

Legislative Assembly.

Wednesday, 11th September, 1929.

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June, 1929. 2, The amount received by each district office for the six months ended 30th June, 1929, for repayment of principal to (a) Agricultural Bank clients, (b) soldier settlers. 3, The amount received by each district office for the six months ended 30th June, 1929, for interest on loans to (a) Agricultural Bank clients, and (b) soldier settlers.

I am not asking for this information from any ulterior motive, but merely for the purpose of comparing one district with the other. I hope the Minister will allow the motion to pass.

On motion by the Minister for Lands, debate adjourned.

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

MAIN ROADS ACT AMENDMENT BILL SELECT COMMITTEE.

Report Presented.

THE MINISTER FOR WORKS (Hon. A. McCallum—South Fremantle) [4.33]: I move—

That the report of the Select Committee be received and read.

Question put and passed.

Report read and ordered to be printed. Bill ordered to be reprinted in accordance with the report, and the consideration of the Bill in Committee made an Order of the Day for the next sitting of the House.

MR. SAMPSON (Swan) [4.35]: I hope this does not mean that the consideration of the report will be set down for the next sitting of the House, but that an opportunity will be given to members to assimilate the report of the Select Committee and obtain a thorough understanding of what is implied by their recommendations. I suggest that fully a week should be allowed for this purpose.

PAPERS—AGRICULTURAL BANK ADVANCES.

MR. WITHERS (Bunbury) [4.38]: I move—

That a return be laid upon the Table of the House showing—1. The total amount advanced to (a) Agricultural Bank clients, (b) soldier settlers at each district office at 30th

BILL—ROYAL AGRICULTURAL SOCIETY ACT AMENDMENT.

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

BILL—ROADS CLOSURE.

Read a third time and transmitted to the Council.

BILL—COMPANIES ACT AMENDMENT.

Second Reading.

HON. W. D. JOHNSON (Guildford) [4.40] in moving the second reading said: The short title of this Bill does not in any way convey the full import of the measure. It is designed to amend the law relating to co-operative trading and the registration of co-operative companies. The Bill is launched for the purpose of guaranteeing to members of the co-operative movement in Western Australia continuity of co-operative principles in the matter of the administration of the movement. To-day the registration of the co-operative organisations comes under the Co-operative Companies' Act, or what is known as the Co-operative and Provident Societies Act. This Act has been on the statute-book for many years. It was introduced by Mr. Walter James, as he was then, in the capacity either of Premier or a Minister in the Leake Government. I believe there are in Western Australia eight societies registered under that Act. These are fully protected in the sense that their co-operative principles, which must be embodied in the memorandum and

articles of association when registered, must continue unless certain provisions of the Act are complied with. There is no proposal in this Bill to interfere in any way with these societies. There are, however, over fifty companies operating under the Companies' Act. These are the companies directly interested in the Bill. The measure is not introduced to serve any personal purpose of my own. It is brought down at the wish of those connected with the co-operative movement in Western Australia. This movement is organised under what we know as the Co-operative Federation, which is composed of delegates from all co-operative companies, and, to a large extent, co-operative societies. They are in constant action, and hold annual conferences. At these annual conferences year after year, resolutions have been carried urging that some measure should be introduced for the purpose of guaranteeing to the movement continuity of co-operative principles and at the same time preventing the use of the term "co-operative" by any other company, organisation or person when their actual activities were not truly on a co-operative basis. The Co-operative Federation of the State is a body representative of all the companies registered under the Companies Act and to a large extent of the societies registered under the Co-operative and Provident Societies Act. I have often been astonished, when speaking to members in the corridor and elsewhere, to note the wonderful knowledge they possess regarding the manufacturing and commercial concerns of the State. Hon. members seem to be well versed regarding what is being done by those private institutions. On the other hand, it has been equally wonderful to note how little is known by them of the activities, growth and services performed by the co-operative movement. In these circumstances I propose, as briefly as I can, to give the history of the movement and to afford hon. members, by way of figures that I shall quote, an idea of the magnitude the movement has reached. It first started in a practical way, apart from little stores here and there—we had them on the gold-fields in the early days—and on a basis to be of actual service to the State, with the old Producers' Union. That organisation was inaugurated largely, if not solely, through the activities of the late Chas.

Harper. I was associated with that gentleman as a member of this Chamber, and on many occasions Mr. Harper discussed with me his ambitions with regard to launching out upon a really vigorous co-operative movement for the service and assistance of the producers of this State. He devoted a good deal of time and money to the interests of the Producers' Union. It did a wonderful service in a way, but did not expand as quickly as Mr. Harper proposed. The Westralian Farmers Limited, which we now know as the central organisation of the co-operative movement, took over the activities of the Producers' Union in November, 1914. Its activities were opened up in Howard-street and those directing the movement had two small rooms for their purposes. A little later the accommodation became inadequate and the business was moved to Murray-street, where a portion of the premises of Richard Holmes & Co., was taken over. It was in August, 1917, that the Westralian Farmers Ltd. bought the existing building that is now recognised as the home of the central organisation. Since the original deal, the firm has purchased adjoining property until to-day the business is well housed in substantial and fairly central premises. During the whole time the Westralian Farmers Limited have been expanding, and during that period, too, certain activities were progressing in the country in the shape of co-operative organisations. Their growth has been steady but sure. We have had our difficulties and our ups and downs. We have had many successes and some failures, but to-day we can say in all honesty that the movement is firmly established and flourishing, operating chiefly in the interests of the producers of the State. There are also industrial co-operative organisations that I may refer to later on. Principally, however, this is a producers' movement. The figures I will quote now will give hon. members some idea of its growth. Dealing first with the central organisation, the Westralian Farmers Ltd., it is interesting to note that in 1915, which was a year after operations were started, the total funds amounted to £7,288. In 1928 those funds had increased to £223,937. During that period the reserve fund, which is referred to in the Bill, was established and now it stands at £58,522. The profit on trading done in 1915 was

£948; in 1928 it had increased to £13,493. Everyone knows that 1928, unfortunately, was not one of our best years in Western Australia. The central organisation has shown profits of over £50,000 for other years, but last year, as with other business concerns in Western Australia, the Westralian Farmers Ltd. and other concerns associated with the producers of this State suffered a reverse to the extent that profits were less, and anxieties were greater. Nevertheless a profit of £19,433 was shown last year. The Westralian Farmers Ltd. handle producers' commodities. It is the production of Western Australia that the concern is mostly interested in. In 1915 no wheat was handled, whereas in 1928 the company handled 20,927,809 bushels. From 1915 to 1922 wool was handled, but in 1928, 19,197 bales were dealt with. As regards fruit in packages, the company handled none from 1915 to 1919, but in 1928 they handled 139,136 packages. Most of us know that, just as with wheat, so in 1928 adverse climatic conditions affected the fruit crop. Hon. members will appreciate the extent to which that applied to the Westralian Farmers when I say that in 1927 the company handled 389,850 packages. Then with regard to superphosphates, in 1915 the central organisation handled 6,934 tons and in 1928, 70,779 tons. I may refer to cornsacks later on, but in 1915 the company handled no cornsacks, whereas in 1928 16,158 bales were handled. As to general trading, that represented in 1915 £3,573 and in 1928 the figures had expanded to £1,317,890. We have associated with the central organisation, an insurance department that was established in 1920. The policies in the following year totalled 2,088 and the claims paid amounted to £9,624. In 1928 the policies numbered 8,359, and the amount paid in claims totalled £40,562. The whole of the work associated with these commodities or primary products was handled on a truly co-operative basis. When I say they were on a truly co-operative basis, all students of co-operation throughout the world will know that the Rochdale pioneers of old laid down certain co-operative principles. In the central organisation to-day, plus all the other societies associated with it in the co-operative federation, those principles are applied. Prior to becoming associated with the federation, prospective co-operative organisations must submit their memorandum of articles of association, which

must be based on what are known as the Rochdale principles laid down by the pioneers. Those principles have lasted through the ages and in almost every part of the world where the co-operative movement has spread, particularly among the European nations, they proudly point to the fact that they are working true to Rochdale principles. I think I can claim that the co-operative movement is more soundly established in Western Australia than in any other part of the Commonwealth. Our growth has been very sound and very sure. The Westralian Farmers Ltd., plus the associated companies, are admired throughout Australia, and I will prove later on that the central organisation is highly respected in the Old Country. Throughout Australia the officers of the co-operative movement of Western Australia have been largely availed of for organising or directing co-operative efforts in various States of the Commonwealth. It is quite a common practice for co-operators desiring to expand or to improve their organisations, or for those who may desire to create a co-operative organisation, to send to Western Australia for direction and advice. Not only have the officers of the central organisation been used for the purpose of establishing co-operative activities in various country centres in Eastern Australia, but they advocated and finally organised a general meeting of all the co-operative companies interested in the export of Australian products. That meeting was held in Melbourne, the late Mr. Basil Murray being largely instrumental in arranging it. As the result of that and various other meetings there was established—it has now become a flourishing concern—the Australian Producers' Wholesale Co-operative Federation Proprietary Limited. It is somewhat difficult in Australia to register a title to meet special circumstances unless you use such a title as will generally convey a proprietary control, or alternatively a limited liability control. But while the titles of a number of our local companies would convey to the vast majority that they are purely proprietary companies, and while this wholesale body which is flourishing in Melbourne as representative of the co-operative movement in Australia would convey that it was a proprietary concern, nevertheless, its memorandum and articles of association are so based as to maintain co-operative principles.

After having successfully launched that wholesale concern representative of Australia, that gathering decided to engage or establish a selling or representative organisation in London. The late Mr. Basil Murray, 'as a representative of the Eastern States, was appointed to proceed to London for the purpose of establishing what has now become the Overseas Farmers' Co-operative Federation Limited of London. That organisation deals with the marketing of Australian products wherever possible, and is truly representative of the co-operative activities of Australia. And of course it does a great deal of work on behalf of the Western Australian organisation. While our central organisation and its officers have done much towards creating marketing organisations throughout Australia with representatives in London, they have also done much towards the expansion of the movement in Western Australia. The co-operative federation to which I have referred, which includes mostly all the various co-operative activities throughout the State, was founded by the central organisation. Meetings were called for the purpose of framing rules and by-laws, etc., the federation was established and it has been a flourishing concern for quite a number of years. There are to-day affiliated with the association 60 separate co-operative concerns. The central organisation also played a most important part in establishing the voluntary co-operative wheat pool when the compulsory pool was wound up. That pooling organisation has been one of the most successful enterprises created by the central body. It has grown enormously under the voluntary arrangement. To-day it handles wheat in very great proportions of the total crop, and it markets that in various parts of the world where consumers are to be found. It is generally recognised as having a very comprehensive grip of the marketing of wheat throughout the world. It is conceded that the Western Australian Wheat Pool is the best authority in Australia on the handling and marketing of wheat. Then we had two companies operating in Western Australia in the production of superphosphate. Year after year that commodity was used in increasing quantities by our producers. But the activity was run on lines with which the co-operators of the State were not satisfied, and for some years the possibility of creating a co-

