

HON. H. TUCKEY (South-West) [9.50]: I agree that the Government is entitled to some assistance in connection with the drainage system, but nevertheless I am not wholeheartedly in favour of the Bill. In some respects it reminds me of the old saying, "The chickens have come home to roost." Drains have been constructed in this State during the past 50 years and the farmers have been content to allow the Government to put them in. In some instances the farmers urged the construction of the drains; in others they have not sought the construction. They did not think they would be called upon to pay anything towards the cost of the drains in the latter category. The Government is bound to collect more money seeing that the provisions of the Bill will apply to all parts of the drainage areas.

For several years past drainage work has been resorted to by the Government in order to provide employment for sustenance men. The Harvey drain cost over £270,000 and that work was undertaken merely to place sustenance men in employment. The Harvey people did not ask for the drain to be constructed and from that standpoint it is certainly hard that they should be asked to pay the maintenance costs. The work should rightly be regarded as a national undertaking. Other drains have been constructed in the South-West for a similar purpose and I know that in some instances they have not proved satisfactory nor were they required. The fact remains that the settlers will have to pay the full maintenance cost involved in the undertaking. It is unsatisfactory that landowners should be forced into such a position. On the other hand, I do not know how the problem can be overcome. It is difficult to say that some farmers shall pay rates in respect of one drain while others will not be required to do so where a similar undertaking has been put in hand.

I agree with the point raised by Mr. Craig regarding "minor works." An engineer can go on to a property and lay out works that may damage the holding. The land owner will have no redress. I suggest that minor works should be confined to those the estimated cost of which will not exceed £200.

Hon. L. Craig: An expenditure of £200 on a five-acre block would be quite a lot.

Hon. H. TUCKEY: Perhaps a smaller amount could be adopted, but I think that method would be the best by which to overcome the difficulty.

Hon. J. J. Holmes: I think a basis of so much per acre would be better.

Hon. H. TUCKEY: I feel bound to support the second reading of the Bill, but I hope the Government will see to it that the rates levied will not be made too heavy. All these imposts represent so much added burden upon the primary producers.

On motion by the Chief Secretary, debate adjourned.

House adjourned at 9.55 p.m.

Legislative Assembly.

Tuesday, 18th November, 1941.

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

QUESTION—GOLDFIELDS WATER SUPPLY DEPARTMENT.

Appointment of Joseph E. Edmonds.

Mr. STYANTS asked the Minister for Water Supplies: 1, Did the notice appearing on page 993 of the "Government Gazette" of the 8th April, 1904, appoint one Joseph E. Edmonds as an officer of the Goldfields Water Supply Department? 2, If not, what did it mean? 3, During the

last 15 years how has this man been dealt with in the following respects:—(a) Was he paid overtime when called upon to perform duties such as attending and supervising repairs to burst mains, etc., outside ordinary working hours? (b) Was his holiday leave given on the same scale as an officer? (c) For the purposes of the Financial Emergency Act reductions were his wages or salary reduced on the scale of that of a salaried officer? (d) When the above reductions were discontinued was he treated as an officer in that the restoration of the percentage reduction was applied to him at a later date than that which applied in the case of wages men?

The MINISTER FOR WATER SUPPLIES replied: 1 and 2, The only information now available in the department regarding the 1904 "Gazette" notice is that contained in the notice which states that certain persons, including one "J. Edmonds" had been appointed officers to administer the by-laws of the Goldfields Water Supply Administration gazetted on 8th January, 1904. Mr. Edmonds was at the date of the gazettal employed as foreman fitter at Kanowna Water Supply Office. 3, (a) Compensation for ordinary overtime was included in his weekly wage. On several occasions special overtime worked on some Sundays was paid in addition. (b) No. (c) and (d) The scale of deductions prescribed in the Financial Emergency Act of 1931 applied equally to employees on salaries and wages in the respective classified groups based on earnings. Mr. Edmonds was dealt with throughout the operation of the said Act as a wages employee whose wage had not been ordinarily subject to basic wage fluctuations.

BILL—MAIN ROADS ACT (FUNDS APPROPRIATION) (No. 2).

Read a third time and transmitted to the Council.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Council's Amendments.

Schedule of 13 amendments made by the Council now considered.

In Committee.

Mr. Marshall in the Chair: the Minister for Labour in charge of the Bill.

No. 1. Clause 2: In paragraph (a):—Delete the word "six" in line 17 and substitute the word "five."

The MINISTER FOR LABOUR: The Council's amendment deals with the definition of the term "worker." As originally introduced, the Bill contemplated that a worker would be covered by the provisions of the legislation, whose remuneration did not exceed a maximum of £600 a year. The Council proposes to reduce that total amount to £500, thereby offering a compromise by fixing the maximum wage at halfway between the amount proposed by the Government and the present maximum of £400. I move:—

That the Council's amendment be agreed to subject to the following amendment:—"And add to the paragraph the following words, and by adding after the word 'writing' in line 14 of the definition of 'worker' the following words:—

'The worker's remuneration shall not include overtime or other allowances. Where a worker's wages are based on a basic wage which is greater than the basic wage fixed from time to time by the Court of Arbitration for the metropolitan area his remuneration shall not include the total amount which accrues in any year on account of the differential basic rates aforesaid.'"

What the Government desires is to add to the Council's amendment a provision that will enable workers outside the metropolitan area to have the benefit of any higher wage that may be received as the result of the increased cost of living in the outer areas.

It also proposes to give workers outside the metropolitan area the benefit of any district allowances or other allowances which may be paid to them as a result of their occupations in those other places. Members will realise that on the goldfields and in the North-West the basic wage is considerably higher than it is in the metropolitan area, and that in those districts there are paid to workers district allowances and sometimes other allowances, all of which are paid either because of a higher cost of living or because of circumstances associated with their employment which warrant those allowances being paid to the men in question. The Legislative Council has agreed that £500 should be the maximum remuneration in connection with the definition of the term "worker." The amendment I have moved aims to place workers on the goldfields and in the North-West, and also to some extent in the South-Western

Land Division, on the same basis in respect of workers' compensation as the Council is willing to grant workers in the metropolitan area; in other words, the members of the Council have agreed that £500 per year shall be the maximum for workers in the metropolitan area. We want to place workers in all other districts of this State on approximately the same basis. Therefore we ask that the definition of the term "worker" in the Act be altered to allow the higher basic wage in other parts of the State than the metropolitan area to be taken into consideration, and also the allowances which may be received by workers in those other parts. It may possibly assist members of the Committee to arrive at a conclusion on this question if I tell them that altogether the Council has moved 13 amendments to the Bill, and that the Government is willing to accept the other 12 amendments as they have been sent to us. We do desire, however, in connection with the Council's amendment No. 1 to have the alteration made that I have moved.

Mr. McDONALD: The Council's amendment provides that the maximum income in respect of which a worker may obtain workers' compensation shall be raised from £400 a year to £500. As I understand the Minister's amendment, he suggests first of all that to the £500 a year shall be added, where any worker is in an area in which the basic wage exceeds the metropolitan basic wage, the amount of such excess, and, secondly, that in addition to the £500 a year there might be received by the worker any overtime or special allowance without disqualifying him from his benefits under the Act. My impression of the Council's amendment is that the extra £100 a year was agreed to with the intention of covering the differences in the basic wage in varying districts, and also with the intention of covering what might be received by way of overtime and special allowances at a time like this, when many industries will be working overtime beyond what would be the case in normal times. So I take it—and I shall be glad if the Minister will assure me that my inference is right or else correct me—that the effect of his amendment is to increase beyond what was fixed by the Council the maximum wage or salary which would qualify a man to receive workers' compensation benefits. I understand the Minister's amendment to mean

that there could be a higher wage or salary received in certain circumstances, or in certain cases, which would still leave the worker qualified under the Act to receive compensation benefits.

The MINISTER FOR LABOUR: The Council in its amendment alters our proposal of a maximum annual remuneration of £600 to £500. I accept that, and, by the amendment I have moved, propose to add to it that in addition to the £500 there shall be taken into consideration overtime earnings and other such monetary allowances as might be received, and further that in districts other than the metropolitan area where the basic wage is higher than that in the metropolitan area such difference in the basic wage shall not be taken into consideration in reckoning the £500, and that where the goldfields basic wage is £40 a year higher than that in the metropolitan area the worker concerned, if he is receiving £540 a year, or at that rate, shall still be legally entitled to come under the provisions of the Act.

Mr. McDonald: And so also if he was getting in addition £50 allowance, making a total of £590.

The MINISTER FOR LABOUR: Yes. Whatever is received by the worker in overtime payments and allowance payments or differences in the basic wage shall not be considered as part of his £500, and he shall receive the benefits of the Workers' Compensation Act even if those other payments bring his total annual remuneration to £590 as suggested by the member for West Perth.

Hon. C. G. LATHAM: I do not see how the Minister's amendment can be fitted into the Council's amendment. I would like your views, Mr. Chairman, on that point. The Council's amendment deletes the word "six" and substitutes the word "five," to which the Minister proposes to add the words of his amendment. I know what the Minister's intention is, and I support it. Occasionally such amendments have been moved as the result of conferences between the two Houses, and on each occasion I have disagreed to the method.

The CHAIRMAN: Provided the amendment moved by the Minister for Labour is relevant to the amendment made by another place, I must accept it. The Leader of the Opposition knows that if an amendment is relevant to the subject matter contained in a Bill I cannot rule it out as irrelevant.

Hon. C. G. LATHAM: I accept your ruling, Mr. Chairman, but point out that this is a new principle. The liability is varied, though I agree it seems the proper thing to do. When the Bill was in the Committee stage in this Chamber the alteration was suggested, but was not accepted by the Minister. I wonder how we shall get on if in the future we are going to have legislation put through by such means as these. The right place to have made such an amendment was in Committee. The amendment that has been made by another place is a simple one, but the Minister has now introduced a new principle.

The Minister for Labour: It deals with the definition of worker.

Hon. C. G. LATHAM: It is unwise to have our legislation amended in this manner.

Mr. THORN: When the Bill was in Committee in this Chamber the suggestion was made to the Minister that the amount should be left at £400, but that certain exemptions should be embodied to meet certain cases. Another place has reduced the amount to £500, but the same difficulties occur. The Minister would have been wise if he had accepted the suggestion that was made in this Chamber. We suggested that overtime, district allowances, etc., be exempted so that the worker would not be deprived of his compensation rights.

The Premier: Some men receiving £400 a year might be cut out.

Mr. THORN: Our suggestion would have met the difficulty. We are right sometimes.

Hon. W. D. JOHNSON: It seems to me the Minister's amendment to the Council's amendment could have been moved in the form of a proviso. That would be the best way to approach the matter. It is questionable whether a figure can be used for the purpose of altering the definition. The amendment is a reasonable one, for if it were not accepted grave injustice would be done. The worker may take up the attitude that it would be dangerous for him to work overtime lest he should be deprived of compensation.

