

may form a quorum, but the chairman has a casting vote.

Clause put and passed.

Clauses 12 to 21, Preamble, Title—agreed to.

Bill reported without amendment and the report adopted.

### *Third Reading.*

Bill read a third time and *passed*.

*House adjourned at 11.18 p.m.*

## **Legislative Assembly.**

*Tuesday, 15th November, 1938.*

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

### **QUESTION—RAILWAYS.**

#### *All-steel Boilers.*

Mr. STYANTS asked the Minister for Railways: 1, What is the number of all-steel boilers constructed by the Railway Department since the 1st January, 1932? 2, What has been the average cost of repairs to these boilers for stay and tube renewals during the first three years of service? 3, How would this cost compare with that of boilers constructed with copper fire boxes, tubes,

etc., over a similar period? 4, Does the department intend to continue the policy of all-steel boiler construction?

The MINISTER FOR RAILWAYS replied: 1, 32. 2, £94. 3, £37. 4, Not with the old type of boilers, but probably with more modern designs.

### **QUESTION—BOOKMAKERS BILL.**

#### *Mr. Wolff's Report.*

Mr. HEGNEY asked the Premier: 1, As a Bill to authorise, regulate, and control bookmaking is now under consideration by Parliament, will he make available to members a copy of the report of Mr. Wolff (now Mr. Justice Wolff) to the Government on the operation of betting laws in the Eastern States? 2, If unable to supply copies, will he lay the report on the Table for the information of members?

The PREMIER replied: 1 and 2, Mr. Wolff was not asked to make a comprehensive report on this matter. While he was in the Eastern States he was requested to obtain some information which might have been of use in the event of his being called upon to prepare a Bill in his capacity of Parliamentary draftsman.

### **QUESTION—BETTING.**

#### *Starting Price—Suppression or Registration.*

Mr. HEGNEY asked the Premier: Having refused requests that he should meet representative deputations which desired to submit reasons why starting-price betting should be suppressed, can he give the House an assurance that he has not discussed starting-price betting matters with those urging registration?

The PREMIER replied: Yes.

### **QUESTION—TRAFFIC ACT.**

#### *New Parking Regulations.*

Mr. NORTH (without notice) asked the Minister representing the Minister for Police: In view of the new parking regulations affecting the central portion of the City of Perth, will he inform the House of the reasons underlying the change?

The MINISTER FOR AGRICULTURE replied: In order to obtain better control of the traffic in the central city block, it has

been found necessary to make many alterations in the practice existing in the past. If the hon. member will give notice of the question, I will see that it is answered more fully to-morrow.

### **QUESTION—FARMERS' DEBTS ADJUSTMENT ACT.**

#### *Re-Appropriation Resolution.*

Mr. BOYLE (without notice) asked the Premier: Recently a resolution was passed by this House with reference to the re-appropriation of moneys under the Farmers' Debts Adjustment Act. Was that resolution duly forwarded to the proper authority?

The PREMIER replied: I am not quite sure. The Clerks always forward resolutions of the House to my department, and those resolutions are almost always immediately forwarded to their proper destinations. I think I can practically assure the hon. member that that has been done in the instance he refers to.

### **BILL—LIGHTS (NAVIGATION PROTECTION).**

Read a third time and *passed*.

### **BILL—ROAD DISTRICTS ACT AMENDMENT (No. 3).**

Report of Committee adopted.

### **BILL—SUPERANNUATION AND FAMILY BENEFITS.**

#### *Message.*

Message from the Lieut.-Governor received and read recommending appropriation for the purposes of the Bill.

#### *Second Reading.*

**THE PREMIER** (Hon. J. C. Willecock—Geraldton) [4.37] in moving the second reading said: The introduction of the Bill indicates the desire of the Government regarding superannuation to place public servants in a position similar to that enjoyed by nearly all public servants throughout the British Empire. For many years past constant and insistent demands have been made by public servants to various Ministers and Governments that a Bill embodying the principles of superannuation be introduced. All such suggestions have been in regard to the

contributory method of creating a superannuation fund. Years ago public servants gave their services to the Crown in many instances at comparatively low rates of remuneration because they were content in the knowledge that when the time came for them to retire an adequate pension was provided. That time has gone with regard to public servants the world over. On the other hand, general recognition has been accorded the fact that contributory schemes of superannuation by which employer and employees, for their mutual benefit, have contributed to the necessary fund, has led to undoubted benefit to both employer and employees. The demand that has been made has always been received very sympathetically. No one has refused recognition to the principle of superannuation, particularly to a contributory scheme. But almost invariably the rock on which the proposals have split is that of finance. This Parliament has supported the principle of superannuation. I think it can truthfully be said that the trend of modern thought is towards superannuation; there are few people who do not recognise its desirability. Not only have Governments and local authorities both in Great Britain and throughout the British Empire established superannuation funds, but the principle has also been extended to such public institutions as banks and insurance companies; and private commercial concerns have also adhered to the principle. Oil companies, banks and insurance offices in this State have already established superannuation schemes in which their employees may participate. On behalf of the Perth City Council a Bill was introduced into this House within the last two or three years providing for superannuation, and it received the endorsement of the House, indicating that this Parliament recognises that the principle should meet with its approval.

As far back as 1910, Queensland introduced a Superannuation Bill for the Public Service, and successively other Australian Governments and New Zealand established superannuation schemes, the last State to inaugurate such a scheme being South Australia, which passed a measure in 1926. Western Australia is thus lagging a good deal behind the other States. That can probably be accounted for by the great liability the State undertook under the Superannuation Act of 1871. Thirty-three or 34 years ago Parliament perceived that

the liability that was being built up against the State in respect of superannuation benefits under the Act, would be so great that for the State to carry it would be impossible. Consequently, on the 17th April, 1905, legislation was enacted to provide that any new entrant to the service would be debarred from the benefits of superannuation under that Act. Thus the position in this State is rather anomalous. Two officers are working in the Public Service, for example. One, because he joined the service before April, 1905, obtains a pension upon retirement rising as high as two-thirds of his annual salary; while the other, doing exactly the same work, perhaps, is debarred from any benefit at all because he joined the service a week or two later. The men that joined before that date are able, dependent on the number of years of service they have rendered, to draw up to two-thirds of the salary they have been receiving, no matter how high it may be. Certain officers of the Public Service have retired and are receiving as much as £800 or £900 a year under the Superannuation Act of 1871. I do not think the intention was that pensions should reach those dimensions. The Bill does not propose to provide pensions on such an elaborate scale for people who happen to occupy highly-paid positions in the Government Service. The amount of pension has been limited to £312 a year.

Those that joined the service after 1905 are compelled by the Public Service Regulations to make some provision for their future. They have to take out an insurance policy equal to the annual salary received. Thus a man on £300 would have to take out a policy for that amount, and a man on £400 would take out a policy for the higher sum. That means that on retirement these men are entitled, apart from leave and other benefits they receive, to the sum for which they have insured. Members will thus see that an invidious distinction is made between the different classes of officers in the Public Service. A further distinction is drawn in the case of wages employees, none of whom is eligible for superannuation under the 1871 Act irrespective of what service he has rendered. These are glaring anomalies that Parliament should not allow to continue any longer than is necessary.

The most able public servant is not likely to receive the reward for his work obtained by those engaged in private industry or in

professional work. Certainly there are disabilities suffered by those in private practice. Professional men have to bear the loss of bad debts. But generally the reward for people in private employment, and particularly those engaged in commercial concerns, is much greater than the Government can expect to pay to its employees. In the circumstances, if we are desirous of retaining the services of officers of excellent calibre, we must provide that after they have given a lifetime of service to the State they shall upon retirement have their future assured. The vast majority of Government officers are not in a position to make adequate provision for their future. They can make some provision, but not a provision commensurate with the mode of living they have enjoyed while in the employ of the State. They are prohibited from supplementing their income by additional outside employment, and are compelled to retire at the age of 65. The nature of their employment is such that they are not able to turn their hand to other classes of employment upon retirement. If they have been able to save a small amount of money, they are not conversant enough with financial matters to be able to invest their capital as profitably as those who have been engaged in private employment. As the State progresses, the building up of a strong Civil Service of capable men is essential. The State can be said to have been very fortunate in this regard, because a tradition of efficiency has been established that is not as generally recognised as it should be. I would go further and say it is unappreciated in many different quarters in the State. As long as things run smoothly, little credit is given to the personnel of the Public Service; but when some mistake is made, one that becomes costly, or irritating to the public, all kinds of comments are made. We hear sarcastic or satirical remarks as to the "uncivil service," "they never get out of a rut," "Government stroke," and such-like familiar phrases that people use when criticising the Public Service. I wish to pay a tribute to the officers of the service. A very considerable proportion of them are really efficient capable officers, who are dominated by a desire to give their best, and do give really good service to the public.

Mr. Doney: That efficiency is generally recognised.

The PREMIER: The hon. member must have heard people use the expression "Government stroke."

Mr. Doney: That may be so.

Hon. C. G. Latham: Do you suggest they change with Governments, that they work hard for you and not for someone else? I do not believe that, but it is what I have heard said.

The PREMIER: The hon. member is always looking for something that does not appear on the surface.

Hon. C. G. Latham: I have heard it said; but of course you are responsible for your Ministers.

The PREMIER: Am I my brother's keeper?

Hon. C. G. Latham: You have the control.

The PREMIER: The Government is responsible as a collective body. I am endeavouring to explain the Bill, but the hon. member is interrupting me. So that we may attract that type of individual who will be a credit to the Public Service, we ought to see to it—though we cannot pay the very high remuneration that is sometimes paid in commercial circles—that we make secure the future of our officers. Apropos of that aspect of our public life, I remind members that for some time past we have been losing highly-trained, capable and efficient officers from our Public Service.

Mr. Sampson: That is so.

The PREMIER: The Minister for Agriculture could tell members about several highly-trained, scientific, and efficient officers of the Agricultural Department who have left the service to better themselves elsewhere. We do not want to stand in the way of any individual and prevent him from making progress in his personal affairs, but we do want to see that a strong incentive is provided for officers to remain in the service. Under a scheme such as the one I am dealing with, officers of the service will know that when they reach advanced years their future will be assured. Superannuation is recognised not as a measure of charity but as a measure of justice. It is a scheme whereby both employers and employees contribute something for their common benefit. This is demonstrated by the fact that a considerable number of commercial concerns, as well as banking institutions, insurance companies and the like, have already inaugurated superannuation

schemes amongst their employees. Those who are receiving a reasonable remuneration, and have their future assured, are possessed of a contentment concerning their outlook that must make for efficient service to those in whose employment they are.

Most of the salaried men who have retired from the service have been entitled to a pension under the Superannuation Act of 1871. As a consequence of that, the pensions bill of this State has been steadily and progressively increasing year by year. It is considered that the payments under the 1871 Act have just about reached their zenith. This stage is our history, therefore, is an appropriate time in which to introduce a Bill such as this. Whilst payments under the 1871 Act were steadily mounting each year, Governments could not contemplate adding to the liability under that heading. From what I can gather now, according to actuarial calculations and a survey of the service it seems that the payments under the Act have just about reached their top and from now on will begin slowly, surely and steadily to decline.

I will give members some information concerning payments made under that Act—

Payments of Pensions, Retiring Allowances, etc.

Year ended	Pensions.	Compassionate Retiring Allowances, etc.	Total.
30th June.			

	£	£	£
1925 ..	46,066	11,596	57,662
1930 ..	69,044	17,379	86,423
1936 ..	118,016	15,718	133,734
1937 ..	124,570	16,964	141,534
1938 ..	131,097	13,649	144,746
1939 ..	123,262	16,981	150,243
(estimated)			

Hon. C. G. Latham: A great many people in the employment of the Government have never received anything by way of retiring allowance. You know the argument about the railway people.

The PREMIER: Yes.

Hon. C. G. Latham: They are just as much entitled to retiring allowances as are other people.

The PREMIER: We will not go into that phase of the matter just now. The responsibility, which has been kept up by every successive Government since 1871, will this year cost the State about £150,000. The aspect referred to by the hon. member is a liability which has never been recognised by any State Government.

Mr. Doney: Except by the House when it divided on the question.

The PREMIER: I am talking about Governments, who are responsible for the financial position of the State and have to find the money. I venture to say that if we began to discuss what the House would favour, any member who moved a motion to grant superannuation, additional education facilities, child endowment, unemployment benefits and so on would receive the support of the House. The sympathy of members would cause them to support motions of that kind. They would also say, in regard to many aspects of our public life, that the duty and responsibility devolved upon the Treasurer to find the money; but despite all such motions, I do not think he could find it.

Mr. Doney: The House decided that the payments should be made.

The PREMIER: I could say again, as I have said before, that any motion that might be submitted favouring the extension of consideration to any section of the community would receive the support of the House. If a select committee were appointed to deal with any such question it would report favourably.

Mr. Stubbs: And if the Treasurer acceded to all the requests, we would all be returned except the Treasurer.

The PREMIER: I am as sympathetic as most members; perhaps more so in comparison, but I have a sense of the financial responsibility that is imposed upon me as Treasurer. We hear it said often, "I am prepared to advocate this if the Treasurer can find the money." Most people impose that qualification with regard to anything that they may promise or support. Members come to the House with this or that request, and say, "If it can be granted, we think it should be granted." But when the financial responsibility is so great, they admit that the Treasurer should be able to exercise some discretion. That discretion is vested in him by reason of the limit to which he can go.

Mr. Cross: The Treasurer cannot make a quart pot out of a pint pot.

The PREMIER: I should like members to understand, when they talk about superannuation under the 1871 Act, what payments under that Act are actually involved. I do not think many members have taken the trouble to find out, and indeed comparatively few people have done so either. The actual cost to the State last year was £131,000, plus

£13,000 for compassionate allowances, plus the Police Benefit Fund, and other payments, bringing the total to £144,746. The Police Benefit Fund is a contributory fund, but anyway the amount actually provided by the State is the figure I have just quoted. It is rather startling, too, that we do not have one officer only associated with a particular job drawing the one pension. I think we have perhaps four who have occupied the same position and who are all alive and drawing pensions. I may cite the post of Under Treasurer. I think there are no fewer than four who have occupied the position, and who are still living and drawing pensions, and in addition are all hale and hearty.

Mr. Watts: There are also several ex-Directors of Education drawing pensions.

The PREMIER: Yes, three I think; Mr. Andrews, Mr. Clubb, and Mr. Klein. Thus our huge pensions total mounts up. It is not the one person drawing a pension for the one office he has occupied, but it is sometimes several persons drawing pensions for that particular office.

Hon. C. G. Latham: And some of them are engaged on outside work as well.

The PREMIER: Yes. At the Lieut.-Governor's levee yesterday I saw many retired public servants, and I mentioned quite casually to someone beside me, "There goes about £6,000 worth of the State's money, and the recipients are looking well and hearty." Still, we can see the end of the payment of that huge sum, because from now on the expenditure will begin to drop annually, and for that reason I consider this is a much more opportune time to introduce a superannuation Bill than might have been the position six or seven years ago when the Leader of the Opposition was in office. At that time the bill for superannuation was going up by £20,000 a year, or perhaps more. In 1930, the pension account was £86,000, whereas this year it is approaching £150,000.

Hon. C. G. Latham: Do you think it has reached its highest point?

The PREMIER: Yes, now.

Hon. C. G. Latham: Then this is the psychological moment.

Hon. N. Keenan: How do you fix this as the top?

The PREMIER: From the number of officers in the service in comparison with the number already retired. For instance, the

present Under Treasurer will not receive a pension, not being eligible for one under the 1871 Act. There are still three or four ex-Under Treasurers living, and after they pass away there will be no more liability. That seems to be the general trend regarding the Public Service. When the proposals contained in the Bill come into operation, the payment of compassionate allowances will cease, and the people who contribute to the pension fund will get that to which they are entitled. There will be no necessity to make compassionate allowances. If anyone deliberately and absolutely refuses to make provision for his future—the proposed scheme is optional—I do not think the State will be warranted in paying anything at all by way of compassionate allowance. Provision is made for people to arrange for their future, and if anyone should obstinately refuse to do so, the State cannot be expected to spend public funds on them.

Mr. Seward: Will anyone be able to refuse to contribute to the scheme after it comes into operation?

The PREMIER: Yes.

Mr. Thorn: That is the weakness.