operative concern for the manufacture of superphosphate was seriously discussed. During the discussions that took place at the annual gatherings it was urged that there should be an amalgamation of the two companies, the Mt. Lyell Company and the Cuming Smith Company, and representations were made which brought about a partnership between those superphosphate manufacturing companies and the Western Australian farmers. Thus to-day we have two Western Australian companies that were originally branches of the activities of the Eastern States. In the first place we arranged by the partnership to float them off as a purely Western Australian concern, to have them registered as a Western Australian company, and later we had the two companies amalgamated into one. And so to-day we have the Mt. Lyell Company and the Cuming Smith Company manufacturing superphosphate under a partnership arrangement with the farmers of this State. It is not solely on a co-operative basis, because we were not financially strong enough to acquire the whole of the companies' interests. We took a share in the concern, and with that share we have been able to influence to a great extent the adoption of co-operative principles in the business of the company. We get bonuses paid on the business done, and we have it so arranged that only the users of superphosphates are members of the company. Many thousands of farmers are now holding shares in the partnership arrangement, and the ambition of the movement is ultimately to acquire the whole of the interests and to place those manufactories on a thorough and definitely co-operative basis. But as I say, it is such a huge concern that we were unable to acquire the control of the company. However, I do not think anybody associated with the company will object when the day arrives for the farmers of Western Australia to take over the whole of the control of the manufacture of superphosphate in those two works, plus the works now being established in Geraldton and works to start immediately at Bunbury and to be followed by works at Albany. I hope that as the company expands we shall be able to influence farmers to take shares in the co-operative concern with the desire of ultimately controlling the activities. Again, one fine thing done by the central organisation was the pioneering of

the wireless station and the distribution of news and programmes by means of wireless. As everybody knows, that is connected with the building of the central organisation. The establishment was financed by the central organisation and they controlled it for years, joyfully, although losses were incurred; because they knew they were doing a good service for the people of the State. It has now been acquired by the latest organisation, and let us hope the people's interests will be as faithfully served as they were by the co-operative concern during their period of control. For some considerable time we had quite an anxious position prevailing in the South-West. There have been wonderful developments throughout the South-West during recent years, partly due to the activities of politicians and Governments, and to even a greater extent by reason of the wonderful revolutionary effect of the subterranean clover fields that flourish so well in that part of the State. The anxiety the co-operators have felt has been due to the fact that for some years there have been two organisations operating in the one locality. We had the South-West Producers centralised in Bunbury with ambitions to serve the dairy farmers by establishing butter factories with a view to manufacturing and marketing butter on a co-operative basis. The Westralian Farmers Limited, of course, acting in regard to all commodities and having big interests in the South-West from a fruit-handling point of view, also had a connection with the dairying industry as it started to develop. So the Westralian Farmers also established some butter factories, took over others from the Government and expanded them, and so were manufacturing and marketing butter as the result of the production of the South-West. As the South-West expanded production increased, and so the establishment of butter factories was speeded up. Then we arrived at the position that in certain centres we had the South-West Dairy Products Company announcing their intention to build and establish a butter factory, and almost on the same day the Westralian Farmers Limited making the same announcement. So in certain centres we arrived at the position that we were actually in competition for the farmers' products; in other words, in certain centres we were burdening producers with the maintenance of two organisations when one could just as

faithfully serve all. During the last months, or weeks, or even days, common sense has prevailed and the Bunbury folk have met representatives of our central organisation. I had the pleasure of sitting as a representative of our central organisation in an effort to negotiate an understanding by which the two co-operative concerns should amalgamate for the general handling of all the requirements of the South-West, and to do it with one overhead charge instead of maintaining two. As a result of the complete understanding arrived at during the last few days, we have established what is known as the Associated Dairy Farmers of Western Australia. That organisation is a partnership agreement between the Bunbury organisation and the central organisation that will operate every existing establishment on a certain basis, with a distinct understanding that all future expansions have to be a joint affair with the idea that ultimately we shall come together as sole owners of all the butter factories that will be created throughout the South-West. The basis of operations will be that the Bunbury organisation will attend to all the manufacturing of butter and the management of the actual butter factories, while the marketing of the butter will be in the hands of the Westralian Farmers Limited. A very fine feeling prevails and a very great service has been done for the South-West farmers. I have no doubt that we shall now have South-West development under sound conditions, while the production will be organised and marketed on a basis that will eliminate all possibility of middlemen having to be carried by the producers. The manufacturing and marketing of the products of the South-West, as well as of other products, will be done on a co-operative basis without any profits being shared by middlemen. The 60 affiliated organisations are scattered throughout Western Australia. Some are run on what is called an agency basis; that is, they act as agents for the farmers in the purchasing of commodities and the marketing of the farmers' produce. Of the 60, 48 are operating general stores to supply the needs of the farmers in the various districts. There are a number of industrial co-operative concerns that are attending purely to stores and are not directly associated with the marketing of the farmers' produce. There is one at Collie that has been operating for

many years but has never seen fit to join the federation. Nevertheless it is a genuine and flourishing co-operative society that is doing good service for the Colliie coal miners and has been doing good service for many years. There is also a store at Geraldton—the Geraldton Industrial Co-operative Society—which is flourishing but which is not affiliated with the federation. There are one at Northam, another at Gwalia and also others to a total of eight. Of the eight there are one or two producers' co-operative societies registered under the Co-operative Provident Act rather than under the Companies Act. Co-operative companies handle the main primary products of the State such as wheat, wool, live stock, dairy produce, fruit and, in recent years, tobacco. We have quite a nice little co-operative concern at Manjimup established amongst the tobacco growers, attending to the handling of the tobacco leaf at that end, whilst the marketing is done by the central organisation. We are looking forward to building up a nice little industry in the production of tobacco. The membership of the co-operative movement in Western Australia is 13,327. Those are actual members, but the member is usually the head of a family and the co-operative movement operates for the service of the whole family. I think we might multiply the 13,327 members by at least three to arrive at the actual number associated with the co-operative movement. The paid up capital of the movement to-day amounts to £368,410. That is the paid-up capital of the organisations associated with the federation. There are one or two others not affiliated and their capital is not included in those figures. The turnover of the co-operative companies last year amounted to £3,344,076. To-day there are only a few short of 1,000 employees engaged by the various co-operative activities throughout the State. In giving the paid-up capital, the membership and the turnover of the co-operative movement, I have not included the wheat pool, which would increase the figures enormously. I have omitted the wheat pool because it is a separate pool dealing with one commodity rather than a comprehensive movement serving the farmers in a comprehensive way. I have said that the movement in Western Australia is highly respected in the Old Country. During the last few days we have had the pleasure of entertaining for a brief period rep-

resentatives of what we in the co-operative movement know as the C.W.S. That is the Co-operative Wholesale Society of Great Britain. Representatives of that concern travel annually to New Zealand to meet the co-operative companies there and arrange for the direct buying of products, mainly of the dairying districts, so that the products may be transferred from the co-operative factories of New Zealand to the Co-operative Wholesale Society of Great Britain for marketing. Whenever delegates of the British society are passing through this State, they invariably call at the Westralian Farmers Limited to encourage us in our co-operative movement and to convey fraternal greetings and offers of help in the pioneering work which they regard us as doing for the producers in this State. To show that they help us in a practical way, it is interesting to mention that when the wheat pool was originally established it was organised with the consent of the Commonwealth Bank plus the endorsement of the Associated Banks. I am going to ask members to pardon me for placing on record some facts regarding the wheat pool as we know it in Western Australia and as is now being adopted by most of the wheat-producing countries of the world. The Canadian wheat pool followed the Australian wheat pool; the American wheat pool is following the Canadian wheat pool, and the movement is growing to such an extent that wheat generally will soon be marketed on a pooling basis. The history of the Western Australian wheat pool briefly is this: During the war the then Prime Minister made representations that State representatives should meet in Melbourne to discuss means for securing the maximum use from the limited amount of shipping available to transport wheat overseas to assist Britain during that troublesome period. I was Minister for Agriculture at the time, and Mr. Sutton and I represented the Western Australian Government at the conference. William Morris Hughes was the chairman of the gathering. During the trip across to Melbourne, Mr. Sutton and I conceived the idea that if we co-operated with the Eastern States, owing to the peculiar position in which we were placed, we would suffer. We might be unable to market the wheat from the more remote parts of the State and would have grave difficulty in financing and maintaining the activities of our producers in the pioneering centres that were then be-

ing developed on the eastern fringe of our wheat belt. We made up our minds to try to get the Federal authorities and the representatives of the other States to take a more comprehensive view of the question and, instead of pooling the shipping, to pool the whole of the activities. We framed our proposals in rough outline and suggested how our object might be attained. On arriving in Melbourne I submitted the proposals to Mr. Hughes, but he was not at all enthusiastic. He pointed out that we would have difficulty in regard to the shipping and that, if we attempted to do more, we might fail entirely. However, after thinking the matter over and no doubt discussing it with others, he appreciated that there would be difficulty with the remote districts of the different States unless we did something more than actually pool the shipping. The difficulty would be that the private firms would still purchase and handle the wheat, and it was quite natural that they would purchase and handle the wheat nearest to the port in order to fill the first boats available. They would go further afield very gradually and only in proportion to the amount of shipping available to lift the wheat. Consequently, the producers in the more remote districts dependent wholly upon wheat would be the last to get their wheat marketed, whereas the producers close to the port, and also engaged in other activities, would be the first to get their wheat marketed. After making some progress, Mr. Hughes convened a gathering of wheat handlers and wheat-marketing firms to meet the conference, and it was discovered that the firms would have to operate on the lines I had suggested. Then Mr. Hughes immediately became an enthusiastic supporter of the more comprehensive pooling of wheat for marketing as well as shipping. After some discussion it was decided that the officers present with the Ministers should be appointed a committee to draft proposals. The committee drafted the proposals, Mr. Sutton playing the most important part. The next day the proposals were submitted to the Ministers in conference. I had the pleasure of changing them somewhat and amendments were made at the suggestion of Mr. Sutton and myself and ultimately the scheme that we had propounded on the way to Melbourne was adopted by the conference. Then the question arose as to the possibility of running it on the basis that had

been decided upon. The late Denison Miller, together with the chairman of the Associated Banks, was invited to attend the conference and discuss the financial aspect. I was appointed by the conference to outline the scheme to the banking representatives, and a general discussion took place. After the general discussion the chairman of the Associated Banks requested that a representative of the Ministers be appointed to attend a meeting of all the banking representatives of Melbourne, which he would convene, and which would consider the proposal and then declare whether the Associated Banks were prepared to finance the scheme on the basis suggested. Again I had the honour of being appointed by the conference of Ministers to attend the gathering of Associated Bankers, together with Dr. Cameron, the Agricultural Director of Victoria. Dr. Cameron and I attended the gathering, and one of the finest discussions that I have ever been associated with in the whole course of my public life took place at that gathering on the afternoon of a given day in Melbourne. As the result of the discussion we were able to go back to the conference of Ministers and announce that the scheme had been adopted by the banks and that they were prepared to fall into line. That, briefly, is the history of the wheat pool. That is how the wheat pool was established. We had great difficulties as to details, and I remember one fine gathering held in this Chamber—a gathering in its way unique—in order that I might explain in detail to the Parliamentary representatives what was proposed by the wheat pool. I convened a gathering of members of the Legislative Council and of the Legislative Assembly in this Chamber. I was presumptuous enough to sit in the seat of the Chairman of Committees, and in an informal way I outlined exactly what was proposed. The members got a general grip of what was meant by the pooling system for the marketing of Australian wheat. From that day on the system has flourished, and it has been largely adopted by the wheat-producing countries of the world. I think it worth while to put these facts on record, because many claims have been made on the question of who propounded the wheat pool. Unquestionably the outstanding figure in the matter was Mr. Sutton, our present Director of Agriculture. That wheat pool of Western Australia worked under financial

