employer on behalf of the worker when the wages were paid, you would have the whole of the data necessary for running the department. The mere payment would give the actuary the information he required as to the wages for which he had to provide protection, and the cost would be negligible.

It would be easily policed. If an employer failed to make the payments and an accident occurred to an employee, it would be disclosed, and a heavy fine would soon force other employers to ensure that they paid the tax, as it might be termed, required in the circumstances. I think the cost of such a scheme would be infinitely less than the cost of trying to run it as an insurance scheme.

It might be held that the Government would be taking undue risks, but I do not agree with that, because if the risk appeared to be too great for the fund, the Government could call for tenders from underwriters prepared to undertake such proportion of the risk as the Government was unwilling to retain.

Then the witness proceeded to deal with third-party insurance of motor cars, on which I will not touch. That was the evidence which was tendered by Mr. John Thomson, and was substantially responsible for the recommendation of the committee that a Royal Commission should be appointed to in-

quire into this matter on the ground that workers' compensation insurance, being of a compulsory nature, was a social insurance which should be dealt with in some other manner.

Mr. Needham: Did you expect that report to be adopted by the department?

Mr. WATTS: I did not expect it to be adopted, but I did expect that the Minister, having subscribed to the recommendation of the select committee, would have a Royal Commission appointed in accordance with the recommendation. From many aspects it is desirable that we should find some better system of covering workers under the workers' compensation laws than we have at the present time, some system which will ensure, if it can be done, that every worker is covered—and this I think is the virtue of Mr. Thomson's suggestion—irrespective of whether the employer has paid the tax or premium or not, which is not the position at present.

Mr. F. C. L. Smith: And irrespective of how much the worker earns?

Mr. WATTS: No, it would be based on what he earns. Mr. Thomson stated in his evidence that the employer should pay an amount based on what the employee earned. I am not saying that such a system could be worked, but I suggest that the idea is well worthy of consideration. It was not only to me that the suggestion appeared to be worthy of consideration; otherwise the select committee would not have adopted the recommendation. The matter needs to be properly investigated so that we might determine whether such a system would be satisfactory or not.

But four years have passed since that recommendation was made. For two years there was no means of even enforcing the compulsory provisions of the Workers' Compensation Act, because there was no approved insurance company, but for two years there has been an approved office and prosecutions have taken place. Even those prosecutions do not evidence that every worker is covered and that there is not going to be a case tomorrow or the next day of some worker being sadly injured in the course of his employment, only to find that he is not covered by a policy of insurance and that his employer is a man of straw. It is high time that a period was put to this state of affairs, if that is possible, and the only way I can suggest—I

repeat that this is not my suggestion—is the one mentioned in the recommendation, or something like it, to which the Minister for approximately four years has, so far as I know—and I have asked him two or three times—refrained from giving any attention at all.

The only other matter I propose to refer to this evening is the need, if possible, for bringing about some development of secondary industry in the country areas of Western Australia. Unfortunately we all seem to be attacked—at least those in responsible positions—by the desire of centralisation, which I feel sure should be discouraged as far as possible. The Minister, in the course of his remarks, said he fancied Northam as the place for a factory where linseed could be processed into linseed oil and similar products. He then thought Spencers Brook would be a suitable place, and then he said he had York and Beverley in mind. After that, for reasons which he did not give, he said that the factory was to be established in the metropolitan area. Surely if we are to do anything with secondary industries of any kind in the areas outside the metropolitan area, substantially they can only be those which are associated with the primary production of the State.

We should be told by the Minister what were the real reasons—if there were any—why this factory for the processing of linseed was not placed in one of those four areas to which he made reference. Why should it be brought to the metropolitan area? Why should we transport the production of 2,000 acres to the metropolitan area before it can be processed? Why would it not be equally satisfactory—I hope he will give us this information—to process it in the country and rail the finished product to some other point of distribution? There are country districts where, if it were practicable for the people to assist in the development of secondary industries in some small way, they would be only too enthusiastic and would offer their assistance both financially, if they have the money, and in any other way possible.

So far as I can gather, there has been no co-ordinated effort to indicate to them whether there are any small industries which can be developed. These industries, I suppose, must arise more or less directly from the

primary production of one kind or another which takes place in the areas I have indicated; but the people of the districts have not up to the present, as I say, had any co-ordinated effort made to assist them in considering these things, or to indicate to them what they might do as regards developing even in some small way the State itself and more particularly the rural areas in which they reside. We cannot, I submit, visualise in the future a State which is going to be more ill-balanced from the aspect of population than our State is today. We have at present, I think, some 48 per cent of our population within a radius of 15 miles from the centre of the city of Perth.

Hon. C. G. Latham: Forty-six per cent.

Mr. WATTS: And 46 per cent. is quite bad enough. A couple of months ago I saw it stated that the population of the State had decreased by about 3,000 and that the population of the metropolitan area had increased by about 800. Therefore it is fairly obvious that the population of the country areas had decreased by 3,800. I admit, of course, that part of the decrease was due to the removal from country districts of men who have gone into the various forces of the Crown; but unfortunately it is not very encouraging to the country people, and not a state of affairs which we can regard with satisfaction. It is one that should have the brake put on it by every means in our power; and to me it seems essential that some effort should be made to let the folk in the country know that more interest is being displayed in such development as can take place in their districts. It is not going to be a case, I trust, that because there might be some reason, or some difficulty which may be overcome, industries directly related to the primary production of their districts must be brought to the metropolitan area—some difficulty or some reason that has not been explained.

The Minister for Labour: The hon. member knows that one person living in the country is worth six living in the metropolitan area!

Mr. WATTS: That is poor consolation. The Minister should go into the question of appointing a sub-committee of the industries committee already constituted, or preferably a committee of the House, to try to formulate some scheme whereby there can be some small-scale development of a desirable type in the country areas of Western Australia.

If he will do that, he will not find himself in any argument with me. I shall be only too pleased to co-operate with him as far as possible in that direction, but I do not suppose he would find that a great deal could be done. I acknowledge the limitations of many parts of the country districts in that direction, but there are cases where undoubtedly much good could be achieved. To me it seems high time that an effort was made to do it.

One other matter to which I will make reference is the need for encouragement of the sale of gas producers. I have had some correspondence with the Minister regarding the prices charged for producers, and he has advised me, after inquiry, that the officers of the Prices Fixing Commissioner contend that the amounts charged for producers are fair and reasonable, and that no excessive profit, and in some cases, I gathered, little if any profit is being made by the suppliers. I must admit I was astonished to read the last part of the Minister's letter, because it seemed to me that the cost of gas producers, varying from £60 to £80, is one that is beyond the capacity of the ordinary person using a motor vehicle, even if it be a motor truck which he requires for business purposes. I am glad to say quite frankly that while there are in Western Australia—in proportion to population, I believe—substantially more gas producers being used than there are in the other States, a great many more would be in use here were it not for the fact that they are so excessively dear.