The PREMIER: There is no weakness about it. Has the hon. member noted the almost unanimous objection to the compulsory sections associated with national insurance? If he had, he would have some diffidence about making this scheme compulsory. This will be optional. I come to the situation that has recently arisen which has caused the Government to survey the position of all Government employees in regard to superannuation. Members are aware that the Federal Parliament recently passed the National Health and Pensions Insurance Act. Under that Act those persons earning less than £365 per annum—and manual workers earning over £365—are compelled to become contributors for the pensions benefits—unless they come within the scope of the Superannuation Act, 1871—and the State Government will have to pay an equal proportion of the necessary contribution. Some thousands of Government servants will thus be brought under the National Insurance scheme. It is therefore highly desirable, in fact essential from the point of view of fairness and justice, to enable the members of that section of the Public Service not within the provisions of national insurance or of the Superannuation Act, 1871, to assist

in providing themselves with superannuation benefits. To do otherwise would be to accentuate in an acute form the anomaly I have already mentioned as being caused by the fact that the Superannuation Act, 1871, applies to some officers and not to others. Really, the passing of the National Health and Pensions Insurance Act has been of material assistance towards the introduction of the Bill now before us. The Bill is modelled on the Commonwealth Superannuation Act, though changes have been made here and there as regards details. Under the Commonwealth Act, the maximum pension for which an officer may contribute, assuming he is within the appropriate salary range, is £416 per annum. The maximum under the Bill is £312. Entry into the scheme is entirely optional, both for present and future employees; though if an officer under the Public Service Act does not contribute towards superannuation he must observe the existing life assurance clauses of that Act. A unit of pension is £26, and the number of units for which a member may subscribe depends on the salary. Generally speaking, it is just under half the salary, but full details are set out in Clause 36, subject to certain modifications referred to in other clauses. Members will notice an important provision in Subclause 2 of Clause 36 to the effect that an employee who is also a contributor to the Commonwealth National Health and Pensions Insurance Funds shall be permitted to contribute only for the number of units set out in the scale in Subclause (1), less two units of pension; those two units obviously being provided by the £52 per annum secured—for males—under national insurance. This preserves a position of equity between those coming under national insurance and those not so doing. Contributors for national insurance obtain two units of pension (£52 per annum) for a comparatively small contribution, the State Government paying an equal amount. It is quite fair, then, that regard should be had to these two units in the Bill, especially as those outside the national insurance scheme will not have a corresponding privilege.

Part I. of the Bill contains a number of definitions, and indicates the departments comprised in the proposal. The employees eligible must be engaged in a permanent capacity and be remunerated with moneys appropriated by Parliament. Any employee, whether he is on wages or salary, must be in a permanent capacity.

Hon. C. G. Latham: We had better make that perfectly clear.

The PREMIER: The hon. member had better look at the definition in the clause dealing with "permanent capacity."

Mr. Doney: What distinction do you draw between "permanent" and "established" capacity?

The PREMIER: I have no wish to discuss that question at this stage; the Speaker might rule me out of order. The hon. member will find the definition of "permanent capacity" in the Bill.

Mr. Doney: I would also like to see a definition of "established capacity." I could then compare both.

The PREMIER: I wish it distinctly to be understood that wages men and salaried officers can avail themselves of the provisions of the Bill. There is no distinction, but men have the choice whether they will come under the provisions of the Bill or not. Under the National Health and Pensions Insurance Act everyone who is in employment has to contribute to a fund which will give him a pension of at least £1 a week. Such contribution is compulsory. Some people may think that is quite sufficient to be paying for at the present time, and will not desire to go any further. On the other hand, many will endeavour to make what may be considered adequate provision for their old age, or upon retirement from the Government service. To such persons the benefits of this measure will be extended.

Part II. of the Bill provides for a board of three members to control the fund, one of them to be elected by the contributors. The term of office is not to exceed seven years, though of course it may be for a shorter term. Part III. deals with the superannuation fund. Investments are to be trustee securities, and an actuarial valuation must be made every five years to ascertain how the fund stands.

Part IV. relates to contributions. Entry to the fund, as I have said, is to be entirely voluntary. Present employees must elect to join within six months from the commencement of the Act, and future employees within six months from the commencement of their employment. Employees coming under the National Health and Pensions Insurance Act must remain as voluntary contributors under that Act if by reason of increase of salary or wages they are entitled

to cease contributing; otherwise they will lose their privileges under the Bill. It has been said that actuarially the Commonwealth is making a substantial contribution to the pensions of those people who join at any age above the age of 20 years. Some may join at over 30, 40, 50 or even 60. They will not pay sufficient to meet the cost of the pensions which they will ultimately receive. The case is similar with regard to members of the Public Service. If they remain under the National Health and Pensions Act, they can contribute to it and thereby save the State a considerable amount of money. If they get out of the salary range of liability for payments, they will have to contribute voluntarily under the National Insurance scheme, or they will not be eligible under this measure. Arrangements have been made for police officers to come under the proposed superannuation fund if they so desire, retiring from the police benefit fund. That will be worked out actuarially so that police officers concerned will receive what they are justly entitled to. An actuarial calculation will be made of the value of such a man's rights under the police benefit fund, and that claim can be taken over and carried through under the fund proposed to be established by the Bill.

Hon. C. G. Latham: The police officer would be credited with the amount due to him from the fund?

The PREMIER: Yes. What the capital value of the payment amounts to would be actuarially established. That matter will be negotiated between the police benefit fund trustees and the board. In some cases of the kind the actuarial valuation may show that the man's contributions under the Bill will be 20, 30, 50, or even 60 per cent. less than those of an ordinary contributor. I have not previously mentioned that the Government Actuary must be a member of the board, seeing that there are so many actuarial phases to be discussed by the board.

I mentioned that railway employees who are in the departmental death benefit fund or endowment fund may also come under this scheme, and any payments towards death or endowment will be actuarially calculated and the benefits preserved to such employees.

It is further provided that those coming under the Superannuation Act,

1871, may elect to come under the proposed scheme, either wholly or partially. If wholly, they will cease to be eligible under the 1871 Act. If partially, they will contribute for widows' and children's pensions only, in accordance with a scale to be drawn up by the board. The matter will be subject to actuarial calculation. I know that men who are eligible for pensions under the 1871 Act are seriously concerned because there is no provision whatever for their wives or their children of dependent age under that Act. If they like to surrender their rights under the Act and to contribute under this measure, which will grant a pension for themselves and, if a pensioner dies, for the wife and for children under the age of 16 years, the Bill makes provision accordingly. A man 60 years of age would be prepared to pay high rates. If he wants more by way of pension, the conditions are set out in the Bill. Roughly, the scheme is that half the cost will be paid by the State and half by the individual. The additional benefits which the Commonwealth Government will pay under its scheme, the State Government will pay under this measure.

At the commencement the State scheme will cost a little more than it will cost after the scheme has been in operation for some time. Provision is made for taking up two units at the age of 30 for a contribution of 4s. 6d. per fortnight. The corresponding contribution at the age of 60 would be £2 per fortnight.

Hon. C. G. Latham: We ought to be a little more generous to old servants.

The PREMIER: It is easy enough to say, "Be generous." However, it must be admitted that a man who has held a permanent position for 30 or 40 years should have something laid by for his old age. If he has even reasonable security of tenure, he should at least be able to acquire a house or some amount of money which, together with the £2 he would receive under this scheme, would make a tremendous difference to his outlook. The quality of thrift does not seem to enter into the nature of people at this stage as it did 30 or 40 years ago, when salaries and wages were considerably less than they are now. One would have thought that as conditions improved, people would save more money; but there seems to be a greater desire now to live up to the limit of income than there was at a time when wages and salaries

were small. I do not know how it comes to be so, but it is so.

Part V. deals with pensions, and benefits. Normally a pensioner will retire on reaching the age of 65 years, or he may retire at 60 years if he elects to pay the higher contribution applicable to that age. There are two rates, one a little higher than the other; and the higher applies to men who retire at 60 years. That, of course, is quite sound actuarially. If before reaching the retiring age an officer becomes totally and permanently incapable of performing his duties, he is entitled to a pension. On the death of a pensioner his widow will be entitled to half his pension, and each child to £13 per annum up to the age of 16 years. If an invalid pensioner recovers, he may be re-called to duty under certain conditions, and his pension will thereupon cease. If a man is thought to be permanently incapacitated to such an extent that he cannot again be employed in the Public Service, he will be paid a pension. On the other hand, if he recovers, he may be recalled to the service in preference to the State continuing to pay him the pension. A similar provision obtains in other States. Such cases, naturally, will not occur often. A man may get some complaint, say nervous breakdown, rendering it unlikely that he will be fit for further duty in the Public Service, but after a retirement of a year or two he may recover; and, if so, he can be recalled to the Public Service and his pension will then cease.

Provision is made for the repayment of contributions in the event of discharge, dismissal, or other similar contingency. This means that if a State employee is dismissed he shall not be deprived of all the money he has contributed to the fund but that the amount shall be repaid to him. The Bill presupposes that those who obtain the benefits of it will have rendered good and faithful service to the State. As regards the case of a man leaving the service, there is the consideration that it is to the advantage of the State that experienced men should remain in their positions. However, a man who leaves is not to be penalised, but shall be repaid the amount of contributions coming to him. Further, the board may take over life assurance policies on prescribed terms.

Now with respect to the cost of the scheme to the State. Employees will make their contributions each fortnight, but the Treasu-

ury will not make its contributions in the same way. The Treasury will make its payment at the time of the granting of the pension. It will not make contributions at the same rate as the employee, but will undertake to pay the liability accruing to the State upon an employee beginning to receive his pension. Thus the Government's proportion of the expense of the scheme will be met as it arises. If every eligible employee elected to join the scheme, we should have over 15,000 members; but it is not expected that anything like that number will join. It is felt that no compulsion should be exercised by the Government upon either present or future employees, and so the scheme has been framed on a basis entirely optional. Each employee can elect to come in or stay out. For various reasons, many will elect to stay out, or to take up only a very limited number of units of pension. An employee might take up two, three, four or five units; he may decide that if he can get £2 or £3 per week for the rest of his life after retirement that that sum will suffice for his needs. For the older employees the contributions are almost prohibitive, except for the few units that may be taken as at the age of 30. This will obviously limit considerably not only the number of those joining the fund, but the number of units of pension for which contributions will be paid. Just as obviously, this will lessen the burden on the Treasury. As I have mentioned, the institution of the National Insurance scheme will have a great influence on the financial aspect of the superannuation fund. The National Insurance scheme also affects the original estimate we made about three years ago of the cost of the fund. To provide all the benefits under National Insurance, including the pension of £52 per annum, each employee will have to contribute only 1s. 6d. per week, the Government contributing a similar amount. This will represent the total liability of the Government. The Government does not escape liability altogether; it has to pay to the Federal Government an amount equal to that which is paid by the employees.

Mr. Patrick: Are you referring now to the pension of £52 per annum?

The PREMIER: Yes. The basis of that scheme is that if workers contribute 8d. or 10d. a week, the Government will contribute a similar amount.

Mr. Cross: Will the Commonwealth Government make any special contribution after the pension age is reached?

The PREMIER: No. Under the Commonwealth scheme, when a man reaches 65 years of age, he is entitled to all the benefits of National Insurance. He is paid £1 a week whether he works or not. He may go on working until he is 75 years of age and he will still receive the pension of £1 per week, as well as the wages he earns. State Government employees earning under £365 per annum, and manual workers earning more, will all contribute for the £52 pension through National Insurance; and it is estimated that about 13,500 employees will come under National Insurance for pension benefit. The liability not covered by the weekly contribution of 3s. will be met by the Commonwealth Treasury, and the proposed superannuation fund will be relieved of a corresponding burden.

Some time ago, before the National Insurance Act was passed, an attempt was made to estimate the probable maximum cost of a superannuation scheme, assuming that 15,300 employees entered, and that they received on the average a pension of £104 per annum, widows and orphans' benefits to correspond. The estimated maximum cost is as follows:—

First year—Nil, because 26 contributions must first be paid.
Second year—£15,000.
Third year—£45,000.
Fourth year—£85,000.
Fifth year—£120,000.

It is very hard to estimate the number of employees who will join the fund. No reliable estimate can be made. In other countries where it is optional for employees to join a similar fund, the number joining is about half. That would at once reduce the estimates I have given by half. Then there are the benefits we shall enjoy because the Commonwealth Government contributes to the National Insurance scheme. Roughly, it is estimated that about one-half to one-third of the State's employees will join the fund.

Hon. C. G. Latham: The other States provide that employees must make a contribution.

The PREMIER: We are not making it compulsory for the employees to join. It may be argued that it is desirable they should; but now that we know the public

disapproval of the National Insurance scheme and the tremendous opposition to it, we consider it unwise, at this stage, to make the scheme compulsory.

Hon. C. G. Latham: Yes, just before an election it would be unwise.

The PREMIER: No. I am not talking about elections. The hon. member always seems to have elections in his mind.

Mr. Seward: He is not the only one.

Several members interjected.

The PREMIER: So little worried am I about the elections and about the return of this Government, that I never think about them.

Hon. C. G. Latham: Do not put yourself on a pedestal.

The PREMIER: Sufficient for the day is the evil thereof. When the election comes we will take that hurdle. It is not worth worrying about at present. What we do now, we do because we think it right and just in the present circumstances. After Christmas—in January or February—we may start to think seriously about the elections. At present, our job is to carry on the country to the best of our capacity and make things as good as we possibly can.

Mr. Raphael: Our strength is their weakness.

The PREMIER: The election is not troubling members of the Government at the moment.

Hon. C. G. Latham: It will a little later.

The PREMIER: I suppose it will. It is not very desirable to have elections at all. If we could do without them, we would.

Mr. Marshall: I think Opposition members are looking very pale about the gills.

Several members interjected.

The PREMIER: I am sorry the Leader of the Opposition mentioned the elections, because his remarks woke up many members who also started to interject. The Leader of the Opposition possibly put me off the thread of my subject. I have already explained that there will be an early reduction in the benefits under the 1871 Act, and that compassionate allowances will cease. I wish members to understand that with regard to compassionate allowances, these have been paid to people not entitled to pensions under the 1871 Act. If employees desire to secure some right to a compassionate allowance, here is a scheme that will provide what they want. If their desire is to make future provision for themselves they

can contribute to the scheme. If they do not take advantage of the scheme, then the State cannot be expected to pay them a compassionate allowance. The amount paid for compassionate allowances last year was, I think, £13,000.

The principles of this Bill have been considered by the various sections of Government employees, who have indicated their acceptance of a contributory system. They are willing to pay their fair share of the cost; and, whilst not entirely satisfied with all the conditions of the Bill, are prepared loyally to accept it. As I told them, the scheme is based on the Commonwealth scheme. This Bill and the inauguration of the superannuation scheme will remove a long-standing grievance and bring to an end the rather unenviable position in which this State has stood in relation to the rest of the Empire regarding superannuation. I move—

That the Bill be now read a second time.

On motion by Hon. C. G. Latham, debate adjourned.

### **BILL—MINES REGULATION ACT AMENDMENT.**

Returned from the Council with an amendment.

### **BILL—BOOKMAKERS.**

#### *Second Reading.*

#### **THE MINISTER FOR AGRICULTURE**

(Hon. F. J. S. Wise—Gaseoyne) [5.44] in moving the second reading said: It can safely be said that this subject is one which at all times has created extreme public interest. That interest does not seem to have waned during recent weeks. Unfortunately, however, most people interesting themselves in the subject are not in the same position as are Governments to give consideration to the matter; that is, consideration to all aspects of the matter from all angles and consideration of the results of legislative action particularly. Critics usually do not submit a solution of any subject, and that is the case in this instance. During the last three years it has been one of my duties to oppose private members' Bills introduced along the lines of the South Australian legislation, which controls betting in that State. I am submitting a Bill that is not modelled on the lines of the South Australia

lian law, and neither is it modelled on the lines of the Tasmanian law; but it is a Bill which is the result of much consideration on the subject and which the Government believes will meet the necessities of the betting problem in Western Australia. When dealing with this very vexed question last year, I assured the House that the Government would make exhaustive inquiries into the many aspects of the matter, not only in this State but in the other States, and that we would collate all reports and information in the light of experience in the other States, and generally make a complete review of the position as it affected those States and as it affected us. That promise has been kept.

In August of last year South Australia appointed a Royal Commission to inquire into the then working of the Act in that State, and the Commission was asked to make recommendations or suggest alterations necessary to bring the question under better control. That was a very important Commission and we were impressed by its personnel. All were men of high standing, men not in any way interested in betting or allied to racing interests. They were men, too, who could be depended upon to give an impartial review and fearlessly make representations in connection with any unpleasant or unsavoury aspect of the control of betting in South Australia. The report of the Commission has recently been made available, and whilst we have been accused of holding up this matter, I submit it would have been very unwise to submit legislation any earlier—even though the present session, which is the last of the present Parliament—may be regarded as unsuitable. I am endeavouring to show that not only is the Government justified in submitting the Bill at the present time, but also that the Bill is defensible.

Hon. P. D. Ferguson: Any time is suitable for a Bill like this.