The MINISTER FOR LABOUR: The amendment as worded meets the position, and will make it quite plain.

Hon. W. D. JOHNSON: You propose to amend another part of the definition from that dealt with by another place.

The MINISTER FOR LABOUR: My amendment will amend the definition of the term "worker." If members will read that definition they will see that it is all quite clear.

Hon. C. G. LATHAM: I should like to see the amendment made by another place accepted as subject to the further amendment moved by the Minister for Labour. I shall be satisfied if the message goes back to another place accepting its amendment in that way.

Mr. ABBOTT: When an amendment was previously suggested in this Chamber the Minister refused to accept it. An amendment has now been made by another place reducing the figure to £500. It cannot be suggested that the Legislative Council overlooked the point now raised by the Minister because a similar amendment was moved in that Chamber. It has been suggested before that the figure is a high one.

Mr. Rodoreda: Why put a limit on it?

Mr. ABBOTT: Somebody has to pay for it. The majority of people working for themselves make a lot less than £600 or £500 a year, but they are asked to contribute more towards the worker who is receiving an income in excess of theirs.

The Premier: They can insure themselves against accident.

Mr. ABBOTT: Yes, and pay for it.

The Premier: It comes out of profits.

Mr. ABBOTT: It certainly comes out of what they are making.

Hon. C. G. Latham: So long as they are not farmers, when there are no profits!

Mr. ABBOTT: Why should everything be done for the worker in a case like this?

The Minister for Mines: He pays for everything by his labour.

Mr. ABBOTT: Does not the other man, too? This suggestion has already been considered by the Upper House and refused.

The MINISTER FOR LABOUR: I do not propose to reply to the member for Toodyay because he was in a somewhat mischievous mood. The point raised by the member for North Perth has not been dealt with in proper perspective. When the Bill was before this Committee previously it contained provision for £600. An amendment was moved here to delete that figure leaving the present amount of £400, and to provide for overtime, other allowances and so on. We stood fast for the £600. That was passed and went to the Legis-

lative Council where it was moved that the £600 be deleted leaving the £400, plus overtime payments and certain other allowances. That was defeated. The Legislative Council finally agreed to £500. We now have before this Committee not a proposal to give the existing £400 plus overtime, plus something else, but a straightout amount of £500, which gives what the amendment moved here would have given, and much more. We now ask the Legislative Council if it is prepared to place workers in districts outside the metropolitan area on the same basis that they have agreed to place workers in that area, and also to make provision for workers in the metropolitan area working overtime mostly, as it will be, upon war work.

Hon. W. D. JOHNSON: We want to say, £500, plus something else, but we are not stating that. That does not make our position clear. We say we are prepared to strike out £600 and insert £500 providing the workers' remuneration, etc., etc. I propose to move that the Minister's amendment be amended by striking out the word "six" in line 17 and inserting the words "five provided."

The CHAIRMAN: I cannot accept such an amendment. If the hon. member looks at the Act he will see that it is impossible to proceed with an amendment along those lines.

Hon. W. D. JOHNSON: To me it is quite clear, but if that is your ruling, Mr. Chairman, that is the end of it.

The MINISTER FOR LABOUR: The Legislative Council's amendment is to delete the word "six" and substitute the word "five."

Hon. W. D. JOHNSON: We are doing that with qualifications.

The MINISTER FOR LABOUR: That is clear enough. I have moved that amendment No. 1 be amended by adding to the amendment certain words.

Hon. C. G. Latham: That is not before the Committee, unfortunately.

The MINISTER FOR LABOUR: It is before this Committee at the moment. If the Committee agrees to the amendment it will be sent to the Legislative Council, and will then be before it. This clause deals with the definition of the term "worker."

Hon. C. G. Latham: But its amendment does not.

The MINISTER FOR LABOUR: That is the only thing it does deal with.

The CHAIRMAN: I have already given a ruling on that matter and I will prevent any further discussion on it. The amendment moved by the Minister is contingent upon the acceptance of £500 by this Committee as moved by the Legislative Council. The whole question concerns the definition of "worker" in the parent Act. I have given a ruling to that effect, and I do not want any further discussion along those lines.

Hon. N. KEENAN: Would you be good enough, Mr. Chairman, to inform me what is your ruling? Do you rule that the amendment of the member for Guildford-Midland to insert the word "provided" is out of order?

The CHAIRMAN: I gave no ruling, but I informed the hon. member that I could not accept an amendment along those lines because, if he looked at the parent Act, it would not read sense.

Hon. N. KEENAN: With all deference I say it is one of the commonest things.

The CHAIRMAN: The member for Guildford-Midland desired to insert the word "provided" and commence with the amendment moved by the Minister, after the word "five" in the parent Act, which would not read sense. The hon. member did not ask to put the word "provided" in front of the words as they appear on the notice paper.

Hon. W. D. JOHNSON: I did!

Hon. N. KEENAN: In order that the member for Guildford-Midland may have an opportunity to explain what he really wanted, I intend to move that the word "provided" be inserted before the words intended to be moved by the Minister. It is a proviso.

The Premier: It is a qualification.

Hon. N. KEENAN: A proviso is always a qualification. I cannot understand why the Minister should not have accepted the hon. member's amendment at once.

The Minister for Labour: It was not accepted, and it was moved in the wrong place.

Hon. N. KEENAN: The hon. member moved to insert those words in exactly the same place as the Minister has moved, after the words "in writing." The only difference between the Minister and the member for Guildford-Midland is that he wanted the word "provided" inserted as the first word of the amendment.

The CHAIRMAN: I must inform the Committee that there is a misapprehension. The member for Guildford-Midland was asked where he wished to insert the word, and he said, "after the word 'five.'" That was very definite. In the circumstances it could not be accepted.

Hon. W. D. JOHNSON: I went on and stated how it would then read, "provided the remuneration of the worker . . ." I thought I made it clear. The member for Nedlands has stated exactly what I desire.

Question put and passed; the Council's amendment, as amended, agreed to.

No. 2. Clause 2—Delete paragraph (b).

The MINISTER FOR LABOUR: This paragraph has to do with the definition of "worker," and aims at including certain sub-contractors. I do not propose to argue the point further. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 3. Clause 3—In proposed new section 20A:—Insert after the words "Medical Act, 1894" in line 18 the words "and nominated by the British Medical Association."

The MINISTER FOR LABOUR: The Council proposes to give the B.M.A. the right to nominate its two members. There is room for a good deal of argument on the point, but the Government is prepared to accept the amendment. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 4. In proposed new section 20A:—Delete proposed new subsection (2) and substitute the following:—" (2) A quorum shall consist of the chairman and at least one representative nominated by the Governor in Council and one representative of the medical practitioners."

The MINISTER FOR LABOUR: This amendment deals with the quorum necessary for meetings of the medical committee. Here again there is room for a good deal of discussion, but it would not lead anywhere. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 5. In proposed new subsection (4) page 2:—Delete the word "three" in line 28 and substitute the word "two."

The MINISTER FOR LABOUR: The Bill proposed that members of the medical

committee should hold office for three years, and the Council suggests two years. I have no serious objection to the shorter period. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 6. In proposed new section 20D:—Insert before the word "any" in line 11 the words, "in the case where a worker is unable for any reason deemed satisfactory by the committee to make the complaint himself."

The MINISTER FOR LABOUR: The worker, near relatives and persons appointed by the Minister are entitled to bring complaints before the medical committee. The amendment proposes that near relatives should have this right only when the worker himself is unable, for any reason deemed satisfactory by the committee, to make the complaint himself. That is reasonable. If the worker is able to make the complaint personally, he should do so. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 7. In proposed new section 20D:—Insert after the word "Minister" in line 13 the words "made within twelve months after the occurrence giving rise to such complaint."

The MINISTER FOR LABOUR: The Bill contained no period within which a complaint might be taken to the medical committee. The Council suggests a maximum period of 12 months, which is reasonable. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 8. Add at the end of the proposed new section 20D the following:—"If the committee dismiss the complaint it may order the person making the same (other than a person authorised by the Minister) to pay to the medical practitioner whose conduct or charge is complained of, the costs of and incidental thereto, to be taxed by the Master of the Supreme Court, for which costs the Master shall give his allocatur, and such order may be enforced and such costs recovered by execution or otherwise in the same manner as if the Master's allocatur were a judgment of the Supreme

Court for the payment of a liquidated sum of the amount at which such costs are so taxed and allowed."

The MINISTER FOR LABOUR: This amendment gives the committee the right to order costs to be paid by the complainant if it considers the complaint to be frivolous. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 9. In proposed new section 20H:—Insert after the word "approved" in line 34 the words "and all employers or groups of employees exempted by Order in Council."

The MINISTER FOR LABOUR: The Bill proposed that the cost of carrying on the medical committee should be spread over insurance companies on the basis of their premium income from workers' compensation business. The Council desires to include all employers or groups of employers exempted by Order-in-Council. The Act allows certain employers and groups of employers to be exempted from the necessity for insuring their workers with an approved company, provided satisfactory arrangements for the insurance of their workers are made. It is reasonable that such employers should meet their proportion of the expenses associated with the carrying on of the medical committee. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 10. In proposed new section 20H:—Insert after the word "office" in line 36 the words "exempted employer or group of employers."

No. 11. In proposed new section 20H:—Insert after the word "proportion" in line 37 the words and parentheses "(in the case of each such approved insurance office)."

On motions by the Minister for Labour, the foregoing consequential amendments were agreed to.

No. 12. In proposed new section 20H:—Insert after the word "insurance" in line 39 the words "and (in the case of each such exempted employer or group of employers) to the amount which would have been payable by each of them in the year as premiums for workers' compensation insurance if each of them had been insured with the State Insurance Office."

The MINISTER FOR LABOUR: This amendment provides that the State office shall pay, on the basis of its premium income from workers' compensation insurance, a contribution to the general cost of carrying on the work of the medical committee. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 13. In proposed new section 20H:—Delete the words "under this section" in line 40 and substitute the words "or exempted employer or group of employers."

On motion by the Minister for Labour, the foregoing consequential amendment was agreed to.

Resolutions reported, the report adopted and a message accordingly returned to the Council.

BILL—INCREASE OF RENT (WAR RESTRICTIONS) ACT AMENDMENT.

Council's Message.

Message from the Council notifying that it did not insist on its amendment No. 2 to which the Assembly had disagreed, but that it had agreed to return its amendment No. 1 with an alternative amendment thereto, now considered.

In Committee.

Mr. Marshall in the Chair; the Minister for Labour in charge of the Bill.

Council's amendment—Clause 4:—Add at the end of the clause a further new section to stand as 12C, as follows:—

"12C. Nothing in this Act shall be construed as to extend the term of any lease of land which has expired during the operation of this Act, nor to entitle the lessee to remain in possession after such term has expired."

Council's alternative amendment—Insert after the word "land" in the second line of the proposed new section 12C, the words "exceeding one year the term of."