The other day I received a communication from a man who is carting firewood for a country mill. He wrote me that if he is to carry on his business with petrol, he has got to use approximately 109 gallons per month, but that if he could get hold of a gas producer he would be able to do the work with something like 25 gallons per month. It is apparent that notwithstanding the hopes of the members of the present Federal Government before they were in office, the present petrol supplies of Australia are not going to be easy to increase, and that it will become more and more necessary for us during the next few months to use gas producers. At any rate, this man stated that the quotation of £80 for a gas producer for the vehicle he is driving is beyond his means. I do not know whether there is any specific reason why the price quoted to him should be more

than the usual £65. I do not know enough about this sort of thing to say. He is a poor man. His occupation is more or less hand to mouth, as I daresay members are aware. He carries heavy loads of wood over fairly long distances for the consumption of a mill. He told me quite frankly that he could not afford to pay the price quoted to him. So there we have the position! On the one hand we are faced with the necessity for conservation of petrol, and people carting heavy loads of wood over fairly long distances are people who could and ought to save petrol, because they are the big users of it. The few gallons a small user can save do not matter very much. But the big users could save petrol in quantities far greater than could the man I refer to. I daresay many of the firewood carriers are like my correspondent and find the price of a gas producer a little beyond them.

I understand that Mr. Fernie, of the Minister's department—a man to whom I am glad to refer as highly suitable for the position he occupies, a man whom it is a pleasure to deal with—when in the Eastern States on a conference with regard to the gas producer question, made a proposal for assistance from the Commonwealth Government for the purchase of gas producers, so that it might be made easier for a person in the position of the wood carrier I have mentioned to buy a producer for use in his business and so assist in the conservation of petrol. I do not know the details of the proposal, but Mr. Fernie did tell me that a proposal of the kind was under consideration when he was in the Eastern States. If it was so, the proposal reflects greater credit on those who put it up than on the men who turned it down—as, I understand, it was turned down at the conference in question. I hope the Minister will in this instance do everything he possibly can to ensure that gas producers shall be obtainable at the most reasonable price feasible, and that some arrangements are made towards that end. I consider the Federal Government could justly assist those who cannot at present purchase gas producers because of the excessive cost.

MR. TRIAT (Mt. Magnet) [9.9]: I listened with keen interest to the Minister's statement at a recent sitting. In my opinion it was a statement of great importance to Western Australia, and probably represents

a notable milestone in the history of the State. The hon. gentleman informed us that quite a number of factories were operating today that were not operating here in the past. Since I have been a member of this Chamber, I have at all times criticised the lack of secondary industries in Western Australia. I was also critical about the small amount of defence work that was being carried out in Western Australia; but after hearing what the Minister said the other evening, I am convinced that the arguments put forward by various members on this matter have borne fruit, and we are now reaping some of the benefits of that work.

I regret to note, as pointed out by the member for Katanning, that only £4,000 was allocated for gas producers. I mentioned this matter some time ago and pointed out that gas producers were essential for people in the back country; the prospector, the gold-miner in a small way, the station owner, and the carting contractor must be provided with this facility. At one place, Evanston, water would not be available for the people if it were not carted to the townsite. The distance to the water from the townsite is 22 miles. The population is about 100, and frequently the soak is dry. But that place has to exist and the only means of supplying the people with water is to have it carted by a petrol-driven vehicle. The Evanston Mining Co. is fortunate in that it has ample funds; but other persons in the out-back country cannot afford to buy a gas-producer costing £60 to £80; they need such money for the purchase of tools and instruments to carry on their work. It is ridiculous for an engineer to assert that £80 is a fair price for a gas producer. That is wrong.

Gas producers have been put on vehicles in the back country by the owners themselves. One such unit cost the owner £1 17s. 6d. for parts, and it has worked successfully for nine months. Of course, he fitted the unit together himself. That vehicle transports goods within a radius of 60 miles of Broad Arrow. I regret that the Government did not make the £4,000 available for the construction of gas producers at the State Engineering Works. In that event, people would have had a chance to buy gas producers at a reasonable price, probably on easy terms. I do not know whether anything can be done in this direction, but I hope the Government will event-

ually adopt my suggestion, so that the excessive prices at present charged for gas producers may be reduced. The Government might obtain the services of an independent engineer to go into this matter in order to ascertain whether the gas producers can be manufactured at cheaper prices. I am not talking of patent rights. A manufacturer might have to pay £20 or £40 for patent rights, and in that case a charge of £60 would be fair. But there are types of gas producers not subject to patent rights. As I have said, gas producers have been made in the back country by the owners of vehicles. Some shrewd men in the city may, however, have obtained patent rights.

The other evening I spoke about the alunite deposits at Lake Campion. I am pleased the Minister has said that the working of these deposits will prove successful. I made the statement that the total area was taken up quite recently by a syndicate, but I added I would endeavour to obtain further information and, if necessary, make a correction the next time I spoke on the matter. Tonight I wish to correct the statement I then made, as it was not quite accurate. The information I have since received is that in March, 1940, Mortin and Hardy took up 300 acres. They surrendered this 300 acres and in August, 1940, took up two areas comprising 400 acres. On the 18th April, 1941, they took up a further 120 acres. This is the time I had in mind when I made my statement. On the 10th May, 1941, they took up a further 72 acres, making a total of 592 acres. In all, 192 acres were taken up after the commission to which I referred had heard evidence. On the 19th September, 1941, these areas were converted to mineral leases from mineral claims.

I am pleased that we have such a wonderful deposit in our State, as we shall have another primary and another secondary industry. I believe the factory for the extraction of the alunite and potash will be erected at Lake Campion. That will have the effect of distributing our population a little more. In some parts of my electorate, I regret to say, there are practically no people. They have gone away. I met some people from Field's Find today and they told me that only 12 people were left there. A little time ago there were 120. That is not the fault of the State Government; probably the Commonwealth Government is to blame, because in that district a

mine was owned by an alien, who sold it to a company. His first claim was paid three days before the outbreak of war with Italy. He was interned, but when he became possessed of £3,000 he was liberated. He was successful in putting the company into operation, but he denounced himself. He said that Mussolini would rule the country and would be in charge of that particular area.

[*Mr. Marshall took the Chair.*]

Hon. N. Keenan: What is his nationality?

Mr. TRIAT: Italian! His name is Mambretti. A petition was signed by every man and woman in the district to have him removed, but the authorities took no notice whatever of it.

Hon. C. G. Latham: To whom did they send it?

Mr. TRIAT: I took it myself to Captain Black of the Intelligence Department.

Hon. C. G. Latham: Next time, take such a petition to the police.

Mr. TRIAT: The police cannot do anything. The military authorities did nothing.

The CHAIRMAN: I draw the attention of the hon. member to the fact that he is straying from the Estimates. The Minister has no control over foreigners.

The Minister for Labour: No, thanks!

Hon. C. G. Latham: He ought to have, really.

Mr. TRIAT: The member for Murchison mentioned the matter of inspectors. I heard the Minister say that appointments are being considered. The position is serious on all the goldfields, not only the Murchison, but the Eastern Goldfields and Norseman. Some action should be taken to protect the people as far as industrial matters are concerned. As has been pointed out, there are practically no factories on the goldfields. There may be one or two at Kalgoorlie and there is probably one at Wiluna. There is, however, ample scope for inspectors. I noticed by the Press recently that some 14 prosecutions took place on the Eastern Goldfields within a very short period. Whether an inspector remains on the goldfields for a lengthy period, I do not know: I understand that an inspector, after being there for two or three weeks, is taken away.

There is grave danger that workers may not be covered by insurance. I know of an instance where premiums to the extent of

£216 due to the State Government Insurance Office were in arrear, and liabilities had been accumulated by a mining company up to £2,000. The State insurance office said that if the £216 were paid, it would meet the liability for £2,000, but the company did not pay the amount, with the result that the workmen lost their compensation. One man who had lost an arm was, therefore, unable to recover compensation amounting to £600. He did not receive any consideration from the company concerned, because it had nothing; it was controlled by men of straw. I sincerely trust the Minister will arrange for inspectors to be stationed on the goldfields. There is ample scope there for even more than one inspector. The employers, I believe, are not at all perturbed at the idea of an inspector being stationed on the goldfields. They agree that it is correct.