**THE MINISTER FOR AGRICULTURE:** We have the experience of the other States, in which there is some form of legislative control to guide us. Not only that, we also have the experience of those States where, allegedly, there is no control. It is obvious, on reading the recent report from South Australia, that the men who undertook the work had a very keen urge to probe every avenue of what is considered to be the evil

of starting-price betting in all the States, and were also imbued with the desire to make a complete review of the South Australian legislation. It is unfortunate that the critics to whom I referred in my opening sentence have not made themselves clear regarding their position and the position of most of the organisations that have criticised the Bill before having seen it. All have gone to great length to make very nasty accusations without any knowledge of the Bill or its contents, and without knowing what might be the intention of the Government in the matter. Those people are certainly in a very ambiguous position.

There is nothing new in the agitation against starting-price betting particularly from the point of view of those who are actuated by ethical, moral or social reasons, and there is also nothing new in the agitation on the part of some race-horse owners and racecourse controllers. Whilst through the ages betting has been the subject of a great deal of contention, there is very little that is new in the objections that are raised to-day. Before dealing with the position as it exists in this State, however, and in connection with which I intend to give a complete summary, I should like to review historically some of the aspects of betting and gambling of other days. There are English Acts still in existence, many of them hundreds of years old, and all were passed with the object of controlling or suppressing in some instances the growth of gambling. There were the English Acts of 1388, 1409, 1477, and the famous Act of 1541, all designed to control gambling. In the 1541 Act there was mention of tennis as a game to be prohibited. Bowls, cards and dice were also to be prohibited if played for money, or if anyone kept premises for gain in which those games were played. The desire at the time was to stimulate an interest in archery and other military exercises. Proceeding through the years, the time arrived when lotteries became very popular in England, and during the period 1566 to 1823 lotteries were the form of wagering that attracted most interest. Lotteries had been in existence in Europe in the 15th century and England had its State lottery projected in 1566 and drawn in 1569. From the magnitude of the scheme and the absence of any suggestion of novelty in the notices, we gather that the lotteries were quite well known at that time. The

prizes were in plate, tapestry and money. During the next 100 years, that is, from 1566 onwards, lotteries were conducted to raise money for public and semi-public purposes. One lottery was to aid English plantations in Virginia. That was in 1612. Another one had for its object the financing of a water scheme for London. That was between 1627 and 1631. Another one in 1660 was to ransom English slaves in Tunis, and for poor and maimed soldiers. From the first, these lotteries were subject to State regulation. They were not considered illegal at common law, and until 1698 there was no prohibition in respect of those lotteries. All the early lotteries had been licensed as a monopoly of the King or King in Council. In 1698 control passed to Parliament. Then premium bonds and further lotteries were authorised by Parliament for the general needs of the State. In 1739 a lottery was conducted to supply funds for the purpose of building Westminster Bridge. In 1753 another lottery was organised and the proceeds were devoted to buying and housing collections which formed the nucleus of the British Museum. By the middle of the 19th century, much of the gaming legislation had ceased to be applicable to conditions of the times. The Act of 1541 made unlawful sports that three centuries later were regarded as healthy forms of recreation. As a result of the then situation, a select committee of the Lords and Commons was appointed in 1844, and reports were submitted. The Lords committee recommended—

That the law should henceforth take no cognizance whatever of wagers; that all statutes making it penal should be repealed; and that debts so contracted should be recovered by such means only as the usages and customs of society can enforce for its own protection.

The Commons committee recommended—

That the old and obsolete enactments which restrain persons of any degree from playing at certain games, many of which are conducive to health as well as to amusement, should be repealed. The political motive upon which those enactments were founded has long ceased to exist, and even if these laws were expedient when they were passed, which may well be doubted, they ought no longer to remain in force.

That was the opinion of the House of Commons in 1844. The Gaming Act of 1845 was the result of that inquiry. The Act repealed prohibitions against playing games of skill and also excessive betting. There

was a definite move against excessive betting rather than actual betting as such. Many references may be found to indicate that the desire at that time was not to say that betting should or should not be abolished, but that an excess of betting should be abolished.

Hon. C. G. Latham: Was that in the fourteenth or fifteenth century?

The MINISTER FOR AGRICULTURE: No, in 1845.

Hon. C. G. Latham: We want something more up to date than that.

The MINISTER FOR AGRICULTURE: The hon. member will have the information in due course.

Mr. Sampson: Every bit, but gradually.

The MINISTER FOR AGRICULTURE: Long before the appearance of bookmakers, which was at the end of the 18th century, and before there was any necessity for provision to deal with them, the practice was for private wagering to be indulged in between individuals. The first bookmaker made his appearance about 1790, but by 1844 those participating in the pursuit were numerous, and in an endeavour to prevent the growth of gaming-houses legislation was introduced which resulted in forcing betting into the streets. Very shortly after that, great difficulty was experienced in connection with street betting.

Hon. P. D. Ferguson: Here, or in the Old Country?

The MINISTER FOR AGRICULTURE: I am referring to England. By 1901, the time of the Royal Commission of which the Earl of Durham was Chairman, it was obvious that there were many forms of amusement into which betting and wagering had spread. The practice was not confined to racing, but had spread to all forms of athletics. Consideration was then given to controlling betting rigidly, together with its suppression in many instances. The general impression even at that time was that it was impossible to suppress betting, but advisable and necessary to localise the practice. At that time, the English authorities would not license bookmakers, nor would they approve of totalisators. About 12 years ago Britain imposed an excise duty on all bets made with a bookmaker, and in 1928 totalisators were set up and bookmakers licensed. In 1929, the license fees paid by bookmakers were assessed in accordance with the number of telephones

in their offices. Members will see that for a few centuries England has been confronted with the problem of controlling organised betting in a more extended fashion than Western Australia, inasmuch as our difficulty is largely confined to betting on horse races.

In mentioning a few of those opposed to betting on ethical grounds, I wish to make it quite clear that I have no quarrel with people who hold such views; but it might be wise for them to consider practical means of coping with the position. Many have anticipated the Bill, and have indicated just what sort of legislation they would like; but most of those who have expressed their opinions on the subject have not said that betting should be prohibited on racecourses. We have many examples of the attitude adopted by such bodies. For instance, there is the Women's Service Guild, which recently carried a resolution to the following effect:—

Should further legislation be necessary to deal with gambling, we favour legislation on the lines of the Queensland Act.

Mr. Raphael: Mr. Stratton must have got to them.

The MINISTER FOR AGRICULTURE: The contention of the Women's Service Guild is not to abolish betting.

Mr. Marshall: And the Guild does not know very much about the Queensland Act.

The MINISTER FOR AGRICULTURE: The Guild favours controlling betting probably knowing that it is impossible to abolish it.

Mr. Marshall: The Guild does not know much about the Queensland business, for it is as big a ramp there as ever.

The MINISTER FOR AGRICULTURE: If that is the correct interpretation to place on the views of the Guild, and if they are right in their view that betting is wrong on the racecourse as well, then, seeing that betting largely begins with horse-racing in this State, surely that is where the Guild should begin to review the position, and make recommendations accordingly!

Mr. Marshall: Of course they should.

The MINISTER FOR AGRICULTURE: The latest South Australian report, which is but a few weeks old, refers to the ethical aspect, and says—

This has been strongly urged upon us by several witnesses, particularly ministers of religion and social workers. It has been submitted by them that all gambling is in itself

sinful and should therefore be totally repressed by legislation.

We feel that it is beyond our province to attempt to answer this very difficult question. As an ideal, it is to be commended, but, from a practical point of view, we think that it must be striven for through education and instruction rather than by legislative prohibition.

Another interesting motion was carried by an organisation in this State, which suggested an Australian-wide prohibition on broadcasting, to take effect from one hour prior to the start of the first race and to continue until after the last race, as set out in any racing or trotting programme. That organisation did not object to racing, or to the broadcasting of racing news and information.

Mr. Marshall: Or tips.

Mr. Styants: Or betting information.

The MINISTER FOR AGRICULTURE: Nor to the broadcasting of the tremendous mass of racing information for the benefit of punters, experienced or otherwise. On the other hand, the organisation suggested that within certain periods broadcasting of racing information should be restricted as I have indicated. Members will notice that the proposal does not extend to the abolition of betting at all. Probably the organisation knows that that is not possible. What other interpretation can be placed upon such a decision? Will these organisations say that betting must cease on racecourses? Must it cease in all its forms? If so, will these organisations provide some suggestion of how their proposals can be made effective?

Mrs. Cardell-Oliver: What about closing the betting shops?

The MINISTER FOR AGRICULTURE: The Bill will go a long way towards achieving that end. If getting rid of betting shops will also eradicate betting on the racecourses, then the millenium of those who oppose the betting evil will certainly have been reached.

Mr. Marshall: When you try to get rid of betting shops, every shop is a betting shop.

The MINISTER FOR AGRICULTURE: The concern of the State Government is with what happens to the community, what attitude it should adopt in an endeavour to protect the interests of the people and to improve their social conditions. If gambling is an ineradicable instinct, as many hold, the conclusion may be drawn that it is useless to endeavour to cure gambling propensities.

If it is impossible to cure those propensities, and gambling is an instinct, then it is the duty of the State to bring betting under rigid control, so that all the unpleasant and unsavoury aspects may be minimised and, to some extent, may disappear.

I wish to comment on a statement issued by the Congregational Union last month, when it called upon the Government to impose restrictions upon gambling. I want to make it quite clear at this stage that in commenting upon statements issued by any body of religious or social workers, I shall not for one moment scoff at religion. The religious bodies are entitled to their opinions. I believe that those who hold very strong religious views and urge certain lines of conduct because of those views are entitled to the greatest respect. On the other hand, I do expect that, in furthering the carrying out of their teachings, they will not forget that consideration must be given to the views of other people as well. The Congregational Union issued the following statement:—

Believing that starting-price betting constitutes a serious and growing menace to the life of Australia, and that public opinion is overwhelmingly in favour of its restriction, we urge all who have the moral, social and economic welfare of the community at heart to call upon the Government for immediate legislation to counteract and limit the evil. In this connection we deplore the encouragement given to this recognised public evil by broadcasting stations in the dissemination of starting prices, tips and racing results.

Mr. Raphael: They do not know how "crook" those racing tips are, or they would not complain about them.

The MINISTER FOR AGRICULTURE: Then there was the recent conference that some ladies had with Mr. Cornell, M.L.C., who introduced a Bill dealing with betting, at which broadcasting was also mentioned.

Mr. Raphael: Mr. Cornell has turned a complete somersault regarding his Bill of two years ago.

The MINISTER FOR AGRICULTURE: One motion that was moved clearly indicated that the organisation condoned, and indeed supported, betting on racecourses. However, many of these people are against racing broadcasts at certain times. They are against the uncontrolled aspect of off-the-course betting, and are in favour of the Queensland Act. I will have something further to say in that regard at a later period. So we have the churches, social workers, and

the racecourse people themselves suggesting that betting on horseracing should be abolished when it is indulged in off the course. The chairman of the W.A.T.C. has never suggested that betting on racecourses should be abolished. On the other hand, I submit it is no function of the Government to force people to go to racecourses to bet.

The Minister for Mines: Hear, hear!

Hon. C. G. Latham: It was never suggested that you should force them to go on the racecourses to bet.

The MINISTER FOR AGRICULTURE: Well, that is the inference.

Hon. C. G. Latham: I have read a lot, but nothing to suggest you should do that.

The MINISTER FOR AGRICULTURE: I shall show the Leader of the Opposition later on the lengths to which some of these suggestions have gone. One proposal was that the Government should start to control only betting that—

Hon. C. G. Latham: But that is quite different from suggesting the Government should force people on to racecourses.

The MINISTER FOR AGRICULTURE: The suggestion has been that the Government should confine betting to racecourses. We have nothing to do with that aspect, and will not agree to such a position. By the time the Leader of the Opposition has given this Bill the consideration I think he will, I am sure he will concede that its clauses go a long way further than any similar legislation in other parts of Australia.

The Minister for Justice: Does the Bill give any control over speculating in wheat?

The MINISTER FOR AGRICULTURE: No.

Mr. Hughes: Do not you think that Sub-clause 7 of Clause 12 will have the effect of forcing people on to racecourses?

The MINISTER FOR AGRICULTURE: With regard to the recommendations for Government control over gambling, many of the resolutions carried at public meetings, with the exception of those of Sunday evening last, have submitted that betting should be confined to racecourses. From the Government standpoint, gambling is an instinct, but is it uncontrollable? I shall endeavour to define just how far one can go in condemning gambling, and the social consequences of that act.

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

**The MINISTER FOR AGRICULTURE:** Before the tea adjournment I was mentioning that it was the duty of the Government to give full consideration to the social and economic results of the matter we are discussing. Gambling is attacked for its effect on character and its economic consequences. That money is staked with the idea of gaining money that someone else has also staked on the same contingency, is true. It has been said that when gambling is carried on within one's means it is at the worst a trivial and venial failing, and neither more nor less a subject for State interference than is smoking or any other habit. Last year in discussing this matter I mentioned how some people made vices of habits. Gambling within one's means, however, might be said to be a stimulus to excitement, and whether a person should so gamble might be regarded as a matter for determination by himself.

Hon. C. G. Latham: It has a drug-like effect.

**The MINISTER FOR AGRICULTURE:** Not altogether, although I cannot speak with authority on the effect of drugs.

Hon. C. G. Latham: You know a bit about racing, though.

**The MINISTER FOR AGRICULTURE:** I have read a lot about racing. I have also studied the effects of excess of alcohol, but have not suffered from those effects myself.

Hon. C. G. Latham: You have studied the matter, though.

**The MINISTER FOR AGRICULTURE:** Yes, and I have observed the effects on other people. The man who makes a small bet occasionally is not seeking wealth at the expense of others.

Hon. C. G. Latham: Tell us what he is doing, then.

**The MINISTER FOR AGRICULTURE:** He is investing his money.

Hon. C. G. Latham: To get somebody else's.

**The MINISTER FOR AGRICULTURE:** To enjoy the excitement his investment will bring him.

Hon. C. G. Latham: People generally get annoyed when they lose.

**The MINISTER FOR AGRICULTURE:** There is a definite distinction to be drawn between the gambler who makes his investment for the sake of gain and the person who gambles for the sake of the pleasurable excitement derived therefrom. Unfortunately,

those that can afford it least hope to gain most.

Mr. Stubbs: The same as in a lottery.

**The MINISTER FOR AGRICULTURE:** That is so. It is not possible to draw a line at any given point, but there are on the one hand those that indulge in the pastime for the pleasurable excitement they derive and on the other hand those that do so with the idea of gain.

Hon. C. G. Latham: I should think two-up would suit them better.

**The MINISTER FOR AGRICULTURE:** It has been held that gambling in moderation is really a pardonable habit, and the contention is advanced by some people that gambling can fairly be regarded as part of a person's amusement. The stage has, however, been reached when the State policy should be towards the control and limitation of the undesirable features of gambling. We should give consideration to the undesirable social effects that are claimed to be in our midst as a consequence of excessive gambling. I indicated earlier that even those who oppose gambling on ethical grounds have not been very vehement in contending that the Queensland Act not merely reduces but tends to abolish gambling. Those people are in a very ambiguous position, and one can only conclude that their view is that entirely to eliminate gambling is not possible. That gambling in this State and throughout the world is on the increase cannot be contradicted. While, however, the statement is made that Australians are prone to gamble, and are gamblers by instinct, nevertheless gambling was rife in the times of our forebears, long before there were any Australians. To those who submit that we can suppress gambling entirely I suggest that the spectacle of people associating with their fellows at and around starting-price betting shops is the cause of most of the concern and most of the outcry. I suggest, also, that had it not been for the spectacle of people of all ages congregating in and near betting shops, we would not have heard much more of off-the-course betting than we have heard of on-the-course betting. It is the spectacle that has offended.

Since betting has attracted people of all ages, it is well that we should not only analyse the reasons for the attractiveness of betting, but that we should also analyse why and how the facilities for and encouragement of starting-price betting have been

fostered. We can well begin by considering the information supplied from all sources. But for the information supplied in regard to performances, track work, trials, opportunities of starters and riders, barrier positions and all the information that is disseminated in two or three ways for the benefit of the public, there would be very little possibility for off-the-course betting to flourish.

Mr. Marshall: The information goes into the home of everyone with a wireless morning, noon and night.

The MINISTER FOR AGRICULTURE: Without the dissemination of that information, to carry on betting off the racecourse would be almost impossible. The best facilities provided for off-the-course bettors are undoubtedly provided through the broadcast services. All of us know that only within recent years has so much racing news been served up to the listening public. Twelve or fourteen years ago, to hear a broadcast of the important racing events of the year such as the Melbourne Cup or the Sydney Cup was unusual. Such descriptions were given as special features or special treats. As the consumption of all things is increased as a result of advertisement, so there has been an increase in the consumption of betting news due to the advertisement given through the wireless and Press. Gambling lives on publicity; it thrives on publicity. I repeat that starting-price betting off the course could not exist if it were not for the information that reaches the public from two or three sources. The betting public derives many advantages from receiving its information through the broadcast services. Information is supplied over the air throughout the week day and night, from men who have made a speciality of studying matters connected with horse racing, men who are trained to give the public what apparently the public desires, namely, news about track trials and all sorts of details of the ancestry of horses which seem to have some influence on what the animals are likely to do next day. Following the dissemination of all that information, the strongest appeal is made to the listener by the broadcast of a description of the race by an expert announcer, a man who seems to see much more of the race than any collection of individuals on the racecourse is able to see. The announcer seems to be

able to note the movements of any horse in the race at any given stage; but my experience in watching horses trot around a trotting track has been that it is very hard to find a particular horse and when you have found it that horse is the only one you can see. But the announcer seems to be a man not only well versed in horse lore and possessing an entertaining descriptive ability, but he is also a knowledgeable man in other respects and can tell the public far more about the race than they could hope to see if they were actually on the course.