The MINISTER FOR LABOUR: The first amendment aimed at excluding every lease from the operation of the Act, even though it was no more than a week-to-week lease. This would have applied to dwelling-houses and would have almost completely destroyed the operation of the Act. The

alternative amendment would make the Act inoperative in connection with any lease of a longer tenancy than 12 months once that lease had expired, so that when a lease having a term of more than one year had expired, the lessee would no longer be entitled to remain in possession of the premises.

Mr. Hughes: So that the owner could raise the rent.

The MINISTER FOR LABOUR: Yes. Any landlord who had granted a lease for a longer period than 12 months would be entitled, on the expiration of the lease, to get rid of the tenant and lease the premises to another person at any rental that could be obtained. The landlord could say to a tenant, "You have occupied these premises for 12 months at a rental of £5 a week, and you must now pay £10 or get out and make way for someone else."

Mr. Abbott: That is quite wrong.

Mr. Hughes: I am not sure that it is wrong.

The MINISTER FOR LABOUR: If the amendment were agreed to, my explanation of it might prove to be right. It might be argued that the only power the amendment would give a landlord would be to get rid of the tenant who had been in occupation of the premises for 12 months; he could not ask the tenant to pay a higher rent and could not ask of a new tenant a higher rental than the one existing on the 31st August, 1939. If that is so, I cannot understand why the landlord should want to get rid of the tenant in occupation. If the landlord cannot obtain any more rent, it is not easy to find a reason for his desire to get rid of the tenant who has proved satisfactory. If there is no substantial reason for the landlord's desire to get rid of the tenant, there is no justification for the amendment. The Act itself gives a landlord the right to obtain possession of his premises. He can do that if he desires the premises for his own use or for the use of any member of his family; if the tenant has not regularly paid the standard rent; if the tenant has committed waste or become a nuisance to adjoining owners or occupiers; or for any cause which the court in an action brought before it considers reasonable. It is difficult to find a reason for saying to a tenant, "Your lease has a currency of over 12 months and we are going to treat you differently from the

way in which we treat tenants whose leases have a currency of 12 months or less. We are going to give the landlord the right to kick you out as soon as your lease of 18 months or two years has expired. If your lease had been for nine, ten or even twelve months, we would not have done that; you could have retained occupation of the premises without any interference from the landlord. You could have had security of tenure and carried on your business without dislocation." It seems to me that if we discriminate between two classes of tenants, we shall be doing something that is altogether unreasonable and for which there is no justification. I have carefully read the debate which took place on this Bill in the Legislative Council and cannot find any adequate support for the amendment, or any argument or reason to justify us in treating one class of tenants in an entirely different way from another. What would happen if the amendment became law is easy to foresee. Many business premises in Perth, as well as in other parts of the State, are let for terms of two years and longer. Probably the persons and firms carrying on business in such premises have been in occupation of them for years. If the amendment is passed, the landlord could dislocate such businesses. He could ruin his tenants beyond possibility of recovery on their part. I point out that the Act has worked satisfactorily in the relationship which it has established between landlord and tenant. I know it is possible to produce Exhibit A, Exhibit B, and probably Exhibit C, to prove that some landlords have suffered hardship; but the legislation as a whole has worked equitably as between landlord and tenant. The Government has carefully considered the amendment and can see no reason for agreeing to it. I move—

That the amendment be not agreed to.

Hon. C. G. LATHAM: I cannot agree with the objections raised by the Minister to the amendment. He said it would enable a landlord to increase the rent of premises.

The Minister for Labour: It might even do that.

Hon. C. G. LATHAM: But the Minister said it would. If members will read Section 4 of the Act, they will find it disposes of the argument that any increase of rent can take place. The interpretation clause defines "standard rent."

Mr. Hughes: What good will the amendment do?

Hon. C. G. LATHAM: During the second reading stage of the Bill I told the Minister that it would automatically extend leases. There are many reasons, other than those given by the Minister, why a landlord might desire to obtain repossession of his property at the expiration of a lease.

The Minister for Labour: What other reasons could there be?

Hon. C. G. LATHAM: A landlord might agree with one tenant and not with another. Some tenants are always wanting something done to the premises and are always complaining. For a landlord to prove that a tenant is undesirable may be difficult. A tenant may have sold his lease to another person who will enter into possession upon the expiration of the current lease. Such a transaction would be quite legal. Certainly, a weekly tenant may be put out of a house upon the expiration of his tenancy, but the landlord could not legally charge an increased rent for the premises. The amendment would obviate costly lawsuits that would be sure to take place from time to time. Already one such case has been decided and I think another is pending. I hope the Committee will not be led astray by the Minister's statement that rents could be increased, because that is definitely prevented by Section 4 of the Act. Why did not the Government include in the long title of the Bill words to this effect: "An Act to restrict the increase of rents during wartime and for the purpose of extending leases"? The Minister is trying to do something this Chamber never intended should be done. We are behind the Government in desiring to prevent increases of rents. The Government can increase rents; it is all right when it does so, but when a private person does, it is wrong.

The Minister for Labour: You have not yet put up much of a case for the amendment.

Hon. C. G. LATHAM: That may be so, but I have knocked down the Minister's arguments.

Mr. HUGHES: The Leader of the Opposition intimated that if the amendment would make it possible to increase rents, he would vote against it. I think I can show him easily how it would be possible. Under the Act, a tenant has to continue paying the rent and performing the covenants of his

lease. If he does not do that, the landlord may eject him. If the landlord requires the premises for his own use, he may eject the tenant. Why should the landlord eject one tenant who is paying the rent and performing the covenants of the lease merely to put in another tenant who will do exactly the same? There would be no advantage at all. But the landlord could gain this advantage: Having got rid of tenant A, he could get a payment under the lap from tenant B, who could make a lump-sum payment.

Mr. Watts: The landlord would not get it legally.

Mr. HUGHES: No. A tenant who is in possession legally is not likely to go to the landlord and voluntarily offer him a premium or a substantial increase in the rent. There is nothing to prevent any tenant who feels that he is not paying sufficient rent from giving the landlord a gratuitous payment by way of a lump sum, but I venture to say that the moment a landlord has the right to put tenant "A" out and tenant "B" in, the condition under which tenant "B" will take possession will be a payment under the lap.

Mr. Seward: Do you think he is likely to pay that?

Mr. HUGHES: A landlord will say to tenant "B," "If you like to give me a payment for the premises I will instal you as the new tenant at the old rent, but if you do not give me a payment I will leave the present tenant in possession." Unfortunately, human nature being what it is, the second tenant will probably say, "For the right to get the premises at the standard rent I will pay you an ingoing at £2,000."

Mr. Thorn: Would not the old tenant do the same thing if it were worth while?

Mr. HUGHES: He would have to do it if he wanted to remain. That is being done every day. I could supply the member for Pingelly with the name of a woman who paid £100 for the key of some premises.

The Minister for Labour: Was it a bank?

Mr. HUGHES: No, but it was a good old-established business. Had the old tenant elected to remain the landlord could not have got that £100 because the old tenant could have remained at the existing rent. The old tenant vacated the premises and they reverted to the landlord, who could only charge the previous rent. He got over the difficulty by asking £100 for the key. That

is what the amendment will make provision for. The object is to allow a landlord to instal a new tenant in place of the old, which the landlord can do on the same terms and conditions as were observed by the old tenant and such other terms as he can agree upon separately with the new tenant. The Leader of the Opposition said that if it could be shown that this would open the way to the possibility of an increase in rent, he would vote against it. I suggest that there is a possibility of a landlord obtaining increased rent. Surely it is harsher to take away the rights of a landlord who has let the premises for a week, knowing that at a week's notice he can recover the premises and re-let them on a short-term tenancy. We say, "No, your rights are gone. We are going to extend your week into a year." We say to the landlord who lets the premises on a 12-month basis, "You are not going to extend your 12 months." It seems to me there is greater hardship on the man letting on a weekly basis than on a man letting on a long-term basis, and until I hear some better reason for the amendment than has been advanced I propose to vote against it.

Mr. ABBOTT: The amendment deals with leases which are usually for a year or longer. When the Act specifies that a tenant may remain after his lease expires, it does not specify any period. The tenant can go at any time; he can walk out and leave valuable premises vacant. In regard to most hotel leases, it is usual to charge a premium and the reason is that the owner desires security. He does not want to have to be worried, because the Licensing Bench is strict and, if there is an irresponsible tenant, the landlord will get into all sorts of difficulties. I suggest that the landlord is entitled to say who shall be his tenant, so long as he does not impose any conditions that are more severe than those existing at the time a lease expires. Surely he is entitled to say to a tenant, "If you are going to stay, you can take another three years' lease and pay on the same terms as before." It is stated that landlords will offend against the Act. But money wrongfully received can always be recovered by a tenant at any time or at least for many years afterwards. Business people like to know that their premises are let for a specific term, and they should be able to negotiate for a fresh lease. What difference does it make so long as the rent is not in-

creased? If a tenant has been a good one he will be retained on the same terms as before, for a specific period, probably paying a premium the same as previously and on the same terms and conditions.

[*Mr. Withers took the Chair.*]

Mr. RAPHAEL: It seems as though certain hotel proprietors—and I do not mean lessees—are raising objections to the continued occupancy of their premises by existing tenants, and because it is sought to deny them the unfair advantage of demanding premiums, the amendment has been moved. I do not see why hotel owners and breweries should demand extra premiums for the purpose—as the member for North Perth stated—of ensuring security.

Mr. Abbott: It is only rent in advance.

Mr. RAPHAEL: What other business, trade or calling is forced to pay rent in advance? I do not mind a week's rent being paid in advance, but I do not agree with £2,000, £4,000 or £5,000 being paid in advance.

Mr. Abbott: Do you not ever receive money before the work is performed?

Mr. RAPHAEL: No, I do not; and not even when it is performed sometimes. In the depression years I lost £5,000.

Hon. C. G. Latham: All that money?

Mr. RAPHAEL: That represented money I was not paid.

Hon. C. G. Latham: And you belong to the Labour Party!

Mr. RAPHAEL: I was only too happy to do it. I never felt it.

Hon. C. G. Latham: It is a wonder they did not put you out long ago.

Mr. RAPHAEL: But the overdraft felt it! When the parent Act was passed I was of opinion that all rents would be fixed, including the rent of hotels. Yet at Fremantle the magistrate granted an increase in the case of one hotel and the other lessees, to avoid the cost of litigation, decided to pay the extra charge levied by the breweries and the hotel proprietors. A friend of mine who conducted a hotel at Fremantle had to pay an extra £7 per week, despite the fact that I and other members of this House were of opinion that rents would remain fixed. In order to gain occupancy of hotels a considerable sum of money has to be paid to the owners. The licensees must demonstrate that they are persons of standing. Now, to ensure that they are still persons of stand-

ing, when the lease expires they are to be asked to contribute another few thousands to the brewery or whoever owns the hotels. I have heard many arguments submitted by the member for North Perth that that is not taken into consideration as rent. I have heard him use those very words.

