

that we deemed it advisable to omit. The Victorian motion reads as follows:—

That, inasmuch as the duty of developing the resources of their respective States by means of land settlement, soldier settlement, railway construction, irrigation, and other public works devolves upon State Parliaments, and they are charged with the responsibility of maintaining education and charity systems, and providing for the administration of justice and other services, the financial obligations connected with which will inevitably increase with the growth of population, it is the opinion of this House that no financial scheme can be assented to by the States which does not provide for their receiving from the Commonwealth Government a fixed annual payment of not less than 25s. per head of population.

Our motion makes two slight verbal alterations in the text of the Victorian resolution. Instead of saying "no financial scheme can be assented to" we say "that no financial scheme be assented to"; and instead of "a fixed annual payment of not less than 25s.," we say "an annual payment of not less than 25s." The Victorian resolution proceeds—

That this House is of the opinion that there should be no departure from the basis upon which the financial relations of the Commonwealth and States have rested without the fullest consideration at a constitutional session and the approval of the people at a referendum.

Hon. J. Cornell: Is Mr. Hogan's amendment embodied in that?

The CHIEF SECRETARY: Mr. Hogan's amendment was not carried—

That this House asserts emphatically that the Commonwealth estimates of the value to the States of the fields of taxation to be evaded by the Commonwealth cannot possibly be realised.

That part does not appear in our motion, because it may be regarded as debateable matter and in any case has not much bearing on the question. The Victorian resolution then goes on to say—

That this House considers the Commonwealth proposals will delay necessary reduction of taxation by the Commonwealth Government. On the other hand, the finances of the States will be disorganised, and they will have to revise their whole scheme of direct taxation, the incidence of which will have to be radically changed. That this House is of opinion the burdens of taxation will be increased.

The unanimous acceptance of the foregoing resolution is proof that the question is not regarded from a party standpoint in Victoria. The Premier of that State, as we know, is not a member of the Labour Party, but a member of the Country Party; and though in the Victorian Legislative Council the Labour

Party have very little influence, that House adopted the resolution I have just read.

Hon. G. W. Miles: What about the other States?

The CHIEF SECRETARY: I have no information on that matter. If we had framed the motion ourselves, it might in the opinion of some members be a reason for examining it closely, so as to ascertain whether it was loaded for party purposes; but in view of the fact that all there is in the motion has been assented to by the Victorian Parliament, there can be no ground for suspicion. It should be superfluous to say more on the subject. I hope that Mr. Harris will withdraw his amendment, or that, if he does not withdraw it, the Chamber will reject it.

Amendment put and negatived.

Question put and passed.

## BILLS (2)—FIRST READING.

1, Soldier Land Settlement.

2, Vermin Act Amendment.

Received from Assembly.

*House adjourned at 5.53 p.m.*

## Legislative Assembly,

*Thursday, 26th August, 1926.*

	PAGE
Question: Cave House ... ..	581
Railway facilities 1, Kellberrin Station, 2 Advisory Board's report ... ..	582
Bills: Soldier Land Settlement, 3a. ... ..	582
Vermin Act Amendment, 3a. ... ..	582
Coal Mines Regulations Act Amendment, 2a. Kalgoorlie and Boulder Racing Clubs Act Amendment, 2a. ... ..	585
State Insurance, 2a. ... ..	596
Constitution Act Amendment, 2a. ... ..	598

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

## QUESTION—CAVE HOUSE.

Mr. BARNARD asked the Premier,—In view of the fact that, for a number of years past, the accommodation at the Cave House, Yallingup, has been totally inadequate in

the summer season, and that already the whole of the bedroom accommodation there has been booked for the coming Christmas and New Year, is it his intention to make provision on the next Estimates for additions to the Cave House, the plan for which, it is understood, has been in existence for some years?

The PREMIER replied: This matter will be considered when the Estimates are being prepared.

### QUESTIONS (2)—RAILWAY FACILITIES.

#### *Kellerberrin Station.*

Mr. C. P. WANSBROUGH (for Mr. Griffiths) asked the Minister for Railways: 1, What steps are being taken to bring Kellerberrin railway station up to date in respect of a proper lighting system? 2, Is he aware that little has been done to that station for the past 30 years, during which period the district has advanced considerably. 3, Will something be done to provide a station commensurate with the needs of the town? 4, Will he give consideration to the petition signed by over 200 citizens for an overhead bridge, and take steps to provide for the bridge?

The MINISTER FOR RAILWAYS replied: 1, The question of suitable lighting at Kellerberrin has been gone into, and when funds are available the work will be proceeded with. 2, No. 3, The present station buildings provide for all essential requirements. 4, Consideration has been given to the petition, but there are many more pressing requirements than the provision of an overhead bridge at Kellerberrin.

#### *Advisory Board's Reports.*

Mr. C. P. WANSBROUGH (for Mr. Griffiths) asked the Premier: 1, Is anything being done in regard to the Railway Advisory Board making a report upon the provision of a railway to serve the country between Lake Mollerin and Bullfinch? 2, Has anything been done in regard to a further consideration (as requested by a recent deputation) of the Advisory Board's report upon the Kalkalling railway extension?

The PREMIER replied: 1 and 2, As less than two weeks have elapsed since the deputation, headed by the honourable member, made these requests, the desire for information is premature.

### BILLS (2)—THIRD READING.

- 1, Soldier Land Settlement.
- 2, Vermin Act Amendment.

Transmitted to the Council.

### BILL—COAL MINES REGULATION ACT AMENDMENT.

#### *Second Reading.*

THE MINISTER FOR MINES (Hon. M. F. Troy—Mt. Magnet) [4.37] in moving the second reading said: The Coal Mines Regulation Act came into operation in 1902, and although in the meantime great strides have been made in the development of the industry, and experience has shown that amendments are necessary, this is the first occasion on which an attempt has been made to amend the Act. The Bill provides some important departures from the parent measure. They are rendered necessary because of the experience both of the miners and the employers in the industry. It is provided that no person shall be employed below ground in a mine for more than seven hours during a consecutive period of 24 hours. This principle has been observed in Collie for the last five years, and is embodied in the Arbitration Court's award. It was the custom in England until recently, and the struggle that is now taking place there is due to the desire of the owners to either increase hours or decrease rates. In Collie, fortunately, both parties are of opinion that the most efficient and economical means of working is secured by keeping a man at his task for seven hours a day, but no longer. As this principle has been in operation for the last five years and is embodied in the award of the Arbitration Court, the House can have no objection to its being embodied in legislation. The clause dealing with this principle is not intended to apply to a manager or his deputy or to an engineer, a mechanic, an electrician or a pumper. It is also provided that the term "stratified ironstone," appearing in the parent Act, shall be omitted. It seems that stratified ironstone is provided for in the parent Act because the provision was taken from the English Act. In England stratified ironstone is found in association with coal, and quite frequently it is worked in the same shaft as coal. So the term appears in the English Act, from which the provision in the parent Act was taken.

Moreover, the interpretation of "stratified ironstone" appears in the Mines Regulation Act, an added reason why it should be omitted from this measure. The only place in Western Australia where stratified ironstone occurs is at Yampi Sound, and there of course it is not associated with coal. Section 7 of the parent Act provides that no person in charge of machinery shall work more than eight hours consecutively, but the Bill exempts from the section sinking, pumping, boring and coal-cutting machines used for underground work. Men on boring and coal-cutting machines are restricted to seven hours. The miner himself says that sinking and pumping may require longer hours, and therefore does not desire that the working hours in those occupations shall be restricted. The Bill provides against such restriction. The coal miner at Collie is paid for his labour on the weight of the coal he produces. At Collie, as on other coal fields, this provision has given rise to a good deal of conflict, the miner contending that his coal should be weighed at the pit's mouth.

Hon. G. Taylor: How far away from the pit's mouth is it weighed?

The MINISTER FOR MINES: I cannot say, but at some distance.

Hon. G. Taylor: And the coal falls off between the two points.

The MINISTER FOR MINES: That is so, and of course the miner feels that he is losing the result of his labour. The Bill provides a maximum distance of 200 yards between the pit's mouth and the weighbridge. This distance is not to be exceeded, except with the sanction of the Minister. It is desirable that the weighing of the coal shall be done as close to the pit's mouth as possible.

Hon. G. Taylor: You will have the right to extend that distance if necessary.

The MINISTER FOR MINES: Yes, the Minister may do so if he thinks fit. Section 15 of the principal Act provides that the weights, balances and scales shall be inspected by an inspector under the Weights and Measures Act. It is very difficult for an inspector under the Weights and Measures Act to proceed to Collie whenever he is required to keep a check upon the weighing machines. It is desired by the Bill to appoint an officer to carry out this function

at least once every month when required to do so by the employer or the user.

Hon. G. Taylor: On application from either side.

The MINISTER FOR MINES: The existing parties want an inspector on the spot in case any checking or adjustment of the scales is required. The Railway Department have such an inspector on the spot. He weighs the coal that is sent along to the railways. Under this Bill that officer would be appointed on behalf of the employers and employees in the checking and adjustment of the scales. Section 16 of the principal Act provides that no person shall be employed in a mine in which there are not two separate openings for ingress and egress. It also provides that the second opening shall not be required to be commenced until 12 months after coal has been struck in the first shaft. The limit has been reduced in the Bill to six months. It is held that the development of the Collie field warrants this alteration. It is also provided that the two openings shall be similar in size so as to avoid confusion in times of danger. There will then be no difficulty in the men getting out of the mine in case of accident. The Bill provides for the manager having control of the mine and insists upon his real authority. At present the manager can delegate his authority to any other person. In the case of any noxious gases suddenly making their appearance, it is desirable in the interests of the miners that the manager should be on the spot, and be able to control his own mine. I think both parties at Collie are in agreement in this regard.

Hon. G. Taylor: In the absence of the manager for a week, he would appoint someone to act for him.