Mr. Marshall: He has telescopic eyes.

Mr. Sampson: That particular man is remarkably capable in that respect.

The MINISTER FOR AGRICULTURE: Broadcasting services must therefore carry a large proportion of the responsibility for the increase in betting. That publicity has given a fillip to the interest in matters relating to racehorses and racecourses. The completeness of the services ensures that from an entertainment point of view, even if a person is not attracted by the spectacle of horseracing itself, he can obtain a thrill from listening to the announcer's description of a race, whether that race itself be thrilling or not.

Mr. Seward: He must be easily thrilled, then.

The MINISTER FOR AGRICULTURE: It is a safe contention to submit that should betting shop patrons be debarred from listening in to the broadcasting, this would result in a great diminution of off-course betting. We have had more than one example of that. We had the example of the effect of broadcasting this year in this State when a race club decided to request the Australian Broadcasting Commission not to broadcast races on a particular day. But the races were broadcast by a B class station, which, from a point of vantage on a hill—there was some sort of smoke screen, I think—did the work. Apparently the broadcast was so essential to the business of starting-price betting that the B class station was hired to broadcast the results.

Mr. Rodoreda: To whom does that station belong?

The MINISTER FOR AGRICULTURE: According to Press information I have, the station was 6ML. Members will find this referred to in the "Daily News" of the 26th February last. 6ML and 6IX are the West Australian Broadcasters, Ltd. It is the view

of the Australian Broadcasting Commission that its duty is to give the public the service the people desire. It claims that it has no control over the service a B class station desires to give its listeners. A great deal of imagination is required to believe that. The Commission controls the issue of licenses, and therefore controls just what a license should embody.

Hon. C. G. Latham: If you will look at the constitution of the Commission you will find it cannot control B class stations.

The MINISTER FOR AGRICULTURE: The Commission cannot exercise control in the matter to which I have referred. A B class station is well paid for such an afternoon's service. I understand that for broadcasting one day's racing this particular station received £30. If a race extends over three minutes the station is paid 36s. a minute for the excess time. Even if the Australian Broadcasting Commission desires, in the public interest, to carry out its duty to give the public this form of entertainment, it cannot, as the Leader of the Opposition says, prevent a B class station from giving that service.

Mrs. Cardell-Oliver: Who paid the station?

The MINISTER FOR AGRICULTURE: Probably some association; possibly the starting-price bookmakers themselves; but the station was paid. It is a commercial station and does not go on the air for nothing. Its time is for sale.

Mr. Rodoreda: Is it not run by the West Australian Newspapers, Ltd.?

The MINISTER FOR AGRICULTURE: I have a list of shareholders of the West Australian Broadcasters, Ltd., which combines two stations. It is a company in which the West Australian Newspaper Co. is very interested. I have no complaint to make against matters of business, as such, or against newspapers for stimulating public interest in what they consider is something they can fairly sell. I hope that when the newspapers make their comments upon the attitude of the Government in this matter, they will consider our views as fairly as this.

In connection with a running description of races, I have mentioned it is an attractive feature of broadcasting. All broadcasting stations are desirous of having that commodity to sell, and it seems to be something

that a majority of the people desire to buy. A recent report from South Australia includes some comments in this regard. Mr. Moses said he was in sympathy with the suggestion that broadcasts should be confined to the running description of races, and regarded this as an attractive feature of the Commission's programme, but stated that the extension of the broadcast and betting information had been forced on him by the action of the commercial broadcasting stations.

Hon. C. G. Latham: A very weak statement to make. The Australian Broadcasting Commission is not paid.

The MINISTER FOR AGRICULTURE: That is the statement of Mr. Moses, the manager of the Australian Broadcasting Commission. He went on to say that it was not for the Commission to question the morality of the matter in that instance. It had decided to impose no restriction, the matter being one for the B class station, which received its license from the Australian Broadcasting Commission.

The newspapers must carry a certain amount of responsibility in connection with the broadcasting and the stimulation of public interest in off-the-course betting. In their ordinary conduct of the racing business the newspapers have on their staffs highly skilled and trained men who see everything that happens on the racecourse. I read an article indicating that our talented West Australian author, Mrs. Drake-Brockman, before dawn every day for a week visited a racecourse in company with a sporting commentator and sporting writer to see the horses galloping. The results of the gallops are served up to the public, and one can read that such-and-such a horse galloped a quarter of a second faster than it ever did before. All that information, and the very interesting articles that are submitted, enable people to make their selections. These particulars are a feature of the issues of the newspapers, as are also the anticipations of the results of the races.

Mr. Stubbs: You find that in every country.

The MINISTER FOR AGRICULTURE: Yes. A general stimulus is given to the public who follow racing, particularly those who are interested in off-the-course betting. We get special issues giving last-minute selections, the very latest information: and after the races are over we get special issues describing the last race. We also get the

betting, and everything that is essential for those who indulge in off-the-course betting. The publication of all these particulars certainly helps to promote and stimulate the betting evil. The specially trained reporters who are engaged by the newspapers are a great asset to the journals concerned. They make possible the special issues that are in demand on the streets a few minutes after the last race is won, and also in great demand in the country amongst all sections of the community.

Advertisements greatly increase the sale of newspapers, and the publication of all this news certainly provides a stimulus for the service so advertised. It can readily be understood that without the publication of this information the operations, anticipations, intentions and actions of the starting-price bettor would be very circumscribed. It must be conceded that the news value, which is obvious because of the volume of racing information the newspapers publish, is of importance to the public, and that the newspapers containing such information meet with a ready sale.

Mr. Stubbs: You do not propose to stop it, do you?

The MINISTER FOR AGRICULTURE: I find no fault with the methods of the newspapers if they be consistent on other matters relating to starting-price betting; but I think it is something they should endeavour to control and restrict, if their condemnation of the evil is sincere. They have played a big part, with broadcasting, in a stimulation of interest in, and in the increase of, betting.

The third commercial factor dealing with starting price betting operations, and in the dissemination of racing information is the telephone. To the bookmaker the telephone is perhaps the most reliable of all his sources of information concerning the trend of affairs on racecourses, and in connection with matters relating to the racecourse. The department of the Commonwealth Government in question has not done much to assist the States to subdue starting-price betting.

Mr. Seward: Have the States asked for assistance?

The MINISTER FOR AGRICULTURE: Yes, and the Commonwealth agreed to give it.

Mr. Seward: I thought you said it had not done so.

The MINISTER FOR AGRICULTURE: I made no such remark. I went through

some files for 1930 for authentic illustrations of this particular point. I found that between 1928 and 1930 many prosecutions were launched against alleged starting-price shops, prosecutions that involved the shops being closed as gaming houses. Before that date the Commonwealth Government had agreed that if the State Government had a conviction of a gaming house in which a telephone was installed, it would cause the telephone to be removed. We find that not only the very people and the properties that were the subject of these prosecutions are still in existence, as such places, but that the telephone book contains the names of the same people who were prosecuted and the same telephone numbers. One needs to be very charitable to think that the Postmaster-Generals' Department has kept its contract in this respect. If the Commonwealth Government desires to look at this matter from any other point of view than the financial one, it can do much to assist in suppressing what it suggests is a State's responsibility.

Mr. Lambert: It is the same with Adams's sweeps in Tasmania.

The MINISTER FOR AGRICULTURE: Yes. Where there is money to be made from it, where it is subject to taxation, and produces revenue or income, as in the case of broadcasting stations, and the newspapers, the Federal Government is prepared to ask anyone else to suppress the evil, while it condones and encourages it. Take the case of the silent line. It is all very well to know that starting price betting is going on, but it is a very different matter to prove it in many instances, and no question has ever been raised by the Commonwealth Government as to what purpose the telephone shall be put. There is evidence in the report of the Royal Commission to show that telephones have been installed, not singly, but by the dozen, and in most unexpected places, in places which, without question, were to be used only for the purpose of starting-price betting; and in spite of an agitation to endeavour to restrict this particular difficulty.

Hon. C. G. Latham: The State knows that these places exist, but has made very little honest attempt to stop them.

The MINISTER FOR AGRICULTURE: I have mentioned the part of the bargain the Commonwealth undertook in offering to refuse to instal telephones if complaints were made; but month after month a list

of the affected people was submitted to the Commonwealth Government, and no action was taken. So that the accumulation of the encouragement to bet does not altogether lie at the door of the State Government. If we go to the State in which there is supposed to be no starting-price betting, that is, Victoria, we can take up a paper on the occasion of any meeting and learn that a particular horse has been "set" for thousands of pounds; and we know, too, that the Victorian clubs have on their courses the means of disseminating racing information, sending it from the course to South Australia by the latest known device. A telegram may be lodged and the tele-printer is used. There is very little chance of a mistake being made. The sole purpose is to disseminate Victorian racing information in South Australia. Whilst we are not likely to be faced with these difficulties, there is no doubt that the telephone and the telegraph play a very big part in the dissemination of news and in the provision of a facility that is essential to the successful operation of starting-price betting.

Mr. Stubbs: Is the telegram sent in code?

The MINISTER FOR AGRICULTURE: The telegram is simply lodged, typed on a machine, and it appears similarly typed at the other end. We know also that in South Australia the telephone is of such consequence in the operations of starting-price betting that the average number of calls on race days is about 70 and at times there are two meetings on the one day. Thus the book-maker in his office depends a great deal on the telephone, and all he is asked to do, whether it be for a direct line, a silent line or an ordinary line, is to pay the fees and he gets the service. We have evidence of what happened in Queensland prior to and since the passing of the betting legislation in that State. According to the Royal Commission's report, which is dated the 27th September last, a Press agency in Brisbane—the object of a Press agency is to disseminate racing news—changed hands for £2,000. The Royal Commission makes some pointed remarks in connection with the facilities provided for the use of starting-price people as being a necessity in the business, and it goes on to say—

We recognise that the actions and motives of an instrumentality of the Crown are entitled to a proper respect. But it is idle to suggest that the department does not know what everyone else knows: it is disingenuous to affect to be-

lieve that anyone would want silent lines in the roof of a house for a legitimate purpose. There exists in some quarters a strong suspicion that the attitude of the department is to some extent dictated by the matter of revenue. The department does in fact obtain a very considerable revenue from illegal betting activities in Australia. We do not say that the suspicion is justified, but it is unfortunate that it exists.

Whilst it is proper that due privacy should exist in connection with telephones, the Royal Commission has gone so far as to suggest that the owning and controlling of silent lines shall be *prima facie* evidence that starting-price betting is indulged in by the particular person.

Hon. C. G. Latham: Ministers have silent lines, and they would have a pretty bad time.

The MINISTER FOR AGRICULTURE: Yes. The Royal Commission considers that the only way to overcome the trouble is to impose a disability temporarily on those who are legitimately obliged to use the silent lines, so that the evil, as the Commission terms it, shall be suppressed. That is the recommendation of the Royal Commission and it is made with the full realisation that innocent people who find that silent lines are essential shall be disadvantaged, in the hope of being able to prove some of the things that it has not been possible to prove up to date. I have submitted at least three main reasons why starting-price betting has increased and flourished. There are still other reasons why it has increased. There are many people who, if prohibited from betting in a starting-price shop would not go the racecourse. There are many people who are not interested in racing as racing.

Mr. Rodoreda: Ninety-nine per cent. are interested.

The MINISTER FOR AGRICULTURE: The majority of the people attending racecourses now would be the majority who would attend racecourses if they were forced to go, if they showed any inclination to go. There are many people, too, who listen to the broadcast of races in the running, people far removed from the scene of racing, for whom it could be claimed it is a legitimate entertainment.

Mr. Patrick: There are any number who listen in and who never bet.

The MINISTER FOR AGRICULTURE: Hundreds and thousands, I suppose and there are listeners who are invalids, and others who are bedridden, perhaps in the outback parts of the State.

Mr. Lambert: Out-of-work politicians also.

**The MINISTER FOR AGRICULTURE:** The hon. member can speak for himself. There are listeners also in out-camps, in places far removed from where amenities of civilisation exist, who have no desire to bet even if they were able to bet.

Hon. C. G. Latham: Something else could be put over the air for their benefit.

**The MINISTER FOR AGRICULTURE:** Only last week the Commonwealth Government submitted to the Government of this State a series of statements for our consideration. The statements deal with the Commonwealth attitude towards the broadcasting of racing information. The information seems to have arrived at an opportune time. It cannot be said that we did not have an approach from the Commonwealth in connection with the broadcasting of racing information, and I assure the House that the Government will give every consideration to the points raised by the Commonwealth in respect, not only to our desires but the desires of all the other States in connection with the broadcasting of racing.

Hon. C. G. Latham: The proposal should be submitted to this Parliament.

**The MINISTER FOR AGRICULTURE:** We can discuss that, too. We will endeavour to give the hon. member an opportunity—if the Government considers it necessary—to express his views.

Hon. C. G. Latham: The information should be laid on the Table of the House.

**The MINISTER FOR AGRICULTURE:** It is a private communication. Ten days ago I was at a station on the Murchison and at 7 o'clock in the evening we had a recorded description of the races that had taken place in Perth that afternoon. I understand that is the usual practice—to put over the air a recorded version of the races in running held in the afternoon. To the outback people, or I suppose 99 per cent. of them, it would not matter at what time of the day they were given this entertainment, so long as they had the information about the manner in which a race they might have had an interest in had been run. There are many difficulties in the way, but it is neither right nor fair that one section, actuated by one particular motive, should criticise the Government for doing nothing, and not criticise anyone else's point of view. We have the point of view

of the man who owns and trains racehorses. You, Mr. Speaker, as the breeder and owner of racehorses will appreciate the difficulties of those engaged in making a living out of racing whether on the course or off it. I may quote an incident that was related recently to a colleague of mine. It was that of a man who has the training of a horse and who, on a racecourse, shortly before the starting of a race, expressed the hope that all starting-price bookmakers should be hanged or shot. He had left £20 in town for his particular horse and it had found its way back to the course.

Mr. Raphael: That is true.

Hon. C. G. Latham: If there is anything wrong the member for Victoria Park would know about it.

**The MINISTER FOR AGRICULTURE:** So that whilst this does not seem to be a subject upon which we have many authoritative opinions there are many angles from which it may be approached very seriously. I have heard it said that the owner and the horse who continually try to win must either be made of cast-iron or be broken, both of them.

Mr. Stubbs: The horse too?

**The MINISTER FOR AGRICULTURE:** Yes. That reminds me of a story attributed to the late William Cream, who was a man famous for amusing sayings. He is reported to have telegraphed to Mr. Lee Steere, who owned Eurythmic, at the time that horse was favourite for the Melbourne Cup—I do not vouch for the authenticity of the story—"I like Eurythmic. Will he be trying?" Mr. Lee Steere indignantly wired back, "I like your impudence. Always trying." So Mr. Cream betted £5 each way "Your Impudence." It is said that many men engaged in training and racing horses not only patronise starting-price betting shops but reap excellent results therefrom. The turf clubs might lessen their criticism of the Government in its alleged complaisance, according to them, by endeavouring to do something to assist the Government if starting-price betting is the menace to them that they claim it is. I am wondering whether the turf clubs have ever refused the nomination of an owner or trainer, or a committeeman-owner-trainer, if it could be proved against him that he patronised the starting-price shops.

Mr. Raphael: A lot of them would go out.

The MINISTER FOR AGRICULTURE: I know that the turf clubs do disqualify men to whom they have previously given licenses to bet if those men indulge in starting-price betting in shops. So that if it is fair to do the one thing, it is at least fair to give the utmost consideration to assisting in the subduing of starting-price betting in the other case.

Hon. C. G. Latham: The clubs probably do give the matter the utmost consideration, just as the Government does in some cases.

The MINISTER FOR AGRICULTURE: When this is a subject for so much criticism, so much unfair innuendo, so many ruthless assertions, at least something should be done to assist the Government. I am sure that there will be many points of view raised in the course of this debate. Whilst it has been stated by men prominent in the racing business that just how long this farce of shop betting with its attendant evils is to continue lies in the hands of the Government, I think some consideration should be extended to the Government, and a little less blame in the matter, by those who have the power and authority vested in them to do something to minimise the evil.