I do not agree that one inspector should perform the combined duties of an industrial inspector and a price-fixing inspector. It is too great an amount of work to be done by one person. A man skilled in both jobs would be a super-man. An individual may be a very efficient health inspector and be also an inspector under the Factories and Shops Act or under the Industrial Arbitration Act, but when it comes to a matter of price-fixing the proposition is a different one. The officer to be appointed to the goldfields in connection with price-fixing should be skilled in that regard, and should have a good intimate knowledge of the subject. There is scope for the appointment of a man for that task alone. Such an officer should be provided with transport to enable him to travel from one place to another. It would be impossible for him to rely on transport in vehicles belonging to other people at present, because the people in those areas do not travel to any great extent, and when they do they travel in car loads. I sincerely trust that when a man is sent to the district he will be provided with a car and, as the member for Murchison suggested, that he will be given a reasonable salary. I have no doubt the Government will give every consideration to that aspect. Price-fixing is very necessary in the metropolitan area, let alone on the goldfields. People in the city have a chance of protection. They have only to walk a few yards to the Commissioner's office and make a report if they think they have been overcharged.

To illustrate the need for attention being given to this matter in the metropolitan area, let me tell members what occurred to me this evening. Coming down from the Post Office I found I desired a box of matches. On the corner of Forrest-place and Wellington-street there is a small shop conducted by a cripple who sells papers. The proprietor was not there at the time but a boy was serving behind the counter. I asked him for a box of matches and, handing it to me, he told me it would cost me 1½d. That is to say, he proposed to charge me at the rate of 18d. per dozen boxes. Whether that was correct or not, I do not know, but I refused to take the matches. If that can occur in the metropolitan area what must be the position in the country? Prices in the country districts are excessive. Two-pence or 3d. extra per tin is charged on tobacco in my electorate and when the vendor is asked the reason, he replies that that is what the tobacco costs him.

I support the suggestion of the member for Murchison that one officer be sent to the goldfields to undertake industrial work and one to attend to price-fixing. Once the machinery is running smoothly the two offices may perhaps be combined. At present, however, the two tasks cannot be handled by the one man. I hope the Minister will carry out his promise and have officers appointed as soon as possible, because people in the goldfields electorates are constantly urging on their Parliamentary representatives the need for the appointment of such officials and particularly an inspector of prices.

MR. RAPHAEL (Victoria Park) [9.23]. I wish to say a few words regarding the Child Welfare Department. The estimate last year was £90,750, and the expenditure £82,889. This year the estimate is £80,000, a decrease of £2,889 in comparison with last year's expenditure. Over a number of years I have strenuously opposed the restriction placed on invalid and old-age pensioners, who have not been permitted to use the money allowed to them by the Commonwealth Government for their own special benefit. The Child Welfare Department has allowed the pensioner 15s. per week of the amount allotted to him as a pension, and the balance of the pension money has been taken into the assessment of the family income. That is definitely wrong. It is unjust and

unfair especially in respect of the invalid pensioner who in many instances requires a special diet which entails extra disbursements from the meagre and paltry amount he is allowed. I am worried lest the reduction in the Estimates means that the increased old-age and invalid pension that is to be granted to these people, and the child endowment allowance, are to be regarded by the Child Welfare Department as part of the income of the recipients.

Mr. Needham: That has not been done, has it?

Mr. RAPHAEL: I do not know, but I am afraid that such an intention may be responsible for the decrease in the estimate. I desire the Minister to answer the question as to whether that is the purpose of the Child Welfare Department. In the past I have definitely opposed the action of the department in regarding 5s. or 6s. of the old-age and invalid pension as part of the family income; and now that the Commonwealth Government has rightly decided that owing to the increased cost of living pensions must be raised, I do not propose to stand by and allow the Child Welfare Department to regard that additional allowance as part of the pensioner's income. Of course I may be barking up the wrong tree.

Mr. Needham: I think you are.

Mr. RAPHAEL: Well, I ask the Minister to reply, and I want to know whether it is the intention of the department to take into account this extra child endowment allowance and the increase in old-age and invalid pensions. If that is done it will be positively wrong.

Hon. C. G. Latham: You need a few interjections!

Mr. RAPHAEL: It would help me! If the Child Welfare Department does this it will be positively unjust. The Commonwealth Government has granted this money and the wife of the man on the basic wage, the wife of the professional man and any other woman concerned, is entitled to collect it.

Mr. Withers: The department will not interfere.

Mr. RAPHAEL: After a terrific struggle the department did interfere with the pension money.

Mr. Withers: It will not interfere in this instance.

Mr. RAPHAEL: I propose to mention a few cases.

The Minister for Labour: If it will help you to shorten your speech, I can assure you that the department has not interfered and does not intend to.

Mr. RAPHAEL: I accept the Minister's assurance, which will appear in "Hansard." I am very happy to have that assurance. It is not a small matter as far as I am concerned.

Hon. C. G. Latham: "Hansard" costs only 6d. You will be able to distribute some copies!

Mr. RAPHAEL: The Minister's statement will reassure the people concerned. Dozens of mothers have come to me to ask me whether this child endowment allowance will be taken into consideration with a view to reducing the allowance made by the Child Welfare Department. As their representative, I have a right to obtain the information I am seeking, and an assurance from the Minister. I am very pleased that the Minister has assured me that the department will not be permitted to do in this connection as it has done in connection with old-age and invalid pensions; that it will not be permitted to take child endowment into account as family income. I am very pleased to get that assurance and to realise that these people will have the use of the money as the Commonwealth desires.

The department has been, for the past few weeks, on one of its periodical rampages. It has been trying to apply the pruning shears. There is a new stunt on at the moment: It is that most of the old application forms are out of date and the department wants new ones filled in. It is dealing with the cases as they come along.

The Minister for Labour: I have been filling some forms in for people in my own electorate.

Mr. RAPHAEL: So have I, not one but dozens. I would like to mention the happy treatment I have received from the Honorary Minister (Hon. E. H. Gray), who has been controlling this department. On every occasion where it has been possible he has taken the most lenient view and given the best treatment to cases brought under his notice. I appreciate the attitude he has adopted on every occasion when he considers departmental heads have been unjust to people who have been reduced in their allot-

ments from the department. In that regard I speak in the highest terms of the Honorary Minister.

I never go near the Child Welfare Department. It is far better to go to the Minister, although some of the departmental officers, especially Mr. Hitchin, are very humane men. Someone in the department, and who it is I am not prepared to mention, is not giving a fair and just deal to all the people coming under its consideration. In one case, a returned soldier from the last war was discharged from the army for some considerable period. He had undergone treatment at the Perth Hospital, but before he got an allotment from the Child Welfare Department he was permanently discharged. He underwent an operation at the Perth Hospital and was re-admitted to the Home Defence Forces in the garrison battalion here, and the repayment of the money he received from the Child Welfare Department was demanded. That demand was made despite the fact that he had not been working, and has five kiddies. He received the whole of the money when he was not working, and it has to be repaid from the meagre and paltry sum he now gets from the military authorities. That is unfair. I know of another case, that of a widow. She gets nothing for herself, but receives an allotment for the kiddies. She does office cleaning and is a jolly hard worker. She has been working for the last seven years, and has kept up her kiddies' insurance policies.