Mr. Abbott: I doubt that.

Mr. RAPHAEL: The hon. member knows it is true. He made the statement when he appeared before the Perth City Council sitting as an appeal board to deal with rating matters. He and other members of his profession definitely denied that it represented rent, but now he says it is rent in advance.

Mr. Abbott: You have not heard me say that.

Mr. RAPHAEL: I foolishly accepted that contention and voted accordingly as a member of the appeal board. I have been misled. As a result, the ratepayers and the Minister for Water Supplies have been deprived of their dues through my listening to such arguments. I hope the amendment will be defeated.

Mr. McDONALD: I do not think there is anything sinister involved in this matter.

Mr. Hughes: Tell us why the Legislative Council wants it.

Mr. McDONALD: I shall do so. In my opinion Section 12 requires an overhaul. It was taken almost verbatim from the English Act of 1915, which Act referred only to dwelling houses. The section contains wording applicable to dwelling houses and we are endeavouring to make it apply to hotels, shops, boarding-houses, farms and dwelling houses. The result has led to chaos, and will lead to lawsuits that are of little use to the community or to those directly involved. The member for East Perth put his finger on the weak spot in the Council's amendment. If the tenant has a lease for 12 or 18 months he may be put out when the period of the lease expires, but should the tenant occupy the premises on a weekly basis, then by virtue of the legislation we have enacted he can remain in possession for the duration of the war and for six months afterwards. The Council's amendment does not meet a difficulty that undoubtedly exists, and I cannot see how that can be done without a radical re-examination of the whole section. One reason for that was mentioned in part by the member for Victoria Park, and I confess that after days of study I have not yet been able to make up my mind

how to compute the standard rent of an hotel where the premium has to be taken into consideration.

Mr. Raphael: Plus rates and taxes.

Mr. McDONALD: Yes. I thought I had reached a solution, but I am more or less doubtful about it now. Apparently no one knows how to compute the standard rent of an hotel.

Mr. Hughes: But this is general and not limited to hotels.

Mr. McDONALD: I am aware of that, and I have pointed out that the standard rent provision is extremely difficult to construe. In the course of time we may get the necessary decision from the courts, but that will involve considerable expense. The member for East Perth asked why people wanted to secure the return of premises if their tenants were paying satisfactorily. In most instances they do not want to secure the return of the premises, but this legislation implies continuous leases respecting those entered into before the war and after the commencement of the Act for the duration of hostilities and six months afterwards. If I wished to lease premises to an individual and secured his promise to vacate the premises at the end of the year, in which respect he made the necessary agreement, that individual nevertheless could repudiate that contract and continue his tenancy under the Act as it stands today.

Mr. Hughes: The amendment is not designed to deal with that position.

Mr. McDONALD: No. The amendment is not adequate to meet the real difficulty. Today the owner cannot secure the return of his premises unless he can prove that he has a reasonable intention of requiring the premises himself. He has to prove that to the satisfaction of the court. Such an individual either has to allow the tenant to remain in possession until the war ceases and for six months afterwards, or else take legal proceedings. We want to keep people away from the courts as much as possible.

Hon. C. G. Latham: Our laws should not be enacted so as to encourage law suits.

Mr. McDONALD: The amendment is inadequate and there is a good case for the review of Section 12. If the Minister cannot deal with the matter this session, then, should the Government be returned to office after the general elections, he may perhaps take advantage of a further opportunity

to clarify the position by introducing amending legislation next year.

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

Resolution reported and the report adopted.

Assembly's Request for Conference.

The MINISTER FOR LABOUR: I move—

That the Council be requested to grant a conference on its amendment and alternative amendment and that the managers for the Assembly be Mr. McDonald, Mr. Triat and the mover.

Question put and passed, and a message accordingly returned to the Council.

BILLS (2)—RETURNED.

- 1, Financial Emergency Act Amendment.
- 2, Mortgagees' Rights Restriction Act Continuance.

Without amendment.

BILL—PUBLIC TRUSTEE.

Council's Amendments.

Schedule of six amendments made by the Council now considered.

In Committee.

Mr. Marshall in the Chair; the Minister for Justice in charge of the Bill.

No. 1: Clause 49—Delete the words "subject to the provisions of Sections eighteen of the Administration Act, 1903-1939" in the first and second lines of paragraph (e) on page 27.

The MINISTER FOR JUSTICE: I do not intend to oppose any of the amendments made by the Council to the Bill. The effect of the amendments, all of which affect Clause 49, will be to place the public trustee in a similar position to private trustees or private trustee companies in respect of the sale of real or personal property in order to enable the administration of estates to be carried out. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 2: Add at the end of paragraph (e) the words "The Public Trustee when acting under this paragraph as executor or administrator shall be subject to the Administration Act, 1903-1939."

No. 3: Insert after the word "Court" in line 28 of page 28 the words "or except when acting as executor or administrator for the purpose of administration."

No. 4: Insert after the word "sell" in line 31 of page 28 the word "real."

No. 5: Insert after the word "exchange" in line 33 of page 28 the word "real."

A typographical error in line 15 of page 1, reading "ss. 7-41," has been corrected to read "ss. 7-37."

On motions by the Minister for Justice, the foregoing amendments made by the Council were agreed to.

Resolutions reported, the report adopted and a message accordingly returned to the Council.

Sitting suspended from 6.15 to 7.30 p.m.

BILL—BROOME TRAMWAY EXTENSION.

Second Reading.

Debate resumed from the 13th November.

HON. C. G. LATHAM (York) [7.32]: I do not oppose the Bill, but feel bound to draw attention to one feature. I object to people who start a business coming to the Government for financial aid with the result that later we find we have to agree to additional commitments in order to make sure that those people succeed with a business in which we have already a financial interest. We stand to lose, in those circumstances, not only the amount guaranteed—I speak not of this firm in particular but of such cases generally—but on top of that, if the business happens to go back and the people become bankrupt or cease operations, the amount of a further guarantee or additional expenditure, in this instance the cost of the tramline, which would probably be useless.

Knowing Broome as I do, and acknowledging that it certainly is a little town of great importance to the North-West, I cannot believe that the works which have been built there could be used for any other purpose. It is useless for the Minister for the North-West to tell us about the fish up there. I know plenty of fish are to be found there. We should not, however, always be spending money in chasing money already owing to us. That is bad business. We did that in the South-West in the case of another railway, which had to be taken up. The proposed line happens to be only half-a-

mile in length and therefore does not involve much expenditure. I know the Minister for the North-West is so wrapped up in his district that he can see absolutely nothing wrong in any proposal designed to benefit Derby, Wyndham, Hall's Creek, Fitzroy Crossing, and so on. We, however, have to take a broader view of such questions.

The Premier: We have to keep the people in the North doing something.

Hon. C. G. LATHAM: That may be a wise plan. I have tried to reason out whether the time is far distant as I hope—or is near—when the people in the Kimberleys will experience difficulty in finding markets for their stock, or preferably when the South-West will be able to supply all the meat required by the metropolitan area. Meantime, while we depend on the North for our meat, certainly the preferable course is to kill the cattle up there and send the meat down here instead of having the cattle brought down by steamer. I do not know to what extent cold storage is available on the coast. A man interested in the fishing industry told me recently that he had experienced great difficulty in securing cold storage on the vessels. If there is a shortage of cold storage, I want the Minister for the North-West to tell us how the meat from these works is to be shipped to the metropolitan area.

The Minister for the North-West: You know that the State steamer on every alternate trip during the cattle season goes to Derby and returns loaded up with livestock.

Hon. C. G. LATHAM: The Minister for the North-West and I are both aware that only during a short period of the year is stock available there. The State boat goes up North many times without securing any backloading. Possibly it might go on to Yampi Sound and bring iron ore to Fremantle. But, after all, my protest is not based on that aspect. It is to the effect that we should be careful, when advancing money in aid of an enterprise about to be started, that we do not run undue risk of having subsequently to chase that money with other funds. For instance, there is an enterprise at Subiaco, about which I dare say the Treasurer knows something. I do not know whether that enterprise is still operating.

The Premier: Yes.

Hon. C. G. LATHAM: We have lost a lot of money over it up to date.

Mr. SPEAKER: Order! Let us not get into a discussion about works at Subiaco.

Hon. C. G. LATHAM: The Bill involves the probability of finding a great deal more money in order to preserve what the State has already expended. I am not sure that really the Government required legislation for this extension of half-a-mile; but the Minister for Works has been good enough to come to the House and lay his cards on the table. The Wyndham Meat Works have not proved a great success.

The Minister for the North-West: That is a totally different concern from this one.

Hon. C. G. LATHAM: Of course. This concern is privately managed.

Mr. SPEAKER: Order! We are not discussing Wyndham.

Hon. C. G. LATHAM: The Government will not always have my support for proposals of this nature. I do not know whether the Treasurer knew he would have to find additional money so soon as he, in his capacity of Treasurer, became financially interested in this venture. As the firm has put in some money, its members may be careful to see that they get their capital back, or earn interest, or at least do not get further into debt. In the circumstances, I support the Bill.

HON. N. KEENAN (Nedlands) [7.37]: I support the Bill for two reasons. First of all, it is a venture that has possibilities of success, and any venture with such possibilities should be given all legitimate encouragement.

The Premier: Especially in that part of the country, the North-West.

Hon. N. KEENAN: I do not limit it to the North-West. If a venture has reasonable prospects of success I would not for one moment be a party to objecting to State aid being given it to overcome initial difficulties. I understand, from what I have learnt, that in the early stages the firm which has been spoken of had difficulties when relying on its own resources, and very considerable difficulties. It, however, showed considerable business acumen. Strange to say the cattle in that district are the worst in Western Australia, being nearly all what may be described as bone and hair. That is the information given to me by an expert in the matter. The fault in that re-

spect lies not with the sponsors of these works but with the climate, of which the Minister for the North-West knows, prevailing in that particular area. Another peculiar feature is that the meat to which I have referred as being produced there is not what is called top quality. It is, however, particularly marketable in Singapore.

The Premier: And also in Java.

Hon. N. KEENAN: The population in those parts does not like fat meat, and it so happens that this class of beast, which would not find much of a market here in the metropolitan area, will find better conditions ruling in Singapore. These can be availed of when there will be easier means of transport by ship. The young men who started the firm deserve every credit for their pluck and enterprise, and I am glad the Government has come to their aid. I hope that not in this case only but in every case where there is a fair and legitimate prospect of success, and where an industry cannot be established by the mere resources of those who first embark on it, the Government will not fail to fall in behind the promoters and give them that financial or other support which is fair, reasonable, and necessary to enable them to succeed. I support the Bill.

Question put and passed.

Bill read a second time.

In Committee.

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

LOAN ESTIMATES, 1941-42.

In Committee.