The MINISTER FOR MINES: The manager must have a certificate. There would be no difficulty in a man securing the necessary qualification because the board sits every six months, if required. The experience of one manager having only nominal control over a number of mines has proved unsatisfactory. The principal Act provides for the examination of mine managers, under managers and overmen for first and second class certificates. No person shall be entitled to a certificate unless he has had practical experience for at least five years. The Bill provides that the manager must have at least five years of underground experience. That is the important

experience that is required in the working of a coal mine or any other mine. It has been the custom in Western Australia for reputable firms of mining engineers to provide that their managers must have experience in the first place of about two years of underground work before taking on any position of authority. In America the same principle applies. Even millionaires controlling large organisations put their sons through from the lowest phases upwards before giving them any authority. It is desirable in the case of coal mines that those who are appointed as managers should have a practical knowledge of underground work, because that is the important work in mining. At present the accountant can be the manager, provided he passes the necessary examination. It is desirable that we should have as coal miners men who have a knowledge of the industry. Many such persons can easily be obtained in the coal mining districts. It is not desired to make this retrospective, for any person who is certificated will not be interfered with. A new provision in the Bill provides for the control of Sunday labour in mines. It is at present the existing law, because by Section 47 of the Mines Regulation Act, the Sunday labour sections apply to coal mines. It is proposed to repeal Section 47 of the Mines Regulation Act of 1906 wherever provision is made for the application of these regulations to coal mines. Except for the first clause, relating to continuous processes and smelting works, we include in this Bill the conditions of labour obtaining in the Mines Regulation Act. Under the parent Act of 1902 there is no compulsion with regard to providing change houses on the mines or shower baths for the miners. These are already provided in many of our coal mines. I have seen excellent change houses and magnificent bathing accommodation for the men.

Hon. G. Taylor: If any workmen need baths, it is those who work in mines.

The MINISTER FOR MINES: In the case of gold mines, it is compulsory that a man who comes out of a dirty mine, wet as to his body and filthy and slimy as to his clothes, must go into a change house and get into better clothes. That is desirable not only from the health point of view but from the point of view of his self-respect. We want to see this applied universally at

Collie. Provision is made in the Bill that change houses and shower bath equipment shall be compulsory.

Mr. Sampson: A similar provision exists in connection with the lead industry.

The MINISTER FOR MINES: This provision obtains in the Queensland Coal Mines Regulation Act of 1925. If a mine is in such a state of development that the company cannot afford to provide this equipment, the Minister may exempt it if he deems fit, until such time as the company is in a position to provide the necessary facilities. I think no member will object to this provision.

Hon. G. Taylor: The member for Collie does not need to put in a clause relating to the searching of miners.

The MINISTER FOR MINES: Under the Coal Mines Regulation Act of 1902 a boy is defined as a male under the age of 18 years. The practice at Collie is to pay all employees as boys until they reach the age of 19, and this has been accepted by the Arbitration Court. This in no way affects the minimum wage at which boys may be employed, because under Section 5 boys of the age of 14 years may be employed. It does, however, affect the contribution to the accident fund and benefits therefrom, the contributions from the boys and the benefits being half those of a man. Under this Bill we increase the age for a boy to 19.

Hon. G. Taylor: This will bring the boys into line with the provisions accepted by the Arbitration Court.

The MINISTER FOR MINES: Yes. It increases the age limit from 18 to 19. At 19 the boy pays into the fund as a man. It is proposed by the Bill to inaugurate an aged and infirm coal miners' superannuation fund. One-eighth of the moneys collected towards the accident fund will be diverted to this fund. All adult males will contribute to this fund at the rate of 3d. per fortnight, and the owners an amount equivalent to that paid by the miners. This is a wise provision. Parliament ought to encourage the establishment of a fund contributed to by both sides for the sake of aged employees, whether miners or other people. Both parties are in agreement in this regard, but they wish it to be inserted in an Act so that it will be permanent.

Hon. G. Taylor: A sum of 3d. will be contributed by each side.

The MINISTER FOR MINES: Yes. A superannuation fund will be provided for

the old and worn-out miners when they are too old to follow their ordinary occupation.

Hon. G. Taylor: It is a wise provision.

The Premier: It ought to be universal.

The MINISTER FOR MINES: We provide these things for others, but neglect ourselves entirely. There are several amendments to the schedule of the existing Act. The most important of these is the provision that 50 per cent. of the men employed in a mine shall be experienced miners.

Hon. G. Taylor: That means, I suppose, men employed underground.

The MINISTER FOR MINES: In a mine.

The Premier: I think it does.

Mr. Wilson: On the face!

The MINISTER FOR MINES: I am not too sure about it. It is just as well the point was raised. I will look into the matter.

Hon. G. Taylor: It would apply to underground work where the danger is.

The Premier: In a case of that sort we generally say "in, on or about."

The MINISTER FOR MINES: The amending Bill provides that the Governor-in-Council shall make rules for the provision of ambulance and first-aid appliances. That does not appear in the schedule of the existing Act. It also provides that he may make rules for the use of electricity and electrical equipment. A great deal of machinery in operation at Collie is worked by electric power. It is desirable that since no provision was made in the parent Act in this direction the Governor-in-Council should have power by regulation to provide for the use of such power.

Hon. G. Taylor: And its control.

The MINISTER FOR MINES: It is also desirable that the Governor-in-Council should make provision for the care and treatment of animals underground. That is a very necessary authority.

Hon. G. Taylor: Most essential.

The MINISTER FOR MINES: These are the main clauses of the Bill. Members discussed them last session and were in agreement with them. Since the House has not been freshly constituted, I hope the Bill will receive the unanimous endorsement that it received on the last occasion. I move—

That the Bill be now read a second time.

On motion by Hon. G. Taylor, debate adjourned.

## BILL—KALGOORLIE AND BOULDER RACING CLUBS ACT AMENDMENT.

### *Second Reading.*

THE PREMIER (Hon. P. Collier—Boulder) [5.1] in moving the second reading said: This is a very innocent little Bill.

Mr. Sleeman: Something like mine of last session.

The PREMIER: As member for the district, I have been asked by the Boulder Racing Club to introduce the Bill. Therefore it is not a Government or party measure. The special Act under which the Boulder Racing Club carry on provides power for the club to borrow up to a total of £10,000 on the security of their lands and buildings and of the improvements on the course. Any money so borrowed must be applied to improvements of the land by erection of buildings, planting of trees, or improvements of the racecourse. Owing to the decline of sport on the goldfields—

Hon. Sir James Mitchell: Not of sport, but of money.

The PREMIER: Want of money is one of the causes, no doubt.

Hon. Sir James Mitchell: It is not love of sport. They are good sports on the goldfields.

The PREMIER: It is a matter of necessity with many people there just now. The racing clubs of Kalgoorlie and Boulder have found great difficulty in carrying on during recent years. They have been enabled to get round only by the comparatively small profits made from their annual meetings. Accordingly the Boulder club desire to have Section 26 of the principal Act amended so as to empower them to borrow money for purposes other than those now set out. They desire, as the Bill indicates, power to borrow money for the purpose of maintaining and controlling their racecourse, carrying on racing thereon, and providing stakes or prize money, and for other incidental purposes.

Hon. G. Taylor: That is almost unlimited power.

The PREMIER: Practically. For two or three years past citizens of Boulder have advanced to the club the money necessary for making preliminary arrangements for the annual meeting, and of course the advance has been made without any security whatever. The person so lending has no security of any kind. Accordingly the club desire to widen the purposes for which money may be borrowed, so that security

can be given. I see no objection to that. If a person is prepared to take the risk of advancing a few hundreds to the club each year to enable them to carry on—

Hon. G. Taylor: He will take a first mortgage.

The PREMIER: A first mortgage may exist already. However, he will take a mortgage. The club will be able to give some form of security if this Bill passes. The racing clubs on the goldfields, like many institutions there, have struck difficult times; and it can hardly be expected that private citizens should take the risk of advancing money without security from year to year to enable racing to be carried on. I do not think the House will have any objection to the Bill.

Mr. Teesdale: We were hoping you wanted more racing dates.

The PREMIER: I fear the racing dates now obtaining will have to be curtailed. The trouble on the goldfields at present is that the existing number of racing dates can scarcely be maintained, while if the number is reduced, it would not pay those associated with racing to carry on at all. Both the Kalgoorlie and the Boulder clubs carry on under the authority of the same Act, but this Bill applies only to the Boulder club.

Hon. G. Taylor: Are the Kalgoorlie club satisfied with the Bill?

The PREMIER: The Kalgoorlie club have not approached me at all.

Hon. G. Taylor: Will not the Bill put the Kalgoorlie club on the same footing as the Boulder club?

The PREMIER: I cannot say. I move—

That the Bill be now read a second time.

On motion by Mr. Sleeman, debate adjourned.

## BILL—STATE INSURANCE.

### *Second Reading.*

**THE PREMIER** (Hon. P. Collier—Boulder) [5.9] in moving the second reading said: This is another small Bill which I hope will meet with the approval of the House.

Hon. G. Taylor: I am rather doubtful.

The PREMIER: I am sure that when hon. members have had an opportunity of studying the Bill, they will not find so much to oppose in it as they anticipate.

Hon. G. Taylor: Let us hope so.

The PREMIER: The Bill provides that there shall be established a Government insurance office for the purpose, let me say at once, of carrying on workers' compensation insurance business. The Bill is not what might be termed a comprehensive State Insurance Bill; that is to say, a Bill contemplating fire, life, and general insurance. This measure is confined solely to the purpose of establishing a State insurance office for workers' compensation insurance business only.

Mr. Mann: It is just the thin end of the wedge.

The PREMIER: The question whether the wedge shall be further driven in will depend entirely upon this or some other Parliament.

Hon. G. Taylor: And upon the success of the scheme.

The PREMIER: Yes. It may be that the experience we shall gain from the operation of this measure will justify Parliament in going further. In that respect, however, we should not be plunging a field that has not already been ploughed by other communities. The business is to be controlled by an officer appointed by the Governor, and his term of office will be seven years. There are the usual machinery clauses. Of the two principles contained in the Bill—and there are only two—one is that workers' compensation insurance business shall become a State monopoly. That form of insurance is to be entirely restricted to the State office. That, in fact, is the Bill. The other principle is to ratify existing policies and insurances which have been effected with the Government during the past few months. There may be some difference of opinion as to the Government's action in establishing an office for the conduct of workers' compensation insurance business, but I do not think I need traverse the ground which was covered by the Minister for Works in the debate on the Address-in-reply. The position is fairly well known to members and to the people. When the Government undertook the work of insuring men affected by the proclamation of the Schedule to the Workers' Compensation Act, men engaged in the mining industry, there was really no alternative. At that stage the Government had no desire whatever to embark upon State insurance. It was only when we were faced with the position of the insurance companies declining to do the business under any conditions, that we did embark upon

State insurance. It was done as a last resource, when we had exhausted every possibility of the insurance being effected by the private companies. Whatever may be said as to the legality of the Government's action, it must be admitted that no precipitate action was taken. We were faced with the alternatives of denying to the large body of men concerned the benefits to which Parliament had declared they should be entitled under the Workers' Compensation Act, or else of affording them insurance through the State.