Owing to the fact that she will soon get £40 from those policies, the department wants repayment of a certain amount of the money it has provided towards the kiddies' upkeep. Surely that is unfair and unjust! That poor little devil has scrimped and saved over a period of years to keep these insurances going. She can show by her bank books that the few paltry shillings she has received from the department have been used in the purchase of clothes, and so on, for the children. I am not suggesting the Minister is making this demand, but the closest watch should be kept over the departmental heads in such cases as this. It is not always possible, or probable, that people are aware of their right to interview their member in order to prevent injustices.

I hope the Minister will reply to these few points. Although we realise that, from time to time, investigations have to be made

into circumstances as they alter, yet the department is always too happy and glad to expect the older kiddies, who may be going to work, to keep the younger ones. I have four cases under the notice of the Minister now. In one instance the child received a rise of 12s. a week. Because of that the department cut 9s. off the mother's allowance. That is most unfair. The department allowed only an extra 3s. to go into the house on account of these extra earnings.

Mr. J. Hegney: What was the weekly income of the household?

Mr. RAPHAEL: Under £3 a week.

Mr. J. Hegney: And how many children?

Mr. RAPHAEL: Three. I do not bring this matter up with the idea of castigating the Minister, because he has not very much to do with this department. I suppose he is happy to be away from it. Over a period of years I have on occasions voiced my disapproval of the actions of the departmental heads in charge. It seems that one of the main objects of the men in charge of departments is to see that expenditure is cut down to the lowest possible amount. At a time such as this when the cost of living, including clothing, is rising, we should not attempt to reduce this vote by £10,000. I would be happier to see the Government increase it by £10,000. We are told by the Minister for Labour that the only men on relief at the present time are men too sick to work. These men should be transferred to the Child Welfare Department and given more than 7s. a week. They should be given a reasonable sum and allowed to live decently. I am sure the Minister is not aware of all the facts. The Honorary Minister who is in charge gives favourable consideration to every case brought under his notice.

I had two main points to stress tonight. I have received an assurance on one—that child endowment will not be permitted by the Child Welfare Department to be taken into consideration as income coming into the home. I would also like the Minister to give an assurance that the increased amount received by old age and invalid pensioners will not be taken into account as an extra amount coming into the home; and at the very most, if anything at all, not more than 5s. should be permitted by the department to be included as portion of the income coming into a home. I say, and say positively, that not

one penny piece of that pension should be allowed to be used as a basis for fixing the amount of the allotment to those people in receipt of relief from the Child Welfare Department.

MRS. CARDELL-OLIVER (Subiaco) [9.38]: I endorse the remarks of the member for Victoria Park. I would also like to have from the Minister a little information. He said that 903 women who had children, and over 100 others had been helped during last year by this department. It does not seem to me that there is any special rule in this department for assessing the amount of relief. Even the maximum amount allowed to mothers is not sufficient to keep them. The maximum amount would be 15s. for a widow and 9s. for each child. If she had two children and received child endowment for one, she would be in receipt of a total amount of 38s. a week and would have to keep three people. It would be absolutely impossible for three people to live on that amount. This woman had to pay 15s. a week in rent and feed and clothe three people on the remainder, which was an absolute impossibility.

The member for Victoria Park has told the Committee about money being taken from pensions to make up the amount that had been provided in relief to those assisted by the Child Welfare Department. The same course of action is resorted to in connection with military allotments. A woman may have been helped for some time by the department and her husband may have enlisted. Maintenance payments have been made through the Child Welfare Department and so much of the money is kept by the department, and the woman is allowed a payment equivalent to that which she received before. For example, suppose the woman had been receiving 24s. at the outset. I am speaking of an instance, with the particulars of which I am acquainted. This woman has two children. Her husband enlisted. She had a maintenance order against him, but she had also been helped by the department to the extent of 24s. weekly.

Because the husband after enlistment made an allotment in his wife's favour, the department endeavoured to retain the difference between the 24s. and the £2 2s., which was the amount of her allotment. I intervened on the woman's behalf and on two or three occasions I had to see the Honorary

Minister (Hon. E. H. Gray). He was the only one from whom I could get any satisfaction. I consider the Child Welfare Department is the most soulless of the State Departments. Indeed, it is nothing more nor less than a money-lending organisation. If any woman in receipt of assistance from the department secures money from any other source, the department makes her sign a statement to the effect that she will repay any money provided by the State. Sometimes compliance with such an undertaking would cripple a woman entirely, but the department does not care about that. It requires her to sign the statement.

Mr. Withers: If the woman should win a charities consultation, you would expect her to repay the money advanced to her.

Mrs. CARDELL-OLIVER: Of course!

Mr. Withers: That is all the statement amounts to.

Mr. Raphael: And they take it out of insurance money, too. Don't worry about that!

Mrs. CARDELL-OLIVER: I think the department needs overhauling and that applies to the Act itself. The legislation is out of date and it is very difficult to secure anything like humane treatment from the department. Let me give the Committee another instance. In my district there reside a man, his wife and five children. The man who is young, has been unemployed and has been helped by the department. He secured relief to the extent of £3 3s. I obtained for him a job for which he received 18s. a week, which enabled him to make up his rent. Immediately that happened the department withheld some of the advance to him, merely because he was in receipt of an extra 18s.

The department adopted that course despite the fact that there were seven people in the house who had to be maintained. I had to go to the Honorary Minister to get him to agree to the man retaining the 18s. a week. I may add that this happened before the child endowment scheme was inaugurated. At that time the children had to be fed through an outside organisation because they were decidedly under-nourished. No landlord would allow the man to have a house at a rental of less than £1 a week. I remind the Committee that seven people had to be maintained on the small income I have mentioned. I would like an assurance from the Minister that the Act will be over-

hauled. In making the complaint regarding the Child Welfare Department, there is no particular individual officer that I would name. I know them all and they all seem imbued with a desire to curtail expenditure. They think, apparently, that there must be a hard Minister somewhere in the offing who requires them always to keep the departmental expenditure under the estimate.

Member: Perhaps it was a case of Treasurer's orders!

Mrs. CARDELL-OLIVER: I do not know if that was the position, but I do know that the Child Welfare Department is a disgrace to Western Australia, and I would like to see it thoroughly overhauled.

MR. FOX (South Fremantle) [9.45]: I cannot claim to have found the Child Welfare Department to be the soulless institution the member for Subiaco has suggested.

The Minister for Labour: Nor has any other member.

Mr. FOX: At the same time, I do not think that those who are dependent upon the department for assistance receive sufficient from that source. My statements may seem contradictory, but I have made that assertion often enough. People should receive help in other directions. For instance, they should be able to secure homes. It is true that applicants for relief have to sign a statement setting out that in the event of their being in a position at any time to repay advances made to them, they will do so. Nevertheless, when instances have arisen of an individual receiving compensation having secured assistance through the department pending the receipt of the compensation payment, and representations have been made to the department to allow the individual to retain the amount—recently we had one case where the amount was £30—in order to start a small business or for some other purpose so as to enable the woman to free herself from the department, the application has been readily agreed to.

I do not desire to throw bouquets at the department because I think much more could be done for those who cannot help themselves. The least any person should be expected to live on is the amount of the basic wage. If we had a proper social system that would be the position. I suggest to the member for Subiaco that she would be much better employed in an en-

deavour to establish such a social system than in continuing her membership of a party that has always resisted any attempt to secure better conditions for the masses.