There have been complaints from bookmakers and the general public that charges are too high insofar as racecourse admissions and racecourse licenses are concerned. I am told by a prominent official of a racing club that these complaints were not usual prior to the growth of starting-price betting. From that aspect I shall examine the position a little later. I mentioned earlier that the Government feels it should be concerned with the prevalence of betting facilities when those facilities are likely to have serious social consequences. We desire to adopt a restrictive attitude when dealing with facilities to bet, and feel that there should be no authorisation of gambling propensities. In saying that, I do not mean to ignore the objections to gambling on ethical grounds. As I mentioned before the tea adjournment, I would not for one moment cast a slur on the religious belief of any person or any section of persons. I would not scoff at religion in any way. But it is only fair that all of those who give authority to such a matter as this and object to that, who object to the principle of gambling, should

also be fair when considering the views of others. There is much in life that is morally wrong but is not criminally wrong. That is where Parliament meets the difficulty of legislating for something that is morally wrong but not criminally wrong. As I mentioned last year, I would not support the view that bookmakers are to be classed as criminals. I suppose there is no section of the community whose word is more reliable than that of the men who bet in hundreds, take the nod of any person for any amount, and honour the obligation. At the same time, the very associations of this class of business are such that it does interest many hangers-on, and therefore in giving consideration to the matter the Government has endeavoured not to be partial to any section whatever, but to be quite fair in its summary of the position and in the requirements for this State of the position. The Government presents this Bill as an answer to that summary and that examination.

We have had the experience of other States. We have had the benefit of the review of the position by able men of South Australia in a recent report, and we have embodied in this Bill some of their recommendations which are not yet law in any other State. It is our contention that all legislation in connection with gambling must contain some element of compromise. It is no use snugly saying, "Enforce the existing law," if that law is unworkable.

Mr. Marshall: When you cannot enforce it. That is the position.

The MINISTER FOR AGRICULTURE: Whilst undoubtedly existing conditions do need attention, the existing law is just as insufficient and as incomplete as the law of 1541 which I reviewed before the tea adjournment.

Hon. C. G. Latham: But that law served a very useful purpose for many years.

The MINISTER FOR AGRICULTURE: The enforcement of the existing law, as the Leader of the Opposition knows, would mean the banishment of bookmakers whether on the course or off. Whilst that might be considered right by some, I doubt very much whether there is a fraction—well, there may be a very small fraction—of the community which believes that enforcement to be possible. There are very few people supporting that contention, very few people who are interested either in racecourses or in racehorses who would support such a con-

tention. Very few people who take an interest in betting as a sport or an entertainment or a means of gambling would support it.

I have stated that I have every sympathy with clergymen, but I do wish they would be more helpful. Churches are complaining of lack of congregations. Racecourses are complaining of the lack of attendances. But both those features are not due to starting-price betting. Both are due to the same cause, to the same set of circumstances. It might be said that neither shrinkage in attendances is largely due to starting-price betting. Apparently both churches and racecourses have to some extent lost their appeal. I use that simply to illustrate the argument I am about to adduce. All who are impartial in a review of the position will admit that there are many counter-attractions which have seriously affected attendances on racecourses and attendances at religious services. The counter-attractions are those which the large majority consider to be superior attractions. In spite of our increasing population in Western Australia the increase in attendances at racing is not apparent. Popularly the blame therefor is attached to the starting-price shops. At one time racing was a popular and well-patronised outdoor sport, but racing has not shared in the tremendous growth of other sports and other outdoor attractions. Let us compare the position of 12 years ago with the position to-day. In 1926-27—which may be considered good years; they were good years, years in which most States and countries flourished—the general attendances at entertainments in Western Australia, including racing, pictures, dancing and concerts, involved admissions being paid by 3,600,000 people. I have gone to much trouble to get these facts together, to accumulate figures which are authentic, and which in some instances are taken from the reports of the Commissioner of Taxation; and it is clearly shown that if we take racing, in 1926 the admission was very little better than it was in 1938. But if we take from the year 1930 onwards, the figures for which are more reliable because of the incidence of the entertainments tax, we find that in 1930-31 205,000 persons paid for admission to racecourses and that in 1937-38 284,000 paid for admission. If we take pictures, attendances at that form of entertainment have increased from 2,780,000

in 1926-27 to 5,248,000 in 1937-38. Dancing and skating have also become more popular with the years. In 1927, 347,000 paid for admission to dancing entertainments, and 803,000 in 1938—an increase of nearly half a million. So that the general total of attendances at entertainments in that period of 12 years has increased from 3,600,000 in 1927-28 to 7,106,000 in 1937-38. Does that suggest anything to hon. members? Does it suggest that people now have a greater diversity of entertainments on which to spend, possibly a little more money, but not very much more? We have the aspect of motor cars, the availability of transport which takes people to the beaches. To-day we have beaches extending from Rockingham to Yanchep. Communities have sprung up and towns are in existence catering for other amusements for the people, such as surfing and other outdoor recreations. Tennis courts have increased by hundreds. Tens of thousands of pounds have been spent on golf links by people who formerly were interested in racing. Then there is the aspect of transport. The figures are illuminating. In 1926-27—the same period that I took for the other illustration—there were 8,283 registered motor cars in Western Australia. This year the number is 21,283.

Mr. Marshall: In Western Australia?

The MINISTER FOR AGRICULTURE: Yes.

Mr. Marshall: You mean in the city.

The MINISTER FOR AGRICULTURE: Yes.

Mr. Marshall: That is better. You are referring to the metropolitan area.

The MINISTER FOR AGRICULTURE: The number has increased by 13,000. In 1926-27 we had 78 registered motor buses in Perth. By 1933-34 the number had grown to 412. No matter what aspect of transport is examined, we find people are spending hundreds of thousands of pounds in other avenues of sport and entertainment, and are not seeking pleasure in racing.

Mr. Marshall: Much to their advantage!

The MINISTER FOR AGRICULTURE: Whilst the population of the State has increased by only 18 per cent. in that period, it can safely be submitted that there is an increase of hundreds per cent. in the number of attractions, other than racecourses, to which people find their way to-day. Certainly, thousands of people are spending

thousands of pounds in avenues of entertainment other than racing. It has been said that racecourses and churches are neglected; their attendances are reduced. I cannot state what specifically detracts from the church. Some reasons are obvious. I can specifically state, however, and give at least one reason why racecourses—I refer to those associated with galloping—are less patronised. The reason is difficult for those in the racing business to admit. They hate to concede that a competitor is offering an entertainment that has proved to be more attractive. Turf clubs would hate to concede that trotting is proving more attractive to the public, that it is a better spectacle and a better entertainment, whether it be from the point of view of entertainment or gambling.

Hon. C. G. Latham: Or because it is easier to get at.

The MINISTER FOR AGRICULTURE: Or because the course is more accessible. It is obvious that that has happened. Trotting is a serious competitor with horse racing for public favour. If people have only a limited sum per annum to devote to investments on racing or to attending racecourses, it does seem by an analysis of the figures that trotting has robbed racecourses of many of their patrons. We find that the attendance at the trotting course at Fremantle has increased in an astounding way. Taking the taxation returns as far back as 1930—which I submit are the only reliable figures we can obtain, because of the alteration in the incidence of the tax at that time—we find, accepting the figures of 6s. to 7s. 6d. for admission to the enclosure at the trotting grounds and 9s. and upwards for racing enclosure patrons, 30,000 people visited the enclosure at the trots in 1931 and 27,000 visited the enclosure at the racecourses. In 1932, 44,000 patrons visited the trots and 43,000 visited the racecourses. The figures were the same for 1933, but in 1935 the number that visited the trots increased to 47,000, whilst the number that visited the racecourses dropped to 34,000. In 1936, the number that visited the trots was 52,000 and the number that visited the racecourses was 22,000. This year, 43,500 have visited the trots, whilst 26,500 have visited the racecourses. So that starting-price betting alone has not taken patrons away from the racecourse.

Hon. C. G. Latham: Is there starting-price betting on the trots?

The MINISTER FOR AGRICULTURE: I have no idea. I am adducing this argument to prove that people who formerly attended racing as a sport are now attending the trotting grounds. I have also obtained some other figures, but I do not propose to weary the House with a recital of them. I have figures showing the totalisator turnover on every course in the State for every year as far as I can go back. The figures clearly indicate just what has happened. Another story is to be told in that connection. People who have criticised and condemned the Government in this matter and have said the Government has taken advantage of racing, certainly have not examined those figures. I will leave it at that. If an analysis of the figures is desired, they are readily available.

I have endeavoured to show what has made starting-price shops possible, the factions and the interests that have fostered them, the encouragement given to cater for the public taste in newspapers and in broad-casts. In spite of that, if we search the affairs of racing in Australia, we shall find a considerable amount of off-the-course betting indulged in not only by on-the-course bettors, but also by on-the-course bookmakers. We have only to analyse the figures of other States. We have only to realise what happens when an announcement is made that a big race will take place months ahead. Immediately on the publication of weights there is a betting market and off-the-course bets are made by on-the-course bookmakers in every State, particularly Victoria, the State that has been held up to us as a pattern, the only State where there are no starting-price betting shops. There, one can get "set" for half a million off-the-course bets by on-the-course bookmakers. I submit this betting will continue whether it is controlled or not. Is it not far better—in spite of the biased views of those actuated by sentiment, some undesirable and some desirable—to admit that the fairest way to approach the matter is to restrict betting and to place on the statute-book an Act that will be enforceable?

At last, I get to the Bill. I make no apology at all for having given a review of the case which might be termed by some people a long-winded utterance; but it is essential to approach this matter historically. I object strongly to those people who assert that Australians alone are born and bred gamblers. That is not so.

Mr. Doney: Nobody has ever suggested it.

The MINISTER FOR AGRICULTURE: Australians, as a sport-loving people, have been disposed to patronise horse racing. But I had better get on with the Bill. The Bill is designed to be very restrictive, to abolish starting-price shops as places of entertainment, to curb the evil effects of and keep betting under control, and not drive it underground. The Bill is also designed to abolish the spectacle that I mentioned was obnoxious, the spectacle which has caused and fostered the greater number of complaints against starting-price shops. Benefiting by the experiences of South Australia and Tasmania, we are endeavouring by this legislation to avoid many of their difficulties, while at the same time incorporating some parts of their existing law. The Bill also adopts some of the recommendations of the recent Royal Commission. A board of three is to be appointed, a board unlike any other in control of racing in this country. It will consist of a chairman, a stipendiary magistrate and an accountant. In other States, the board has consisted of a larger number of members and has generally included the Commissioner of Police. We make no such provision in this Bill. Bookmakers and their clerks—whatever number of clerks are required—and their premises are to be licensed. They may, with their license, operate only in approved premises or on a racecourse. Certificates of registration will be issued. Such a certificate will be personal to the person to whom it is issued; there will be no chance of dummying, as the license will appertain to the premises. A registrar will be appointed; he will be an officer of the Public Service. I do not know whether members are aware of the practice obtaining to-day in the control of racing organisations' returns and the issuing of betting tickets, the latter of which are issued by the Treasury. Reports are received by the Treasurer and a check is made by his officers. A special officer is to-day engaged on that work. The present Bill departs very little from the existing practice in the issuing of certificates and the furnishing of returns.

It is the Government's intention to introduce a Bill to alter the item "betting ticket" in the Stamp Act. I may as well not only forecast but tell the House what that amendment implies and what it is designed to do. To-day, a betting ticket is stamped 3d. for all bets made in the enclosure and 1d. for all

bets made in the leger. If a credit bet is made, the betting tax is to-day paid on that bet. That practice will be continued, but the betting ticket tax will be altered so that for a bet of 10s. and upwards the stamp duty will be 3d., and for a bet under 10s., 1d. That will involve an amendment of the item "betting tickets" in the Stamp Act. The registration of bookmakers will be at a prescribed fee of £1 and of clerks at 10s. If a bookmaker should be ill or unable to work for any unavoidable cause, provision is made for a substitute license for some person who may act for him, such other person to have the same responsibilities and liabilities as a bookmaker. One feature of the Bill is that which preserves the rights of racing clubs. The Government does not desire to interfere with the clubs that control racing. The Bill contains a clause that will preserve the rights of the clubs to license bookmakers and generally to conduct racing under their own conditions, by-laws and terms. Provision is also made for the approval, prior to licensing, of betting premises, such betting premises and approved premises to include bookmakers' clubs. Members will find that the desire underlying the Bill is to close betting shops at 1 p.m. on days when there is a race meeting within 15 miles of the General Post Office, Perth, and all shops within 15 miles of racecourses at which meetings are being held. The same provision applies to country districts where race meetings are held. Those premises may be kept open until 1 p.m. on the afternoon of the day of the races and are permitted to open from 5.15 to 6.15 p.m. on that day.

Mr. Hughes: Who will see that the shops are kept closed?

The MINISTER FOR AGRICULTURE: Members will notice a provision in the Bill that will enable the board to request the Commissioner of Police to enforce particular requirements of the Act.

Mr. Hughes: He will not be able to do it.

The MINISTER FOR AGRICULTURE: The Bill embodies a clause setting out that no person under 21 years of age will be permitted in a betting shop, and both the person and the shop licensee are to be held liable under that heading. I referred previously to the existing Stamp Act. The same provisions I mentioned then obtain with regard to the issuing of betting tickets

at the time the bets are made. The obligation will be upon bookmakers to keep strict accounts and books and to enter therein their transactions. Those accounts and books must be opened for inspection by the registrar or his officers. A tax is to be imposed on all bets made off the course but not on bets made on the course. Provision for the tax will be made in another Bill, for obviously that could not be dealt with in the measure now under discussion. With regard to taxation the first charge, which will be on the turn-over of bookmakers, will be on account of the expenses of the board. After those expenses have been deducted, the remaining amount will be divided equally, 50 per cent. being paid into the Treasury account, and the other 50 per cent. being distributed between all the racing clubs of the State on the basis of the proportion the stake money of each club bears to the total stakes paid by all the racing clubs in the State. That means that if £100,000 is paid out in stake money at all race meetings, then a racing club, whatever the proportion of its stakes bears to the total amount of stakes paid throughout the State, will receive from the 50 per cent. remaining in the fund, its share of the turnover tax. That basis is different from what operates in any other State. We do not desire to discriminate to the extent of giving a race club a return only to the extent of its share on all bets made on its own course, but the share will be based on the turnover regarding bets made by bookmakers off the course.

Mr. Marshall: You are more than just; you are too generous.

Mr. Hughes: What a nice little gift to John Wren.

The MINISTER FOR AGRICULTURE: I do not like the suggestion that this will provide a gift to John Wren. If any hon. member has a practical suggestion, the effect of which will be to make the distribution more fair and equitable, I shall be only too pleased to accept an amendment to the allocation or to the basis of allocation.

Mr. Marshall: Why should they share in bets made on races in the Eastern States?

The MINISTER FOR AGRICULTURE: The Government did not wish to encourage any accusation that it was introducing this legislation to impose a tax to swell the revenue, or that the Government would

derive more out of racing than the racing clubs themselves.

Mr. Marshall: That is not suggested in South Australia.

The MINISTER FOR AGRICULTURE: It has been said in South Australia. In dealing with such matters, surely we can, impartially and calmly and quite without prejudice, discuss the issues both at the second reading stage and when considering the Bill in Committee. Full consideration can be given to the basis of taxation, the allocation of all moneys and their distribution.

Mr. Marshall: Will you explain the reason for the difference between taxing bets not on a racecourse and in a shop? Why the distinction?

The MINISTER FOR AGRICULTURE: It is well known that the racing clubs impose a charge on bookmakers.

Mr. Marshall: And do not landlords impose a charge on bookmakers?

Hon. C. G. Latham: Of course they do.

The MINISTER FOR AGRICULTURE: That may be so.

Mr. Fox: It might surprise us to know who owns some of the premises and what rents are charged.

Mr. SPEAKER: Order! Members will please keep order.

The MINISTER FOR AGRICULTURE: It is a matter of common knowledge that the racing clubs license bookmakers to bet on their courses. For a four day's meeting some clubs have levied a charge of 70 guineas for the privilege of fielding on those four days.

Mr. Marshall: You have a safeguard in the Bill.

The MINISTER FOR AGRICULTURE: The safeguard is that in going into the figures as closely as I could with the advantage of the files to which I have access, it became obvious that to impose a turnover tax of 2½ per cent, for instance, on bets made on the racecourse, plus fees of upwards of 18 guineas per day for the privilege of fielding on the course, would represent far too heavy an impost on the bookmakers operating at race meetings.

Mr. Marshall: Do not you know that the rental imposed on licensed premises would represent much more than £70?

The MINISTER FOR AGRICULTURE: I do not care what the member for Murchison (Mr. Marshall) may suggest, or how

much more restrictive he may desire to make the provisions of the Bill, the Government regard the measure as furnishing the basis for the very serious consideration of this most important subject. If he, or any other member, can advance a suggestion that will benefit the legislation, whether it be to make it more restrictive or helpful in some other direction, the Government will give earnest consideration to it. If it is the will of the House that the legislation be made more restrictive or altered in various directions, even in material particulars, the House will have the opportunity to decide the issue.