arrangements made during the early days of its connection with the Commonwealth and Associated Banks. Later the pool got into conflict with the Commonwealth Bank. Hon. members will recollect that the Bruce-Page combination—at least I think it was the Bruce-Page combination—altered the administration of the Commonwealth Bank. The general policy of the late Denison Miller was altered, and a certain board was appointed whose functions were altogether different from the ambitions of the bank's originators. We were not long operating before we came into conflict with the board. We found difficulty in continuing the financing of the pool on the basis upon which we had been operating for some little time. At this juncture we made representations to the Co-operative Wholesale Society of Great Britain, and explained to them our difficulties in financing. As a result of this interchange of views, the central organisation of the wheat pool in Western Australia was able to arrange with the Co-operative Wholesale Society of Great Britain, who control a bank having a capital of 55 millions sterling, to come to the rescue of Western Australian producers. In one year we have had from that wonderful organisation in the Old Country a sum of £3,429,000 for the purpose of financing this State's wheat pool. I regard it as a glorious arrangement by which the workers and consumers of Great Britain, organised in millions through numerous co-operative activities operating for the service, generally speaking, of the consumers of Great Britain, have in one year financed the producers of this State to the extent of £3,429,000—this being arranged merely by a common understanding resulting from interchange of letters. The arrangement has been in operation for two or three years. It has worked smoothly and well. There has been a splendid understanding between the co-operative workers of Great Britain and the co-operative producers of Western Australia. Let us hope that the existing friendly feeling, comradeship and help may continue for many years. The Co-operative Wholesale Society of Great Britain came to our rescue in true co-operative style when we were up against difficulties, and we appreciate to the full the service rendered to us in our need. I wish to dispel an opinion largely held that the Westralian Farmers Ltd. are associated with the political organ-

isation of the Primary Producers' Association. I of course admit, and common sense would suggest, that numerous primary producers active in the political organisation are also shareholders in the various co-operative societies, and thus are actively associated with the co-operative movement; but I declare most emphatically that no political influence is felt in the co-operative movement by reason of any activities on the part of primary producers. I have been a worker in the co-operative movement for quite a number of years. I was associated with it when I was a Minister in a Labour Government. I have been associated with it ever since. I dare say no one would suppose even for a moment that I have any sympathy with the political aspirations of my friends on the cross benches. It is not possible that I should ever be associated with their political platform. Still, I am always proud to meet them as co-operators, because I do feel that we co-operators are making common cause for the improvement of humanity rather than endeavouring, by some of our political platforms, to injure some section of the community. I suppose we respect one another, but at the same time we meet as co-operators and work as co-operators. It is a question of the co-operative movement being served, rather than the co-operative movement being used in any way to help either the Primary Producers, the Nationalists, or the Labour Party.

Mr. Brown: As a primary producer you ought to belong to the Primary Producers' Association.

Hon. W. D. JOHNSON: We will not argue that at the moment. I know the Primary Producers' platform only too well. I daresay hon. members, after hearing the figures relating to the co-operative movement and its growth, will ask, "If the movement has progressed so well, why do you not let well alone? Why do you want to introduce legislation on behalf of a movement that has flourished so exceedingly under other registrations?" It is the very progress and success of the movement that influence the need for this legislation. To-day we are afraid of our progress, afraid that success will kill the co-operative ambitions; and we want to avoid any possibility of the sacrifices made by the early organisers of co-operation being wasted as a result of some action on the part of registered companies to turn what is now a genuinely co-operative concern into a

limited liability company in the true sense, when shareholders would get the profits and the clients of the co-operative concern would receive little consideration. We say that to-day there is a grave danger of co-operative companies registered under the Companies' Act applying, under that Act, to a judge in chambers and having their articles and memoranda of association altered by the decision of the judge. We have had one experience of that already. The risk of a repetition of this lies in the fact that some co-operative concerns have a limited number of shareholders. In some co-operative companies there are only from 100 to 120 shareholders. They are building up a big asset, and the amount of capital subscribed by individual shareholders is small compared with the value of the wonderful asset that has been created. So there is a danger that the 100 or 120 shareholders may come together and say, "We will issue no more shares, we will make this a close corporation, we will cease to issue co-operative shares on the basis of co-operative principles, we will make this a limited liability company, and then we will operate for the purpose of acquiring as many shares as we can. Thereupon we will run the concern in the interest of the shareholders rather than in the interests of co-operative clients." I repeat, there has been one experience of that kind already; and this has made the general movement fear that that kind of thing might grow, that success would foster it. Therefore we are appealing to Parliament to help us to maintain a movement which I think Parliament and the State should be proud of. Thus it is success that is dictating this legislation. Accordingly, I have outlined that success in order that hon. members may appreciate the whole position. The Bill proposes to prevent, as I have already indicated, private individuals, firms or companies from using the term "co-operative," conveying to the general public that the concern is co-operative, whereas the operations and activities, and the rules if any, are not truly on a co-operative basis. A number of concerns in Western Australia to-day claim to be co-operative, but are not co-operative in principle at all. If the Bill passes, such concerns will have either to make their activities truly co-operative or else cease to use the term "co-operative." The general principles laid down in the measure comprise the main principles laid down by the Rochdale weavers when they established the first co-operative

association. Those general principles provide for a limitation of interest payment on subscribed capital. They provide for the distribution of profits on the basis of general business done, or on the commodity that the farmer produces, so that we may distribute actually on a comprehensive basis or on the profits realised from any particular commodity to which the farmer may limit himself. The Bill also provides for one shareholder one vote. As regards limitation of interest on share capital, under the present registration of the companies, generally speaking, there is provision for interest or dividend payment at the rate of 7 per cent. In actual practice we find that that is not sufficient to enable us to obtain the capital required for the huge expansion of the co-operative business. Therefore the Bill asks Parliament to agree to the companies paying 5 per cent. above the Commonwealth Bank rate on fixed deposits for a term of two years. In existing conditions of trade the companies could then pay a dividend of 9½ per cent. instead of 7 per cent. I hesitated for quite a while before I agreed to introduce a Bill containing such a provision; but upon closely analysing the needs of the co-operative movement, and giving consideration to the amount of capital required, as well as to the value of money to-day compared with its value at the initiation of the co-operative movement, I found that 5 per cent. over the bank rate of interest referred to would be a perfectly reasonable maximum. In general practice numerous co-operative societies with sufficient capital to carry on, and with shareholders coming in regularly, would no doubt maintain dividends of 7 or 8 per cent.; but, under the Bill, in no case will shareholders be able to receive more than 5 per cent. above the Commonwealth Bank rate on fixed deposit for two years. After paying a dividend the whole of the profits of the co-operative movement must be distributed on the basis of the business done. A man with a lot of shares gets no consideration other than interest on his share capital unless he does business with the company. It is possible for a shareholder having quite a small holding, even one share, in a co-operative company, to get a very large return annually because of the business he has done with the company. True co-operation directs that the distribution of profits shall be amongst the producers, and those who have built up the co-operative movement rather than those who

have subscribed the share capital. Then we have farmers with shares in the co-operative movement who use only the movement for the marketing of certain products. We may have men who do not use the movement generally, but will use the organisation for marketing fruit, for instance. Under those conditions, instead of a shareholder getting his bonus on the whole of the business of the co-operative company, he gets his share on the actual commodity that he puts through the hands of the co-operative company. With industrial co-operation, I would not agree to the amount of interest being paid on share capital, but we are dealing mainly with producers, and the fitting in becomes difficult because you cannot put the producers' co-operation on a cash basis. For instance, the central organisation must find sacks in advance of the requirements of the farmers of the State and it is worth recording that any simple organisation has to carry a big responsibility in regard to the supply of wheat bags for the producers. The central organisation cannot gamble in wheat bags to the extent that is practised by private concerns. The central organisation must buy at the most favourable period, but other firms who are the vendors of wheat sacks may be selling this year and possibly will not sell next year; in other words they operate when a bit of a gamble can be successfully carried out. They buy bags back cheaply and only come in again should there be a big drop. Therefore, the co-operative company suffers loss in connection with the supply of joint goods, but we do such an enormous percentage of the business of the wheat farmers that we must be big operators in the purchase of bags, and we must effect the purchases systematically rather than spasmodically as is done by others who supply bags. We must have bags and fruit cases as well in readiness when the time for import arrives. We must see to it also that super. is available for the farmers throughout the State and we have to expend an enormous amount of money in anticipation. Therefore, we must have more capital than is usually necessary for a co-operative concern. Before I conclude I desire to pay a tribute to those who have played an enormous part in the establishment of what I consider to be one of the finest marketing movements in the State. I wish to pay a tribute to the late Charles Harper to whom I can refer as the pioneer of the co-opera-

tive movement. In the old Producers' Union he made it possible for the farmers in the State to use superphosphate to a maximum extent by purchasing it. At that time super. had to be imported from overseas and it was distributed on a co-operative basis to the members of the then Producers' Union. The free use of superphosphate was, in my opinion, largely due to the pioneering efforts of the late Charles Harper. Members will know of the existence of the various producers' sheds throughout different parts of the wheat belt. Over 20 years ago, as Minister in one of the Labour Governments, I had the pleasure of opening a producers' shed at Mt. Kokeby. The late Charles Harper was present and with pride referred to the number of sheds that were being built at various centres. The late Lord Forrest and the late Sir Hector Rason were amongst those present, and they too paid a tribute to the then organisation that had been created for the purpose of establishing a means by which the producers of the State could get their commodities at a minimum cost without calling upon the middleman for assistance. To-day we have as the guiding star, the worthy son of the late Charles Harper—I refer to Mr. C. W. Harper. Mr. Harper is respected throughout Australia as an authority on co-operative work. He is also highly respected in the Old Country and everyone pays a tribute to him for what he has done in guiding the destinies of the co-operative movement. He is doing a great work in that regard and the State should be justly proud of one who is following so closely in the footsteps of his late father. I hope members will view the Bill from a State service point of view. The co-operative movement does not pay those that are associated with its expansion. I might place on record the fact that I have been a director of the Bruce Rock branch of the movement since its inception, and I have never drawn a penny piece for whatever services I have been able to render. I have done no more than hundreds of others have done and it has been to us all a labour of love. Further, we have succeeded in our work without falling foul of anyone. A nice spirit prevails between the commercial community and the co-operative movement. We have had our differences and our struggles, but there exists to-day a happy feeling that the movement is serving the State faithfully and well. I feel sure that members

will approach the subject generously and will assist me to put through the second reading of the Bill so that we may perpetuate the movement that has done so much for Western Australia. In this way those who made sacrifices years ago will have a guarantee that the movement will be handed down to their sons. I move—

That the Bill be now read a second time.