Mr. Abbott: That is not so; you should not say that!

Mr. FOX: I will say that. I have been associated with the industrial movement for many years, and on occasions I and others have been sacked from our jobs because we endeavoured to improve the conditions of those with whom we were associated. I suggest to the member for Subiaco that she belongs to a political party that has done such things.

The CHAIRMAN: Order! I draw the hon. member's attention to the fact that this department does not administer the activities of the Opposition!

Mr. FOX: I was leading up to that point. My purpose is to bring under the notice of the Minister a hardship that is being inflicted upon some people, mostly women, who on the death of the breadwinner are left, say, £100 under an insurance policy or perhaps may have £100 in the bank. When application is made for assistance, it is refused on the ground that the applicant is not destitute. Strictly speaking, this might be so, but a sum of £100 does not last very long. If a breadwinner dies as the result of an accident and the widow receives £500, the department will permit her to spend the money on the purchase of a home, and place her on relief immediately. That is only right and just. I have no complaint to make against the officers of the Child Welfare Department. I have always found them very courteous and anxious to assist in every way possible, but certain restrictions have been placed upon them for which they cannot be blamed.

If a woman has £100, she should be permitted to keep it in order to buy clothes and other necessities, and should be granted the full amount by the Child Welfare Department. The department will allow a woman who is in receipt of relief to earn a certain amount of money in order to buy clothes. Her allowance might be cut off while she is so employed, but the allowance for the children is continued. If a woman is left with, say, three children under the age of eight, a sum of £100 spread over six years would mean only £16 a year, and we can say that most women do not waste their money, but make

it go as far as possible in the interests of the children. I appeal to the Minister to ensure that when a widow is left £100 or a little more, that should not be a bar to her receiving relief from the department at once. I believe that a sum of £30 or £40 is allowed, but a limit of £100 would not be too high.

A matter that interested me greatly was the statement of the member for Mt. Magnet that a gas producer plant had been made at a cost of 27s. 6d. The Minister should get in touch with that man because, if he could turn out gas producers for even £10 or £20 each, it would be very helpful to people in these troublous times. Petrol is scarce, and is likely to become scarcer in the near future. We do not know what Japan is going to do, but if that country enters the war, there will be less petrol available for consumers in this State. Quite a lot of market gardeners in the metropolitan area have to go to market three or four times a week, and the quantity of petrol allowed them is barely sufficient for their needs. Many of them are not in a position to instal gas producers at existing prices. If they could do so at reasonable cost, and if the Government assisted them so that the payments could be spread over a period, we would be conferring a great favour upon them, especially if the man mentioned by the member for Mt. Magnet could turn out the gas producers at a cost of £10 or £20.

MR. BERRY (Irwin-Moore) [9.54]: I feel it is a matter for extreme congratulation that at long last there is lying on the Table of the House the report of the Western Australian War Industries Committee. In my opinion, that report is of greater moment to everybody in Western Australia than are all the matters we have been discussing here tonight. The Minister for Industrial Development is probably charged with the heaviest responsibility of any member of the Cabinet, and I assure him that he will receive all the help that it is in my power to give him.

The first point in the report that interests me is the decision of the State Government to bear a share of the excess cost of the fisheries research vessel. We have been trying to get a vessel of this description for 18 months or two years. The estimated cost of the vessel was originally £7,000, but

that amount has been increased by 40 per cent. or more. Anyhow, the State Government has decided to share the excess amount, and we ought to get built in this State a wooden vessel that will serve a dual purpose. It will demonstrate clearly that we can build such vessels and build them of jarrah; it will serve an economic purpose in that, in conjunction with the Marine Biological Laboratory at Fremantle, it will settle once and for all the questions of the supply of fish, the habits of fish, and perhaps will even have some effect on the cost of fish in the market. The building of the vessel will go a long way towards helping the fish-canning industry, which has been started, to become a success. As I have stated in this House from time to time, I believe that we have not yet discovered the areas off our coast where fish are most prolific. Until we find those areas and learn something of the habits of the fish, and until we treat the fish as an economic asset, the success of the fish-canning industry we are undertaking will be doubtful. With this vessel and the excellent work that can be done with her, we shall establish beyond doubt that we have good fishing grounds and can profitably can the product.

I am particularly interested in the subject of shipbuilding. I have already mentioned in the House that a number of small vessels were recently required for the R.A.A.F., rescue boats and other small craft necessary to the operations of the Air Force. We were approached to submit tenders for the building of those vessels, which were of a type similar to boats used now on the river and on various parts of the coast, and could easily be built here. When the specifications were received, however, we found that it would be quite impossible to tender for the work because the materials insisted upon were available only in the Eastern States. I have mentioned this matter before, but I suggest that the Minister should make representations to the right quarter to have the specifications, so far as they affect Western Australia, altered in order to allow us to tender for those contracts and use materials which are available in this State and which everyone will agree are as suitable for the work as any that may be imported from New South Wales or Queensland. I noticed in the Press that the closing date for tenders was the 5th November, and that one tender was sub-

mitted, but I have discovered that the Department of Supply and Development decided to extend the time till the 11th November.

The point was that the tenders expected from Western Australia had not been received. That is why I have suggested, and why I repeat, that the Minister might do something as regards contacting the right quarter and recommending that we in this State build a ship of this State's timber, and in accordance with the specifications laid down. I understand that one of the requirements of these small rescue vessels is that they shall do a matter of 20 knots. It was suggested to me that the specific gravity of jarrah is such that probably a ship made of that timber would not attain such a speed. I must admit that the suggestion made me rather fearful at the time but I inquired throughout the State in responsible quarters, Government and private, and gathered that apparently there is no foundation for my fears. It seems that jarrah ships can travel just as fast as can ships constructed of any other wood. So I trust the Minister will do that.

The next matter of interest in connection with this somewhat belated report is the question of the manufacture of steel vessels. Apparently it has been known for some time that Western Australia can do that work. That, too, has been done on the river upon a minor scale in the case of one or two small vessels; and I believe it has also been done upon the goldfields. A man up there built a ship of steel very efficiently. As regards the limits of size, according to the report I am discussing the maximum would seem to be about 2,000 tons. It is highly gratifying to be able to hope that in the very near future two more slipways will be constructed in Fremantle, capable of taking 2,000-ton steel vessels.

We have on the river, admirably situated, the State Implement Works. I believe already that workshop has turned out steel ships; and if we turned them out before we can turn them out again, and there is greater need for them today than there ever was in the past. Time is slipping by, and we trust that the commissioners to be appointed to adjudicate upon and to implement the report will be fully alive to the fact that two years of war have gone and that we are in a third year, and also that up to date

things have not been too bright. However, I can see the change coming at last, and I congratulate the Minister on getting local production into its stride. Even though perhaps the time is late, it is gratifying to know that we are getting into that stride.

As regards the State Implement Works, I believe that at present they are doing naval construction or naval repair work. I believe also that at one stage no less than 630 people were employed at the works, whereas today there are not 200. We had the technicians in the State to do these jobs, and when we hear such figures as those I have just quoted we become a little fearful lest the patience of those technicians has been exhausted and they have left our State for better pastures in eastern Australia. I trust that the basis of that fear is not apparent in the particular figures I have just quoted, and that what I have hinted at has not happened, so that when opportunity comes along we shall be able to grasp it. I do hope to learn in the very near future that the slipways have been started and that the steel ships are on the way to completion.