Hon. G. Taylor: The Workers' Compensation Act did not indicate that you were going to do this.

The PREMIER: No; but that Act made insurance compulsory. It is a pity that the Act did not contain such a provision as the hon. member interjecting has indicated. When an Act makes insurance compulsory, the State should make provision enabling employers to effect insurance if private companies will not do the business. A State insurance office is a necessary corollary of compulsory insurance. The object of compulsory insurance in this case, of course, is to provide that workmen when injured shall receive compensation. That, of course, cannot be guaranteed if it is left entirely to the employers. As Parliament declared that insurance was to be compulsory, it is not fair to leave the employers stranded high and dry, as it were. They are willing and anxious to comply with the provisions of the Workers' Compensation Act. It was because no private insurance company was willing to take the risk, which left the employers without any provision enabling them to effect their insurances, that this position was forced upon the Government. It was necessary to either establish a State insurance office or to allow the provisions of the Workers' Compensation Act to remain a dead letter.

Mr. Davy: There was an alternative. The employers could have been allowed to carry their risks themselves, as in the past.

The PREMIER: And that, of course, would have defeated the very objects of compulsory insurance. Why did we make insurance compulsory? It was merely to make sure that if a workman were injured, he would be able to recover compensation. There are employers in this country who may be men of straw, and when a worker made a claim upon such employers, the

latter would not be in a position to meet their responsibilities.

Mr. Davy: Quite so. That is why we agreed to compulsory insurance.

The PREMIER: But the hon. member asks why the Government did not allow the companies to take their own risks! The effect of that would be to leave many workers without any redress. That was not what was intended.

Mr. Davy: But you could allow employers to carry their own risks.

The PREMIER: Does the hon. member know that there is one mining company only in this State that would be in a position to meet its own obligations and to carry its own risks? Nearly all the mines are carrying on at a loss, and if claims were made upon those companies they could not be met. Thus the workmen would be left without any possibility of recovering compensation. Let hon. members consider the position of the Golden Horseshoe mine. For nine months that mine carried on with Government assistance only. They had about 400 men at work. What would be the use of allowing that company to accept their own risks?

Mr. Davy: The premiums would have to be paid just the same.

The PREMIER: To whom?

Mr. Davy: That does not matter. The point is that if they accepted their own risks, the companies would pay in a little often, instead of a lot on occasions.

The PREMIER: But to whom would the premiums be paid?

Mr. Davy: The companies could cover themselves in effecting their own risks.

Hon. G. Taylor: By putting something aside each year?

The PREMIER: What the member for West Perth (Mr. Davy) means, I take it, is that they would set aside portion of their funds as premiums, which should be sufficient to cover the risk.

Mr. Davy: Precisely.

The PREMIER: The hon. member knows that when insurance companies have only just started business, they are often landed in difficulties. How can a company that has not carried risks previously and has not had an opportunity to build up a reserve fund in years gone by—it may not have a shilling in hand at the time—be asked to accept such risks?

Hon. G. Taylor: If we had had compulsory insurance 20 years ago, the position would have been different.

The PREMIER: Of course. If the Government had not established the State Insurance Department, the companies would have had to take the risk.

Mr. Davy: Yes.

The PREMIER: But then we would have left the workers concerned in the hands of companies that are practically insolvent! They would not be in a position to make payments if claims were made upon them. If the position of the gold mines was such as existed 20 years, or even 10 years ago, when the companies were in a sound financial position, the situation would have been different. To-day, with the exception of one mine on the goldfields, not one would have been able to carry on if the matter had been left to them. What would have happened if a claim had been made upon the Golden Horseshoe mine? The representatives of that mine would have come to the Government for funds with which to meet the liability! That applies equally to practically all the mines in Western Australia, with the exception of one or two. We felt, therefore, that the Government, having due regard for the rights of the workers under the Workers' Compensation Act, would have to take action. What prompted Parliament to make insurance compulsory was the fact that workers would then be able to secure their payments if claims were made. In the circumstances confronting the Government, there was no other means by which the men could be guaranteed their compensation payments unless the State did the work itself. The mining companies would have been left absolutely unprotected, unless the Government undertook the business. It may be suggested that the Government could have told the companies that they could cover themselves and the Government would meet claims that were made upon them. But that would have amounted to State insurance just the same! Surely it is better to come out into the open and do the business direct, than for the Government to stand behind the companies and find the money to meet claims because the companies were not in a financial position enabling them to do so. In the circumstances, it will be conceded that the Government had no alternative other than to establish State insurance. We exhausted every possibility of avoiding the establishment of a State Insurance Department at

the time. Negotiations were carried on between the Minister for Works and the insurance companies over a period of months. The Government had decided to proclaim the section concerned in the Workers' Compensation Act many months before. At that time we were under the impression that the companies would accept the risks because the negotiations were still in progress. I do not find fault with the insurance companies nor yet do I blame them for not taking the business. That is their concern. If the companies felt that they had not sufficient information to enable them to take the risks, well and good, but if the companies, for reasons good and sufficient for themselves, could not see their way clear to undertake the risk, that was not sufficient justification for the Government sitting idly down and refraining from giving the men the benefits of an Act that Parliament declared they should have. That was the position in which we found ourselves.

Hon. G. Taylor: You mean really that if compulsory insurance is right, it is right for the Government to make provision to meet it?

The PREMIER: That is so. It is a great pity that that provision was not included in the Act itself. In some countries the provision is not included in a separate measure, as we are proposing, but is included in the Workers' Compensation Act. That applies in Victoria.

Mr. Davy: But there is no State monopoly in Victoria.

The PREMIER: That is so.

Mr. Davy: Or in New Zealand either.

The PREMIER: I am coming to that. At the same time, if Parliament decides upon compulsory insurance, it is a necessary corollary that the Government shall make provision for State insurance. Whether it should be a monopoly or not, is an entirely different question. At least facilities should be available to the employers, enabling them to effect their insurances. I believe that a State monopoly of insurance business can be justified. It should be admitted that the business should not be carried on for the purpose of making profits. Where people have insured against accident or death and where the lives of individuals are concerned, the insurance business should be carried on merely to enable the payments necessary to be made, quite apart from the profit-making aspect. I think I am justified in saying from the experience in other countries that a State



insurance monopoly would mean a considerable reduction in the cost of insurance to the employers of Western Australia and a much lower premium rate.

Hon. G. Taylor: Because the State would manage the business better?

The PREMIER: The cost of insurance to-day is out of all proportion to what it ought to be. This is due to the competition for business and the number of insurance companies operating in the State. The duplication of the companies means increased expenditure in many directions. If this form of insurance business were a State monopoly, the costs would be cut down to a minimum. We have Government officers and offices in most parts of the State and the business could be done by those officials in conjunction with their present duties. That would mean there would be no necessity for a large staff or for heavy expenditure.

Mr. Davy: You suggest that this is the exception that proves the rule regarding State enterprises—

The PREMIER: I believe this work should be the first undertaken by a Government. They should make State insurance a monopoly.

Hon. G. Taylor: I am with you there.

The PREMIER: If Government business concerns are justified in any direction, it is in the insurance business.

Hon. G. Taylor: It is indeed.

The PREMIER: That is the position in Western Australia.

Mr. Davy: The insurance business was invented by private enterprise; it would never have been invented by any Government.

The PREMIER: Of course the business was invented by private enterprise, but, as in so many other directions, present-day civilisation has outgrown conditions that were good enough centuries ago.

Hon. G. Taylor: Private enterprise compelled you to regulate various activities.

The PREMIER: Private enterprise may have started activities, but we have merely to look round the world to-day and see the enormous extent to which Governments have had to perform functions and duties that previously were considered to be the sole function or duty of private enterprise.

Mr. Davy: We think that is a very bad tendency.

The Minister for Lands: Is it worse than some commercial enterprises?

The PREMIER: It may be as the member for West Perth (Mr. Davy) suggests, that

sometimes and in some countries the State interferes with what are considered to be the special domains for private enterprise. It may be, as he suggests, that such actions are taken without sufficient justification. In this instance, however, I believe that the undertaking of insurance business is an obligation we, as a Government, should have undertaken first.

Hon. G. Taylor: There is no doubt you can put up a good case for State insurance.

The PREMIER: Yes. To-day we have companies spending large sums of money and expending much energy in the competition for insurance business. In Western Australia, with our small population, we have 66 companies operating!

Mr. Davy: Including life assurance companies.

The PREMIER: Yes, including all forms of insurance companies. Here we have 66 companies as against 35 companies in New Zealand where there is a population of 1,250,000 people!

Mr. Mann: Is it not better to have those companies operating here, instead of having their head offices in Melbourne and merely agents representing the companies here?

The PREMIER: Does the hon. member know that of the 66 companies operating here, there is only one local insurance company?

Mr. Mann: But the companies have a full staff of employees here to conduct their businesses.

The PREMIER: There is only one Western Australian insurance office. The others are foreign and their profits go out of the State.

Mr. Mann: But they are operating here with full staffs.

Mr. Davy: All insurance companies belong to the world and not to one particular locality.

The PREMIER: For the most part that is so. Some are confined to States.

Mr. Davy: Very few. They generally extend their business as soon as they can.

The PREMIER: We have 66 insurance companies with separate offices, with their staffs, with their agents and with their travellers.

Mr. Stubbs: They are circulating a lot of money.

The PREMIER: But they first take it from the hon. member, from me and from other people, and it is money that we could

circulate just as well if it were left in our own pockets. The only money they circulate is what they take from the people.

Mr. Davy: Of course that is their business.