On motion by Mr. Sampson, debate adjourned.

PAPERS—WESTRALIAN LAND DEVELOPMENT LIMITED.

Debate resumed from the 28th August on the following motion by Hon. W. D. Johnson—

That all the papers connected with the securing by the individuals entitled to hold the 72,000 acres east of Dalwallinu and associated with the Westralian Land Development, Ltd., be laid upon the Table of the House.

THE MINISTER FOR LANDS (Hon. M. F. Troy—Mt. Magnet) [5.56]: I have no objection to the papers being placed on the Table. I might perhaps be permitted to place a few of the facts before the House. The property referred to was originally portion of a pastoral lease taken up by a number of returned soldiers under the repatriation scheme. The Agricultural Bank advanced £8,000 to assist the soldiers to develop that area as a pastoral lease. The soldiers got into difficulties and the Agricultural Bank sold the station for the amount that was owing to the bank. The sale was made to the Lakes Pastoral Company. The company were unable to raise money for development owing to the leases being situated in the South-West division, and the company had no security because any selector could have taken up the land as an agricultural proposition. The company approached the Government of the day in 1925 and asked that they be given ten years security so that they might be able to raise money to develop the area. That was not agreed to. The company then made another proposition, that some 60,000 acres containing the bulk of the improvements paid for by the bank and the company, should be made available for selection under agricultural conditions.

They agreed to surrender the southern portion of the pastoral leases which it was considered would be served by the railway, north and east of Pithara and the Wongan line, an area within 12½ miles of the railway which could be used for agricultural settlement in the ordinary way. The land was made available in 1926 subject to the Agricultural Bank security of £8,000. The fact that it was available was gazetted, and the nominees of the company were the only persons who applied for it. It was subject to classification, and after survey and classification it was granted to the company under Section 68 of the Land Act. I understand that all the nominees either formed the company or financed it. To-day the area has been subdivided into 21 farms, having an average area of 3,429 acres. The total area financed by the company is approximately 72,000 acres. These are briefly the facts regarding the whole transaction. I do not like to see land selected in this manner.

Hon. W. D. Johnson: Hear, hear!

THE MINISTER FOR LANDS: It is not the proper way to do things, and would not have been done had it not been that the Agricultural Bank security was at the time at stake. The land was made available to all selectors, but these were the only people to apply for it. The conditions of the Land Act have been fully observed. I understand the company have done a great deal of work. In the "West Australian" the other day an article was published eulogising them for the work they had done. I understand the farms are available as improved properties. Whilst I do not approve of land selection in this way, I admit it is a good thing for the country that these areas have been improved. I hope as time goes on the land will fall into the hands of people who will reside upon it, and thus assist in producing wealth for the country. We have no complaint against the company with respect to the observance of the conditions of land settlement. They have made all the improvements required by the Act and have indeed gone far beyond what was required. I have no objection to the motion, and now lay the papers on the Table of the House.

Question put and passed.

BILL—CHILD WELFARE ACT AMENDMENT.

Second Reading.

Debate resumed from the 28th August.

THE MINISTER FOR AGRICULTURE

(Hon. H. Millington—Leederville) [6.5]: This is a Bill to amend Section 49 of the Child Welfare Act. That section states that the Governor may order that the period of supervision or of detention of any female ward specified in an order shall be extended until such child has attained the age of 21 years, or for any shorter period, and such child shall be supervised or detained accordingly. If this Bill were carried it would take responsibility from the department, controlled as it is by the Minister, and place it in the hands of the court. The member for York (Mr. Latham) is, I think, somewhat confused with respect to the functions of the court and the department. Whatever may be the practice in other countries, in this State the Child Welfare Act gives very wide powers to the department. Although the Children's Court receives a good deal of publicity, the great work in connection with child welfare is carried out by the department. When people speak of the work that is being done by the Children's Court they should bear in mind that it is the department which possesses all the machinery. I would point out to the hon. member that the power contained in this section is not vested in the secretary of the department, as he said, but in the Governor-in-Council. The alteration that was made to extend the period was effected on the recommendation of the secretary of the department (Mr. Watson). It was confirmed by Mr. Trethowan, the Under Secretary, and referred to me. On my recommendation it was put through as an Order-in-Council. The secretary certainly recommended it, but the responsibility rests with the Government. What was done was carried out by Order-in-Council.

Mr. Sampson: That means that the power of the court is reduced.

The MINISTER FOR AGRICULTURE: I will explain that later. In South Australia this power is also vested in the Governor-in-Council. In Queensland it is vested in the Minister, and in Tasmania in the Governor-in-Council. The Children's Court

deals with specific cases. When a child is brought before it by the department or the police, the court merely deals with the case on the evidence placed before it. Almost invariably if the charge is sustained, the child is committed to the department.

Mr. Sampson: The history of the child is considered.

THE MINISTER FOR AGRICULTURE:

And the child becomes a ward of the State. The department immediately takes control of it, and the court loses sight of it. Many people think that the court follows the life and actions of the child and is responsible for its control. Nothing of the kind occurs. The court has neither the machinery nor the staff, for both are associated with the Child Welfare Department. All children placed under the control of the Child Welfare Department are wards of the State. The department has control of the receiving depot. It has to do with the sustenance of these children and their welfare. It decides where a child is placed out; it arranges for its employment, apprenticeship, and so on. When a child begins to earn money, the department controls its banking account until the age of seniority is reached. In every way the department acts as parent to the child; the department, and not the court. It is associated in every way with the child, but not so the court. The department arranges for foster parents, and controls all foster parents with whom children are stationed. The department has been responsible for over 1,000 adoptions of children who are wards of the State.

Mr. Sampson: Splendid!

THE MINISTER FOR AGRICULTURE:

In every way in this State we depend upon the department to look after the interests of children who become wards of the State. The hon. member referred to a certain action of the department being responsible for the introduction of the Bill. He referred to a reversal by the department of the court's decision. I do not propose to go very closely into the history of the case, because it is not usual to give publicity to the names of persons or to cases that come before the Children's Court. In this instance I could have no difficulty in proving that there was a grave miscarriage of justice, and that the decision of the court was an unwise one. There was no other course than to reverse

that decision since there was no justification for it.

Mr. Sampson: And the department had power to alter it.

The MINISTER FOR AGRICULTURE: The Governor-in-Council has power to alter it. Some confusion arises owing to the terms used by the hon. member. He referred to a sentence imposed on the girl, as a punishment. What actually happened was that two justices committed this girl, who was brought before them as an uncontrollable child, to detention for one month. The child was not sentenced to imprisonment for one month. This merely meant that she became a ward of the State, and was placed under the control of the department for a month. The reason given by the court was that this would enable a marriage to be contracted between the girl and the man who had caused the trouble. After inquiry, the departmental officers concluded that this was a most unwise decision. To enable the girl properly to be dealt with, the period was extended. Instead of the girl being committed to the care of the department for one month, an Order-in-Council committed her for a period of three years, until she became 18. This does not imply that she was sentenced during that period, for nothing of the kind occurred.

Mr. Sampson: It is a sentence.

The MINISTER FOR AGRICULTURE: She was merely continued as a ward of the State. The State acted as her parent during that period in order that the department might properly arrange for the girl's future. Since the Bill has been brought down because of this incident, it would be well that members should realise what happened in the court. I will then leave it to the House to judge who was right.

Mr. Kenneally: Would it be advisable to give undue publicity to a case that has been settled satisfactorily?

The MINISTER FOR AGRICULTURE: I do not intend to mention any names. In order to determine whether this was a case which justified the department in stepping in and altering the decision, I would point out that after the hearing the bench took an unusual course, which is set out in the words of the two justices—

The court was adjourned for half an hour and on their return they stated that (—) had given his word to marry the girl, and they then committed her to the care of the

Child Welfare Department for one month for the marriage to take place.

They stated they had interviewed the man and satisfied themselves that he was a suitable person to marry the girl he had got into trouble. The man was, however, over 30 years of age, and the girl was not then 15.

Sitting suspended from 6.15 to 7.30 p.m.

The MINISTER FOR AGRICULTURE: Prior to the tea adjournment I was explaining to hon. members what had influenced the department in the action taken regarding the case mentioned by the member who introduced the Bill. I want to make it clear that I am anxious this case shall not receive more publicity than is necessary. The department has been criticised and, as the case I refer to was practically the sole reason for the member for York (Mr. Latham) introducing the amendment, the departmental attitude must be explained. I have refrained from mentioning names in connection with the case, but it is necessary to explain to a certain extent what influenced the department in the action taken. Apparently, the principal point the hon. member made against the department was that it had increased the sentence imposed by the court. What actually happened in that instance is happening every day in the week. The court having handed over a child to the care of the department, the action taken by the officials is usually to reduce the period for which the child is committed to their care. It is customary for the court to commit a child to the care of the department for a period of two or three years, so that the child is a ward of the State until 18 years of age. It is usual for the departmental officials to place the child with foster parents, or to make other arrangements. It is not at all usual for the full period mentioned by the court to be adhered to. It is seldom adhered to. It is the function of the department to look after the child, to act as its parents, and to endeavour to place it on probation or in employment. To that extent the decision of the court is not adhered to. Regarding the case specifically mentioned by the member for York, it appears to me that it is possibly the only instance in which the period mentioned by the court was extended. But that does not amount to extending a sentence; it merely

means increasing the period during which the child is under the care of the department as a ward of the State. In this instance that increased time was needed. It was deliberately extended in order to keep the child under the care of the department and so prevent the marriage from being celebrated. On the other hand, the period was not, as suggested by the hon. member, extended to five or six years longer than that mentioned by the court. The department got to work at once and first placed the child in a home. It could not remain at the receiving depot because of measles, and was therefore placed in a home. Since then, amicable arrangements have been made with the parents and the child has been placed with them. I shall not mention that case particularly any further, beyond reiterating that that explains the attitude of the department in all other cases as well. In fact, the whole operations of the Child Welfare Act are based on the application of such principles. In every instance discretion is given to the department. Section 49 of the Act is the one that is sought to be amended by the Bill. Hon. members will see that Section 47 includes the following:—

The Governor may, on the recommendation of the Minister, order the release of any ward from the control of the department, or from any institution

Then again Section 48 says:—

An inmate of an institution may, for any reason which appears to the Minister sufficient, and subject to the provisions of this Act, be removed to and detained in any other institution.

So it is all through; the responsibility for the child is placed on the department, and it is the duty of the officers to look after the welfare of those who are committed to their care. It will be admitted that we have been very successful in the work in this State. It must be remembered that the department is charged with the responsibility of administering the Act. An enormous sum of money is involved, and over £100,000 a year is administered by the department, not by the court.

Mr. Mann: That includes charitable relief.

The MINISTER FOR AGRICULTURE: A proportion of that money is dispensed as charity to orphans, widows and others, but the department becomes responsible for all children committed to its care. The State

has to keep them. In some instances, endeavours are made to compel those who should be responsible, pay for the sustenance of the children, and that is done at times. At any rate, the point is that the department has to accept responsibility for the welfare of the child. The committal of a child to the care of the department as a ward of the State is in no sense a sentence. I fail to see any analogy between such a committal and a sentence imposed upon a criminal. The latter is on an entirely different basis altogether. If Section 49 is amended and power is taken away from the Governor-in-Council to deal with these cases, it will be impossible to run the department. I have explained, too, that the court has not the necessary machinery to carry out its decisions. In the particular instance mentioned by the member for York the members of the court went beyond their jurisdiction. No one will contend it is the work of two justices to leave the bench, proceed somewhere else, make inquiries about a certain man, and arrive at a decision in half an hour's time. In this instance the justices, after half an hour's inquiry, decided that although the man was over 30 years old, he was a suitable person to marry a girl under the age of 16 years.