Further, I hope that we deal comprehensively, and with business acumen, with the question of the value of the wooden ship today. Unlike the member for Katanning, I am not concerned with what people think is going to happen to those ships after the war. The thing that most concerns us is what we are doing at present to win the war. It matters not two hoots whether all the things we make today, through the Minister's department, are scrapped, if they have been enabled to play their part in the war through the efforts of the Minister and other men like him. I do not think it matters two hoots if our steel ships and wooden ships, built for the purpose of helping to win the war, are stuck up in King's Park as monuments alongside the guns after the war—but always provided they have done their job in the interim. The Minister is fully alive to the needs of that job.

In connection with the building of ships in Western Australia, we farmers are told to win the war by eating our own sheep and our own lambs. That is wrong, and irritating to the farmer. It is like asking a bird to sharpen its beak in order to eat its way out of the cage. Anyhow, I am convinced that the ships we can build would take away

to the Far Eastern countries, recently described by the Minister for Agriculture as the Near North and the Middle East, those embarrassing surpluses of which we have heard so much. The ships would then represent a bigger advantage to the State even than the advantage I dream about. Everything should be done to ensure that those vessels are built as speedily as possible, and that the slipways are constructed as soon as possible. Like several other members of this Chamber, I recently made a prophecy; and my prophecy was that Russia would be screaming for our foodstuffs and that we would not have ships to take them away, or to take away our other embarrassing surpluses. A few days ago I read in a Victorian paper that Russia had already appealed to Australia for huge quantities of wheat and huge quantities of wool. Are we going to be told that there are no ships to take the wheat and the wool to Russia? The responsibility for the lack of shipping would be ours. The responsibility is on this State Parliament and on the Federal Parliament, and I trust that the responsibility will be shouldered as quickly as possible. Further I trust that the commissioners who are to be appointed to implement the report, which at long last is lying on the Table of the House, will realise fully what I have said to the members of this Committee about the need for expedition.

MR. WITHERS (Bunbury) [10.9]: Like other members, I listened with great interest to the speech of the Minister for Labour and Industrial Development introducing his departmental Estimates. Undoubtedly the hon. gentleman did paint a roseate picture. Without being pessimistic as to the future after the war is over and what may happen to industries that we may establish during the period of war, I think that if we accomplish 25 per cent. of the results the Minister foreshadowed the other evening we shall be in a highly creditable position. To expect 100 per cent. would, I think, be beyond all reason.

Hon. C. G. Latham: You have a knitting factory at Bunbury.

MR. WITHERS: I was going to mention it. I do not require the Leader of the Opposition to remind me of that fact.

Hon. C. G. Latham: I wanted you to know I was aware that you had the factory.

Mr. WITHERS: There is possibly a misconception in the minds of the people of this State—I will not say in the minds of the members of Parliament—as to whose responsibility it is to establish secondary industries here. The Minister and his department have done their part up to date, but it is not the responsibility of the department or the Government to establish such industries. It is the responsibility of the people in the various districts to take advantage of their possibilities and prospects with a view to doing something to help themselves, with the aid of the Minister's department and of the Treasurer, but without the latter's assistance if possible.

When speaking to the Address-in-reply last year, I mentioned that we were endeavouring to establish a knitting mill at Bunbury and I said I hoped the Government would come to our assistance. The late member for Yilgarn-Coolgardie (Mr. Lambert) said to me something to this effect, "You will get nothing out of them." That has not proved to be a fact, as the Government has given us assistance. I desire to point out some of our handicaps. Notwithstanding the State has a surplus of wool we cannot obtain sufficient supplies. That is a tragedy, especially when we have launched out to manufacture goods that are necessary for the military. We must buy wool from the Eastern States. Here another difficulty arises, as we cannot secure shipping space to bring the wool from the Eastern States. The handicap is the greater because we have to pay road freight on a considerable poundage of wool from the Eastern States to Western Australia. We have also to pay freight from Fremantle to Bunbury, as well as freight on the manufactured article from Bunbury to Fremantle. That is something the Minister might take into consideration; he might be able to arrange for reduced freights.

We also require packing cases for our manufactured goods. I asked the manager of one factory to get into touch with the State Sawmills at Pemberton in order to obtain a quotation for karri cases. The reply did not come from Pemberton, which is in the South-West, but from the head office of the State Sawmills, which quoted a price for the cases at Carlisle. I point out that the timber has to be transported from the South-West to Carlisle. I would like to know why we could not obtain a quote from

Pemberton, or somewhere else in the South-West close to our factory. We are now buying the cases from another milling source, because we are getting them so much cheaper at Bunbury. What is required is co-operation between the various departments with a view to helping industries in their infancy. Another question is that of co-ordination between the Department of Supply and the Department of Industrial Development. I know this is a difficult matter and that the department has its hands full; but we, too, are faced with the fact that we cannot obtain a continuous supply of wool from the Eastern States.

As the company is under-capitalised we have had to appeal to the Government for assistance or for a guarantee in order that we might get credit with the Eastern States suppliers and keep faith with them for future orders. That appeal was necessary because of lack of assistance on the part of people living in the district. They have failed to provide finance for an industry that will prove to be of substantial benefit to them; they have not taken up sufficient shares in the company. If the same lack of financial assistance is experienced in other districts, then I fail to see that we shall get very far with our secondary industries. As I said, it is up to our people themselves to establish such undertakings.

Had the Albany Woollen Mills the machinery for spinning yarn, as the Lincoln Mills in the Eastern States have, possibly the Albany mills could supply the yarn required by the various companies in Western Australia. I have been informed by the Department of Supply that one factory at Subiaco, which is knitting socks for the military, is taking all the wool that can be supplied by the Albany Woollen Mills. I cannot blame those mills for not having the machinery required to produce yarn; they could not have foreseen that a war would break out. Today it would be practically impossible for them to secure the necessary spindles to spin the yarn, nor could they obtain other necessary equipment.

I am pleased with the Department of Industrial Development. The Minister and Mr. Fernie have been a great help to us. Not only has the department provided financial assistance, but it has taken a direct interest in our factory. If other districts establish factories there is no reason

why Western Australia should not be able to produce all its requirements after the war has ended; but we have to be careful in our selection of the goods to be manufactured. The member for Katanning tonight was rather pessimistic as to what would happen after the establishment of these industries in Western Australia. I am not in the least hoping that the war will continue for any length of time, but once we have secondary industries established here we certainly should be able to provide our own requirements. We have one distinct advantage, which was pointed out by Mr. Davis, of the Department of Supply, who was visiting us from the Eastern States a little while ago. He pointed out that Western Australia was 2,000 miles nearer to markets than were the Eastern States and that, because of the scarcity of shipping after the war, Western Australia would be in a more favourable position than would be the Eastern States to supply the requirements of the Near East and other places.

Mr. Seward: What manufactured articles are exported from the Eastern States?

Mr. WITHERS: They export quite a considerable number today. Steel will be required in great quantities for reconstruction in Europe and the old world, and if we are so much nearer—

Hon. C. G. Latham: The steel will be wanted in the near North, too.

Mr. Seward: You are on a tender subject there, are you not?

Mr. WITHERS: I hope it will not be thought I am parochial when I speak of steel. I also think of Bunbury when I hear the Minister talking about charcoal, because I cannot think of any place better suited for the establishment of those works than is Bunbury. If the member for Albany were here I would be inclined to say that we are much nearer the markets than is Albany, but perhaps that would not be quite fair!