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

Note—Departmental, £83,000 (partly considered):

HON. C. G. LATHAM (York) [7.44]: First of all I want to express my pleasure that the people of Australia have got behind the Federal Government in supplying the large amount of money required for the Commonwealth loan which closed on last Saturday.

The Premier: Hear, hear!

Hon. C. G. LATHAM: The people of Australia who have money are deserving of

every credit and praise we can give them for their wonderful effort. It has two great advantages. It gives encouragement to the Government to carry on its war work, and, secondly, it tells our enemies that we have so much confidence in ourselves that we can back our own people to the extent of the large sum of £100,000,000. Because of that, and the confidence of the people of Australia, not only in the Federal Government but in the State Governments, who will of course collect a small amount of money out of that loan—

The Premier: In our case the saving represented will be £15,000 this year on the loan interest rate, and £30,000 next year.

Hon. C. G. LATHAM: Because of the confidence the people possess (as demonstrated by the result of the recent loan) we ought to be extremely careful in our expenditure of loan money. The Premier stated that members were entitled to the fullest information on the subject, and no doubt he set himself out to give it. We cannot raise any objection on that score. We are grateful to him for the full information he gave us concerning the Loan Estimates. Some people believe we should not have a Federal Co-ordinator of Works. The Premier had something to say about the ramifications of the office and the work done by the occupant of the position. Sir Harry Brown is a very capable man. I think he has a full appreciation of the great responsibilities thrust upon him. He has to adjudicate between the States as to what Loan Funds should respectively be made available to them. I agree with the Premier that he probably lost sight of the fact that Western Australia is placed differently from such States as Victoria, New South Wales, Queensland and South Australia. Those States have a great deal of Federal money spent within their borders, and a great deal of that money comes from loans. The people of those States have not the same urgent need of Commonwealth loan funds as has Western Australia. Sir Harry Brown, therefore, may have made a mistake.

I am pleased the Treasurer was able to make the Loan Council realise that this State was entitled to a little more than is given to some of the other States. The borrowing as a whole for public works was 8½ million pounds, which was considerably less than that found in the last few years. I am indeed disturbed at that amount of money being found. It is not money that is being used for war purposes. If we examine the

purpose for which the money is used we must be aware of the fact that to a great extent, particularly in the Eastern States and to a lesser degree here, it is used in the main for the building up of secondary industries. Many of the industries that are being established and that develop will provide for the future of Australia. To what extent we can avail ourselves of the money that will be available through the Federal distribution depends on what resources we have here, and what population we have to do the construction work. I am afraid the small arms factory we are going to build at Welshpool may not serve a very useful purpose after the war is over. I cannot imagine we are going to manufacture small arms there in an extensive way, or even munitions. The building, however, will be there if we can avail ourselves of it for other purposes. I have said before we might be able to build up a smelting works.

The Broken Hill Proprietary has been able to do something that Australia can well be proud of, and has been able to supply steel at a price, I am told, that is cheaper than that at which it can be produced in any part of the world. If that is the case we should be able to do something to establish smelting works here, if we can get the iron ore, and the coal or charcoal that would be used for smelting purposes. Sometime ago I understand a request was made by an English firm that the Government should send Home to England some iron ore from Yampi Sound and some Collie coal for testing purposes. I do not know whether that was done; it would have been a useful thing to do. The Broken Hill Proprietary must have started in a small way at one time. I believe the Australian people will be able to build up extensively after the war is over. So far as I can see there will be a tendency to decrease populations in the congested cities. The greatest defence we can have is to ensure that our people are spread over a wider surface than they are at present. London, with its population of 18 millions, is very vulnerable, and Berlin is also vulnerable, as we know from the lessons learned in the present war.

There will be a tendency for people to get away from congested centres out to the newer lands. There is no better place than Australia for such people, and no better States than Queensland and this State, with

emphasis on this State because of its climate. If we go through the South-West, as far as Manjimup and even further, I feel sure we cannot help but be convinced that for a long time we have not been fully acquainted with the value of our own State. I was in that part of the South-West the other day and examined the flax crops. I admit it may be difficult to get a profitable flax crop after the war is over and we have to enter into competition with Russia and Northern Ireland, where extensive crops are grown. The development in our own State, however, shows what it is possible for it to do. A great deal of the once despised South-West is growing wonderful pastures, fat lambs, healthy cattle, and practically everything else we want. I do not think old Captain Stirling was very wrong when he said that the strip of country between the Darling Ranges and the coast would some day carry two million people. That may sound fantastic today, but we must all admit that it will carry a big population.

We say we want to keep our country for our own people. That is so. I do not mind so long as we have white races coming here, people who can intermingle with our own people. It is no use despising other nations. If they are white they can come along, and they will probably show us how to use that land to better purpose than we ourselves are doing. We shall be justified in saving all the money we can for when the war is over. We should not have to spend so much of borrowed money, and other moneys that come through Commonwealth channels. The Loan expenditure on defence works and higher taxation can hardly justify additional borrowing. I am anxious that all State Governments should be as careful as possible in the expenditure of Loan Funds. In this State all our maintenance work, on railways, buildings and everything else, ought to be done out of revenue. After looking at the figures and dissecting them I am convinced that the demands that were made upon Governments in the past will not again be made until some time after the war is over. They had to find a great deal of money for the employment of men who were not qualified to do the heavy work they were called upon to do, with the result that it became costly to the country. The work, however, was justified because employment had to be found for those people. The men who are doing our manual

work today are better fitted to do it. The Minister for Works has had in employment for a number of years many men who are now hard and are capable of doing a full day's work. I appeal to our people to realise that our men overseas have to do a full day's work. I want the men and women of the State, whether engaged in Government or private enterprises, to do their best. The more work they turn out, the more men and women will be freed for other duties.

There is a great call to our young men to enlist, but we have not the same number of young men available today as were available during the last war. Many of them have been absorbed into industry and are engaged in manufacturing war materials, even in this State. I suppose the number of men we had employed in those directions during the last war was comparatively small, but on this occasion the number is considerable. All the unemployed have been absorbed, most of them on part-time work, absorbed either by the navy, the army or the air force, or in munitions factories. Today we are so short of men we cannot get sufficient for harvesting operations. A woman who owns a farm south of Kellerberrin, in my electorate, rang me up today. She has an old man 73 years of age and is faced with the problem of getting her crop off. She told me she had tried every employment bureau in the city without success, and is prepared to take a woman to help her if she can, and thinks that with her assistance she can handle the crop. She has been unsuccessful all along the line, and is not young herself. That is the difficulty we have to face, but how we are to overcome it I do not know. I asked her if she had been in touch with the Minister for Employment. She replied in the affirmative and said the department had no one to send her. I asked if she knew of anyone in the militia or the air force who might be temporarily relieved of his duty to go to her assistance. She said she had been unable to make contact with anyone in the forces. The position is a serious one and a great deal of wastage will occur if the crops cannot be taken off.

What I have said shows how few men are available for harvesting operations. It is not so easy to induce men to enlist as some of the authorities would have us believe. Whilst we can make some men stand

up to their obligations and responsibilities, we have the other urge, namely, the munitions works and men who are in key positions and who are being urged by their employers to stay on. Government departments have repeatedly said, "You cannot be released; you are wanted here." When people write letters to the Press, they ought to have a full appreciation of the fact that many of those who do not enlist are not free to do so, although others who are free do not enlist. I have looked through the Estimates. There is not a great deal of difference between them and those that were placed before us in past years. There is an increase on account of railways and tramways. I understand this is due principally to the fact that the Government is improving the arrangements for the moving of city traffic. The Minister for Railways is going to put on more trolley buses and buses. It is not a good time in which to purchase such vehicles. They will be very costly.

The Minister for Railways: We are getting them at a very reasonable figure.

Hon. C. G. LATHAM: What is a reasonable figure? They may be at a reasonable cost as things are today, but they may be bad buying for the State.

The Minister for Railways: They are good buying.

Hon. C. G. LATHAM: It is extraordinary that Hong Kong should have required those vehicles in the first place.

The Premier: You mean Canton.

Hon. C. G. LATHAM: The two places are not far apart. It is extraordinary that Western Australia should suddenly require those vehicles. Probably Canton could not pay for them.

Mr. Cross: The Japanese got that long ago.

Hon. C. G. LATHAM: As I said, Canton could not pay for them. I notice that water supply, sewerage, development of agriculture, roads and bridges and public buildings are down. As I pointed out before, a lot of that work ought to be done from revenue. It would not be a bad idea to close up some of our works until the harvest is taken off. The men will say they have longer hours to work on farms, and the conditions may not be as good. Wages, however, will be extremely high.

The Premier: They will be doing most of the work.

Hon. C. G. LATHAM: They will be doing what we are asking everybody to do. It would not be the first time the Government has had to close down works during the harvest season.

Mr. Cross: Will they pay the basic wage to married men?

Hon. C. G. LATHAM: I know that men can get £4 and £4 10s. a week with keep.

The Premier: And keep?

Hon. C. G. LATHAM: Yes. Members are unwise in some of the statements they make about men being put in pigsties to sleep. I do not say it has not happened, but I have not seen it. It is not a very good advertisement. The farmer is just as good an employer as is anybody else. He is no worse and no better. Very often a man is found who has been a good unionist, and suddenly becomes a farmer. He cannot treat his men any better than can the rest of the farmers. These men, if they go out to the farms, will render a great national service. The farmers are guaranteed a price of roughly 3s. 2d. at sidings.

Hon. W. D. Johnson: When was that fixed?

Hon. C. G. LATHAM: It is fixed by regulation at 3s. 10d., free on rail at port. That works out at roughly 3s. 2d.

Hon. W. D. Johnson: I did not think any definite declaration had been made.

Hon. C. G. LATHAM: It has, and I can show it to the hon. member. This year the Government has undertaken to pay 3s. 10d. free on rail at port. I had the regulations sent to me today from the Minister for Commerce. I would have brought them along had I thought there would be any argument. That is the assured price. There is the question as to how the payments will be made. They will not be made in one lump sum, but some stability is given to the men employed because the banks, and the Agricultural Bank will, no doubt, make advances sufficiently large to enable the men to be paid their wages.

In going through the speech made by the Premier I was concerned about the statement that at the present rate of contributions to the sinking fund it would take 52 years to redeem the loans.

The Premier: That is the arrangement.

Hon. C. G. LATHAM: What I am concerned about is this, that there are many short-dated loans, some for five years and some for nine and fifteen years. In looking

to the future—and after all we ought to plan our borrowings as far ahead as we possibly can so as to distribute the dates on which loans fall due over a long period—we are asking the people to find £76,000,000, I think it is.

The Premier: It is £72,000,000!

Hon. C. G. LATHAM: I think £76,000,000 was the total. That is a terrific amount to meet on one date. I am not sure whether, under normal conditions, we could find that money as readily as we have on this occasion. If it is going to take 52 years to provide sufficient money to redeem the loans from the contributions to the sinking fund, it means we will get into a hopeless tangle in the future.