Mr. Mann: The marriage would probably have taken place except for publicity in the Press.

The MINISTER FOR AGRICULTURE: That is not so. The departmental officials knew more than the Press. The hon. member need not worry about that matter. The officials knew the character of the man and had his record. On the other hand, these two justices decided, after half an hour's inquiry—I should say it was an unsatisfactory inquiry—that the man was suitable. It has to be remembered that when hailed before a court of competent jurisdiction, a judge of the Supreme Court decided that this man was "suitable" to be sentenced to two years' imprisonment with hard labour. That particular case was quoted by the member for York as an example of what is being done by the department. I have already explained that it represented the only case of the sort dealt with by the department along these lines, and I claim there was every justification for the departmental action. Quite apart from that case, however, it must be recognised that the whole principle underlying the Child Welfare Act is that the child

must become a ward of the State and be controlled by the department. The decisions of the Children's Court have been altered many times, and no exception has been taken to that course. It has to be borne in mind, too, that if Section 49 is amended, several other sections will have to be altered because throughout the Act responsibility is always, and rightly so, placed on the department. The Act has worked well in this State. In other countries the Children's Court has attached to it probationary officers and others who are charged with responsibilities that are undertaken in this State by the Child Welfare Department. But that is not the position in this State. We must not confuse the work of the court with that of the department. The Act places the responsibility on the department from the administrative point of view, and, in those circumstances, it would be quite wrong to deal with Section 49 alone and set out that before any action can be taken by the department the case must again be referred to the court. In the main the department and the court have worked well together. Although it has been decided to make a change and appoint a special magistrate to take charge of the Children's Court, I have said nothing by way of criticism of the work of the court in the past. We all recognise the good work the justices have done in the Children's Court. Only because this case was specially mentioned, have I dealt with the position at all. When I announced the decision to appoint a special magistrate, I gave great credit to the court for the work done, and mentioned that the work of the court had assumed such importance that the Government had decided to appoint a qualified person—at that stage it had not been decided whether the special magistrate would be a man or a woman—in order that the work should be properly carried out. It will be conceded that, as time has progressed, the work of the court in the metropolitan area has become more and more important. There have been, and will continue to be, many cases requiring legal knowledge in order that they may be properly dealt with. Honorary magistrates, even with the best of intentions, make mistakes from time to time. I claim that the court is of sufficient importance—in a sense it is of paramount importance—to warrant the appointment of a special magistrate to take charge of the proceedings. The question whether women justices would be per-

mitted to sit with the special magistrate has been mentioned.

Mr. Mann: There should be no objection to that.

The MINISTER FOR AGRICULTURE: The alteration in the court's constitution was made because we considered that our proposed arrangement would be better and that cases would be dealt with in a more satisfactory manner. In those circumstances, for the time being at any rate, it is proposed that when the special magistrate assumes control, he will be the sole member of the court to decide cases. At any rate, we shall try that arrangement first. It must be remembered that associated with the Child Welfare Department are some very competent inspectresses. I have found their reports reliable on all occasions. They are women who have been well trained; they are certificated nurses, and women of experience and wide sympathies. In these circumstances all children brought before the court will have the advantage of the advice and sympathy of these inspectresses and I do not think there will be any difficulty from that standpoint. I know that has taken place during the past two years in connection with the court, and I believe that the arrangement we propose will be an improvement and will have the effect of improving the reputation of the court and its efficiency. In saying that I do not wish to belittle the work done in the past.

Mr. Mann: Although they have made errors, those justices have done a lot of fine work.

The MINISTER FOR AGRICULTURE: I have given them credit for that. I should not have mentioned this case had it not been for the attack made on the department: otherwise I would simply have dealt with this from the point of view of the department in relation to the Children's Court. I hope the amendment will not be carried. The only justification instanced by the member who introduced the Bill was the case I have dealt with. If I were to go into details it would appear very much worse from that hon. member's point of view. There is no danger of the department taking too much responsibility upon itself. There is the check, first of all, that it has to be approved by the secretary to the department, a man of greater experience, wider knowledge and better training than any of the justices, although some of them are disposed to belittle his work. There are also the checks pro-

vided by the Under Secretary of the Chief Secretary's Department and the fact that it has to go to the Minister and pass the Executive Council before an alteration is made. So every safeguard is there, and I see no danger at all in the power now vested in the Governor in Council. There is no reason for the proposed alteration. Certainly the case cited is no justification for it, and I say the whole of the records of the department over past years is every justification for the Act remaining as it is. It can be satisfactorily administered. There has been no abuse that cannot be remedied, and in view of the record of the department and its satisfactory working I say there is no justification for the proposed amendment.

On motion by Mr. C. P. Wansbrough, debate adjourned.

RETURN—GROUP SETTLEMENTS, BUSSELTON.

Debate resumed from the 21st August on the following motion by Mr. Barnard:—

That a return be laid upon the Table of the House, showing:—(a) The cost of supervision of group settlements in the Busselton area for the 12 months ended 30th June, 1929, with particulars showing the salaries and expenses paid to field supervisors, foremen, and other similar officers; also, the upkeep and allowances for motor cars and other vehicles; (b) the amount of money received by the department from settlers as interest on stock and plant in the same area for the same period.

THE MINISTER FOR LANDS (Hon. M. F. Troy—Mt. Magnet) [7.48]: I do not think the time and expense involved in getting out this return would be warranted. The information would take some time to procure, and in view of the fact that the group settler will not bear any of the expenditure on the administration of the group settlements, there cannot be any reason why the cost involved in compiling the return should be incurred. As members know, there have been very drastic reductions in the valuations of group settlements, and under those valuations the group settlers will not be called upon to pay any of the cost of supervision or of administration. In fact, it can be said that the valuations amount to no more than the advances made to the settlers, the sustenance, and probably the value of the buildings on the locations. All the other expen-

diture incurred, amounting to a very large sum, has been entirely removed from the responsibility of the group settlers. I am prepared to give the House information which should be of sufficient value to the hon. member to induce him to withdraw the motion. The present field staff in the Busselton area comprises a supervisor and an assistant supervisor, six senior foremen, one dairy adviser and 24 foremen. Those officers have to administer an area in which there are between 700 and 800 group settlers. In the past the supervision charged to group settlement included only the foremen, the cost of all other officers being a charge against the administration and paid by the general taxpayer in common with the writing down of all the other expenditure. If there were any complaints about the number of group foremen being excessive, that position has been altered. I have been very anxious to reduce the number of officials. Ever since I took over the administration of the group settlement areas I have set myself the task of getting the group settler on his own resources and responsibility as soon as possible, and of getting rid of the staff of officers, who were a charge on the scheme. I am glad to say that as the result of progress made the number of foremen has been reduced. Last year there were 35 group foremen in the Busselton area, whereas for the year ended 30th June, 1929, the number was reduced to 24, or a decrease of 11. It is proposed to make further reductions immediately the settlers go on to the Agricultural Bank, as from time to time throughout the whole of the settlement they will do in batches.

Mr. Sampson: And the supervision is quite efficient?

THE MINISTER FOR LANDS: It will have to be efficient. It is high time the group settler was required to do without the supervision. I do not want to pay group foremen, I do not want to employ men who might be spared, and so on every occasion I have told the settlers that my business is to get rid of the foremen and thus reduce the cost of administration as soon as possible. The foremen receive in wages £6 10s. per week, and up to the 30th June, 1928, they used departmental horses, departmentally fed. From the 1st July, 1928, they have received a flat transport rate of £5 10s. per month, providing their own conveniences and fodder, and petrol if they

use motor cars. They are provided with shack quarters, or occupy vacant cottages if available. For this accommodation they pay a rental of 5s. per week. The salary of the senior field supervisor is £504 per annum, while that of the assistant supervisor is £390 per annum. They both receive the usual Public Service travelling allowance of 12s. 4d. per day. The senior foreman is paid £6 15s. per week, with an allowance for transport. Did the member for Nelson interject that foremen were not needed?

Mr. J. H. Smith: I meant when the bank takes over the settlers.

The MINISTER FOR LANDS: That is so. They will not be needed then. Experience has taught me that a foreman is necessary, as owing to the dependence of the settler on the State for everything, the whole of the work of development has to be set out by the foreman, and has to be supervised by the staff and paid for by the staff. Supervision is necessary also in regard to equipment and stock. I had hoped to greatly reduce the number of foremen, but inasmuch as the foreman has to pay for everything and his arrangements with settlers for advances have to be confirmed by the senior foreman. I found I could not make as great a reduction as I had hoped. If the settlers would have agreed to accept more responsibility themselves, it would have simplified the matter a great deal, and reduced the cost of administration. The House will understand the position when I say that some settlers on group areas were not prepared to do the simplest thing for themselves unless compelled to do so by the officials.

Mr. Lindsay: Unless they were paid for doing it.

The MINISTER FOR LANDS: I have had the experience—this does not apply to all group settlers but it applies to a number of them—of settlers complaining bitterly of not being paid for the work they have contracted to do, because the foreman or supervisor has questioned the manner in which the work was done. Some of them were not paid because the foreman or supervisor had said the work was not done properly; some were not paid because the seeding or the fertilising had not been properly done; some were not paid because they were not maintaining the improvements, the only security

the State has, and some had refused to plough the fire break around their pastures. I regret to say that on every occasion when I made a personal inspection of the subject of the complaint I had to stand for the officials. I have made it my personal business to inspect locations time after time and see things for myself. Unfortunately that type of settler—in a small minority I am sure—compel the department to employ men who otherwise would not be employed. As I say, this does not refer to all group settlers, for after three years of administration I can say that from numbers of group settlers I get no complaints at all. To-day the great majority give no trouble to the administration.

Mr. Sampson: All but about 10 per cent.

The MINISTER FOR LANDS: I have been compelled to stand behind the administration even to the extent of putting some settlers off the land.

Mr. Mann: If you had got rid of that other 10 per cent. you would have had a much easier time.

The MINISTER FOR LANDS: I refer to men who, I knew, were not doing their duty either to themselves or to the country. I have had experience of a settler who was on the land for nearly seven years in the Manjimup area and could never carry more than two head of stock. When the administration was tightened up we discovered that he was throwing out his super with a shovel from the cart and of course he got little result. While 90 per cent of the settlers have stood up to their obligations, there is a percentage that necessitate the constant attention of officials. I am sure there has been a marked change among the settlers, and that there is now a greater sense of responsibility than ever before in the history of group settlement. That is generally admitted and I am hopeful that as a result of the change I shall be able greatly to reduce the number of officials as time progresses. Anyhow, I expect to be able to save money immediately a large number of the settlers are taken over by the Agricultural Bank, as I hope they will be next month. All the arrangements have been made. The settlers have been communicated with; the mortgage documents have been prepared and everything is ready for them to be taken over by the Agricultural Bank. When that is done, the officials will disappear and Agri

cultural Bank inspectors will have to do the work.