Mention has been made of tinned vegetables and other foodstuffs. I do not know what will be the demand for these commodities after the war unless we can persuade the people to acquire a taste for them during the war, but I do know that there is a great demand for dried products today. Even in Western Australia there is a call for soya beans and Canadian Wonder beans in the dried state. There is a big demand and a big price offering for these goods, both green and dried. We could well give con-

sideration to supplying Western Australian and other markets with those goods. I do not agree with what some members have said about the Child Welfare Department.

The Minister for Labour: The statement of the member for Subiaco was disgraceful.

Mr. WITHERS: I have been in the House now for nearly 18 years and have had considerable experience of the Child Welfare Department. I can truthfully say that only on one occasion have I had to approach the Minister in connection with a case. In view of the information the department had received from its own inspector it did not feel justified in affording the assistance I sought. When I placed the case before the Minister and told him I knew the circumstances and how badly the people concerned were situated, and that the facts were not exactly as had been represented by the inspector, the Minister came to my aid.

I have always found the departmental officers most courteous. Perhaps it may be due to my manner of approach, but I have always sought to gain the confidence of the department by never submitting a case that was not genuine. When I have had an instance brought to my notice and have considered the case to be weak, I have given the facts to the department and have sought the departmental version. When one sees the other side of a picture, very often one discovers that the people who have made representations to him have not been in the right. The department has a very difficult job. I do not agree with the deduction of the old-age pension money from the allowance made by the department to a family, but I consider that on the whole the department treats people very fairly.

Mr. ABBOTT: I move—

That progress be reported.

Motion put and negatived.

MR. ABBOTT (North Perth) [10.25]: The report of the Western Australian War Industries Committee was not quite so favourable to our secondary industries as we might have hoped. It states—

The trend of factory employment in the several States since the outbreak of war indicates a worsening of the position in Western Australia relative to the other States. During 1939-40 at a time when factory employment in all States recorded substantial improvement,

the number of employees engaged in Western Australia actually declined over the previous year's figures. There has been some improvement over the last nine months, culminating in the establishment of a record employment of 23,151 in March last. This, however, represents an increase of only 4.5 per cent. on the figures for 1938-39 compared with an increase of 18.7 per cent. for Australia as a whole.

So the position is not as favourable as we could have hoped. The position in South Australia during that same period was much better. The increase in that State on the figures for 1938-39 was 36.1 per cent. That was a very high increase for South Australia, and we would therefore be wise to consider what action was taken in that State to obtain such encouraging results. The Premier of South Australia is quite definite about the absolute necessity for encouraging secondary industries. Speaking on a Bill he introduced in August, for the purpose of setting up a committee of the House to assist in the encouragement of secondary industries, he said—

While the Government will take every action possible to encourage rural production, it feels that not one opportunity should be lost to bring other new enterprises here. Moreover, perhaps never before in the history of the State have so many opportunities for industrial development presented themselves. For many reasons Australia is becoming daily more important as the Empire's focal point in the Pacific. Our very existence requires us to be more and more self-reliant and progressive. At a time like this South Australia must either jump forward or be forever content to remain a backward country with lower standards than the Eastern States.

Those words are even more applicable to Western Australia. If we do not seize this opportunity I suggest that for many years our population will not increase, and the sons and daughters of people now living will have to migrate to the Eastern States to find employment. A good deal has been done in this State to encourage secondary industries. There are, however, some things not yet done which might have been done. One of the first steps South Australia took when it decided to develop secondary industries was to see that its company tax was no higher than that in any other State. It actually reduced that tax from 3s. 9d. to 2s., so that a company starting in South Australia would be in no worse position in that regard than if it started in some other State. Our own taxa-

tion is not as low as in South Australia, although it is not much higher.

The next thing South Australia did was to establish a trust for the purpose of building houses. The average rental for houses built by this trust is 13s. a week. Because factory workers had the opportunity to get a house at such a rental the manufacturers were able to accept competitive work in their various factories. Another idea formulated and carried into effect by that Government was the creation of a corporation merely composed of business men and others experienced in manufacturing. Its purpose was to aid smaller factories with expert advice and assistance. The Government supplied the corporation with a certain amount of money to be made available to struggling industries, and so enable them to become established. This corporation not only supplied the money but supervised and assisted the activities concerned. A good many small manufacturers are quite efficient so far as the actual manufacture of their product is concerned, but when it comes to costing and distribution of the articles manufactured they are very often inexperienced and incompetent.

Again, the Government appointed a special officer to make inquiries about persons considering the establishment of new industries in Australia. The Agent-General for South Australia had special instructions to cable the names of any men who might be interested in the establishment of factories in South Australia immediately they left for Australia by flying boat or by ship. Such men were contacted sometimes even before arriving in Australia, and the advantage of establishing their industries in South Australia put forward. Some industries were actually established in that State because of the early contact made. Government inspectors visit various factories and inquire as to whether any technical assistance is needed. Those inspectors render considerable assistance.

As a result, a good many industries have been established in South Australia, some of which we might have had in this State. There is the chemical industries, that is the I.C.I. alkali works. We might well have had that industry established here. It is a concern with £1,000,000 capital. Other industries established were the cellulose industry, the British tube mills, the blast furnace and shipbuilding yards at Why-

alla, although we would not have had much chance of getting that industry here. Just lately a very large textile factory has been established, giving employment to 3,000 people. Some years ago General Motors-Holdens Ltd., Richards and other large motor body firms were established. The time has arrived when there is little unemployment in South Australia. Only as lately as August last, the Government took another step forward by introducing a Bill to establish a committee of both Houses to assist and advise the Government by recommending assistance in connection with the establishment of new industries. I commend that Bill to the notice of the Minister for Industrial Development. It provides that the committee shall consist of two members of the Upper House and two members of the Lower House, one of whom, if possible, is to be the Leader of the Opposition in each House. No Minister is to be a member of it.

Mr. McLarty: There is no Leader of the Opposition in the Upper House.

Mr. ABBOTT: That is a South Australian Bill.

Mr. McLarty: It is a non-party House there, too.

Mr. ABBOTT: Is it?

Mr. McLarty: So they say.

Mr. ABBOTT: The Bill does not quite agree with that version. It also provides that the Government might assist industries in the matter of technical experts and accountants. There are still some further steps we might take in this State to push on with the establishment of secondary industries.

There is comment I desire to make about the Child Welfare Department which I think would be of benefit to the community. We have an infinite variety of inspectors. We have factory inspectors and price-fixing inspectors. One official very much needed is a Child Welfare Department inspector, who would visit schools where the conditions of some children are such as to lead him to believe that their home life is not all that could be desired. Some children are considered by the teachers to be constantly neglected, but they can do nothing. There is no official to deal with this matter. If an inspector called from time to time at the schools these children could be pointed out and their homes contacted, and perhaps the difficulties under

which they suffer remedied. Some children are sent to school in a condition not altogether clean, showing that they have not received the care and attention at home that they should. It is not good for the children. Many times they are sent home from school for reasons such as I have indicated. If an inspector were appointed to assist the teachers by contacting the mothers or guardians much good might result. I suggest that the Minister should give consideration to this phase.

Mr. J. Hegney: That would not apply only to children of poor parents.

Mr. ABBOTT: Quite so. Apparently some mothers have not the sense of responsibility that one would expect. If such parents were spoken to by an inspector the position might be remedied.