The PREMIER: That is my reply to the hon. member's interjection. Those companies are not here for the good of their health.

Mr. Stubbs: They employ a lot of labour.

The PREMIER: If they employ a lot of labour with the funds they take from the people who pay the premiums, could not the people pay for the labour if the profits were left in their own pockets? It is possible to employ labour by digging holes and filling them up again.

Mr. Stubbs: If your argument is sound, everything should be run by the State.

The PREMIER: Not at all; there are probably a hundred and one things that should not be run by the State. The hon. member is not going to lead me from the particular to the general. The fact of my supporting Government action in this instance does not mean that I favour such action generally. Here we have 66 insurance companies. Look at the enormous loss involved through the duplication of agents scouring the country in motor cars at the same time. All that unnecessary cost must be loaded on to the people who effect insurances.

Mr. Mann: You could apply that to everything, including bakers' shops.

The PREMIER: It is true of bakers' shops.

Mr. Mann: And to milk rounds.

The PREMIER: It applies to milk rounds. That was pointed out by the Royal Commission who sat a year or two ago.

Mr. Davy: Wherever there is competition there is waste.

The PREMIER: That is so.

Hon. G. Taylor: I find at election time that competition means waste.

The PREMIER: If there were one office doing this business, with facilities throughout the State for people to effect insurance, does it not follow there would be an enormous reduction in the cost as against having 66 different offices, sub-managers, chief clerks, typists, agents and travellers? Does it not follow that the cost for all this organisation must be loaded on to the premiums?

Mr. North: This Bill will not affect that.

The PREMIER: It will as regards the Workers' Compensation Act.

Hon. G. Taylor: And that is all?

Mr. Davy: I should think that would be one-third of their business.

The PREMIER: The only thing Parliament should be concerned about is to see that since insurance is compulsory, provision is made to enable people to comply with the compulsory sections and effect insurance, and we should make provision for insurance being effected at the lowest possible cost. It is not necessary to have so many offices, an army of employees in the city and many agents travelling around the country. We have 66 offices in this State as against 35 in New Zealand, and I venture to say the disproportion between the number operating here and there is due to the fact that for the past two decades there has been Government insurance in New Zealand.

Mr. Davy: All the 66 offices here are not doing this class of business.

The PREMIER: I am aware of that.

Mr. Davy: You are including the A.M.P., the N.M.L., etc.

Mr. Mann: Companies open branches here with an eye to the future.

The PREMIER: Of course they do, but they establish branches here only when they are satisfied that branches will pay.

Mr. Mann: Either now or in the future.

The PREMIER: Yes. Parliament should have concern for no interests except those of the people who have to effect insurance. There should be no concern for the interests of the insurance companies. The people who pay the premiums, I feel sure, will regard it from that point of view only.

Hon. G. Taylor: If this Bill be carried, I hope you will not fight every case as the companies do.

The PREMIER: That is another feature.

Hon. G. Taylor: It is one of the damning features.

The PREMIER: Let me give some information of the operations of this particular form of insurance in Western Australia. In the three years 1923 to 1925 the total revenue from premiums and interest amounted to £337,193. The losses—in other words the claims paid—amounted to £170,874. The expenditure was £123,305 or 36.6 per cent. of the revenue.

Mr. Stubbs: The State did not lose anything by that.

The PREMIER: Cannot the hon. member see that if the people paid by way of

premiums £337,000 and 36 per cent. of the amount went in managerial expenses, it would permit of lower premiums being charged if the expenses were only 10 per cent. of the premiums?

Mr. Stubbs: If you carry that argument to its logical conclusion, it is a reason why every company engaged in that business should be shut up and the Government should run the lot.

The PREMIER: It is no such thing.

Mr. Stubbs: That is the way it appeals to me.

The PREMIER: Then I am sorry for the hon. member. Does he think it makes no difference to the people effecting insurance whether they pay a premium of £5 or £10 a year? I contend that it makes a vast difference.

Mr. Mann: Have you any authority to show that 36 per cent. is excessive for carrying on the business?

The PREMIER: I shall be able to show it is excessive in comparison with the percentage of expenses in States where insurance is undertaken by the Government. The figures I have quoted cover the last three years and deal with insurance similar to that contemplated by this Bill. Taking all forms of insurance during the last three years, the total premiums and interest amounted to £2,261,499.

Hon. G. Taylor: That amount includes the figures you quoted previously?

The PREMIER: Yes. The claims paid amounted to £851,074. The administrative costs totalled £949,521, so that the expenses exceeded the claims paid. The percentage of expenses to revenue was 42 per cent.

Hon. G. Taylor: Have you any idea of the cost of fighting claims at law?

The PREMIER: I shall give that later. Members will realise that all this money has to be paid by the people who effect insurance. That is why premiums are so high; they are so much higher than they ought to be because of the enormous administrative expenses. How could it be otherwise with all the expenses of keeping up so many offices, and with all the competition of travellers racing each other through the country in order to get ahead of competitors? Let me now quote the expenses of the I.A.B. No doubt the member for Wagin will ask how that will benefit the people.

Hon. G. Taylor: That is a sore point with him. He knows something about it.

Mr. Stubbs: I ought to.

The PREMIER: Members are aware that the I.A.B. do nearly all the work necessary for effecting their clients' insurances, and are paid a commission for it. In 1919-20 the premiums paid for fire insurance only—not insurance against hail—amounted to £17,929, in respect of which the board collected £2,685 by way of commission. The I.A.B., during their 11 years' existence, have paid to insurance companies for their farmer clients premiums for insurance against fire and hail to the amount of £245,330—

Mr. Stubbs: No wonder I did not get a dividend.

The PREMIER: And the losses paid by the companies amounted to £102,993, leaving a profit of £140,337. Had the State been taking that risk a considerable proportion of the £140,000 which was the profit made by the companies, would have remained in the pockets of the farmers because of the lower premiums.

Mr. Davy: That amount is the difference between claims and premiums; that is not profit.

The PREMIER: There were other expenses, because the companies were competing for the business one with the other. What benefit was it to the farmers to have a number of companies soliciting business? If the State had been effecting its own insurance, this amount of money, or the major portion of the huge sum of £140,000, would have remained in the pockets of the farmers.

Hon. G. Taylor: And the farmers would have grumbled just the same.

The PREMIER: This is where the people come in, and what is true of the experience of the Industries Assistance Board is true of insurance generally. Because of the high administrative cost high premiums are charged and the people pay those high premiums. Here we have figures to show it. These figures were not prepared by me; they are the figures of the Industries Assistance Board supplied to me.

Mr. C. P. Wansbrough: You propose to compel the Industries Assistance Board farmers to insure?

The PREMIER: Yes. I noticed that a section of the Press is very much concerned about the position of the poor farmers.

Mr. C. P. Wansbrough: A number of those who are under the Industries Assistance Board are also members of a co-opera-

tive institution of their own, shareholders in it.

The PREMIER: I wonder whether they get any dividends?

Mr. C. P. Wansbrough: It does not matter whether or not they get dividends.

The PREMIER: I can assure the hon. member that State insurance can be effected more cheaply because the Industries Assistance Board does the major portion of the insurance work for the companies. In the last 11 years the board has drawn in commission from the companies, for work done, no less than £23,932. In 1920 the commission was £2,995. In the next year £3,199, and in the various years since then £2,149, £2,519, £3,667, £5,231, and £4,212—all commission for work done for the companies.

Mr. Lindsay: The local agent gets 20 per cent. and I take it that is what the Industries Assistance Board gets.

The PREMIER: It might be argued that the State will so mismanage the business, or that State control will be so inefficient that there will be no reduction in premiums, and that private enterprise will do the work more economically and more efficiently. It might also be argued that the usual methods of control in Government-run institutions would be such that there would be no reduction in premiums.

Mr. C. P. Wansbrough: That has been borne out by the operations of the existing State trading concerns.

The PREMIER: The hon. member will surely see the difference between this and other trading concerns. In 1913, under the administration of the Government Actuary, the Workers' Compensation Fund was established to give benefits provided by the Workers' Compensation Act. That fund covers every risk. When it was started, no advance was made to it by the Treasury. It had to rely solely on the premiums paid by the various departments—it started without capital. The rates charged were in a majority of cases half the amount charged by the insurance companies. That is proved by the tariff rates published by the Accident Underwriters' Association in operation in 1913. Since that year, the tariff rates of the companies have been increased on at least two occasions, while the rates charged by the Workers' Compensation Fund were increased only once. A few years prior to this increase, an all-round reduction of approximately 30 per cent. was made in the Fund's rates, and

at the present time many of the rates charged to Government departments are only one-third of the Underwriters' rates for the same class of risk. Up to the 30th June, 1925, the Fund received in premiums £211,490 and it paid in claims £150,627. Commencing with no reserve or Treasury advance, a fund of £50,000 was built up and at the end of each year any balance above this amount has been paid into revenue. Altogether the revenue of the State has benefited to the extent of £12,300.

Mr. Stubbs: Are the present rates half those of the insurance companies?

The PREMIER: They were reduced to one-half at the start and at the present time many of the rates charged the Government departments are one-third of those charged by the Underwriters for the same class of risk. Starting without any capital at all the rates have been reduced in the manner I have indicated, a fund of £50,000 has been created and over £12,000 has been paid into revenue.

Mr. Stubbs: Is the cost of administration taken out of the premiums?

The PREMIER: Partly. If the Government can carry out insurance for the people, is it not better that they should do so? I contend that Parliament should have one concern only, and that is, the interests of the people who have to effect insurances. I have given the experience of the Industries Assistance Board for 11 years and I have quoted the result of the operations of the Workers' Compensation Fund since its inception.

Mr. Stubbs: You have no rates to pay, taxation or rent.

The PREMIER: That applies to every thing.

Mr. Stubbs: It should not account for the difference; I admit that.

Mr. Davy: Do you say that no consideration should be shown to any person established in the business, but that consideration should only be shown to the customers?

The PREMIER: I do not know that I said that. I am arguing that it is a sound principle to have a State monopoly for this class of business. We can eliminate all unnecessary waste—men running around the country competing for business and building up expenditure. These men would be better employed tilling the land or engaged in some productive industry.

Mr. Davy: And so would the people around the racecourses.