Mr. J. H. Smith: The group settlers will not be able to meet the interest to the bank in the first year or two.

The MINISTER FOR LANDS: We are not discussing that.

Mr. Lindsay: Do you want some more concessions?

Mr. J. H. Smith: I do not want concessions; I want a fair deal for the settlers.

The MINISTER FOR LANDS: I do not want to relate my experiences here, but I assure the House that whereas there are hundreds of group settlers of whom I never hear a complaint, unfortunately in this scheme in which 5,000 settlers have been engaged from time to time there have been many inexperienced men. I am glad to say the position is gradually being remedied. I do not think the expense of getting out a return showing the interest paid for stock and equipment would be justified. Each settler knows the amount he pays every year.

Mr. Lindsay: He knows what he is charged, not what he pays.

The MINISTER FOR LANDS: I would not like it thought that a great number of settlers do not pay. They do pay interest on stock and equipment. Each settler is rendered an account half yearly and knows just what he owes and what he pays. Therefore, there would be no value in getting out the figures asked for by the hon. member. If there is a complaint about a settler being asked to pay interest on stock and equipment, it should be remembered that the State has to meet the interest and someone must pay it or we shall get into a bankrupt condition. Consequently, it is only reasonable that those who can pay should pay. Under the agreement signed by the settlers, many of them should be making repayments for the stock and equipment purchased for them by the State. The repayments under the Act should have begun three years after the supply of stock and equipment, but in all cases the time for repayment has been extended until the 1st July, 1930, though actually repayments were due in many instances in July, 1928. I do not know whether the hon. member intends to press the motion, but we should not engage the services of a staff to get out figures that would be of no

value to the community, especially as the settlers are not being called upon to pay those charges. The Group Settlement Valuation board have made such drastic reductions that in a vast majority of cases the settlers are now called upon to pay only the sustenance and advances received and the cost of the buildings. All the rest is being given to them by the State. I gave the House instances in which the sustenance and advances alone amounted to hundreds of pounds more than the valuation of the location, and the House will be interested to know that some of the locations, which have had expenditure incurred upon them up to £4,000, have a valuation of only £900. So I do not think the group settlers have much to complain about, and I do not think many of them are complaining. I wish to repeat that I am very well pleased with the way a majority of the group settlers have accepted their responsibilities during the last 12 months. If they are interested in cutting down the cost to the State, I shall be glad to assist them.

MR. BARNARD (Sussex—in reply) [8.8]: I quite realised that a certain amount of expense would be incurred in getting out the return. Perhaps the information that the Minister has given will suffice the settlers, but much has been said about the amount of money wasted on group settlement in the South-West. When one looks at the figures quoted by the Minister during the Address-in-reply, when he stated that in 1927 £1,260,000 was spent—

The Minister for Lands: On a point of order, the hon. member is introducing new matter and is not replying to the debate.

Mr. SPEAKER: The hon. member, in replying, must not introduce new matter into the debate. I hope he will avoid so doing in the continuation of his reply.

Mr. BARNARD: I merely wished to point out the amount expended for supervision during 1929 as compared with 1927. Whereas in 1927 over a million pounds was expended on group settlement, in 1929 the expenditure was only £224,000 and yet the cost of supervision was only £37,000 less. Consequently, the cost of supervision has not been reduced proportionately to the reduction of expenditure, and one feels that there should have been a greater reduction in supervision as expenditure decreased.

The Minister for Lands: The unfortunate position is that though we are reducing the expenditure, we still have to maintain supervision over improvements.

Mr. BARNARD: It should not be necessary to have so much supervision.

The Minister for Lands: It is necessary.

Mr. BARNARD: I hope the information given by the Minister will be sufficient to satisfy the group settlers who have asked for it. I ask leave to withdraw the motion.

Motion, by leave, withdrawn.

BILL—AGRICULTURAL PRODUCTS.

Second Reading.

THE MINISTER FOR AGRICULTURE (Hon. H. Millington—Leederville) [8.13] in moving the second reading said: For several years requests have been received to introduce a topping and grading Act for various sections of the agricultural industry. As far back as 1916 a suggestion was made by the then Senior Potato Inspector that a topping Act would be of advantage to the potato industry, but the matter was allowed to drop as the suggestion did not receive any special support at the time. Since then, however, the need for a topping Act has been urged on various occasions. I think the only very urgent request has come from the poultry farmers who desire that grading should be made compulsory.

Mr. Sampson: This measure will be warmly welcomed.

The MINISTER FOR AGRICULTURE: The Fruitgrowers' Association, the poultry farmers' organisations, the Bunbury Chamber of Commerce, and the Metropolitan Market Trust are in favour of a grading and topping Act. In view of those representations a conference was held at which representatives of the following were present:—Poultry Farmers' Association, Producers' Markets, Packers' Association, Citrus Growers' Association, Market Trust, Fruitgrowers' Association and also representatives of the potato growers. The result of the conference was that all these bodies, with only one exception, stressed the urgent need for a measure of this kind. I have tried to make the measure simple. It is not nearly so elaborate as the corresponding Acts of the Eastern States. It is only proposed to prohibit what is ordinarily understood as topping. Grading can be intro-

duced as it becomes necessary. With regard to topping, Clause 2 provides that—

No person, either by himself or by his servant or agent, shall (a) sell any lot or portion of a lot of products, or any products contained in a package, unless the outer layer or shown surface of such products is so arranged, stacked, or packed that it is a true indication of the fair average size, nature, and quality of all the products in such lot or package. . .

That anti-topping provision will be made compulsory. Grading, however, may be introduced when necessary. For instance, if the Bill becomes law, there will be an immediate demand from poultry raisers for compulsory grading of their products.

Mr. Sampson: That is very desirable, too.

The MINISTER FOR AGRICULTURE: The Commonwealth regulations now require that certain produce, such as fruit, butter and eggs, shall be graded for export. It has been contended that it would be advantageous for these products to be graded for local sale. Further it is claimed that potatoes should be graded so as to protect the reputation of the State, enable the export potato trade to be developed, and also to protect the consumer. In regard to eggs, a recent visit to the metropolitan market disclosed the urgent need for grading. The manner in which some of our eggs are marketed is a positive crime. Producers are now making an attempt to grade, and that attempt has met with some success. However, I myself saw at the Metropolitan Market a lot of eggs which had come from Kalamunda in kerosene tins, and which were packed in mouldy hay chaff. The whole thing was ill-smelling, almost insanitary.

Mr. Sampson: Probably that consignment was improperly branded.

The MINISTER FOR AGRICULTURE: The marketing of eggs in such a way certainly does not promote their consumption. In other countries the grading of eggs has had a wonderful effect. We are anxious that Western Australia should increase its production of eggs and poultry. My own opinion is that the greater production of those lines would prove of much advantage to the State. Western Australia's climate and physical conditions are highly suitable for the poultry industry, but we shall have to fall into line with other countries if production is to be promoted here. Let me give an instance of what has happened elsewhere, to show the effect of compulsory grading on the consumption of eggs. The

compulsory grading of eggs and their sale by weight standards is not new. Although it has been made law in England only this year, northern Ireland has had such legislation for the last five years, and Canada for ten years. In both these countries the passing of the legislation was followed immediately by an enormous increase in consumption, which has led to increased production and general prosperity in the industry. It was because of this fact that the British Government framed an Act which came into operation on the 1st March of this year. According to evidence given before the Imperial Economic Committee appointed by the British Government to inquire into the marketing of eggs, it appears that as a result of the selling of eggs in Canada on quality and weight basis, the consumption increased, in the five years from 1921 to 1926, by 135 eggs per head for every man, woman and child in Canada. Should half that increase take place in Western Australia, a great many more producers of eggs would be required than are in the business now. In 1928 Western Australia exported 111,885 dozen eggs. If the consumption in the State increased by one egg per week per head of the population, that increase would require roughly 1,750,000 dozen eggs, or more than 15 times as much as the export in 1928. Hon. members will recognise what would happen if eggs were properly and attractively marketed here as in other parts of the world. There is no reason why Western Australia should not fall into line with other countries in this respect. I believe there is already a forward movement towards that objective by the Poultry Raisers' Association. They have gone to considerable trouble as regards the grading and marketing of their products, and as a result the demand is increasing—which is the important thing. For that reason our poultry raisers have been so insistent upon the introduction of this measure. Other producers hold back, though they agree that topping in the every-day sense should be prohibited. The worst topping I have seen is in Perth shop windows. That will assuredly have to be controlled in regard to eggs. If grading were compulsory, it would not be permissible for a retailer to buy different grades of eggs and mix them for the purpose of sale. The eggs would have to be sold as graded eggs right through the piece. Even where eggs are now sold as graded, the difficulty is that upon coming into the shops they are mixed.

They are then sold just as eggs, and thus advantage for the retailer is obtained by mixing small eggs with large. Canada's elaborate system of inspection has proved most satisfactory. It revolutionises one's ideas of the egg industry to see how it can be conducted under proper supervision. Eggs used for pulp would be those not quite up to standard in respect of quality as well as size or weight. Eggs showing the slightest defect would become pulp so far as export trade is concerned. In Canada eggs are most carefully tested, and the accuracy of the grading astonishes one. If, for instance, our citrus growers become satisfied that grading should be made compulsory for their product, the grading regulations would be applied to their industry. However, those regulations would not be applied automatically. Topping, being the greatest grievance at present, will be prohibited.

Mr. Sampson: I hope that prohibition will apply to retailers also.

The MINISTER FOR AGRICULTURE: The modern trend is towards improvement in marketing methods. As regards manufactures and production this State has reached a very satisfactory stage, but no one suggests that we have reached the stage at which we should aim in marketing our products. Whereas other countries pay great attention to marketing, Western Australia's difficulty is that many of our good products are marketed in a rather slovenly and unattractive manner. Therefore, if the Bill does nothing else, it will educate and stimulate our producers into marketing their products in an orderly and attractive manner. The other Australian States already prohibit topping and provide for proper grading. Western Australia is now behind in those respects. If the measure passes, we shall be in line with the Eastern States. Of recent years our marketing methods have greatly improved. Had this Bill been introduced years ago, possibly it might have been found that the people were not ready for the measure. But the best Western Australian growers already refrain from topping, and the good, reliable man markets his produce in a proper and straightforward manner.

Mr. Sampson: The good all suffer for the minority.

The MINISTER FOR AGRICULTURE: Yes. In many cases now a grower can sell his goods on the reliability of his name on

the case. At the market I was surprised to see a fine case of oranges from Chittering marked "seconds." The explanation was that the grower has such fine fruit that he marks fruit of a really good grade as second quality. He therefore has no difficulty in marketing his good products. That grower's name on the box is the best guarantee that can be given. More of that is needed, and since there are growers who will not conform to modern practice the association have made continuous and insistent demands for the Bill, which I certainly was not anxious to introduce. I am convinced that the passing of the measure will have a good effect on marketing. The time has arrived when Western Australia must get in step with other countries in this respect.

Mr. Sampson: The Bill has not come too soon.