Mr. Cross: There will probably be changes before them.

Hon. C. G. LATHAM: That is something we have to face and seriously consider. Whilst a great reduction of interest rates has not been made since 1931, the rates have increased by 10s. per head during the last eight years. Not only has that happened, but we find that the public debt on unprofitable ventures by Governments, has increased per capita from £3 13s. 9d. to £4 16s. 3d. in that period. But still we go on borrowing money and investing it in unprofitable concerns. That is why I raised the question a little while ago on a certain railway measure. We must husband our resources as much as possible. There is no justification today for the expenditure of loan funds throughout Australia on the present basis, outside of what the Commonwealth is doing.

I am glad to see that the Minister for War is looking into some of the expenditure. After all, buildings are being erected in the hope that they will only be required temporarily, but they are extensive buildings and very extravagant too. Many of these buildings will be lying idle at the conclusion of the war. Caretakers had to be maintained at the temporary huts built at Blackboy during the last war. Eventually they were practically given away. They could not even be used in this war. A substantial building is being erected at Hollywood at a fairly high cost.

The Premier: Unfortunately it will not be available for the next 15 years.

Hon. C. G. LATHAM: That is not a very long time.

The Minister for Health: Ward No. 11 is full and ward No. 10 half full of last war's soldiers.

Hon. C. G. LATHAM: Yes, but some of the young men who went to that war are becoming very old. That accommodation will be required for a while longer, but unfortunately time will remove the necessity for it. I am glad the Minister is going into the question. This money has to be paid back some day and we have to pay interest. The only redeeming feature is that we have been able to keep the rate of interest down. I hope it will be even lower. Money is a commodity that has not the same value that work has. The person who lends money on interest is not rendering as great a service to the community as is the man who does the work. I admit it is very useful, but at the same time in the years gone by we have paid very high rates of interest, thus loading our industries to such an extent that we are not able to compete with the rest of the world. As a consequence, a burden is created for the rising generation. The population of this State is decreasing instead of increasing; or not increasing in the proper proportion.

The Premier: Quite a number of men are going away.

Hon. C. G. LATHAM: I am concerned about the people who live here and are going to the Eastern States, and more particularly about the young people who do that and do not come back. My final word is this: I do not know how we can obviate the move of population from the country to the city and I am extremely concerned about it. We have hardly a town, outside those towns where there are war camps, that has not in it empty shops and empty houses. The men are going to the front and their women folk and families have come to the city. Are they going back to the country? That is what I am concerned about. This State cannot afford to have its city population increased out of proportion to the country. We have to do something, as people have had to do in other parts of Australia, and other parts of the world—particularly Canada—to encourage these persons to return. In many cases committees have been appointed in towns in an endeavour to encourage the people to return. I have submitted to this Chamber, and I am afraid—

Mr. McDonald: South Australia set up a special organisation.

Hon. C. G. LATHAM: —little notice has been taken of me, that we ought to em-

power, by statute, a body of public-minded people in every town to look after the interests of those men who have gone to the front; to discourage them from leaving their districts, and to encourage them in every way possible to stay. We should shoulder that responsibility. There will not be time this year to attend to that matter, but I hope, if this Government will not do it, somebody on this side of the House, if we are not on that side, will do it.

Mr. Cross: You will not be on this side!

Hon. C. G. LATHAM: I think we will. The member for Canning will not be here next year.

Mr. Cross: That is wishful thinking.

Hon. C. G. LATHAM: We will miss him, but he will be able to help us spend our loan funds outside the House. He has spent too much already. He is all the time hammering at the Government for something or other. I hope a Bill will be introduced to give such a body some standing in much the same way as in the case of the Fire Brigades Board. Road boards could do it in some places, but they are not sufficiently scattered to be fully effective. I know men who have walked off their farms and gone to the war, but who will be glad to go back to their farms when they return. There will be a ready market for everything Western Australia can produce at the conclusion of this war, and for some years after. We must be ready to take advantage of that position. The only way we can do it is to keep the assets of our soldier farmers in good order. So, Mr. Chairman, I am making an appeal to the Government to give the matter very serious consideration, and see if we can get our Agricultural Bank inspectors or someone else with official standing to carry out this function. Once a young child comes to the city and enjoys its social amenities it will not return to the country. There is cricket and football every Saturday afternoon, with the teeming thousands of people barracking. When I contrast the life on a farm, after having spent a few years here, I appreciate what it means. There is no question of switching on an electric light.

The Minister for Labour: I have heard of the teeming hundreds at York doing something.

Hon. C. G. LATHAM: The Minister goes there too frequently. I suppose for the next

few months I will be pestered with the Minister in that area.

The CHAIRMAN: Order!

Hon. C. G. LATHAM: I do not propose to offer any criticism of the Loan Estimates. We certainly want the Government to be careful, and I am hoping that one of these days we shall be able to get what the other States have, namely, a public works committee, so that we may get together and talk over matters concerning the expenditure of money and probably save a good deal of some expenditure such as has occurred in years gone by.

Hon. W. D. Johnson: Abolish the Loan Council before you have a public works committee.

Hon. C. G. LATHAM: I do not think we need worry about that tonight. We should probably be grateful that we have a Loan Council that can get the Commonwealth to raise so much money as it has raised during the past few weeks from the people of Australia. As the people have been generous enough to provide that money, we should make the best possible use of it. We can do that by ensuring that we get value for the money. We should ask our people when they go to work in the morning, no matter in what capacity they may be employed, to realise that they are doing a national work, and if they, as a result, worked a little better than they do in peace-time, they would be discharging a great service because they would be relieving others to engage in important national work. I am prepared to support the Loan Estimates.

MR. MARSHALL (Murchison) [8.16]: I do not wish to discuss to any great extent the expenditure set out in the Loan Estimates. Rather would I prefer to make some observations on the comments of the Treasurer when he introduced them and also on the utterances of the Leader of the Opposition. I have reached the stage when I feel absolutely nonplussed; I do not know exactly where I am. We speak of money as if it were a commodity. The Treasurer refers to the money market and to being guided by the advice of bankers in regard to the state of the alleged money market. Treasurers pare down expenses and economise in every way possible in order to keep within the possibilities of the money market.

I want to know, what is the money market? It seems remarkable that at one period the money market is so bad that we cannot get sufficient to spend in order to provide bare sustenance for thousands of people. In normal times we cannot get enough to spend on necessary and urgent works or to ward off malnutrition in children. We expect a woman to mother children and make a nation of this great country when she has insufficient food to keep her physically fit, is insufficiently clothed and insufficiently housed to produce healthy children. Immediately a crisis occurs, the money market offers no objection to the expenditure of countless millions of money, as the late member for Yilgarn-Coolgardie would have described it.

How comes it that the money market, about which we hear so much can fluctuate in this way? Would the Treasurer suggest that money is a commodity in the ordinary sense, that its cost, so far as production is concerned, must be set against its value, and that individuals are permitted to produce it as a commodity is produced? If that is so, we ought to get to work and make money. If it is a commodity that can be made for a great deal less than its exchangeable value, we should all be in it. We should all enjoy the right to compete in its manufacture, just as we are entitled to compete in the production of wheat, wool, or any other commodity. We would then need to give only a very little consideration to the cost of producing this alleged commodity and we should become wealthy in a very short time.

Money, however, is really not a commodity, except so far as intriguers and manipulators on stock exchanges and in banks are concerned to make money in order to profit by it. This is an avenue we ought to explore—to ascertain how it is these people have a right to place our money on the market, cut it into scraps of paper and auction them on foreign markets, all because of the system, not because of necessity. I want to know how it is that this alleged market can provide millions at a given moment when to do so suits certain individuals. If this can be done to suit them and their purposes, why cannot it be done to suit our purposes, seeing that we are supposed to be all-powerful and supreme within the State? Can we issue no decree in regard to this particular mar-

ket? Of course such talk is the outcome of the orthodox mind that has given no consideration to the subject.

There is no such thing as a money market. Nothing of the kind exists. There are manufacturers of money who, when it suits them, can make it in any given quantity, and their hand has been particularly free to operate in recent years. To show how the money market works, let me remind members that before the outbreak of the war, the Commonwealth sounded the London money market. There was a short-term loan that the Federal Government wished to have adjusted involving a sum of about £6,000,000. There was a reason for the failure of the loan, but the true reason was never given by the then Federal Treasurer. When the loan failed, he spoke of the delicate nature of the market having regard to the possibility of an international conflict; this made the money market unsteady and doubtful, and the loan failed. No one knew better than the man who made that utterance that it was untrue.

Mr. Seward: That is a strong statement to make.

Mr. MARSHALL: At the same time another part of the British Empire went on the market for a loan of £9,000,000 and it was oversubscribed by £50,000,000. This shows that the money market was not timid and was not afraid of the possibility of an international conflict. The point is that the big loan to which we have been contributing was looming on the horizon. Just before the outbreak of war there was much talk in Australia about monetary reform, and the possibility of a Labour Government taking office seemed particularly bright. Consequently the individuals to whom we refer as the controllers of the money market saw the virtue of allowing that small loan to fail while an anti-Labour Government was in office so that, if a Labour Government came into office and there was any interference with the prevailing methods of finance, it could not be said that a loan had crashed simply because Labour was in power. The time is long overdue when Parliaments and public men should denounce the enemy within—those individuals who manipulate the money supplies of the nation.

Mr. Abbott: What about the Commonwealth Bank?

Mr. MARSHALL: The Commonwealth Bank has done nothing unorthodox; nor do I expect it to do anything unorthodox at the moment. We should give the new Labour Government time to take a breath before making the plunge. Labour has been in office in the Federal sphere for only 18 months in the last 20 years and nothing has happened to the Commonwealth Bank or to the methods of orthodox financing. Therefore I say that the Labour Government should be given time and that we should not expect too much at the moment.

Mr. Abbott: Do not you think that things have changed during the last 20 years?

Mr. MARSHALL: The Commonwealth Bank has never adopted any unorthodox method of financing this nation. We hear a lot about central reserve bank credit, national credit and similar high-sounding phrases. What is the central reserve bank credit? What credit has any central reserve bank outside the nation's own credit? The only credit possible is that of a nation. Yet a ton of rubbish is put over the people in order to mislead them and make them believe that something new has happened. Federal reserve banking has been in existence for many years, undertaking the flotation of loans and charging high commission rates for the service. That is about all the Commonwealth Bank has done.

The expenditure of this money is as lifeblood to a nation. To stop it means depression, unemployment, poverty and degradation. Without a fresh and constant infusion of new money, the nation becomes stagnant. It is now recognised by orthodox financiers and economists that no industry ever pays out sufficient in wages, salaries and dividends to buy the goods produced, and unless there is an infusion of new money through credit expansion, the nation must become stagnant. However, I do not wish to proceed with a discussion of that aspect. I want the Treasurer to give me his attention for a few moments while I quote some authorities whom he will not dispute, as they are amply qualified to speak upon the subject of the money market. I am aware that my utterances are ineffective here. I am not supposed to know! I am not Professor Copland, well-named, too. He is "copping" plenty of late, that fellow! But he was "copped" himself the other day, according to the newspaper. There are other authorities who are doing their best to enlighten

the people by writing and lecturing on the subject of money and its creation. Members of Parliament are under an obligation to give consideration to those authorities.