The PREMIER: I have referred to unnecessary waste.

Mr. Davy: So is the other unnecessary.

The PREMIER: The hon. member says that it would be better for the country if the insurances effected with the Industries Assistance Board had been taken out with the companies. If that had been done, there would have been no found of £50,000 built up and no £12,000 paid into the Treasury. This is what the Workers' Homes Board reports on the subject of insurance—

The board at present only collects premiums on workers' dwellings erected under Part 3 of the Act and numbering 233. The premiums collected last year amounted to £285. The total premiums collected over 12 years under Part 3, plus annual interest accretions allowed by the Treasury, amount to £4,181. These were the figures on the 30th June last.

The amount is small because the dwellings numbered only 233.

The collecting of premiums under Part 3 commenced in July, 1914, 12 years ago. No claims for fire damage have been paid to date in respect of dwellings under Part 3.

So that in 12 years the premiums collected amounted to £4,181 and not a shilling was paid out in claims.

Mr. Davy: Does that not argue that the State figures should have been taken out over a longer period, or over a bigger area? The argument is that the workmen have been wasting their money in order to insure. Where are you going to draw the line?

The PREMIER: I cannot take any longer period. Allowing for all contingencies there is still an enormous margin between the premiums and the claims paid out.

Mr. Stubbs: But provision must be made for huge fires that sometimes occur, and sweep away a whole city. It has happened hundreds of times in the world's history, and will happen again.

The PREMIER: With regard to workers' homes. I do not know that a huge fire would have the effect the hon. member fears. Neither do I think that if a fire started in the hon. member's district of Wagin, it would find its way along the whole of the country to Pingelly. I cannot understand why any hon. member stands up for the companies and the enormous profits they make. It will probably be argued in the course of the debate that the profits will not be high because of enormous administrative costs.

Mr. C. P. Wansbrough: You overlook the fact that the private companies are taking a risk for which you will make no provision.

The Minister for Lands: What are you talking about?

Mr. C. P. Wansbrough: You will not give them information as to what the risk is.

The PREMIER: That is all bunkum!

Mr. C. P. Wansbrough: You won't give it to them.

Several members interjected.

Mr. SPEAKER: Order!

The PREMIER: The member for Beverley (Mr. C. P. Wansbrough) reminds me of the farmer who went to Sydney on a holiday. An agent met him and invited him into the saloon bar of an hotel and shouted for him. While they were having their drink another agent came in and was introduced to the farmer as his super agent. Another agent came in and he was introduced as the farmer's machinery agent. So it went on until 12 agents had been introduced to the farmer as his agents. Each one of them was living on the farmer.

Mr. C. P. Wansbrough: But you forget that the farmers here own their own insurance company and you are interfering with it.

The Minister for Lands: We do our own insurance for the Industries Assistance Board.

The PREMIER: The member for Beverley reminds me of that Sydney farmer.

Hon. W. D. Johnson: How did the cocky get on? Did he get 12 drinks out of it?

The PREMIER: I do not think he did. At any rate, that was a delightful picture to paint of 12 agents surrounding one farmer, each claiming to be his friend, and yet he was carrying them all on his back.

Mr. C. P. Wansbrough: But the farmer has his own agents now.

The PREMIER: The Sydney cocky was told that without those agents he could not get on, but would have to leave the land.

Mr. C. P. Wansbrough: That might apply to the old days, but now the farmers have their own agents.

The Minister for Lands: Some of them.

Mr. C. P. Wansbrough: They have their own company to insure with.

Mr. SPEAKER: Order!

The Minister for Lands: Some of them have.

Several members interjected.

The PREMIER: I may have an opportunity of continuing soon.

Mr. SPEAKER: Order! I have called upon the member for Beverley several times to keep order and I hope I shall not have to take any other steps. I hope hon. members will remain silent while the Premier is speaking.

The PREMIER: I do not ask that hon. members shall be absolutely silent, but—

Mr. SPEAKER: That is not the point, Mr. Premier. The House has the right to listen in silence during the course of a debate, which should not be interfered with by constant interjections. I hope I shall not have to remind the member for Beverley on that point again.

The PREMIER: Personally, I do not ask for silence, for I would not like to impose such a strain upon the patience of hon. members.

Mr. Davy: If they were silent you would not appreciate it much.

The PREMIER: I have dealt with Part III. of the Workers' Homes Act dealing with leasehold properties. I will now deal with the position under Part IV. of the Act, which refers to advances on freehold properties. The statement shows that the total premiums payable this year on 1,285 securities amount to £2,144. Assuming that amount as a fair average maximum annual premium sum, the total sum payable over the 11 years—that is the period the board has been in existence—would be £23,590 in round figures. Assuming the annual sum of £2,144 had been paid into the Treasury similarly as under Part III., and interest allowed on such annual payments, the gross amount would have been £29,675 during the 11 years. The claims payable for fire destruction under Part IV. have been extremely rare. No record of claims payable under Part IV. by insurance companies has been kept, but, speaking from memory only, there has been but one complete loss that can be recalled by the officials. There were minor cases, but it is considered that £2,000 would cover easily all the fire damage that has been recorded under Part IV. of the Act to date. Thus, £29,000 has been paid in and £2,000 paid out in 11 years.

Mr. Panton: And there are a number of wooden houses that come under that part of the Act.

The PREMIER: That is so. The following, therefore, is the approximate position:—

	£	£
Funds available, Part III. . . .		4,182
Gross premiums, Part IV. . . .	29,675	
Less losses, say, . . . .	2,000	
	<u>27,675</u>	
Total profit . . . .		<u>£31,857</u>

There would be a very moderate amount offsetting these figures to provide for working expenses. This is estimated by the departmental officials at £500 per annum, leaving a net surplus, on the basis of 11 years, of £26,357. That is on a comparatively small amount only affecting about 1,500 small cottages, many of them wooden buildings. Coming to the war service homes, which represent a Commonwealth work, I will quote from the War Service Homes Commission's annual report for 1925. The report shows that the receipts and expenditure respecting the war service homes insurance account were:—Receipts, £25,399; expenditure, £6,918; balance, £18,481. The total annual premiums payable to the Commission as at the 30th June, 1925, amounted to £31,678. The total premium income for the Commonwealth to the same date was £113,624. The total claims and expenditure to that date amounted to £39,041, leaving a surplus of £74,583. I think I have shown by those figures, which have been furnished as a result of experience—I have not been dealing with speculations as to what might have happened in another State enterprise—how the position stands regarding the Industries Assistance Board, the Workers' Homes Board, the Commonwealth War Service Homes Board, and the Government's General Insurance Fund. The figures speak for themselves.

Hon. G. Taylor: So you are not afraid of opposition?

The PREMIER: No. That has been our experience. Now I will turn to other States where Government insurance has been carried on. We will go to New Zealand, where a general comprehensive Insurance Act has been in existence for many years. It was brought in long before the advent of Labour Governments either there on in Australia. Thus, it will be seen that Governments other than Labour Administrations considered many years ago that insurance work was a legitimate and essential func-

tion of government in the interests of the general community. State accident insurance business was commenced in New Zealand in 1901, mainly to transact workers' compensation business. The funds at the end of 1924 totalled £38,538, and the reserve fund £115,020. For the last five years, 1920-1924, the premiums totalled £176,731, and the claims £99,257, leaving a surplus of over £77,000. In New Zealand the State fire insurance operations commenced with an advance of £2,000 from the Treasury. In the first year there was an income of £13,135 and a net surplus of £481. The progress of the office may be gauged from the figures for 1924, which show an income of £190,300, and assets of over £530,000.

Mr. Stubbs: In how many years?

The PREMIER: Since 1901. In 1923 the State fire office declared a rebate to policy holders of 15 per cent. of the premiums. Have hon. members heard of a private insurance company in Western Australia having given a rebate? Have they ever known of a private company considering the premiums paid excessive, and handing back a rebate of 15 per cent.?

Mr. Sampson: The Chamber of Manufacturers' insurance department hand back rebates.

The PREMIER: Because they are doing their own insurance. That is a co-operative movement, and is not a private concern.

Mr. Sampson: But they hand it back.

The PREMIER: Of course they do. Insurance done in that way can be done at a rate lower than the private companies charge. Had the Chamber of Manufactures placed their business in the hands of private insurance companies, there would have been no rebate!

Mr. Sampson: Will your proposal interfere with the Chamber's insurance work?

The PREMIER: I do not know what their work is. I do not know, therefore, what effect the Bill may have in that direction. Returning to the New Zealand activities, I find that, not content with the rebates to policy holders of 15 per cent. of the premiums in 1923, another rebate of 10 per cent. was made in the following year. As a consequence of the operations of the State fire insurance office there, the rates on trade risks and the like have been reduced by 10 per cent., and those on dwellings, offices, etc., by 33½ per cent. These reductions, with the institution of the rebate system,

have saved the insuring public in New Zealand at least £4,000,000 in the last 20 years. Now we understand why there are only 35 private insurance companies in New Zealand.

Mr. Lindsay: The private companies have had to reduce their rates in order to compete with the State?

The PREMIER: Of course they have. It may be taken that, had it not been for the establishment of State insurance in New Zealand, the rates would not have come down. Is it not well known—I do not say it offensively—that the insurance companies have a ring?

Mr. Stubbs: Their caucus!

The PREMIER: Yes, the Underwriters' Association. The companies have to accept the rates fixed by the association or go without insurance business. Of course, if companies were able to fix their own rates, they would be able to show substantial profits. However, the gross surplus shown by the operations in New Zealand in 1924, after paying losses and working expenses, was £76,829, and the total accumulated profits at the close of 1924, £412,978.

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

The PREMIER: Before tea I was quoting from the results of Government insurance in New Zealand over a long period of years. I might repeat that in consequence of the existence of Government insurance in that country the rates have been considerably reduced, and the result has been a saving of the huge sum of £4,000,000 in the course of 20 years.

Hon. Sir James Mitchell: Have you got the New Zealand rates?