The MINISTER FOR AGRICULTURE: Again, the city of Perth now has a fine, up-to-date market, and there is need for expedition in marketing. It will be readily understood that if goods are put on the market in a proper manner, no topping being permitted and proper grading being insisted on, sales will be made more expeditiously, and in every way the marketing will be more satisfactory. It is said, too, that we shall have to be careful as far as the interstate trade is concerned. All our products that go to the other countries of the world are carefully graded and standards are fixed under Federal regulations. But the difficulty is that the very same grower who markets his goods in such a satisfactory manner when he sends them overseas does not exercise the same care when exporting to the Eastern States, and in that way the State's reputation is affected. We should have power to see that the goods are as described, and to make sure that Western Australia's reputation does not suffer in the Eastern States. So, in respect of our interstate trade, grading regulations should be brought into operation as early as possible to save our reputation. I understand that a portion of the present crop of potatoes being grown has already been sold to the Eastern States. In this respect it is considered advisable that the potatoes should be marketed in a proper manner. Topping should be avoided and grading should be introduced. Otherwise it will mean that Western Australian potatoes, for which we are anxious to get the right price, will be considered as

second grade. I believe that the Bill is justified. I am not prepared at this stage to enforce grading, but I think that will come with practice as the producer becomes educated. We are, however, justified in insisting that there shall be no topping, while, as for grading, that is a question of time. Then our marketing will be more ordered and orderly and there must follow a better demand for our products and a greater prosperity for the industries. I move—

That the Bill be now read a second time.

On motion by Mr. Sampson, debate adjourned.

BILL—ROAD DISTRICTS ACT AMENDMENT.

In Committee.

Mr. Lutey in the Chair; the Minister for Agricultural Water Supplies in charge of the Bill.

Clause 1—agreed to.

Clause 2—General amendments.

Mr. SAMPSON: I intend to oppose the clause. The proposal to alter the title from "Road Boards" to "District Councils" is unjustified. Since local authorities carry out works in excess of construction and maintenance of roads, the title District Council would be more appropriate, but there is the objection that confusion will arise because of the existence of municipal councils. There is no general desire for a change in the name, although the wish has been expressed by some local authorities that the title should be altered. With the alteration there must follow expense in regard to stationery, seals and in other ways.

Mr. BROWN: I intend to support the alteration because we are behind the times. It is desirable that we should substitute "president" for "chairman" because "president" carries a great deal more weight. In the Eastern States the local bodies are called "councils" and those who preside over them "presidents." The word "councillor" is much superior to plain "Mr.," and it is better that a member of a local authority should be referred to as "Councillor So-and-so" rather than "Mr. So-and-So."

Mr. DONEY: There is probably some little value in dignity and if any dignity

is likely to accrue to the road boards by changing the title, then let the change take place. I will support the clause.

Mr. FERGUSON: I am inclined to agree with the member for Swan because there has been no demand for any change. In addition, the term "road board" is distinctive in that it applies to public bodies in Western Australia alone. In the other States these bodies are known as "councils." Here we call them boards, and the members of the boards have done a great deal of work in an entirely honorary capacity. Thousands of members of boards in the State are proud to be termed members of road boards, and they have no wish for the supposed increase in prestige it is proposed to thrust on them. Moreover, there will be confusion in certain districts because there will be district councils as well as road boards. For instance, in Perth we have the Perth Road Board and the Municipal Council. If the clause is carried, there will be the Perth Municipal Council and the Perth District Council. A similar situation will arise in Northam, Narrogin, Wagin, Kalgoorlie, Geraldton, Albany, and Bunbury.

The MINISTER FOR WATER SUPPLIES: This proposal received the approval of the Road Boards Conference of 1926, and was endorsed by the 1928 conference which did not interfere with the previous decision. I fail to see that any confusion will arise. In Perth we have the Council of Industrial Development, the Perth Municipal Council and the Legislative Council. The terms are not thought to be confusing. Since the title of "road board" was first given to local governing bodies, their activities have changed considerably. Some of these authorities are now controlling electric light stations, and the title does not convey the true significance of the work they are doing.

Clause put and passed.

Clauses 3 to 5—agreed to.

Clause 6—Amendment of Section 9:

Mr. FERGUSON: I move an amendment—

That "six" be struck out and "five" inserted in lieu.

Under the Act, if the revenue of a road board falls below £300 it may be abolished. This clause provides that it may be abol-

ished if the revenue falls below £600. The object of my amendment is to ensure that the revenue may be £500 before a board can be abolished. If the clause is left as it is, the Shark Bay and Dundas Road Boards may be dissolved, and there may be others in the State whose revenue in a bad season will fall below £600.

The MINISTER FOR WATER SUPPLIES: I must oppose the amendment. The matter has received careful consideration. There is no danger of a road board being abolished because of a bad season. The Governor would, on the advice of his Ministers, take action only for the best of reasons. In the case of a road district, one-fourth of the revenue is absorbed in administrative costs. The ratepayers put up their money for useful public works, and it is in their interests, sometimes, that one road board should be merged with another in order to save administrative expenses. Boards have been abolished on the goldfields for this reason.

Mr. Sampson: If there is an indication that the revenue will increase as the result of development, there would be no fear of the local authority being abolished.

The MINISTER FOR WATER SUPPLIES: None whatever.

Mr. ANGELO: I support the amendment. We know the Minister is sympathetic in this matter, but he may not always be administering the Act. The income of the Shark Bay Road Board is not £500 and I would therefore favour a minimum of £400 instead of £600. We cannot afford to do without the Shark Bay Road Board.

The Minister for Water Supplies: It is not proposed to abolish it.

Mr. ANGELO: But some other Minister may do so if he has the power.

Mr. BROWN: Apparently all the revenue of the Shark Bay Road Board is eaten up in administrative costs.

Mr. Angelo: They are part-time officials.

Mr. BROWN: I fail to see what good they can be doing, but I will support the amendment.

Mr. FERGUSON: A few years ago officers of the Public Works Department sought to abolish a road board in the Midland area because in their opinion it was too small. They wished it to be merged into the Moora Road Board. Pressure was brought to bear upon the Minister, and the

officials were prevented from carrying out their nefarious designs. There is an instance in which officials of the department have shown that they have their backs up against small boards on the ground that the cost of administration is too high. Some small boards, however, are laws to themselves, and should be left to carry on their operations.

Amendment put and negatived.

Clause 7—agreed to.

Clause 7a—Repeal of Division 3 of Part III. and substitution of new division; Duration of councils:

Mr. DONEY: The paragraph relating to duration of councils is not acceptable. I see no need for any change at present. The adoption of the paragraph would mean dislocation of road board work without any compensating advantage. The present arrangement of triennial elections has proved acceptable; at all events, I have heard no complaints on the subject. At a critical period it would be most undesirable to have an entirely new board. The three-years elections should be retained.

Mr. SAMPSON: The whole of Clause 7a should be struck out. It is the one obnoxious clause of the Bill. Aside from the Minister, it is friendless. Its retention would be a source of weakness and annoyance to all road boards. Numerous letters have reached me urging that the clause be either withdrawn or defeated. The Metropolitan Local Governing Bodies Association on Friday last carried the following resolution:

We are confident that the retirement would seriously interfere with the efficient working of the boards, in that it would destroy the continuity of policy which has hitherto proved so satisfactory; and furthermore we cannot see that any benefit will be derived from the proposed alteration.

Letters from two other boards voice practically the same objection. In ninety-nine cases out of a hundred it would be regrettable if on a catch cry there were an election resulting in the defeat of all the sitting members. Excellent members are prepared to continue to sit, but not to go out and fight an election.

The Minister for Works: That is a hot one! What do they do now? Do not they go up for election now, and cannot there be a catch cry now?

Mr. SAMPSON: Yes, but at present all the members could not be displaced at one election. The Road Boards Association of Western Australia, representing a combination of local governing bodies apart from the metropolitan area, at the last conference, with the 1928 Bill before them, decided that they did not want this revolutionary clause, which introduces a new and a bad principle. I hope the Minister will agree to withdraw the clause; if not, it must be defeated.

Mr. ANGELO: I sent copies of the Bill to the three road boards in my electorate for their comments. They seem quite satisfied with the Bill except as regards this clause, which I have had telegraphic requests to oppose. The boards consider that the effect of the clause would be to create a breach in continuity of effort. The Minister emphasised that the measure was being brought forward at the request of the road boards, but the member for Swan has quoted objections to the Bill from many road boards. I do not regard the measure as revolutionary, as suggested by the member for Swan. Local governing bodies should be run along business lines, and why not adopt business methods? Practically every financial concern and even sporting interests adopt the system of election that exists to-day in connection with our road boards. The Minister should consider the desires of those affected and should not alter the Act against their wishes.

Mr. BROWN: I oppose the clause. The present Act has operated satisfactorily regarding the retirement of a section of the board annually. Nothing will be gained by altering that system, and the majority of ratepayers are not in favour of altering it.

The MINISTER FOR WATER SUPPLIES: Here again we have evidence of the inconsistency displayed by members who have been associated with local governing bodies in different parts of the State. The member for Swan said that the conference of local governing authorities in 1928 decided against triennial elections, but he did not mention that the 1926 conference, after a full discussion, endorsed the principle.

Mr. Sampson: In 1928 they had had time to think it over.

The MINISTER FOR WATER SUPPLIES: In 1928 there was no discussion at all and on a catch vote they decided against the principle.

Mr. Sampson: Delegates had made up their minds for months before they attended the conference.

The Minister for Works: Some of you fellows had got to work on them!

The MINISTER FOR WATER SUPPLIES: The member for Pingelly suggested that the clause would not permit of continuity of policy. That is the trouble with the present system; it does not allow that continuity. Elections have to be held annually, and that prevents any effective continuity of policy. It is for the purpose of achieving that end that the amendment was inserted in the Bill. It will enable a board, when elected, to continue in office for three full years during which they can give effect to their policy. Why should not the local governing authorities be elected on the same basis as a Parliament which is elected once in three years? If road board members do the work of their district as it should be done, there should be no fear of the ratepayers not extending their confidence when they have the opportunity at the triennial election. It is possible that some new blood may be introduced and that may be of advantage. How could there be a continuity of policy if at the end of the first year a third of the members have to retire?

Mr. Brown: A majority of the board will remain to continue the policy.

The MINISTER FOR WATER SUPPLIES: Only by electing a board for three years will continuity of policy be secured.

Mr. FERGUSON: I regret that the Minister is unable to agree to the deletion of the clause. Those who have had experience of road board administration for many years are practically unanimous in their desire to continue the old system. I have a recollection of what happened at the 1926 conference. The present Minister for Works stated it was his wish to see a change, and a prominent member of the association moved a motion in favour of the triennial elections. Before any opportunity to discuss it had been given, the motion was carried. I do not mean to suggest that members voted in the dark: it was before them, put and carried. At the 1928 conference the matter was considered more fully and the decision was arrived at that the change was not in the best interests of those concerned. Wherever I have been in the country districts road board members have

been opposed to this measure. The proposal is merely a fad of the Minister for Works.

Mr. Coverley: Are the ratepayers satisfied?

Mr. FERGUSON: They are the people who are anxious that the present system should be continued. Why not leave well alone? Where has the demand come from for the alterations suggested? There has been none. Why force it on people who do not want it?