I repeat, they are men of high standing, bankers, who have held most important positions in England and Australia. What have they to say about the money market we hear so much about? The money market! Just as though the Treasurer of this State borrows money from individuals! The Treasurer ought to know by now that he does nothing of the kind, and never has done so. He borrows the nation's credit, principally from financial institutions. I tell him and you, Mr. Chairman, that the national debt stands at about £1,400,000,000, about 80 per cent. of it being created credit, the remaining 20 per cent. representing loans by individuals. But even that 20 per cent. did not go to the Treasurer; it remained in the bank. The Treasurer was permitted to operate upon the bank to the extent of the amount that the individuals had made available to him. But those individuals forfeited their right to use that money, although the Treasurer never got it. I respectfully suggest that those persons are entitled to repayment; and, if usury is to continue, to interest on it.

But that is a different thing altogether from banking institutions, because they do not lend money, nor do they sacrifice a penny in legal tender at any time. They use the credit of the nation and expand it on behalf of the Treasury as a debt against the nation. The Treasurer puts his hand into your pocket, Mr. Chairman, and into mine and extracts our savings to service the debt. The Leader of the Opposition pleaded poverty. He said ours was a poor country, that every shilling of expenditure must be watched with extreme care, that works should be cut down, and everything done to fit production into the chronic shortage of money. No matter how much wealth this nation has produced, no matter how high the standard we may enjoy, so long as banks have control we bow to them and say, "Yes, sir, that shall be our standard." And that in this enlightened age!

Let me quote what Reginald McKenna had to say on the subject of the money market. No one will dispute his authority to speak on it. I quote him because he is well known to everyone, was once the Chancellor of the Exchequer and for years was chairman of the Midland Bank. He has written books

on the subject; and everyone knows he is neither a Communist nor a Socialist.

Mr. Abbott: Is he dead by now?

Mr. MARSHALL: He is very much alive and wise to all that the banks do. I am grateful to the writer of the little booklet I have here. His name is Butler, of Melbourne, and he is also a lecturer. He has in this book condensed what the authorities have to say on this subject, so it is not necessary to run them to earth. Immediately after the 1914-18 war, there was an intense conflict between France, America and England as to which of those nations should be the centre of world finance. A fierce fight took place between the groups of financiers of each of those nations. America, being a creditor nation, won. Reginald McKenna was much annoyed with the bankers of England for foolishly retaining confidence in what is known as the automatic gold standard. It was at that time that he made this statement, which will be found at page eight of the booklet, "The Money Power versus Democracy"—

The Bank of England, and no other power in heaven above or earth beneath, is the ultimate arbiter of what our money supply shall be. That is the money market. I repeat—it cannot be said too often—that that is the money market.

Mr. Abbott: He was speaking for England.

Mr. MARSHALL: Let him speak for England.

Mr. Abbott: We have the Commonwealth Bank here, I suggest.

Mr. MARSHALL: Since 1924, the Commonwealth Bank has been following out the policy of the Bank of England. It has a committee in England; it is definitely the Australian end of the Bank of England, and it has never been anything else. Possibly some members do not feel inclined to accept Reginald McKenna as being much of an authority upon the money market, so I shall quote a statement made by the late Mr. J. A. Lyons, during the 1937 elections. That is an admission of how much of a market there is for money. I well remember the statement made by Mr. Lyons. It was made in Adelaide, after the crisis. This is what he had to say, on page 11 of the booklet—

The banks had confidence in my Government, and we were able to carry on.

That is the money market! "The banks had confidence in my Government, and we were able to carry on." Where was the money mar-

ket in those days? It reposed in the same authority then as now. Who then manipulates the money market? Let me quote Reginald McKenna again. At page 13 we have this further statement—

The Bank of England is the supreme authority in determining the quantity of money available for the use of the public.

And yet we have the Treasurer of this State telling us about the way he used his influence!

The Premier: The English Treasurer has some influence with the Bank of England. It is not all one-sided. Do not worry about that.

Mr. MARSHALL: If the Premier wants any more information, I can give him some in regard to the Bank of England and the British Treasurer. He will be astounded. I suggest that if he wants some information on the subject he read a book entitled "The Tragedy of Ramsay Macdonald." He will then get some insight into the hopeless position of the English Government at conferences with Montagu Norman, the Governor of the Bank of England, when he reigned supreme. An evening or two ago I attended a picture show and saw a film of the famous meeting between President Roosevelt and Winston Churchill on the high seas. After prayers were said and read, the great programme was formulated. But what a remarkable thing! We have never been informed of this until a recent date: Montagu Norman was there. He did not appear at prayers. He took no part in them, but I respectfully suggest he played a most prominent part when prayers were over.

Mr. Hughes: He took up the collection!

Mr. MARSHALL: So I could go on quoting one authority after another. As a matter of fact, I do not think there is an authority that will not quite openly and frankly confess that banks are constantly expanding the nation's credit, which they create and destroy at will.

Mr. Abbott: How much did they destroy during the last depression?

Mr. MARSHALL: In the first place, I do not know the total amount of borrowings and in the second, the total amount of repayments. Therefore I cannot answer the question.

Mr. Abbott: You could read it up.

Mr. MARSHALL: It is no use members talking about a money market. The money market is created by banking institutions. When they wish it, money can be made

available; when they do not wish it, the supply of money is restricted. There is no such thing as a money market. There are money manufacturers; that is about the sum total of it all. We readily subscribe, without comment, £4,500,000 out of the revenue of this State to service our debt. The Leader of the Opposition says we must economise, we must be careful. The farmers can go, the industrialist can go, commercial life can go, but the banks must get their issue. I comment now on the statement of the Leader of the Opposition in regard to the migration of people from the country to the city. What else can be expected? Is it not cheaper to live in the city than in the country?

Mr. Seward: It is not.

Mr. MARSHALL: I respectfully suggest that it is.

Mr. Seward: It is not; not within 50 per cent.

Mr. MARSHALL: I suggest it is. If it is not, it is definitely more attractive to live in the city. I do not know what the member for Pingelly means by the country, but if he went to the goldfields he would understand my argument.

Mr. Seward: I mean what you mean—the country.

Mr. MARSHALL: It may be cheaper when the people are denied all the amenities of a full life.

Mr. Seward: I am talking about the cost of provisions in the country; it is definitely lower than in the city.

Mr. MARSHALL: It is interesting to hear that. When I look at the basic wage I find it is higher in the country, and it is interesting to know now that the cost of living is cheaper in the country. The Arbitration Court has made a mistake!

Mr. J. H. Smith: It is 25 per cent. dearer in the country.

Mr. MARSHALL: No, I do not think so. The member for Pingelly would be right. The Arbitration Court is wrong; definitely so. I hope the court will obtain some information with regard to this matter since it seems to have made a "bloomer."

The Premier: The Arbitration Court secures the proper figures.

Mr. MARSHALL: Of course it does! Prices on the goldfields are not to be compared with those in the city. The Leader of the Opposition complained about the lack of enthusiasm in regard to enlistments.

Surely he can see why that is. Does he expect men to leave good jobs at from £4 to £8 a week to go into the army for 6s. a day?

Mr. Doney: It does not matter what he gets for it; patriotism counts for quite a deal.

Mr. MARSHALL: Those who hesitate consider this, and when one looks at what is going on one cannot be surprised at the hesitancy of some people to enlist.

Mr. Abbott: You suggest we should have conscription?

Mr. MARSHALL: We have conscription this time as we had before. There are more ways than one of getting conscription.

Mr. Abbott: I agree with you there.

Mr. MARSHALL: What I want to point out is this: Every Friday, with very few exceptions, one will find good people with very good intentions and most patriotic on the highways of this State begging for alms, cadging for money to support the dependants of those who are spilling blood on foreign battlefields in defence of this country. Does one hear of anything like that occurring in Germany?

Mr. Doney: To what particular fund are you referring?

Mr. MARSHALL: Have members heard of large loans in Germany and high taxation?

Mr. Abbott: Yes.

Mr. MARSHALL: Have members heard of people cadging on the highways?

Mr. McDonald: What about the stew fund?

Mr. MARSHALL: It is remarkable that 5,500 millions can be spent in the same time in Germany that Britain takes to spend 3,250 millions. Those figures cannot be challenged.

Mr. Abbott: Germany has the population.

Mr. MARSHALL: This is not a poor country; it is extremely rich. It is poor only insofar as financial institutions make it so.

Mr. Doney: And in the spirit of some of the people!

Mr. MARSHALL: It is poor only insofar as financial institutions make it poor, and we humbly acknowledge their power and permit them to do it. We can produce an abundance of anything in the way of real wealth in this country—wheat, wool, bricks, mortar, timber—anything we want, and we have the labour to apply to it to

produce more wealth. But we have not the money! That is where our troubles lie—in the money market. Let us hear no more about this money market because the money market is the expansion of the nation's credit by financial institutions. They rule supreme and until we realise the shackle that binds us, due to their power, we can expect little or no redress.

Mr. Doney: If your views are practicable, why does not your Prime Minister adopt them, I wonder?

Mr. MARSHALL: Why did not your Prime Minister do it?

Mr. Thorn: He was just going to do it when he was stopped.

Mr. MARSHALL: A man is five minutes in office and the question is asked, "Why does not he do it?" He is supposed to be a miracle performer. After 20 years or more of a National Prime Minister doing nothing but shackling this nation with a terrific debt!

Mr. Doney: He knew it was not practicable.

The CHAIRMAN: Order!

Mr. MARSHALL: The hon. member will know it is practicable before much longer!

Mr. Doney: You cannot convince your own Prime Minister.

Mr. MARSHALL: The hon. member will know all about its practicability because if he cannot wake up to it, those who elected him can. I am delighted to see there is a big awakening on the part of the people engaged in primary production. They know whether it is practicable or not and they will disillusion their member before many years have passed.

Mr. Doney: You should convince your own Prime Minister, anyhow.

Mr. MARSHALL: I am not going to worry about convincing my Prime Minister, as the hon. member calls him.

Mr. Doney: You should! That is where you could do good.

Mr. MARSHALL: My Prime Minister is well aware of the position and in order to give the hon. member some idea of the Prime Minister's full realisation of the iniquitous system of banking control of the nation's credit, let me quote one or two statements made by him. I have here two little pamphlets that contain utterances by the present Prime Minister. Here is one—

I put this question to civilisation tonight: Why are there so many poor? Despite great land areas richly endowed by nature; despite

tremendous mechanical equipment, making it possible for one man to do work which, in some instances, formerly took 200 or even 400 men to do; despite the veritable revolution in the methods of production in all countries—whether Republican or Monarchic, Free-trade or Protectionist—we are confronted by the extraordinary paradox of an almost infinite capacity for production while millions of human beings are barely able to procure the necessities of life.