The PREMIER: Yes, but I have not quoted them. I have given instances showing that the Government rates in New Zealand were so much lower than the rates charged by the companies. Moreover, notwithstanding that the Government rates have been lower than the companies' rates, it is safe to assume the charges that have been made by the companies would have been higher still but for the existence of Government insurance. We know that insurance companies come to an honourable understanding and fix their own rates; and if that should be done in a State or country where Government insurance does not exist, the people have no alternative to paying the rates agreed upon by the insurance

companies or going without insurance. So, in addition to the great savings effected, Government insurance in New Zealand has served to police the rates charged by the companies. And in New Zealand there is no Government monopoly. The savings I have quoted have been made in competition with the companies. We know that wherever there has been a monopoly for Government insurance, the expenses have been much lower than in States or countries where the Government insurance is in competition with the private companies. I turn for a moment to Queensland. In 1916 the Government of Queensland decided to establish State insurance in respect of workers' compensation insurance only. In that instance the Government secured a monopoly similar to the monopoly I am asking for in the Bill. When Government insurance came into operation in Queensland, every employer was automatically covered without any increase of the then existing rates. Nor has any increase been made since. On the contrary, bonuses have been paid to the employers. The Government of Queensland began by appropriating £20,000 for the establishment of the insurance office. However, only £3,570 was expended on that account, and the whole of the amount was repaid to the Treasury within the first year. Up to June, 1925, the date of the last published report, the total profits from the Workers' Compensation Department in Queensland were £440,131. That in a period of nine years! The claims paid totalled £2,300,732, while the cost of administration was £418,783. On the total premium income the figures showed the following percentages: Claims 75 per cent., administrative expenses 15 per cent. Compare that with the 36 per cent. that I quoted earlier in respect of compensation business in this State; and the administrative expenses, for the past three years, of 42 per cent., covering all forms of insurance in this State; I say compare those instances with the 15 per cent. for administrative expenses in Queensland. That is because they have not all the useless expenditure incurred by private companies in looking for business. I think the instances I have quoted speak for themselves. I could give a good many figures respecting insurance in America. Some of the States of America have Government insurance as a monopoly, whilst others have Government insurance in competition with the companies and still others have only insurance by the companies. In

Bulletin No. 301 of the United States Bureau of Labour Statistics, it is stated the records disclose that the State did business 25 or 30 per cent. cheaper than the companies, besides being more liberal in settling claims. That is the very point referred to by interjection by the member for Mt. Margaret. We know from experience that in the settlement of claims the companies contest every possible point.

Hon. Sir James Mitchell: No, they do not.

The PREMIER: But they do.

Mr. Marshall: I have here a letter from one of the managers. Read it.

Hon. Sir James Mitchell: I have had some experience in the settlement of claims.

The PREMIER: Possibly so. Hon. members on this side also have had experience, and they have found that the companies always contest the claims wherever possible.

Mr. Davy: You never hear of the 99 paid out of every 100.

The PREMIER: Wherever Government insurance business has been operating, claims have been settled on a more liberal basis. I could prove that in respect of Queensland, where men have received from the Government office compensation that they would not have received from private companies.

Hon. G. Taylor: I hope that if you get the Bill through you will adopt the same policy.

The PREMIER: We will. This bulletin of the United States Bureau of Labour Statistics sums up the position by saying that in those States where the companies are operating without Government competition the percentage of administration costs to the premium paid has been 38 per cent., and that in those States where the companies are in competition with the Government the ratio in the Government insurance department has been 10 per cent., while in those States where the Government have a monopoly of insurance, the administration costs have been as low as 4 per cent. Our friends opposite will not suggest that when the Government of Victoria established State insurance they were actuated by any idea of starting State enterprises. The Victorian Workers' Compensation Act was passed in 1914, and the Act prescribed that a State insurance office had to be established. Certainly that was not done with a view to extending Labour principles. That Act, I may say, was passed by one of the most



Conservative Upper House in the British Empire.

Hon. G. Taylor: They have become more Liberal since you left.

The PREMIER: They were pretty Conservative in my days. However, it was a non-Labour Government with a large majority that in 1914 made State insurance in Victoria mandatory. Since then the official publications have shown that, despite several reductions in the rates charged, the Victorian State Insurance office in six years has distributed to employers bonuses amounting to £17,586, while still retaining a reserve of £40,145. The premium income in six years has been £172,000, and the expenses £113,000, leaving a surplus of £59,000. That is the experience of Victoria. I think I have shown justification for establishing Government insurance in this State, and that I have shown sufficient grounds why this particular form of insurance should be made a monopoly to the State. In this House in 1921 a motion was moved by the member for Yilgarn (Mr. Corboy) declaring that a Government insurance office ought to be established. The motion was carried by a majority of six votes. That was at a time when Labour sat in Opposition in a minority of five or six members.

Hon. G. Taylor: It was a pious resolution.

The PREMIER: It was, but I take it every member who voted for the motion did so because he believed in the principle of Government insurance.

Mr. Davy: It is a different House now.

The PREMIER: It is.

Hon. G. Taylor: You might even get the member for Yilgarn to vote for the second reading.

Mr. Corboy: Do not count on that.

The PREMIER: But it was a House just as capable of weighing all the pros and cons as is the present House, and I say that without any reflection upon the present House.

Hon. Sir James Mitchell: That motion merely asked for an inquiry.

The PREMIER: It did not; the motion declared that State insurance was desirable and should be established.

Mr. Corboy: That is so.

Hon. G. Taylor: And a good case was made out, too.

Mr. Davy: But you are going further now.

Mr. Corboy: No, my motion went very much further.

Mr. Davy: You are proposing that the State Insurance Office shall have a monopoly and wipe out the existing companies.

The PREMIER: I am not proposing to wipe out the existing companies. I propose that the State shall have a monopoly of this particular form of insurance only.

Mr. Sampson: That would wipe out this section of the companies' business.

The PREMIER: It would, and I think I have shown that there is justification for it. May I repeat that I cannot understand any point of view towards this question except concern for the State and the people of the State generally.

Hon. Sir James Mitchell: It will not make the slightest difference to the workers. It will not benefit them.

Mr. Chesson: It will lead to reduced premiums.

The PREMIER: Will not it affect the workers?

Hon. Sir James Mitchell: Of course it will not.

The PREMIER: If a greater amount of money is withdrawn for this purpose from the employers who are the insurers, it will leave so much less for other forms of expenditure such as development, and it will be included in the costs of the employers when they go to the Arbitration Court to argue the cost of carrying on their business. It is absurd to say that it will not affect the employees.

Hon. Sir James Mitchell: That applies to all charges, so you will please remember that.

The PREMIER: Of course it affects the position. Apart from the general run of employers, a large number of people who employ very little labour have to insure. The Leader of the Opposition was not in his seat when I quoted the figures for the I.A.B.

Mr. Davy: But you are dealing only with workers' compensation insurance.

Hon. Sir James Mitchell: I know those figures.

The PREMIER: Surely I am justified in assuming that when profits can be made on other forms of insurance, the same applies to this class of insurance. The member for West Perth (Mr. Davy) says it is profitable; he told us that if it is withdrawn from the companies they will have to go out of business.

Mr. Davy: I did not say any such thing. I said you are knocking them out of what has been a legitimate business.

The PREMIER: I thought I understood the hon. member to say that some of the companies would have to go out of business if this insurance was withdrawn from them.

Mr. Davy: I did not say any such thing.

The PREMIER: The hon. member spoke about his legislation knocking the companies out, and I understood him to mean that they would have to go out of business.

Mr. Davy: You are cutting them out of one portion of the business.

The PREMIER: And it is very desirable that they should be cut out.

Mr. Davy: I should be greatly surprised to hear you say the contrary, after the speech you have made.

The PREMIER: I think I have justified the view I have stated that they should be out of the business. I move—

That the Bill be now read a second time.

On motion by Hon. Sir James Mitchell, debate adjourned.

## BILL—CONSTITUTION ACT AMENDMENT.

### *Second Reading.*

**THE PREMIER** (Hon. P. Collier—Boulder) [7.49] in moving the second reading said: This Bill has become rather an old friend in this House during recent years. The Government are making an attempt to liberalise the franchise for another place on lines similar to attempts that have been made for years past.

Hon. G. Taylor: You will not be able to make as good a job of this Bill as you did of the previous one.

The PREMIER: That depends upon the point of view, of course. I do not hope to convince all the members sitting on the Opposition side of the House, but I am hopeful of securing the support of a considerable number and, in expressing that view, I hope I am not too optimistic. The Bill proposes to repeal the existing household qualification in regard to the clear annual value of £17. That is practically the one principle of the Bill. For that it seeks to substitute household franchise. The only other amendment is that the Bill proposes to abolish plural voting. Electors who have qualifications in more than one of the 10 provinces for the Legislative Council may vote in each one, but we propose to limit their exercise of the vote to one province only. That and the repeal of the £17 clear

annual value are the only two points in the Bill, and they constitute a very modest and simple little reform. In fact I am almost ashamed to be asking for such a small modicum of reform. There is no wild desire to abolish the Legislative Council.

Hon. Sir James Mitchell: I do not know about that.

Mr. Lindsay: It is a means to an end, though.

Mr. Davy: The Minister for Works last year said, "Let us get a few more of our crowd in and we will abolish it."

The PREMIER: I do not think he said that exactly. I happened to be reading this afternoon the remarks of the Minister for Works on that occasion and what he said was, "We want more there, but the Council cannot be abolished except by the consent of itself and the electors of this country."

Hon. Sir James Mitchell: I think you would want a machine gun.

The PREMIER: I rather think the Council is fairly well entrenched, but that is no reason why we should not make an attempt—

Mr. Stubbs: To get rid of it?

The PREMIER: I did not intend to refer to that aspect of the question at this stage, but as it has been introduced, I may as well deal with it now. I know that the opposition to this Bill, if not in this House, then in another place and in quarters outside Parliament, will be on the ground that the Government desire to abolish the Legislative Council. But surely it is known that this Bill in itself cannot bring any nearer the abolition of the Legislative Council unless the people of the State desire its abolition. The Council can be abolished only by returning first of all to this House members in favour of its abolition, then by returning a majority to another place in the same Parliament favourable to its abolition. If a majority of the electors for this House and another place should decide that one House is sufficient, who is going to say that it is not? Does any member present stand for any form of government except government by the will of a majority of the people when their will has been properly and constitutionally ascertained? If the people desire a reform and the desire is clearly and definitely expressed, is any member going to place himself above the people and say they shall not have it?