Hon. C. G. Latham: Of course, it is our Bill.

The Minister for Justice: You can have it!

The MINISTER FOR AGRICULTURE: The Government has made a serious attempt to deal with the position, and regards the Bill as the foundation of legislation that will seek to cure the evil and unsatisfactory features of the system.

Mr. Marshall: I congratulate the Government on the Bill.

The MINISTER FOR AGRICULTURE: An attempt is made in the Bill to improve the existing social conditions. The Government does not for one moment think it can alter humanity or the inherent principles of its fellow men. On the other hand, the Government submits a Bill that it considers may be regarded as the foundation upon which may be based legislation that will be controllable and enforceable. I mentioned that the object was to abolish starting-price betting shops as places of entertainment. Those shops will be closed during the hours when racing is in progress. One question put to me to-day was this: What is your explanation of the tremendous increase in the attendances at race meetings in Queensland? There are several reasons for that result. One is that the charges for admission to patrons of the flat have been reduced almost to nothing. Tremendous sums have been spent in providing facilities for those patrons, and while I could say a lot about the proprietary courses that are not now described as such, I shall not do so. The fact is that the accessibility of the racecourses in Brisbane has a great deal to do with the increased attendances, just as the accessibility of the trotting ground in Perth has much to do with the attendances there. I know Queensland well and spent much of my life

there. Brisbane is served by many miles of tramways leading out through all the suburbs. All the racecourses are within easy access of the city, a 3d. tram fare taking people to the Ascot and Albion Park courses, the latter being little further out than the East Perth car-barn is from the G.P.O. The transport of many thousands of people is catered for by direct tram services. I have delayed the House long enough in submitting the Bill, which I hope will be found capable of enforcement. I trust the desire of members will be to assist in this serious attempt to cope with the complaints that have been made regarding starting-price betting shops. I move—

That the Bill be now read a second time.

On motion by Hon. C. G. Latham, debate adjourned.

## BILL—INCOME TAX ASSESSMENT ACT AMENDMENT.

### *Second Reading—Bill Withdrawn.*

Order of the Day read for the resumption from the 1st November of the debate on the second reading.

The PREMIER: As members are aware, some doubt existed whether the Bill was in order. While I am assured by the Crown Law officials that it is in order and could properly be considered by the House, there is still some doubt on the point. In order that the Government may have a Bill correctly before the House, I move—

That leave be given to withdraw the Bill, with a view to presenting another Bill in its stead.

Mr. SPEAKER: Whilst it is true that the Crown Law Department ruled that the Bill was in order, and conveyed that information to me, I differed from the ruling and mentioned the fact to the Premier. This afternoon I received from the Secretary to the Premier's department a telephone call regarding the procedure to be adopted in arranging for the withdrawal of this Order of the Day and the immediate substitution of another Bill covering the same subject matter. On page 388 of the 13th edition of May's "Parliamentary Practice" I find that a Bill may be withdrawn before its second reading and forthwith by another Bill introduced instead thereof. I instructed the Clerk to convey this information to the Premier's Secretary. The question is that

the Order of the Day be withdrawn from the Notice Paper, with a view to the submission of another Bill.

Hon. C. G. LATHAM: Before the motion is put, I should like to be informed whether this will mean that the Treasurer will introduce the Bill again, or whether we shall have to take up a Bill that presumably has already been introduced. I hope I shall not be placed at a disadvantage in giving consideration to the Bill, and therefore I should like to have some knowledge as to what the Premier proposes to do. Does he wish merely to say, "Here is a substituted Bill"? If he does that, the House will certainly be placed at a disadvantage.

Mr. SPEAKER: The procedure is clear. If the House agrees to the withdrawal of the Bill that is already on the notice paper, the Premier will immediately give notice of the introduction of another Bill. The question will then be that leave be given to introduce the second Bill; it will be read a first time and the next stage will be the moving of the second reading.

The PREMIER: On the withdrawal of the Bill that has been on the notice paper for some time past, I will give notice of the introduction of two Bills, one practically the same as the Bill to be withdrawn but with the offending features omitted, and placed in another Bill.

Hon. C. G. Latham: So long as you intend to give notice of it, I shall not mind.

Question put and passed; Bill withdrawn.

## **BILL—INCOME TAX ASSESSMENT ACT AMENDMENT (No. 2).**

Introduced by the Premier and read a first time.

## **ANNUAL ESTIMATES, 1938-39.**

### *In Committee of Supply.*

Resumed from the 10th November; Mr. Sleeman in the Chair.

### *Public Utilities:*

*Vote—Railways, Tramways Ferries and Electricity Supply, £3,315,200:*

**THE MINISTER FOR RAILWAYS**  
(Hon. F. C. L. Smith—Brown Hill—Ivanhoe)  
[9.6]: In the Estimates of these four concerns which come under my jurisdiction, provision is made for an expenditure of

£3,315,200 to earn a revenue of £4,525,400, which will leave a net balance of £1,210,200 to meet an interest bill of £1,128,000, or a surplus of £82,000, a result which, if obtained, would be one of no mean order. The Estimates were made up some little time ago, when we were more optimistic about the prospects of the season, and it may be, therefore, that the prospects that existed a month or so ago will not be materialised. Let us hope, however, that we may reach something approaching our forecast. Dealing with the railways, the details are as follows:—

	£
Revenue .. .. .	3,800,000
Expenditure .. .. .	2,786,000
Leaving a balance of .. ..	1,014,000
To meet an interest charge of ..	1,000,000
Or a profit from a Treasury stand-point of .. .. .	£14,000

Slight increases are forecast in coaching, local coal, livestock, and miscellaneous earnings. In the wheat receipts it is expected there will be an improvement of £70,000, whilst on all other goods an increase of £36,000 is forecast.

Hon. P. D. Ferguson: Do you expect to carry more wheat this year?

The MINISTER FOR RAILWAYS: We were expecting to do so when the Estimates were prepared. I doubt, however, whether we shall carry more than we did last year. The amount provided in the Estimates for expenditure is £2,786,000, in comparison with that actually spent last year—£2,669,131—and an additional expenditure of £117,000 is forecast. Basic wage increase almost accounts for this sum, and therefore it is anticipated that the increased traffic will be dealt with at little extra, if any, additional cost.

The absence this year of £100,000 for recoup for belated repairs connotes the finalisation in 1937-38 of the arrears of maintenance with which the present Government was faced when it assumed office in 1933. The total sum of approximately £500,000 was required for this purpose. Members were recently supplied with a copy of the Commissioner of Railways' annual report, and careful study of it will reveal that numerous improvements were effected during the year ended 30th June, 1938. In this report the operations of the four concerns under my jurisdiction show a profit after payment

of working expenses and interest of just over £12,000, this being the first time a profit has been achieved for 10 years. Another small profit is foreshadowed in the current year and, given a good season, there is every prospect of its being realised. Several members of the Opposition during the Address-in-reply mentioned the effect the carriage of wheat had on the railway finances, and it would be foolishness on my part to say that this commodity did not materially assist in balancing the ledger. The more wheat we have to transport, the better will be the results, as it is not only the freight that this commodity brings in to the State but the necessities that have to be transported for the production of wheat, apart from super-phosphate.

Mr. Patrick: It was a big item last year.

The MINISTER FOR RAILWAYS: According to the figures, wheat itself does not pay. The Leader of the Opposition, I think it was, suggested that no business carries on any part of its enterprise at a loss. That is not so. Nearly all businesses conduct a certain portion of their operations at a loss. In all businesses there are constant overhead expenses that have to be met. There are lines that will pay wages and those lines are very desirable even if they only do that. There are many distributing businesses in the city selling goods at under cost. I know from experience that that is so and it is done from time to time in order to turn over the value of the stock. It is the same in respect of the carriage of wheat, timber and other commodities, and it is essential that this be done in the interests of the State and the railways in particular. The Railway Department is always anxious, as far as it is possible within the limits of the finances at its disposal, to effect improvements. In consequence of that desire, a policy of keeping abreast of modern practices has been actively pursued during the past year. A constant interchange of views between the different railway systems of Australasia has taken place, and the latest developments in the English and foreign railways have been closely watched with a view to their adoption or modification in this State if or when circumstances make such a course desirable. Probably the most important innovation, from the point of view of the country dweller, is the introduction of Diesel electric rail cars. These modern transport facilities cover a fairly wide area in the more settled

portions of the State, and are proving most popular with the travelling public. Considerable saving of time over previous time tables has been made possible by the introduction of this new means of transport, and from the experience to date in the operating of the present fleet of six cars, additional units could be used to advantage by the department.

Special attention has also been paid during the last year to the Kalgoorlie-Perth section of the overland journey. The Railway Departments in the various States and the Commonwealth Railway Department desired to reduce the time taken in travelling between Perth and Sydney, and each State made some provision to achieve that end. Western Australia's contribution was a limitation of the loading and the cutting out of all stops other than those necessitated by staff and locomotive requirements, and that resulted in a considerable speeding-up of the journey between Perth and Kalgoorlie. In addition, we have attached to the train a well-equipped and comfortably furnished lounge car, and the train, as most members know, has been considerably improved. It has been named the "Westland." The naming of trains seems to be in keeping with the modern practice on railway systems throughout the world. The "Westland" on the whole compares very favourably with the express trains operating in the eastern portions of the Commonwealth. It has run to the schedule designed for it, and has made the contribution expected of it towards the speeding-up of the journey from west to east. On many occasions it has been responsible for making up a lot of the time which was lost on other sections of the line, as a consequence of which the Commonwealth train arrived late in Kalgoorlie and the "Westland" left Kalgoorlie behind time.

Ten new engines are comprised in a programme of locomotive construction undertaken by the Midland Junction Workshops, and satisfactory delivery of the new rolling stock is promised. Four of the engines are now in service, and a more rapid output is planned under present arrangements. A fair amount of ground has been traversed in the modernising of freight waggons. Obsolete vehicles have been written-off and replaced by up-to-date equivalents, and the trend of wheat carriage from bag to bulk

has been met to some extent by the conversion of 54 flat-topped waggons to high-sided vehicles to assist in the handling of the harvest under the new conditions. A progressive improvement in the ratio of trucks to the total carrying capacity has been effected during the past few years, and this policy is being continued.

To overcome the congestion met with last year in satisfying the combined demands of country sheep sales, fat lamb export and the Midland Junction markets, an extra 52 improved sheep waggons have been placed in traffic, while 50 ordinary freight waggons have been equipped with false bottoms consisting of special wooden grating to enable improvised trucking arrangements to be resorted to if the necessity arises. In the current year a further 50 stock trucks will be built. I remember that last year complaints were made regarding the transport of fat lambs from some districts. The complaints arose over the congestion that took place. To a great extent that congestion was due to the manner in which the country sales were conducted. However, the additional trucks have been provided for the purpose of remedying the position, and I trust that the necessity for complaint will thus have been obviated.

The practice has been continued of refitting passenger coaches with latex rubber seating and providing additional sleeping berths. The improvements were, of course, most needed in the second-class stock, and therefore our efforts have, in the main, been confined to that stock. An improved type of screw coupling has been designed that should make a considerable difference to the comfort of passengers during the starting and stopping of trains. Some of the ideas embodied in the new coupling were gained from overseas. The Commissioner undertook an extensive investigation with a view to discovering a coupling suitable for our trains, and was successful in securing some ideas from abroad. The new coupling has been designed by incorporating local ideas with those obtained from overseas. The adoption of the new coupling should result in a greater measure of comfort for passengers travelling from Perth to Kalgoorlie, or vice versa. The shaking that formerly took place in starting and stopping operations has been prac-

tically eliminated since the new coupling has been used.

The estimated results of the Tramways operations are as follows:—Revenue, £309,000, and expenditure £221,000, leaving £88,000 to pay an interest bill of £50,000 for an anticipated profit of £38,000. Compared with last year's figures, the earnings are estimated to show an improvement of £22,000, and the operating expenses mainly in respect of increased wages promise a rise in expenditure of £10,000.

The success of the trolley bus service both on the Claremont and the Wembley lines has exceeded all expectations. Any complaint arising from this service has been due to the extensive patronage it has received since its inauguration. There is no doubt that trolley buses have proved popular with the public. When we became aware of the popularity of the service, we decided immediately to order another five buses. Three of the chassis are leaving England this week, and the other two will be leaving at the end of the month. All will be here by Christmas, and we hope to have them ready for the road by January. When the chassis arrive, the bodies will be practically ready to place upon them, and in a very short time afterwards the buses will be ready for the road. I was a little concerned on Show Day. I knew that last year the trams, not only along the Claremont route, but also from Subiaco had difficulty in handling the show traffic, and I was wondering how the buses would fare. They handled the traffic very successfully, in spite of my fears; indeed, they handled it better than did the trams.

Mr. Cross: And much more quickly, too.

The MINISTER FOR RAILWAYS: Ever so much more quickly. In the previous year the total revenue received by the trams was only £89 on Show Day; this year it was £152. Therefore extra traffic was handled with considerable facility, and the arrangements were a great improvement on the old tramway service. In every way the buses have justified their introduction.

Very little alteration in the financial position of the ferries is envisaged for the current year.

Mr. Cross: When is the new boat coming?

**THE MINISTER FOR RAILWAYS:** Tenders have been called for the propelling machinery. Until that arrives—

Hon. P. D. Ferguson: I thought we had that in the House.

**THE MINISTER FOR RAILWAYS:** We can make a decision about a new boat, but new boats cannot be built in five minutes. We must first obtain the propelling machinery required. We can build the framework of the boat here, but the importation of the machinery takes a little time. Provision is being made for £8,400 revenue with an estimated expenditure of £8,200 and £200 interest charges; so we expect to balance the ledger. We are taking all possible steps to have the new boat, referred to by the member for Canning, on the water as soon as possible. The decision to have a new boat marks a definite improvement in relation to our ferries. The advent of the new unit promises to regain some of the lost patronage which has been diverted to other transport channels.

With regard to electricity supply, the estimated revenue is £408,000, and the expenditure £300,000, leaving £108,000 to pay an interest bill of £78,000 for a net profit of £30,000.

Mr. Sampson: It is always a good proposition.

**THE MINISTER FOR RAILWAYS:** Yes, electricity supply is always a good proposition wherever it is found throughout the State and it is always a good source of revenue. It is an undertaking that in itself has to be looked to for a fairly good profit. The machinery becomes out of date and antiquated. I know of several similar undertakings in the State which for many years made huge profits, but ultimately had to use all the profits in the replacement of old machinery. Undertakings of this kind should make good profits.

Mr. Sampson: That would not happen other than on the goldfields.

**THE MINISTER FOR RAILWAYS:** That is what I am thinking of. A great deal of money had to be spent in bringing machinery up to date. I refer particularly to enterprises in Kalgoorlie and Boulder. The earnings, it is anticipated, will show an improvement of £21,000 over those of last year, and the working expenses will probably absorb an additional £9,000 compared with the 1937-38 figure. Satisfactory progress in bringing the new station into com-

mercial operation is being maintained. Part of the equipment is at present functioning in conjunction with the old plant, and the full output is planned for the end of December. If members have time at their disposal they should take the opportunity to look over the new plant, which is one of the most up-to-date in Australia. They will be interested to see the manner in which the General Manager, Mr. Taylor, has designed it, and made it possible to use the high pressure boilers and high temperatures associated with those boilers in the other section of the plant without any loss of energy due to the transference of energy from the high pressure boilers to the other section of the plant where the same high pressure and high temperatures are not required. A reduction in temperature and a reduction in pressure naturally cause a loss of energy, but through the technical knowledge and designs of the General Manager, the staff has been able so to use the loss of pressure and heat as practically to eliminate the loss in connection with the changeover. The latest machinery can be seen at the power station and compared with the old types. Members will thus gain some idea of the vast changes that are taking place from time to time in machinery used for the production of electricity.

Mr. Warner: Could a day be set apart for members?

**THE MINISTER FOR RAILWAYS:** I will see whether some arrangement can be made with Mr. Taylor. We expect the new plant to be opened officially in the new year, when members and the general public will have an opportunity to look over it.

Hon. P. D. Ferguson: We shall all be in the bush then.

Mr. Warner: Some members will be busy electioneering.

**THE MINISTER FOR RAILWAYS:** Even so, perhaps members could find one day for an inspection of the power station.

Mr. Styants: We could declare a truce with members opposite on that day.

Mr. Sampson: You are quite safe in Kalgoorlie.

**THE MINISTER FOR RAILWAYS:** Many pressing demands for the extension of electric current are under consideration.

Mr. Sampson: Hear, hear!

**THE MINISTER FOR RAILWAYS:** Everything depends upon the necessary funds being available. The resources of the East

Perth power station have been almost doubled.