Mr. Coverley: There is the demand of common sense.

Mr. FERGUSON: Not at all. This merely represents a fad of the Minister for Works, which the Government are trying to force upon the country districts.

The MINISTER FOR WORKS: The Committee should not run away with the idea that the agricultural areas only are affected by local government. There are local governing authorities in the metropolitan area.

Mr. Sampson: And all are opposed to this amendment.

The MINISTER FOR WORKS: To suggest that there has been no request for any alteration in the system of local government is merely to shut our eyes to the obvious. For many years there has been an agitation with a view to bringing local government matters into closer touch with the people. There is comparatively speaking no interest in local government to-day, and the Bill will create greater interest. How is it possible under existing circumstances for ratepayers to take an interest in local government and how can it be said that boards represent the reflex of the ratepayers' views. What is wrong with the proposal that local governing bodies shall be elected in the same way as Parliament is elected? Is there anything revolutionary or extraordinary in such a suggestion? Member have talked about the necessity for continuity of policy and for ratepayers' views being reflected in the constitution of their boards. How can we constitute a board that will be a true reflex of the ratepayers' views? That is the problem. There may be 90 per cent. of the people of a district opposed to a decision arrived at by a road board on a question vitally affecting the ratepayers. But when it comes to elections, it takes them three years before the ratepayers can remodel the board. Why endeavour to keep that board out of reach of public opinion? Why should we be afraid of having the board controlled

by the people they are supposed to represent? Why should they be placed beyond the control of the ratepayers? This has been asked for over a number of years. The Bill has been on the file of the department for two decades, and during that time has been repeatedly demanded by public bodies. To say that because the members of the boards do not want this reform is equivalent to saying that the electors of this House should not have anything the Legislative Council does not wish them to have. In a Bill like this we must consider the ratepayers. The duty of Parliament is to set up for the local authorities a constitution which will make of them a reflex of the ratepayers. At present it is impossible for the ratepayers to control them. The continuity of a policy adopted by a local authority may be quite in defiance of the wishes of the people, yet the people cannot change it. In local government Western Australia is the most backward country in the world. There is no other country where local government is so undemocratic, so conservative, so limited in its scope, so hemmed in by the cast-iron usage of past ages. We still cling to those old ideas. Why is it that members are afraid to make the local authorities more democratic? Why all this fear of the people expressing their opinion about a local authority? Then consider the views of the member for Swan! As he put it, the local authorities will agree to carry on, but will not agree to go to an election. What an idea! We are to put them there for a lifetime to control the taxpayers' money but the taxpayer is not to say who shall be there. The hon. member should be living in the dark ages. He is a true reflex of the opinion of the cave man. The troglodite is an advance on him; a democrat alongside of the member for Swan! Fancy putting up such ideas in this age! I venture to say there is no other Parliament in the British Empire where such views would be seriously expressed. Whenever I have visited a local authority I have found that if there is one complaint they have to make it is that the people will not take an interest in the work of local authorities. I have tried to arouse that interest, and I am positive that if there were a general election every three years it would create far more interest in the work and there would be keener contests than are possible under our existing system of one-third coming out every 12

months. I know that in many parts of the State it is difficult to get candidates to contest the seats.

Mr. Sampson: Now you are repeating what I said.

The MINISTER FOR WORKS: I am not saying you are always wrong; I only say that you are 99 per cent. wrong. This reform would create greater interest and would bring out additional candidates. That, surely, is a desirable objective. No argument has been put up against it, for any argument against it must necessarily be an argument against the basis upon which we in this House are elected. The only thing said against it has been that members of local authorities are opposed to it. But it has been asked for over and over again, and is most desirable in the interests of the ratepayers, whom we should primarily consider. It must create greater interest in the work of local authorities and it will enable the people to shape the policy of the local board.

Mr. SAMPSON: In ten minutes the Minister has not said anything to convince anybody that this should be carried. He set out to contradict me, and very shortly was contradicting himself. He delivered a conglomeration of illogical inaccuracies and he did not put up a single reason why the clause should be agreed to. He says that because this House has a general election every three years, road boards also should have a general election.

Mr. Ferguson: There is some difference in our remuneration.

Mr. SAMPSON: Yes. The Minister also said that for the last two decades there have been in the Public Works Department requests that members of the local authorities should go to the ratepayers simultaneously. Until a similar Bill was brought down in 1926 I had never heard of that desire, and I am surprised to hear that it has been repeatedly expressed during the last two decades. The Minister is convinced that this will lend added interest to the work of local authorities, and he would have us believe that when they all go out together there will be continuity of policy. I am amazed at such a contention.

Mr. LINDSAY: The trend of the Minister's remarks seemed to be that the existing Act comes between the ratepayers and the local authority. He said the people could not express their views unless the existing

Act were amended. As far as I can see, it is the Bill that will come between the ratepayers and the local authority; for the reason that it will not allow the ratepayers to have a say, except every three years, whereas at present we have an election every year. Some time ago in my electorate there was considerable trouble over the building of a hall. The local authority built it, and there was so much agitation that those members who contested the next elections were defeated. Yet only 12 months later the very people who organised the opposition to the defeated members went and asked them to stand again. The clause provides for an election only once in three years, whereas under the existing Act we have elections annually. So I say the existing Act is more democratic than the clause. I was one of the original members of the first road board in my electorate. Not one member of the board knew anything about local government, and in consequence the administration of the district suffered until we learnt our business. If elections were held every three years and decided on some special question, the district as a whole would be likely to suffer. Under the present system the ratepayers are able to express their views every year, because one-third of the members retire annually. If an election were decided on any particular question, the sitting members would be bound to take notice of the decision; if they did not, the ratepayers would have an opportunity to show their disapproval when another third of the board retired 12 months later. The proposal in the Bill would deprive the ratepayers of the right of expressing their wishes more than once in every three years. The illustration given by the Minister convinces me that the provision is not required. He said that at the 1926 conference of road boards the three years term was agreed to. That motion was passed before anyone quite seemed to realise what had happened, and two years later by an almost unanimous vote, it was disagreed to. I see no reason why this proposal should be brought up every time an amendment of the Act is introduced. There has been no demand for it. The member of a local governing body is more closely in touch with the ratepayers than are members of this Chamber with their constituents. I hope the Minister will reconsider his decision and allow the clause to be deleted.

Mr. ANGELO: The Minister almost convinced me, but not quite. The sum total of his argument is that he fears the ratepayers of a district might not get a fair deal from a small coterie of road board members. What would happen if through unfair methods, a certain coterie were returned as members and within a month or two did something detrimental to the interests of the district? The ratepayers would have to wait for three years before they could get rid of those members, whereas under the present system one-third of them could be got rid of within a year. The present system appeals to me far more than the proposal in the Bill. The Minister argued that because members of this Chamber are elected once in three years, a similar system should be adopted for road boards. Who can say that it would not be better if one-third of us retired every year? The present system has given satisfaction. Road boards are really business bodies, and why not continue a system that is observed by business and financial houses, and by all bodies controlling big interests?

Mr. WITHERS: I do not know that the clause will have any detrimental effect. Members have argued that a small coterie of road board members could not be got rid of for three years. If they were elected under the present system, the full term of three years would have to expire before some of them could be put out. I cannot see that there is much difference between the two systems. I have not heard of any opposition to the Bill.

Mr. Sampson: Your road boards belong to the association, and they do not want the alteration.

Mr. WITHERS: I consider I am within my rights in supporting the clause.

Mr. Sampson: They want the existing system continued.

Mr. WITHERS: I give credit to the men who serve on road boards.

Mr. Ferguson: Why not consider their wishes in this matter?

Mr. WITHERS: I see no reason why I should not support the clause.

Mr. C. P. WANSBROUGH: Undoubtedly there is strong opposition to the proposal. The Minister referred to the difficulty of getting candidates to contest an election once a year. If it were necessary to find 12 members once in every three years, the difficulty would be accentuated. There is no desire on

the part of the association or of individual roads boards for this alteration.

Mr. CHESSON: If elections were held every three years, greater interest would be taken in them. When road board members do their duty they are usually re-elected. The difficulty is to get candidates to offer for election. A general election once every three years is calculated to arouse greater interest and result in the choice of a better board. There is always a certain amount of expense involved in elections.

Mr. Angelo: Not much.

Mr. CHESSON: I have been a road board member for years, and I know something of the expense. Many road boards would favour the triennial election.

Mr. SAMPSON: This is not a party matter. Every local authority, so far as I know, is anxious that the present system should be retained, and that will be secured by rejecting the clause. Every district of any size has a road board, and members should hesitate before flouting the wishes of the people. There is no objection on the part of the Cue and Day Dawn Road Board to continue under the present system and yet the hon. member representing that electorate is supporting the Bill. I am unable to find one individual outside this Chamber who sees any virtue in the measure. Practically every road board in the State was represented at the last conference, and no one supported the present proposal. The weight of public opinion is against the Minister, and he would be wise if he deleted this clause.

The MINISTER FOR WATER SUPPLIES: I fail to see any justification for the opposition to this clause. The Bill gives greater powers to road districts than were ever given before.

The CHAIRMAN: The Minister is not in order in discussing those powers on this clause.

The MINISTER FOR WATER SUPPLIES: At the perennial elections for road boards points will be raised of interest not only to the candidates but the ratepayers themselves. The latter will have the opportunity to decide upon a common line of action, and be in a position to direct their representatives as to what work shall be put in hand and when. The Bill will enable ratepayers to express their desires as they have always wished to do. There is no justification in anything that has been said to-night for the opposition to this clause.

Mr. SAMPSON: The Bill proposes triennial elections. Thus there will be consideration given at three separate periods to estimates during the year. But estimates are considered once a year. Consequently, to say that the three-years period is good from that standpoint is not arguable.

Clause put, and a division taken with the following result:—

Ayes	..	..	..	..	19
Noes	..	..	..	..	10

Majority for 9

AYES.

Mr. Chesson	Mr. McCallum
Mr. Collier	Mr. Millington
Mr. Coverley	Mr. Munro
Mr. Cunningham	Mr. Rowe
Miss Holman	Mr. Sleeman
Mr. Kennedy	Mr. Troy
Mr. Lambert	Mr. Willcock
Mr. Lamond	Mr. Withers
Mr. Lutey	Mr. Wilson
Mr. Marshall	

(Teller.)

NOES.

Mr. Angelo	Mr. Lindsay
Mr. Barnard	Mr. Mann
Mr. Brown	Mr. Sampson
Mr. Doney	Mr. C. P. Wansbrough
Mr. Ferguson	Mr. North

(Teller.)

Clause thus passed.

Clause 7—agreed to.

Clause 8—Amendment of Section 28:

Mr. FERGUSON: This clause refers to the qualifications of members of boards. I move an amendment—

That between the words “and” and “registered,” in line 4, there be inserted “eligible to be.”

Under the amendment, anyone eligible to be registered as an elector will be able to stand for membership of a board. Under the clause as printed, a man whose name had been omitted from the electoral list could not stand for such membership.

Progress reported.

BILL—AGRICULTURAL LANDS PURCHASE ACT AMENDMENT.

Returned from the Council without amendment.

House adjourned at 10.18 p.m.