Mr. Davy: So long as you are sure it is a considered opinion.

The PREMIER: Of course, and I think that our Constitution contains sufficient safeguards to ensure the impossibility of abolishing the Legislative Council without our being certain and of the people definitely and clearly expressing their desire in that direction. There can be no question about that. To lower the franchise from £5. 6d. per week rental value down to the household qualification will not abolish the Legislative Council. That is the kind of argument I have heard used in the country. Let it be clearly understood that under our Constitution the Legislative Council can never be abolished except by the consent of that body and the consent of a majority of the people of the State. I should like to know of any member of this Chamber who will say he is prepared to stand in the way of the will of the people being given effect to when it is so expressed. If there be such a member he stands for the very negation of the whole basis of representative government. I have previously expressed this view in the House. I have never been able to understand why there should be a rental qualification of £17. What is the basis of the £17? One might ask, "Why not £15, or £19, or £20?" What virtue is possessed by a man that has a house of a rental value of £17 a year above the man that has a house worth only £15 or £10 a year?

Mr. Davy: What virtue has a man of 21 over a man of 20?

The PREMIER: There are degrees of growing intelligence as the years go on.

Hon. G. Taylor: By Jove, I ought to be all right.

The PREMIER: I do not say that that growing intelligence is progressive right to the end.

Hon. G. Taylor: You yourself are getting towards that side.

The PREMIER: A man, like most things, might reach the apex and begin to decline mentally as well as physically. In making that remark I have not the member for Mt. Margaret specially in mind. Further, it could be asked "What is the special virtue of a householder as against a man who is not a householder?" I am free to admit it has no basis in logic or consistency, but it is something better than the £17 annual value that we have to-day.

Hon. Sir James Mitchell: I suppose you think a married man needs some special consideration?

The PREMIER: Yes, but the single men in this State have responsibilities. They are taxpayers; they are playing their part

as citizens of the State, and they should not be regarded as foreigners. We place most of the single men, or all of those who are not entitled to vote for the Council to-day, in the same category as we put foreigners who are not naturalised. In effect, we class them as aliens in their own country.

Hon. Sir James Mitchell: It is not natural for men to be single.

The PREMIER: We cannot rush all single men into matrimony. They must be given a chance. Some of them are more backward, perhaps, than the hon. member and I were in our young days. It is all very well to say that it is sufficient that this large number of people who are to-day disfranchised for the Council should be satisfied with a vote for this House. This House does not constitute the Parliament of the country.

Mr. Davy: It dictates the Government of the country.

The PREMIER: And another place dictates to the Government what laws shall be enacted.

Mr. Davy: There is very little of that.

The PREMIER: I am not talking about what they do, but of the powers they possess. They may dictate, not only to the Government, but to this House. Practically in all legislation they have the final word.

Mr. Sampson: Did you not once say, "Thank God, we have the Council"?

Hon. G. Taylor: That was on one occasion.

The PREMIER: That was in one of my facetious moods. It ought to be a warning to me not to be facetious again, because this has been used against me on many occasions. If the Legislative Council serves a useful purpose in the direction in which members are now hinting, it will continue to serve a useful purpose even if the franchise is reduced. It will not become a Bolshevik House, or have less regard for its obligations and responsibilities to the people of the country because the franchise has been reduced from £17 a year to a household qualification. I am convinced that the more people we admit to the franchise for the Council, the more will that House be strengthened.

Hon. G. Taylor: Will that make it more liberal or more conservative?

The PREMIER: I do not know what the result would be. Probably it would work in cycles, as it does in this place.

Mr. Sampson: Is it the general desire that the Constitution should be amended in the way you propose?

The PREMIER: I think the many scores of thousands of persons who to-day are disqualified for a vote for the Council are sufficiently imbued with a spirit of citizenship to desire to have a full vote, and to exercise their full rights of citizenship. That is why I believe there is this desire. I should be sorry to think that scores of thousands of men and women in this State are not sufficiently ambitious or are not imbued with a spirit of citizenship to be unmindful of whether or not they have a vote for the Council.

Hon. Sir James Mitchell: Only about 60 per cent. of the electors vote for this House.

Mr. Stubbs: And half of the electors do not vote for the Council now.

The PREMIER: We cannot help that. They have the choice of doing so, and can please themselves. To-day we are denying to those people, who would exercise their vote for the Council, the privilege of so doing. It is no argument to say that we should not extend the Council franchise because a number of people do not vote.

Hon. G. Taylor: We have to compel them to put their names on the roll for this House.

The PREMIER: Would the hon. member disqualify them because they do not record their votes?

Mr. Davy: It would be a good thing to do so.

The PREMIER: That is a matter of opinion. I do not know whether that would be so. There would then have to be a fixed term during which they would be disqualified. The sentence would be 12 months, or two years, or possibly for life. They might retort, "We are not to blame. We did not think any of the candidates were worthy of our votes." There are 206,000 persons enrolled as electors for the Assembly, and 69,000 for the Council. We see thus that two-thirds of the adults of this country have no voice in the election of members for another place. How can that be defended upon any basis of democratic government?

Mr. Davy: Are there not thousands who could be on the Council roll but have not been put on?

The PREMIER: That would be true of the Assembly roll as well, and the proportions would therefore not be altered.

Mr. Davy: Except that there is compulsory enrolment for the Assembly, and no for the Council.

The PREMIER: If I concede that, the proportion of those who are not entitled to vote is still very great. The 69,000 electors I have quoted include a considerable number who are enrolled several times. Some of them are enrolled ten times, once in each province, and others are enrolled two three, or four times, as the case may be. I venture to say that the number of those whose names are duplicated would easily balance the number of those who are qualified to be on the roll but are not there.

Hon. Sir James Mitchell: Did you say ten provinces?

The PREMIER: I said they were on the roll ten times. It is possible for them to exercise ten votes for the Council. All that is required is that they should have a little bit of property in each of the provinces. Two-thirds of the people are disfranchised. I should like members who are going to oppose this Bill to remember that for 25 years the adult franchise has been embodied in the Federal Constitution for the Commonwealth Parliament. Has anything gone wrong there? Are the people to be trusted in their capacity as Federal electors, but not as State electors? Are the functions that the Council performs of greater importance—I am not belittling them—than the functions and responsibilities of the national Federal Parliament? Is there any member who will say on Saturday week next, when we are having a referendum throughout Australia, that every person over the age of 21 should not be entitled to express an opinion on questions of very great and far-reaching importance to the people?

Mr. A. Wansbrough: And are compelled to do so.

The PREMIER: These questions are of more importance than many of those that are dealt with in this Parliament. They are to be entitled to vote on these questions but not on many of comparatively small importance, such as occupy the time of this Parliament. Where is the consistency of an attitude of that kind? The single men, who, according to the Leader of the Opposition, ought to be married, are mostly disqualified under the franchise of the Legislative Council.

Hon. Sir James Mitchell: Don't you think they ought to be married?

The PREMIER: Yes. I want to encourage them to get married. This will have that effect.

Mr. Sampson: Another State trading concern.

Hon. Sir James Mitchell: I never heard anyone say he wanted to vote for the Legislative Council.

The PREMIER: That is surely a rejection on another place. We are to assume that people are so unconcerned that two-thirds of them do not care about the Council, and do not want to vote for it.

Hon. Sir James Mitchell: They are not very much concerned.

The PREMIER: I assure the hon. member they are concerned.

Hon. Sir James Mitchell: Not at all.

The PREMIER: I am surprised at the hon. member. He suggests they are not concerned about the manner in which they exercise the franchise. The Federal elections showed that they were very much concerned about exercising their votes, but they are not supposed to be concerned in this Parliament.

Hon. Sir James Mitchell: Was it not compulsory in that case?

The PREMIER: The Leader of the Opposition knows that this Bill cannot be opposed on any basis of logic, consistency or principle.

Hon. Sir James Mitchell: I do not know anything of the sort.

The PREMIER: The Bill does not go far enough. Every person who has a vote for this House ought to have a vote for another place. A few years ago when the war was raging, did we disqualify single men from going to the front? They were welcomed then. There were no property qualifications in the ranks of the army. Cooks' sons and cooks' sons stood side by side on a basis of equality. Why deprive them of their rights when they return from the war as private citizens? There is an inalienable natural-born right to have a vote for the Council.

Mr. Stubbs: We would not want two Houses then.

The PREMIER: We must have two Houses. Does the hon. member think that another House elected on the same voting basis would be a rubber stamp for this House, and would agree to everything that is done here? Where will the hon. member find two men who will agree? If we

disagree in this House, members of another place, elected on the same franchise, would also disagree, especially as that House would be elected, and is elected, on a somewhat different basis.

Mr. Sampson: It is said that great minds think alike.

Mr. Marshall: That is why you never think like anyone else.

The PREMIER: Whether there is a need for it or not, no person has a right to say that two-thirds of our citizens shall be denied the full privileges of citizenship. What special qualification or grace is it to possess property worth £50 or to pay £17 a year rent? The man whose property is personal and not real may have £50,000 in war bonds and live at the Palace Hotel, but unless he rents a house worth 6s. 6d. per week he is not permitted to vote for the Legislative Council. If the basis were simply wealth, many people who invest their money otherwise than in land and do not live in rented houses would not be disqualified. The position reminds one of the man who owned a donkey; while he had the donkey he had the vote, but he lost the vote when the donkey died. Our qualification, moreover, is to a certain extent geographical or occupational. The annual rental value of a house depends upon the part of the State in which one happens to live. A house which would be worth £50 a year in Perth, might not be worth anything at all on some of the outback goldfields. Take the case of a man engaged in our timber industry: because the rental value of a house on the mills is low, only 3s. or 4s. per week, although many of the homes on the mills are substantial and quite up to the standard of houses bringing a rental of £1 per week in Perth—

Miss Holman: Some of the houses on the mills are up to that standard.