Mr. Sampson: The station would pay straight away.

The MINISTER FOR RAILWAYS: There are difficulties connected with the distribution of current. Some people think that the plant which produces the current is the main cost in the supply of electricity, whereas the distribution costs are almost equal to those of the production costs. Seeing that we have a big plant in East Perth capable of generating a large number of kilowatts, we desire to take advantage of that fact and to distribute current to the utmost limit possible. Nevertheless we have to take into consideration the distribution costs. We find, in connection with the extensions frequently referred to by the member for Swan, that they would not be as easily effected as he imagines. In company with the hon. member I have had the pleasure of going through some of the districts requiring extensions. I appreciate that the residents of these districts are anxious for extensions to be made so that they may have electric light in their homes, and power with which to drive the motors they desire to use for the pumping of water. We are anxious to extend these facilities if we can, but we must have regard to the possible return from the capital outlay. The cost of some of the proposals is such that the prospective revenue is not yet sufficient to meet the interest. Various proposals that have been investigated have considerable merit, but that merit depends upon the prospective return from the potential customers in the district to be served. We have to ensure a return of the interest on the capital outlay. Low tension wires cost about £78 per mile. Seeing that four such wires have to be used for extensions from the transformers, members will have some idea of the cost. Low tension wires cost considerably more than high tension wires, which are of a smaller sectional area and therefore cheaper per mile. The Government is anxious to do all that is possible to provide additional current that will shortly be available in the new commercial station, and proposals which offer a reasonable return upon the capital involved will be given every consideration.

Mr. Sampson: That will make for new prosperity in the Hills.

MR. CROSS (Canning) [9.40]: A remarkable state of affairs is disclosed in the Commissioner's report. In his summary the Commissioner shows a net profit of £12,120 from the whole of the undertakings under his control. The railways, tramways, trolley buses, electricity supply and ferries are lumped together. Surely a separate comment on each of these departments is warranted. I propose to make some pertinent remarks on the returns associated with each of these departments, to show that the people who contributed the profits mainly reside in the metropolitan area and that the profits are utilised to cover country losses.

Mr. Seward: You will have something to do.

Mr. CROSS: The task will be an easy one. Page 1 of the report discloses a surplus in the tramways over working expenses, interest payments and sinking fund, of £574, and under the heading of electricity supply a surplus of £31,810. These two surpluses cover a deficit in the railways of £19,951.

Hon. P. D. Ferguson: Is that all country loss?

Mr. CROSS: I say definitely that the loss sustained by the railways is produced in the country areas.

Mr. Seward: Have a look at the suburban traffic.

Mr. CROSS: The profits made from metropolitan enterprises are shown in the report in such a manner as to disguise the fact that they are being used to cover the losses made in the country.

Mr. Warner: Why should the railways desire to camouflage the position?

Mr. CROSS: It is high time the control of the railways, the tramways, and electricity supply was separated. The electricity supply is definitely bound up with the tramways and trolley buses, and the cost of producing current and of running those services is closely related. The two departments should be run in conjunction, and separate from the railways. If that were done, the profits from transport services in the city, and also from electricity supplies, instead of covering country losses could be used to provide better facilities for people of the metropolitan area. Those people are not satisfied with the present rate of progress. No one will deny that the trams, except possibly on short-double-line services, are out of date and obsolete. This applies particularly to single lines, loop lines, and long lines. As

regards trolley buses, last year I offered some pertinent comments on overseas experiences; but there is no need to go overseas now in order to arrive at the result of the use of trolley buses. Trolley buses have proved definitely capable here of doing all that is required. I shall give some figures which should be of extreme interest to the people of Western Australia. In the case of the old Claremont trams the takings averaged £302 per week. Since the trolley buses have been in operation there, the average has risen to more than £650 per week—more than double the average of the trams. Wembley is a better paying proposition than Claremont. On the Wembley line the takings before the advent of trolley buses averaged £340 per week. When trolley buses were run to the West Leederville station, the average takings were £150 per week. The trolley buses were extended by one mile 75 chains, and the weekly takings rose to £370 per week, and are increasing. At Wembley for the week ended the 24th September the tramway takings were £194, but the trolley buses averaged £564 as against £340 representing the takings of the trams previously. As regards the tramway service right through, the Commissioner's report discloses that the average of passengers per mile has decreased from 8.74 to 8.6, and that tramway earnings per mile are decreasing. Last year the drop was from 19.88d. to 19.56d. per mile. On the other hand, passengers carried on trolley buses had doubled. In August of this year the revenue earned by the tramway system from passengers was £25,222; but for October the amount was only £21,319. The takings of trolley buses in August were £4,420. For October they increased to £4,732.

The Minister for Mines: That was due to the Royal Show.

Mr. CROSS: The Royal Show did not make a hundred pounds' difference. I shall prove that it is a business proposition to convert the whole of the Perth tramway system systematically to a trolley bus system. In the extraction of these figures I have been most careful, and have made quite certain of their correctness. The Commissioner's report discloses that last year the cost of running trams was 16.39d. per mile. While the number of passengers carried is decreasing, running costs are increasing. The cost per mile of running trams in September of this year was 17.57d. per mile. The cost of

running trolley buses for August was 10.63d. per mile, representing a saving of nearly 7d. per mile as compared with trams. In October last the tramways ran 257,351 miles. The saving in running costs on that mileage, taking the saving at only 6d. per mile, amounts to £6,400 per month. This represents a saving in running costs alone of £76,800 annually. I want members to observe that there is more tramway mileage in summer than in winter. The October time table is a winter time table; so I am not exaggerating the number of miles run by the tramway system per month. The Commissioner's report further discloses that interest charges on the tramway system last year amounted to £45,809. Members will realise that the conversion to trolley buses will result in a saving in running costs alone sufficient to pay the whole of the interest charges on the trams and leave a profit as well. Even that is not all. Trolley buses give at least a 33 per cent. faster service to the public. That represents an enormous saving of the public's time. It also means that a 33 per cent. smaller number of trolley buses can maintain the same service as the trams.

Mr. Patrick: One tramway man told me that a tram will take twice the number of passengers at peak periods.

Mr. CROSS: That has not been proved. Let me inform the hon. member of something that took place on Showday this year on the Claremont line. Trolley buses were doing the round trip, and on more occasions than one they did it in 35 minutes. When the trams were on that service last year, the average time taken each way was 47 minutes. That is the difference in saving of time. When the trams ran to Claremont this year, they went further along the line than the trolley buses, because they have not the same facility in turning. The tram cars can turn on the loop. That is the reply to the assertion as to the handling of numbers of passengers.

A year ago I moved for an inquiry into this subject. I am informed that at last inquiry is being made. A report is to be prepared showing the traffic requirements of Perth for the next ten years. I suggest that the time is ripe for preparation of a plan to convert from our obsolete tramway system to trolley buses, making a beginning on the single lines. The usual cry is "No money."

I suggest that control of trams, trolley buses, ferries and electricity supply be vested in a board under the control of a Minister—a transport along the lines of the London Passenger Transport Board, which has effected such drastic and wonderful improvements in Greater London. Such a board could use its accumulated profits to provide greater facilities for the people. At present the tramways and electricity supply are dependent upon the amount of loan funds the State Treasurer can make available to them. Consequently, though everyone agrees that existing transport facilities are out of date, the people cannot get the improvements they so much desire. If a board was given powers such as I suggest, including borrowing powers, the interests and privileges of the employees could be preserved. Moreover, the board being under the control of a Minister, Parliament would have a say in the matter also. No more striking need for drastic change is to be found in the State than exists in South Perth. Month by month one sees petrol-driven buses gaining passengers from the slow tramways. The people are dissatisfied. They want trolley bus services. They have been very patient, but their patience is almost exhausted. To-day they are demanding faster, more comfortable, and more frequent services than are rendered by the tramways. The time has arrived for a change to be inaugurated. Some months ago a deputation waited on the Transport Board and asked that a new transport service be granted to run through the centre of South Perth which to-day is suffering a serious lack of facilities. The board has been hanging up its reply awaiting the decision of the Commissioner of Railways. It is imperative that a move be made at once, and the Minister should immediately order further trolley buses for the South Perth service. A definite plan should be laid down and the people given up-to-date facilities. It is not only South Perth that lacks these facilities but all the suburbs—Mt. Lawley and Victoria Park particularly—where the trams are slow and are holding up the traffic, and thus causing the people to lose time. I am hoping that from now on every effort will be made to remedy the grievances to which I have drawn attention. The conversion, I suggest, is a business proposition and will enable the Government to turn losses into a profit for the benefit of the State.

**MR. STYANTS** (Kalgoorlie) [10.3]: I congratulate the Railway Department upon its fine showing. I know that amongst the railway officials in Eastern Australia it is a matter for astonishment that the railway management in Western Australia can almost balance its budget with only a 3ft. 6in. gauge and freights that compare favourably with those operating in other parts of Australia, and further, with a population of something like 105 to every mile of railway constructed, whilst in most of the Eastern States the figures are anything up to 600 or 700 people to the mile of railway. I cannot agree with the member for Canning (Mr. Cross) that it is the metropolitan area that shows a profit to the Railway Department. If the position were investigated, it would be shown that the country lines were responsible for the profits. It is rather a lopsided comparison to make with the metropolitan area, particularly in respect of passenger traffic, when we consider that we have only about 40 miles of railway in the metropolitan area with half the population of the State within that compass. Apart from passenger traffic, we would find that the goods traffic in the metropolitan area provides a very small proportion of the earnings of the Railway Department. The principal earnings of the Railway Department come from long-distance country lines, where long haulage is the general practice. I wish to refer to the appreciation of the people of the goldfields, and to add to it my own as well, concerning the improvements made in the Westland Express. The railway authorities here are making a brave showing to endeavour to give us something in the nature of an up-to-date train; and with the facilities at their disposal, they have done a good job. If one travels by the ordinary express and then has the opportunity of a ride on the Westland, he realises just what improvement has taken place. The lounge car raises the standard of the train almost to the level of the trains in the Eastern States. I am also pleased to see that some of the matters I have advocated both before I came into this House and since have been incorporated in the improvements that have taken place in the Westland Express. I am not sufficiently vain to say that the Railway Department has adopted my suggestions, because I think what I advocated was apparent to all railway men as being needed to bring that train up to the highest stan-

dard of efficiency. I refer particularly to the adoption of screw couplings, or if not those, then something in the nature of a tighter coupling between the coaches. Practical railway men know that with a play of three of four inches between couplings, it is impossible to get smooth running. In addition, I pointed out that the principal reason for the slow running of that train was not the 3ft. 6in. gauge but that the locomotives drawing the express trains were overloaded. The "P" class engine is the type used on the Kalgoorlie express. It has a hauling capacity of 380 tons, and between Northam and Kalgoorlie the department was loading 335 tons, a matter of only 45 tons less than the full hauling capacity of the engine. In cases of emergency, provision was being made that 355 tons should be taken by the express. The result was that whilst fair running time could be made on easy grades, immediately the engine struck a hill, it slowed down to 10 or 12 miles an hour, and the fair average for the journey was destroyed. The department has now adopted a system of reduced haulage, that is, the engine is given a comparatively light load. The engine of a train in England will weigh 160 tons and it is given a load of 263 tons to draw. Here we have engines of 103 tons and a load of 335 tons; this, too, on an express train! The result of putting on a lighter load is that the train maintains a better speed up hills and a better average for the whole journey. On many occasions it has made up much of the lost time brought about by engine failure and other matters on the run from Port Augusta to Kalgoorlie.

A quaint psychology appears to be created in the minds of railway officials towards the people of Kalgoorlie in connection with an undoubted right that they have to travel on the Westland Express. I am referring to the occasions, and they are frequent, when there is not a full complement of overland passengers to be conveyed to Perth. If there were a full complement for the Westland, either from the East or going to the East, then of course the interstate passengers would have preference. But the frame of mind of some railway officials is that a concession is being extended to the people of the goldfields when they are allowed to travel on the Westland. That

should not be the case; the people of the goldfields should be given every inducement to travel on the Westland. One of the great objections the goldfields people have always had against the department is the cost of meals in the dining car. It was made one of the conditions of travelling on the Westland Express that a meal ticket had to be purchased before a person could become a passenger on that train. The people on the goldfields maintain that they do not get anything like value for their money in the dining car.

Mr. Seward: Is that car leased?

Mr. STYANTS: Yes, and I think every refreshment room between Perth and Kalgoorlie is leased by the same person.

Mr. Seward: Who is he?

Mr. STYANTS: Gorman; at least it was he who had them 12 months ago. Although there has been considerable improvement in the first-class accommodation on the Westland Express, there has not been a great deal of improvement in the second-class coaches. The conversion from the six to four berth compartments was effected before the Westland was inaugurated. That certainly was a big improvement, but it had taken place before the Westland Express had come into operation. Although the upholstery is a little better than it was before there is still room for improvement. In Tasmania it was found that there was a falling off in the first-class passenger traffic to such an extent that it was decided to scrap the upholstery in the second-class coaches, bring those coaches more closely to the appearance of the first-class, then adopt the one class throughout and increase the fares by 10 per cent. The time has arrived when something of that kind should be done here. If we do not abolish the two classes and introduce an intermediate class—something between the present first and second class, I am certain that in a short time the people, the majority of whom now own motor cars, will use that means of transport for themselves and their families, and very often for their friends as well. The second-class passenger is by far the most profitable to the Railway Department and yet the department is not studying the comforts of that section of the community to anything like the extent to which it attends to the comforts of the first-class passenger.

To show the value of the second-class passenger to the Railway Department over and above the first, I might be permitted to quote the revenue received at Kalgoorlie and Boulder for first and second class passenger traffic during the 12 months ended the 30th June last. The figures were supplied to me by the Minister in answer to a question I asked in the House. The Kalgoorlie and Boulder receipts from first-class passengers amounted to £18,591, while the figures for the second-class passengers totalled £51,766. I know from my having worked on that train for many years that there is very little difference in the number of coaches drawn, that is to say, the first and second class coaches are equally divided. Probably once or twice there might be found one more second-class coach than the total number of first-class carriages; at any rate one would not be far out in saying that the first and second class coaches are about even on each trip. As I said, the sum of £51,766 was received from second-class passengers and for hauling the same number of coaches for first-class passengers the department received only £18,591, or about one-third of the amount received from the second-class passengers. That clearly proves my contention that we ought to cater more for the second-class passenger, because that is the type of passenger that is patronising the railways. The persons who would ordinarily travel first-class by railway now provide their own form of transport, the motor car.

I notice from the Commissioner's report that he has at last realised his locomotives are not up to the standard he desires them to be. The condition of the locomotives is becoming poor. I have emphasised that fact for the last few years, but this year is the first time that the Commissioner has agreed he would like to have the £100,000, which previously has been used for belated repairs, for building up his locomotive stock. Those who drive the locomotives and those who repair them have realised for a number of years that the condition of the locomotives was very poor. I am afraid that if a substantial sum is not made available for the replacement of our obsolete locomotives, we shall have in a very short time a heavy belated repair bill for locomotive stock. I am safe in saying that during the last 12 months more engine failures have occurred than in any other 12 months in the history of our railways. In one week in the East Perth

sheds there were seven engine failures, which is a phenomenal number, considering the small number of engines that work from the East Perth sheds. All over the country I meet men with whom I worked for many years, men who drive locomotives, and they are unanimously of opinion that the locomotives are in very poor condition indeed. Not only do the drivers complain of the condition of the locomotives, but men who have been selected from among the ranks of the drivers by the administrative staff to take over the position of foremen in the depots also unanimously condemned the condition of the engines. After all, a foreman must take a certain amount of responsibility for engines that are continually breaking down, and that are running out of his depot and causing delays to traffic. A reflection is cast upon him, and he naturally feels his position. The locomotives are in a filthy condition. One feels ashamed to look at the locomotive attached to the Westland express. We have engines now being put into use known as the river type. The names of the rivers are painted on them, but if they are not kept a bit cleaner, in a very short time the names will not be discernible on account of the filth covering them.

Coaches are kept very clean. They are fumigated inside and washed, the paintwork looks bright and new on the outside; but when one gets to the business end of the train, where the tractive power is supplied, we find the same filthy condition because the department will not employ sufficient cleaners to keep the engines in a reasonably clean condition. That is not the most serious point arising from the shortage of cleaners. The department is putting inexperienced youths on to the main line to do firemen's work. These youths have not had sufficient training. I say definitely that eight or 12 months' training as a cleaner is not enough to enable a youth to grasp even the fundamentals of firing a locomotive. I recall that when I was a cleaner, I was encouraged, with other cleaners, to go out on locomotives for the purpose of acquiring practical knowledge. If a third man is seen on an engine in the metropolitan area, the driver will be immediately questioned and possibly fined for having a third person on the locomotive. In my opinion, a system should be introduced whereby young cleaners would be encouraged to go out on the road to acquire

practical knowledge of firing a locomotive. That knowledge cannot be gained in a shed. Further, the cleaner should be paid for the time he is so occupied. It is unfair to drivers, and uneconomical to the department, to employ a fireman who does not thoroughly understand his duties. It is unfair to a driver, particularly on suburban traffic, to have to supervise the fireman's work. The vigilance he must exercise in performing his own work is such that his work must be regarded as a full-time job.