MR. NEEDHAM (Perth) [10.41]: The member for Katanning, in the course of his speech, contended that our secondary industries would not have been advanced as they are today had it not been for the intervention of the war. I do not altogether agree with that statement. I admit that the unfortunate occurrence of war has certainly given our secondary industries a decided filip, but I remind the hon. member and the Committee generally that prior to the outbreak of war, as a result of the Government's activities, our secondary industries had made considerable strides.

Mr. Watts: Were we then making clinometers and other articles that have been turned out since the war commenced?

Mr. NEEDHAM: I also remind the hon. member that it remained for the present Government to create the Department of Industrial Development which was placed under the direction of a Minister who has been devoting all his time to the encouragement and the development of secondary industries. Even had the war not eventuated, I claim that our secondary industries would have advanced considerably as a result of the work of that department. The member for Katanning also complimented the employers and employees on the preservation of industrial peace in this State. I appreciate his references. He suggested that evidently there was an excellent understanding between employers and employees which had resulted in the continuance of an era of industrial peace.

One might say that Western Australia is an oasis in the desert of industrial turmoil in other parts of Australia. I interjected when the hon. member was speaking, that there was another explanation for the satisfactory state of affairs here. I referred to the fact that the State Labour Party for many years past has fostered a system of disputes committees. The employers themselves recognise the wonderful work carried out by such committees not only in settling industrial disputes but more particularly in the prevention of them. The latter is by far a greater factor in securing industrial peace than the settlement of actual disputes. I further remind the member for Kaianning that immediately on the outbreak of war the State Executive of the Australian Labour Party agreed to the suggestion that special panels be created representative of employers and employees, these being in addition to the disputes committees to which I have already referred. As a result of those overtures, we have been able to secure industrial peace locally, and during the war period there has been only one brief stoppage of work. I believe those conditions will continue; I certainly hope they will. The member for Irwin-Moore referred to the report of the Western Australian War Industries Committee. He has taken considerable interest in war industries, but I remind him that he is not alone in that respect.

Mr. Berry: Did I say I was?

Mr. NEEDHAM: The hon. member did not say he was, but the inference to be drawn from his speech was that he was the only one interested in shipbuilding in particular and war industries in general. I remind him that at the outbreak of hostilities the State Executive of the A.L.P. at once contacted the Commonwealth Government of the day with regard to shipbuilding and the possibility of undertaking such work in Western Australia.

Mr. Berry: It does not say much for you that after all this time nothing has been done.

Mr. NEEDHAM: Nor does it say much for the Federal Government then in office that it did not respond to our invitation.

Mr. Berry: You have your chance now!

Mr. NEEDHAM: Representations were made not only with regard to shipbuilding but other war activities as well. Together with the Labour Government, the executive

of the A.L.P. were the first and have been the most continuously in the field demanding a better deal for Western Australia regarding war industries, particularly shipbuilding. The fact remains that the Commonwealth Government of the day turned a deaf ear to our representations. It was through the efforts of the present Prime Minister of Australia who was then Leader of the Labour Party in the House of Representatives where he was Leader of the Opposition, that the Western Australian War Industries Committee was established. The present Prime Minister with Senator Collett and, for part of the time, Senator Cunningham, were members of that committee. As a result of their activities we have now the report that has been made available. I remind the member for Irwin-Moore also that the State Labour Government took considerable interest in the work of that committee and presented wonderful evidence to that body. A committee of Cabinet Ministers made arrangements to that end. Furthermore, panels of trade unionists formulated the most valuable evidence that the committee received. A statement to that effect was made by the chairman of the committee.

Mr. Berry: You are incriminating yourself now. You had better get on with the business.

Mr. NEEDHAM: The fact that we are about to commence building a ship has been made public, and it is not the fault of the State Government that the work has been delayed. Right from the moment the question of costs was raised the Government offered assistance.

Mr. Berry: The State Government should have done that without——

The CHAIRMAN: Order! The member for Perth must address the Chair and take no notice of interjections.

Mr. NEEDHAM: The State Government had to undertake other operations as well, and no one knows better than the member for Irwin-Moore that the Government was limited in its desires only by financial considerations. In the circumstances, it has done well in guaranteeing the increased cost.

Mr. Berry: You had a surplus of £11,000!

Mr. NEEDHAM: But other matters had to be considered besides shipbuilding, important though the latter undoubtedly is. I want to make quite clear the fact that the member for Irwin-Moore was not the

only one who had the interests of the State at heart, but that our people took an active part from the outset. In regard to ship-building we have to bear in mind that while we have the skilled men and the facilities for building ships here, we have not the material for building other than wooden ships. I should like to see more wooden ships built here because possibly, when the war is over, we shall have to endure some hardships. If we could get a better deal than we have had, and a guarantee of continuity of essential supplies, I am satisfied the State could build ships equal to those turned out in any part of the British Dominions. I know a little about ship-building because I spent 14 years of my life in the Clyde shipyards.

I have only a few remarks to make about the Child Welfare Department. I cannot agree with the statement of the member for Subiaco when she described the department as a scandal. That was an unfortunate remark.

Mr. J. Hegney: It was a disgraceful thing to say.

Mr. NEEDHAM: She concluded her remarks by saying that the department was a disgrace to Western Australia. I have no desire to misrepresent the hon. member; nor am I here to hold a brief for the department. The Minister in charge is well able to defend the department. Without exception I have found the officers of the department courteous and helpful in every way. There is only one thing wrong to my knowledge and it is that this department, like other departments, is starved for money. If a little more money was provided, more liberal treatment could be meted out to the indigent section of our people. I do not know whether the Minister can assure the Committee that an increased amount will be granted by the department in order to make the assistance more effective, but I should be very pleased if he could do so.

The member for Victoria Park stressed the point that child endowment allowances would be considered as income by the Child Welfare Department when applications for relief are being considered. We know that the department never contemplated such a thing. Unquestionably child endowment has been granted for a specific purpose and no department could consider it as income.

I am somewhat doubtful about the increase in the invalid and old-age pensions. I do not know how that is going to be regarded, but I hope the increase granted to the invalids and old people of our State will not be considered by the Child Welfare Department as income. I know several people who are receiving invalid pensions and who are also in receipt of assistance from the Child Welfare Department for children and I hope that the increase in the pension will not affect the amount being granted by the department.

Progress reported.

House adjourned at 10.55 p.m.

Legislative Council.

Tuesday, 11th November, 1911.

	PAGE
Question: Magisterial districts, betting prosecutions	1766
Assent to Bills	1767
Motions: Farmers' Debt's Adjustment Act, as to refund of misappropriated money	1767
Geraldton-Moonyoonooka bus service	1770
Papers: Liquid Fruit Company	1762
Bills: Wills (Soldiers, Sailors, and Airmen), Assembly's Message	1771
Fire Brigades Act Amendment, Assembly's Message	1771
Public Service Appeal Board Act Amendment, 2nd, passed	1772
Law Reform (Miscellaneous Provisions), 1st	1772
Land Drainage Act Amendment, 1st	1772
Rights in Water and Irrigation Act Amendment, 1st	1772
Lotteries (Control) Act Amendment, 2nd	1772
Industrial Arbitration Act Amendment, 2nd	1773
Potato Growers Licensing, 2nd	1775
Road Districts Act Amendment (No. 2), Assembly's Message	1785
Metropolitan Market Act Amendment, 2nd	1785
Administration Act Amendment, 2nd	1780

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

QUESTION—MAGISTERIAL DISTRICTS.

Betting Prosecutions.

Hon C. F. BAXTER asked the Chief Secretary:—1, What is the total number of magisterial districts throughout the State? 2, By what title is each district known? 3,