The PREMIER: The whole of the men engaged in the timber industry of this State are disfranchised because the rental value of their houses is not high enough. I have heard it asked, "Why should people who can put two posts in the ground and a few sheets of hessian round them have a vote?" After all, the measure of a man's citizenship, his quality, his value to the country, is not governed by the class of house in which he happens to live. Had it not been for the armies of men who went pioneering in the

mining and agricultural areas of this country, went pioneering where there were no habitations except tents and humpies, a considerable proportion of those who sit back to-day in the enjoyment of wealth and deny the Legislative Council franchise to others would not find themselves so well off. It is the men who have had to live in tents and humpies that have made this and every other new country; and to deny the vote to them while granting it to those others is the limit of absurdity.

Mr. Davy: The most we say is that the man with possessions is likely to be more cautious.

The PREMIER: That is an utterly ridiculous contention as well. In the days when the goldfields were on the point of being discovered, the cautious man with the vote would have stayed in Perth, and there would have been no goldfields. Indeed, the cautious man would have starved in Victoria.

Mr. Davy: We do not want too much enterprise in passing new laws.

The PREMIER: This principle of full citizenship is not new. Surely the hon. member knows that in the last few decades it has become almost universal. The men responsible for the exceptional progress and development of Western Australia in the past 25 years are the very men who are disqualified; and then the hon. member says that we must be cautious, and not too enterprising, in giving those fellows a vote.

Mr. Davy: I did not say that.

Mr. Lutey: The pioneers are to be cut out.

Mr. Sampson: Nothing of the sort.

The PREMIER: The hon. member will give them everything but the vote. He considers them excellent citizens and worthy men, and recognises their services in words; but he wants them kept off the electoral roll for the Legislative Council. Will the hon. member say to two-thirds of our people that they should not vote at the referendum on Saturday week? Of course not. Are the issues to be determined less important than nine-tenths of the questions to be decided by this Parliament? Of course not. But who would dare suggest that we should put the clock back 25 years in the Federal arena and now disfranchise all those who have been qualified for a quarter of a century?

Mr. Lutey: Members opposite pretend that they do not want unification, and they are driving the people into the arms of the unificationists.

Mr. Davy: Who are?

Mr. Lutey: You are.

Mr. Davy: What have we done? Don't work yourself into a passion yet!

The PREMIER: The member for Brownhill-Ivanhoe (Mr. Lutey) is, I presume, referring to the effect of the present inequality in our system of voting.

Mr. Davy: We are listening attentively to you, and then it is said that we are driving the people into unification.

The PREMIER: I take it that what the member for Brownhill-Ivanhoe has in mind is that the effect of such a large proportion of our citizens being disqualified from voting for another place might be to induce them to support a policy of unification, so that they might have a say in the election of a Parliament where their voices can be heard. No doubt that consideration has an influence. I have not heard it stressed so much of late years, but I know that at one time it was an opinion strongly held on the goldfields. The residents of the goldfields were overwhelmingly Federal simply because they felt that they were full citizens of Australia and not full citizens of this State.

Mr. Lindsay: Only a few years ago they were mostly "tothersiders" on the goldfields, and that might be the explanation.

The PREMIER: I do not think the hon. member interjecting, who is himself a "tothersider," would suggest that all those who came here from the East are not patriotic Western Australians.

Mr. Lindsay: I am not speaking of the present, but of those past days.

The PREMIER: I am speaking of only a few years ago.

Mr. Brown: The wise men came from the East.

The PREMIER: Not all of them. If I may say it, any ignoramus with a block of land worth £50 can vote for the Legislative Council; but poets, artists, and even statesmen, if there are any in this country, unless possessing land worth £50 or living in a rented house worth 6s. 6d. per week, cannot vote for the Upper House. There are men owning land in certain parts of this State—they shall be nameless—who can by virtue of that ownership vote for the Legislative Council; but if Shakespeare were living in Western Australia to-day and did not own a block of land or rent a house he would not be on an equality with those persons. No matter how brilliant a man may be, or how

great the services he renders to his country, he cannot be placed on the Legislative Council roll unless he owns a block of land or rents a house of a certain value. Is there any logic in such a franchise? The whole thing is worse than absurd.

Mr. Lutey: Burns would have been off the roll.

The PREMIER: Yes, because he was proverbially poor; at the same time, he would have fallen in with the Opposition Leader's views as to marrying the girls.

Mr. Sampson: He had a fine cottage at Ayr.

The PREMIER: I do not know that he owned the cottage. I think the property where Burns lived belonged to his father-in-law.

Mr. Sampson: As an occupier he would have been qualified.

The PREMIER: If the value were sufficient.

Mr. Sampson: The standard of values in Scotland was different.

The PREMIER: I say that the fact of a man being a householder, irrespective of the value of the premises, should qualify him for the vote. I ask that we give every householder a vote, and I am almost ashamed to be asking so little. Surely we might advance a step. The present qualification has existed for 20 years, and the world has not been standing still all that time. I hope we have been moving forward. Progress in this respect is long overdue. Surely it cannot be argued that the Bill goes too far. I could understand opposition to it if it proposed to revolutionise the franchise for another place. But merely to step down from 6s. per week to the household stage will result in enrolling only a comparatively small number of those who are now disfranchised. There will still be a great many outside the pale who in my opinion ought to be within it.

Hon. G. Taylor: I have heard it argued that the franchise should be raised.

The PREMIER: No doubt. There are some property owners who would disfranchise everybody except themselves. But they cannot put back the hands of the clock in that fashion. We cannot stand still. We ought to be going ahead. As I stated previously, another place has really greater power in the determination of measures brought before this Parliament than the House of Lords has over measures in the Imperial Parliament. After a certain pro-

[24]

cess, extending over two or three years, the Commons can have their way. But it is not so here. I am not talking now as to any attitude the Council has taken up or may take up. On the principle of the thing, we cannot justify excluding a large body of citizens from the full right to elect members to both Houses of Parliament. We cannot continue to draw the line as we have done in the past. I expect the Bill to be carried by a large majority.

Mr. George: Great expectations!

The PREMIER: We hope the Bill will not be opposed simply because it emanates from a Labour Government.

Mr. George: Oh, no.

The PREMIER: I have looked back to the division list in 1921, when a Bill similar to the one I am now submitting was carried by 31 votes to 10. I find in the division list in "Hansard" that the names of 16 Labour members and 15 non-Labour members appear in the record of those voting in favour of the Bill.

Hon. G. Taylor: They were not very much—

The PREMIER: At any rate they were not associated with the Labour Party who at that time were sitting in Opposition. On that occasion I introduced the Bill, although I was sitting in Opposition.

Hon. G. Taylor: Then the other members must have been generous to you.

The PREMIER: I do not believe any personal influence came into it at all. Those 15 non-Labour members voted for the Bill because they considered it fair and reasonable. I should be sorry to think the present Parliament has slipped back, in comparison with the Parliament of 1921.

Hon. G. Taylor: Are those 15 members still here?

The PREMIER: A number of them are here. The division list included Mr. Carter and Mrs. Cowan.

Hon. G. Taylor: They are both out.

The PREMIER: Then there were Mr. Davies, Mr. Gibson and Mr. Hickmott.

Hon. G. Taylor: They, too, are not here now.

The PREMIER: The list also includes the names of Messrs. E. B. Johnston, C. C. Maley, Mann, Richardson, Sampson—I apologise to that hon. member for assuming that he intended to vote against the Bill.

Mr. Davy: But he did last session.

The PREMIER: Others who voted for the Bill included Messrs. J. H. Smith, Tees-

dale, Thomson, the then member for Claremont, Underwood, Mullany and Durack.

Hon. G. Taylor: Of those who voted for the Bill, not too many remain.

The PREMIER: Nearly half of them are still here, and the others fell by the way for other reasons.

Mr. Lindsay: That is a bad omen; we cannot vote for the Bill now.

Hon. G. Taylor: You have frightened them. You should not have read that list.

Mr. Davy: At any rate, many of them did not vote for the Bill last year.

The PREMIER: No. Are they going to vote against it this year? Is it that a Bill brought forward by me as Leader of the Opposition was innocuous, whereas a similar Bill introduced by me from the Government side of the House is dangerous? The effect would be the same, irrespective of whether the Bill emanated from the Opposition side or from the Government side. I have a much better opinion of hon. members than to suggest that they have changed their views during the last four or five years.

Hon. G. Taylor: If those members now outside were here to-day, I do not think you would get them to vote for the Bill.

The PREMIER: If hon. members refuse to support a Bill of this description, they will find themselves in company with those who are not here now. There will be a great awakening throughout the State. Two-thirds of our people will not sit down under this injustice for all time. They will demand a better condition of affairs. I am not anticipating that those members who voted for the Bill before will vote against it this time.

Mr. Davy: You do not care whether they oppose it or not.

The PREMIER: I should like to have their support.

Mr. Davy: You have your numbers already.

The PREMIER: But with the support of the members I refer to, we would help to influence the members of the Council when they read the division list. I submit the Bill to the House as the smallest measure of advance I could possibly ask for if we are to move forward at all. Either leave the position as it is, or take this short step forward. For anyone to build up in his imagination, the possibility of the abolition of the Legislative Council as the result of the passage of the Bill, would be to dub that individual hopelessly lost in imaginary ideas. I do not believe it will lead to the abolition of the

Council. That end can only be attained if the people desire it. If the people desire it, it will not be for Parliament to stand in their way. I move—

That the Bill be now read a second time.

On motion by Mr. Davy, debate adjourned.

*House adjourned at 8.37 p.m.*

## Legislative Council,

*Tuesday, 31st August, 1926.*

Address-in-reply, Eleventh day

PAGE  
604

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

### ADDRESS-IN-REPLY.

*Eleventh Day.*

Debate resumed from 25th August.

**HON. H. A. STEPHENSON** (Metropolitan-Suburban) [4.33]: Before addressing myself to the motion before the House I wish to congratulate you, Sir, on your unanimous appointment to the Presidential Chair. I am certain your marked abilities will enable you to carry out your duties with distinction to yourself and satisfaction to all members, and I trust you will long be spared to preside over our deliberations. Also I desire to welcome those old members who were returned at the last election, and the new members as well. The first item of importance in the Governor's Speech has to do with finance. The financial position is somewhat disappointing, inasmuch as most people thought the annual deficit of so many years' standing would have been wiped out by now. The Premier, in adducing reasons for not being able to balance the ledger, said it was owing to the partially dry season of last year preventing