Our railways have reached a hopelessly obsolete condition. Much of the rolling-stock in use is 35 or 40 years old. Little or no improvement has been effected to it. Perhaps upholstery has been renewed, but the chassis and the springing are practically the same as they were 35 or 40 years ago. Second-class carriages still have the straight backs. Not much improvement has been made in the first-class compartments, with the exception of those used on the principal express trains. Many of our locomotives are 25 years old. Some of them are 30 to 35 years old, and I notice that one locomotive is 50 years old. According to the report, it was put into service in 1889, and is still in use. Anyone who has studied, even superficially, the progress that has been made in locomotive stock during the last 15 or 20 years must realise that the locomotives in use are much out of date. Locomotives, or any machinery that becomes obsolete, is always expensive. To persevere with it is not good policy because of the amount that must be spent in repairs, compared with the upkeep of a new and up-to-date machine.

I read with interest what is taking place in the Victorian railway system. If we are to retain protection from road transport competition, which we have at present under existing legislation, we shall have to modernise our equipment and give the public a service better than that which they are receiving. People will not remain satisfied with a railway system that has not been improved for 25 or 30 years, when such wonderful strides have been made in other means of transport. So I am of opinion that the time has arrived when we must modernise our railway equipment. In Victoria, as I read with interest, a decision was made to experiment with a full-size model all-steel coach in the workshops. The Victorian Railways now have air-conditioned trains insulated against heat, dust, cold and noise, run-

ning on the Melbourne-Albury section, and the department expect that within 12 months every long-distance train in Victoria will be similarly equipped. Air in the sealed coaches is heated over electric coils in winter and cooled over refrigerating coils in summer. When a request was made to the department to provide hot water bottles for the second-class sleeping compartments on the Kalgoorlie Westland, the reply was that our winter was not long enough or sufficiently severe to warrant the provision of hot water bottles, although they were provided in the first-class carriages on the same train. In Victoria, jolting has been eliminated by screw couplings. Noise from the track is minimised by the Flash-Butt system of welding, which has been adopted so successfully in Germany. Standard lengths of rails are 225 feet, and in some cases 3,000 or 4,000 feet. Of course, that does away with the noise and rattle that comes from underneath. The floors are insulated with cork fibreboard, sponge-rubber, marble rubber coverings and carpets, and the walls and roof are insulated. There is nothing to prevent our department from adopting all the methods I have described. We certainly are at a disadvantage on account of our 3ft. 6in. gauge and limitation of speed, but there is no reason why comfortable carriages should not be provided. It may be objected that the cost of air-conditioning our carriages would be excessive. I was under that impression until I read the article from which I quoted. The article states that the estimated cost of air-conditioning would be met by an increase of only one-half to one passenger per carriage per trip, having regard to the extent of the mileage run. Victoria has an all-steel train and, apart from its durability, there is the safety aspect. It was proved on the Continent in a big railway smash that, where steel coaches were used, the mortality was practically nil. In a couple of other smashes, where the carriages were of the wooden type, the mortality was high. The steel is called Cortan steel, and is used in America. It is twice as strong as ordinary steel, and has six times its corrosive resistance.

Much time could be saved on long-distance trains by providing buffet cars, at which a light meal could be served for about 2s. This would cut out stops every 20 or 30 miles at refreshment stations.

Member: Of course it would.

Mr. STYANTS: I do not advocate that the price of the meals should be fixed at 3s. 6d., which is the amount we have to pay on the Kalgoorlie run. The average passenger does not require a three-course meal, served under conditions that prevail in a hotel. All he wants is a lunch worth about 2s. There would be a saving of time, and the travellers would have the advantage of the convenience. A man with a wife and two or three children cannot afford to pay 3s. 6d. per head for a meal. The price is prohibitive.

There are two or three other questions about which I have something in the nature of a grouch. One is a matter that I have consistently advocated, namely, the rights of the department as against transport by other means. Until the Transport Co-ordination Act was passed, the railways were operating under unfair competition with other means of transport, as the department had to carry all the low-price freights, while the other forms of transport carried the cream of the traffic. They were only concerned in dealing with the higher price freight and would not touch lines the freight upon which, between Perth and Kalgoorlie, was less than £6 10s. a ton. That meant that all the cheaper consignments for which freights of £3 10s. a ton were available, were left to the railways.

If there is a continuance of instances such as the one I am about to relate, then I am afraid my loyalty to the railways will be strained to breaking point. One of my constituents consigned a suitcase full of fairly valuable clothing from Kalgoorlie to Bunbury. He consigned it to his wife and estimated the value of the clothing and suitcase at £8 11s. 4d. The freight he paid was 5s. 6d. In some way the case was lost and the man supplied the Commissioner of Railways with a list of the articles in the suit case and asked for compensation. This is the letter he received in reply—

With reference to your claim dated the 4th March for £8 11s. 4d., for a suitcase and contents railed to Bunbury on the 13th February last, it is regretted that all efforts to trace the case have failed. In regard to your claim I have to point out that the Commissioner's liability in such cases is limited to the sum of £1. Payment of this amount is approved, plus the freight 5s. 6d., and cheque for £1 5s. 6d., less stamp duty, is enclosed herewith. An acknowledgment of this cheque is not required, but it

is requested that you endorse it in the space provided on the back and pay it to the credit of your bank account as early as possible.

In that instance the man took his property to the Railway Department, which acted in the capacity of a common carrier. Through negligence on the part of some employee of the Commissioner of Railways, the property was totally lost, and yet the department could hide behind a regulation that sets out that the Commissioner of Railways will be responsible up to £1 only for the loss of such goods consigned over the railways. We know that such a regulation exists, but we also appreciate the fact that it was not framed for the purpose of bolstering up the position of the department when an instance of neglect or carelessness on the part of the Railway Department was involved. The object was to enable the Commissioner to adopt that stand where there was room for believing that the claim lodged was exaggerated and not in accordance with the true value of the goods lost. In this instance, however, the man supplied a list of the goods and therefore left himself open to a charge of attempting to obtain money under false pretences should legal proceedings be taken, which was quite possible. The man claimed that the value of the suitcase itself was £1 quite apart from the clothes that were consigned to Bunbury. The Minister for Railways is also Minister for Justice. In view of the circumstances surrounding this case, I thought I would appeal to him as Minister for Justice to see that this man received a fair deal. On the contrary, I received a note from the Minister saying that had this man paid an extra 10 per cent. on the freight he had already paid, the goods would have been carried at the Commissioner's risk. I regard the Minister's attitude as a poor conception of justice to be meted out to the man whose case I have presented to the Committee. In good faith he paid freight, but through the negligence of the department, his goods were lost and, in those circumstances, I should think the department would have at least offered him 50 per cent. of his claim. In view of such instances, it is little wonder that people do not patronise the railway. In my opinion, this instance indicates a disgraceful injustice.

Another matter I wish to deal with relates to questions I asked last week, the answers to which I received to-day. Those questions related to the policy inaugurated in 1932 un-

der which railway engines were built with steel boilers. I affirm without hesitation that that policy represented the most costly blunder ever perpetrated by the department. I am satisfied that the maintenance cost per boiler as indicated in the replies to my question, does not indicate the correct position. With regard to the repairs to boilers, wherever I go throughout the State, men who are driving locomotives with steel boilers are unanimous in condemning them as failures. I do not take very much notice of that because engine drivers are not supposed to know all about the construction of the boilers, but, on the other hand, the boiler makers, who are experts, inform me that the engines are abject failures. I was glad to hear from one answer to my question that it was the intention of the department to continue the policy of constructing these steel boilers but only with modification. When it is possible to get some official of the Railway Department to admit the necessity to modify a policy, I realise that the department appreciates the fact that there is something particularly wrong with the policy in question. I object to the manner in which my questions were answered. I asked: What is the number of all-steel boilers constructed by the W.A.G.R. since the 1st January, 1932. The answer was that 32 had been completed. I know that is correct. Then I asked: What has been the average cost of repairs to the boilers for stay and tube renewals for the first three years of service? The department apparently grouped the whole 32 and gave me the answer of £94. As a matter of fact, only 10 of the 32 boilers have done three years' service. The department included in that reply boilers that have been in traffic for three or four months only. That is the kind of answer members receive to questions that are put in all good faith. Boilers constructed with copper fireboxes and tubes will last for five or eight years on the road without the necessity for any repairs at all. Regarding the cost given by the department, if members take the Commissioner's own report, they will find that five "ES" boilers were constructed in 1932-33. Those are the all-steel boilers which have proved such failures, and then five "ES" boilers were constructed in 1935, seven "FS" boilers in 1936, five "FS" in 1937, and five "N and O" in 1937 and three "P" class in 1938. It will be seen from these that only five

"ES" in 1933 and five "ES" in 1935 have rendered three years of service. Others have been less than two years and some little less than 12 months on the road. Yet we find the department saying there has been an average expenditure of £94 on each of those boilers. I warrant that if the ten that have rendered three years' service were excluded, it would be found that the cost on an average would not be £20 for those steel boilers. I claim that boilers with copper fireboxes and copper or brass tubes would not require any repairs in three years. If members consider the other engines, however, they will see that the cost of repairs would work out at something in the vicinity of £250 per boiler. That is without taking into consideration the time that the locomotives are laid up. When I travel about the country, I frequently see engines being hauled to the workshops, and I generally make inquiries to ascertain what is the trouble. I am usually told that one of the all-steel boilers has failed again. If members look at the workshops at Midland Junction they will see engines standing about waiting for repairs; in fact, half-a-dozen are standing outside the shops awaiting boiler repairs. Naturally, those engines are not revenue-producing and there are charges levied against them while they are held out of traffic. I can remember an earlier Commissioner of Railways estimating eight or ten years ago that every day an "ES" or "FS" class engine was off traffic a loss was incurred by the department of about £11 per day. Some of these engines have stood outside the workshops at Midland for four or five weeks, and when attention can be given to them the repairs will cover another five or six weeks. Allowing a loss of £11 for each day the engine is out of commission, members will realise that £500 or £600 is involved. I do not blame the Commissioner of Railways for that loss. I know how the situation arose in 1932. It was caused by a mechanical engineer overriding the opinion of the boiler experts. The latter did not want all-steel boilers constructed. Not only were steel boilers constructed, but steel stays were installed, and these broke in all directions. I understand that between 700 and 900 stays broke or proved defective, and the engines were held up all round the countryside. Each stay cost about 5s. for renewal, so members will gain from that some idea of

what expense was involved from that standpoint alone. I believe a select committee is warranted to investigate the actual cost to the department of the maintenance of all-steel boilers. It is satisfactory to note, however, that the department admits the necessity for a modification of the policy I have referred to. I had intended moving later in the session for the appointment of a select committee for I know what a costly blunder this policy has been. Everywhere the boilermakers who are experts complain about the engines. When I was driving an engine I did not know whether it had a copper or a steel firebox. Only when the engine failed, did I become aware that the firebox was of steel and so on. I am pleased the department intends to review the policy and I trust that copper stays will be used in the boilers. Even if the department perseveres with the steel walls of the firebox, I hope that copper stays will be provided in the boilers in order that the present loss may not be continued. Before I conclude, I want to say that I consider that the officials of the Railway Department are putting up a particularly good show.

There is one other matter with which I wish to deal, and that is the manner in which long service leave and holiday leave are allowed to accumulate for certain high officials of the railway service and also of the Public Service of the State. One day last week I asked a question concerning the amount of long service and annual leave due to the Chief Mechanical Engineer, Mr. Broadfoot, and the reply was that there were due to him nine months' accumulated long-service leave, 132 days' accumulated annual leave, 55 days' current long-service leave, and 12 days' current annual leave. I am not quite certain what periods of long-service leave are due to heads of departments or what are the conditions governing that leave, but I think that the same conditions pertain as apply to other men. That is to say, they are entitled to three-months' long-service leave for the first ten years of their service, and three months for each successive seven years. If that be so, then the Chief Mechanical Engineer has not taken out long-service leave for 24 years. He has three months due for the first ten years' service, three months for the next seven years, and three months for the succeeding seven years. The annual leave for the other officials of the railway service averages

about a month a year. The leave of wages men averages from a fortnight to three weeks a year; but assuming that Mr. Broadfoot is entitled to a month's leave, the same as station masters, then the Chief Mechanical Engineer has not cleared his annual leave for four years, and altogether the aggregate of accumulated leave and current leave due to him is 15 months.

Hon. C. G. Latham: It looks as though the leave is unnecessary.

Mr. STYANTS: Yes. By not taking the leave due to them these men defeat the purpose for which the concession was granted. The reason long-service leave was instituted was to allow an employee to recuperate so that he might come back to his job fresh after three months' rest. It would appear, however, as the Leader of the Opposition has said, that there is no necessity for this leave. I understand that Mr. Broadfoot's case is not an isolated one. From the information I have, a number of other high officials in the service have many months' deferred leave to take out. I believe the Chief Mechanical Engineer is approaching the compulsory retiring age, and if we are not to have a repetition of what occurred when the Crown Solicitor was promoted to the Judiciary; that is to say, if the Treasury is not to be mulet for a large amount of money in lieu of accumulated leave, when Mr. Broadfoot retires from the service, then he will be required to start his accumulated leave very shortly.

I hope the Minister will ensure that even-handed justice is dealt to all sections of the service, and that the heads of the departments as well as the rank and file are compelled to take out their leave. I know what will be said. The argument will be advanced that the department was not able to spare the Chief Mechanical Engineer, just as it was said that the Crown Solicitor could not be spared. But Mr. Broadfoot has an understudy at Midland Junction in the person of the Chief Draftsman. I was pleased to find that we had a man of the ability that the Chief Draftsman proved himself to possess. Recently he received a prize of £900 for a rivetless frame for a locomotive. He won that prize in competition with engineers throughout the world, the prize having been given by an American corporation. I do not think anyone will contend that a man possessing the ability of the Chief Draftsman could not have taken over the position

of acting chief mechanical engineer and allowed his superior to take out long-service leave when it became due. If Mr. Broadfoot is not compelled to take out his leave before he reaches the age of 65, an amount of £1,600 will have to be paid from the Treasury in lieu of 15 months' accumulated leave due to him because, according to the report of the Commissioner, this man is in receipt of a salary of £1,200 a year. That principle is entirely wrong, and it is undermining the system of long-service leave and making fish of one and fowl of the other. It is making a distinction between wages and salaried men and those holding high official positions. I propose later on to ask questions as to the extent to which this pernicious practice of allowing men not to clear leave due to them for a matter of something like 20 years has been allowed to grow. That is totally wrong in principle and unfair to all sections of the service.

I remember that when I left the service to enter Parliament I had to invoke the aid of my union—the Enginedrivers' Union—to get what I was entitled to. I could not obtain my rights by applying for them as an individual, but had to seek the assistance of the union. One point in dispute arose out of the fact that any man in the Railway Service who wants to try his fortunes in some other avocation is entitled, under a gentleman's agreement between the unions and the Commissioner, to 12 months' leave of absence. The experience I had immediately preceding my election to Parliament was not of a pleasant nature, and I did not know whether that unpleasant experience was likely to be continued when I was a member of the House. I thought, therefore, that I would safeguard my position by allowing myself 12 months' trial as a member of Parliament and, if I was not satisfied with the life, I could then go back to the work that I had done for 24 years. I made application for 12 months' leave, and it was refused, despite the fact that I had been elected by the people of Kalgoorlie to represent them in the House. At the same time other men who left to take over hotels were granted 12 months' leave of absence. That is the differential treatment meted out to various persons in the service.

The other matter concerned a pass to which I was entitled for my wife. The department quibbled over that. Yet we find

that the Chief Mechanical Engineer is able to accumulate his leave to the extent of 15 months. He has not taken long service leave for 20 years or annual leave for four years. That is the kind of thing that brings about discontent in the service. I hope that for the sake of the contentment of the service and in the interests of justice to all sections of the service, these men will be compelled to observe the holiday conditions, and that the Chief Mechanical Engineer will be retired from the service so that he may not be able to claim a lump sum of about £1,600 for accumulated leave to which he would be entitled eventually on leaving the service in the event of his leave not having been taken out prior to his reaching the retiring age of 65.

Progress reported.

*House adjourned at 10.56 p.m.*

## Legislative Council,

*Wednesday, 16th November, 1938.*

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

### MOTION—URGENCY.

*Half-Castes and Relief Work.*

THE PRESIDENT [4.34]: I have received the following letter from the Hon. E. H. H. Hall:—

Perth, 15th November, 1938. Sir, I desire to inform you that to-morrow, the 16th November, it is my intention under Standing Order