That was one speech.

Mr. Seward: What was the date?

Mr. MARSHALL: Here is another—"Australia's Economic Crisis." That was a speech made on the banking Bills of the Scullin Government.

Mr. Abbott: On the Esplanade or where?

Mr. MARSHALL: In Parliament. This pamphlet is headed "Australia's economic crisis and the £55,000,000 interest bill. How the years of money power extortion have brought misery to the nation." The points with which he deals are as follows:—

How the Australian banks have ravaged the nation—why industry is in chaos—why wages are attacked—why budgets do not balance—how property in bonds grows in value while property in farms, in factories, and in labour loses value—why our markets are depressed—why unemployment reaches mass magnitude!

Mr. Seward: What was the date?

Mr. MARSHALL: This is a contribution on the interest bill in 1932.

Mr. Doney: What are his present views about meeting his commitments?

Mr. MARSHALL: I cannot hear the hon. member.

Mr. Doney: It is a wonder he does not stick to those views now.

Mr. MARSHALL: The statements I have just quoted were extracts from speeches made by the present Prime Minister.

Mr. Doney: He has forgotten them.

The Premier: No. He is whispering a word or two.

Mr. MARSHALL: I do not know what the hon. member is hinting at when he says that the present Prime Minister has forgotten. When he makes a statement like that, having regard to the circumstances, he imputes that the present Prime Minister is dishonest.

Mr. Doney: No, I do not. He finds it hard to put his views into practice. They were all right when he was in opposition, but they are no good now.

The Premier: Yes, he can put them into effect.

Mr. Doney: No, he cannot.

Mr. MARSHALL: I want the hon. member to stand up to what he said. He said that the Prime Minister had forgotten them. Now he tries to cover himself.

The CHAIRMAN: Order! I would like the hon. member to address the Chair and not the member for Williams-Narrogin.

Mr. MARSHALL: Very well, Sir. I am only human like the rest of members. It is most unfair and unjust to say that a man must revolutionise the position. As you know, Mr. Chairman, within 24 hours of Mr. Curtin's taking over the Prime Ministership—and let it not be forgotten with a minority Government—I was asked to challenge him in regard to war finance by a man who ought to have known much better.

Mr. Doney: Somebody on your own side of the House, was it not?

The CHAIRMAN: Order, please!

Mr. MARSHALL: See how the mentality of these people works! After 20 years' experience of their own Government doing nothing but build up a colossal debt and heaping up a burden of taxation on the people, they expect Mr. Curtin to revolutionise matters in ten minutes and bring relief immediately! It takes time.

Mr. Hughes: That is what Hitler said.

Mr. MARSHALL: It must take time and those who do not wear the same political coat as Mr. Curtin should be Australian-like enough to give him at least a reasonable chance.

Mr. Doney: You cannot lecture me on that basis either.

The CHAIRMAN: The hon. member will have an opportunity to speak.

Mr. Doney: I will not be lectured by that man in that strain.

Mr. MARSHALL: The hon. member will not be lectured by me at all. It would not be very effective.

Mr. Doney: You are quite right.

Mr. MARSHALL: I suggest it would be ineffective for obvious reasons.

Mr. Hughes: How long do you suggest is a reasonable time?

Mr. MARSHALL: I am not under cross-examination in a court of law, and although the member for East Perth might get £600 a year for being here I am not to be subjected to his cross-examination.

Mr. Thorn: That is one way of getting out of it.

Mr. MARSHALL: Those are my express opinions in regard to the money market.

Mr. Doney: And they are not worth listening to.

Mr. MARSHALL: I am not going to subscribe to this "poor-mouth" policy when I know that this nation can produce wealth in abundance, under a proper scientific organised monetary system.

Mr. Abbott: By the politicians.

Mr. MARSHALL: Well! By the politicians! See the difference! The hon. member has no objection to the banks controlling politics, none whatever.

Mr. Hughes: Why do you answer his interjections but not mine?

Mr. MARSHALL: The hon. member has no objection to the banks controlling politics. In other words he agrees that the banks should rule supreme over Parliament.

Mr. Abbott: I think the experts should.

Mr. MARSHALL: The experts! We have some experts at law.

Mr. Styants: Do not mention them.

Mr. MARSHALL: They would be hard to find. This country being under a proper scientific monetary system with its money properly controlled, as stated by Reginald McKenna, money could be made to equate to the full capacity of this country to produce goods. The soldiers could get as good pay in the Army as they would if associated with the industrial life of the country. The wealth necessary to accomplish that end can be produced, and we should never have the humiliating spectacle of sovereign Governments having to go to financial institutions to beg for credit which belongs to the nation, as a loan to the nation and a debt against it. That method means heaping up millions in connection with the interest bill, until now in this little State of ours of 450,000 people we have an interest bill of £4,500,000. That is not the end of it. The amount is gradually going up and up, and yet we are told that we shall be much better off with this colossal burden of debt on our shoulders.

That is the position we will be in, so we are told, when the purposes of the banks have been served and there has been contraction of credit, as the result of which we can expect poverty to a greater degree than ever before. These financial people are inhuman. They do not consider nations; they know no country. It is all the same to them whether it be Yankee Doodle, Jap,

Jew or Gentile. All are grist to their mill. Of what use is it to reiterate these things? We know the Government has a difficult task to perform. Money is required for urgent works. The Government has to do its best with the limited amount it has to expend, and has to extend preference to the most urgent needs. There it ends. What cannot be attended to falls by the wayside, and probably may be next on the list at some future date when some money may be available.

These are the comments I rose to make. I do not think there is one electorate throughout Western Australia where the people can boast that the Government has provided all the facilities or utilities that are required. Nor is there one where the people can say that the facilities that are available are kept in a decent state of repair or have been modernised. Everything is neglected. It has to be; it cannot be otherwise. For that reason I take strong exception to, and bitterly protest against, an interest bill of £4,500,000, 80 per cent. of which has to go to the financial institutions for having created, or expanded, the nation's credit and set it as a debt against the nation. I protest against the nation's own credit being dealt with in that respect. I object to the nation's own property being taken from it and utilised for private purposes. In conclusion I shall read a quotation from a man who is not a socialist, but is well known to members by repute—I refer to Professor Soddy. I have quoted the various authorities to the Committee because those I have mentioned are well known to members, and I hope they will read the works I have referred to. I particularly recommend them to the member for Williams-Narrogin.

Mr. Thorn: Why favour him?

Mr. Doney: You can let me have your book.

Mr. MARSHALL: These books are in the Parliamentary library and are available to members without charge. They need not even put themselves to the exertion of getting the books, for the messengers will procure them at their request.

Mr. Hughes: That is truly education on a silver platter!

Mr. MARSHALL: See how lightly members treat this vital subject! What will happen? Scarcely will I have resumed my seat than some member will rise and castigate the

Government because of the neglect to provide a water supply here, construct a railway there or make some other provision elsewhere. Yet members know very well that there is no money for the works they advocate. They know that their action will gain for them some little added confidence from their electors.

Mr. Thorn: You need not reflect upon members.

Mr. MARSHALL: Is that possible? Here is what Professor Soddy said in his book "Poverty, Old and New"—

Crimes have been committed by kings. The pages of history are foul. But, for a cold-blooded, calculated crime against the economic freedom of a nation, a blow below the belt at those weakest and least able to withstand it, I commend you to our popular democratic Government and its monetary policy during and since the war—

He was speaking of the war of 1914-18.

—During the war it promised on the platform an England fit for heroes, and then, the war being safely "won," it treasonably conspired with those who have usurped the supreme power, to make her a happy hunting ground for the recruiting sergeants of war, degradation and vice.

God knows, between 1931 and 1933 we had a good example of that! So I commend these authorities to members, for I do not ask them to accept my word for it. What is the use of protesting? We can do very little outside the limited scope open to us by virtue of the private ownership of public credit. Members come to this Chamber and wrangle over the expenditure of public funds. I want a school or a water supply. Members opposite want a school or water supply in some other part of the State. We wrangle and fight in an endeavour to influence the Government, which has money for only one school or only one water supply.

A little while ago the Treasurer made a statement that I thought was most tragic. He referred to the architectural beauty of State buildings, and implied that it might be advisable to sacrifice architectural beauty in order to make additional funds available for other works.

The Premier: To sacrifice some of it.

Mr. MARSHALL: Is that not tragic? Is it not damnable? We have a school at Wiluna—rough, coarse, ugly, just a long heap of jarrah. But it is the Wiluna State School—a truly awful sight. It was erected between two beautiful recreation reserves. It is black and dirty—a most objectionable building.

That is the standard of architecture we can afford! Something better is to be denied us because there is no money.

The Premier: It could be improved upon.

Mr. MARSHALL: I accepted the Treasurer's statement with a great deal of sadness. Hundreds of years ago glorious cathedrals were erected which are monuments of architectural beauty. That was done in days when poverty was rife. Now despite our so-called progress we are faced with the possibility of reducing what architectural beauty does attach to our buildings. In point of fact there is not so much architectural beauty about our Government buildings that have been erected in recent years. I do not consider the girls' school at East Perth is notable from the standpoint of architecture.

The Minister for Mines: It is a fine building.

Mr. MARSHALL: It is attractive because of its elevation.

Mr. Seward: It is a very fine school.

Mr. Doney: It cost a good many thousand pounds.

Hon. C. G. Latham: And it was awarded a medal as architecturally the best building erected during the year.

Mr. MARSHALL: I do not care what the cost of the building may have been; it possesses no great architectural beauty. Nevertheless it is tragic to think that in future we shall have to dispense even with the beauty that attaches to our buildings today.

The Premier: You are exaggerating.

Mr. MARSHALL: I do not desire to.

The Premier: Why destroy a good speech by saying something that is silly?

Mr. MARSHALL: When replying to an interjection by the Leader of the Opposition the Treasurer said, "Yes, well we may have to consider that too. Probably we could use the money to better purpose."

The Premier: Could not we have something between the school at Wiluna and the girls' school at East Perth in order to draw a comparison?

Mr. MARSHALL: Probably we could.

The Premier: That would be more satisfactory.

Mr. MARSHALL: To me it appears to be tragic. If the State were poverty-stricken to the degree that it could not possibly afford to do these things, well and good,

but here we have a State where we can produce everything—

Mr. Abbott: At a great cost.

Mr. MARSHALL: Of course there is cost attached to it, but what is that? It is merely a matter of accountancy, of transferring figures from one ledger to another.

Mr. Abbott: Expenditure on superphosphate is not exactly a matter of accountancy.

Mr. MARSHALL: It is merely a banking transaction. The banks transfer money from one bank to another in payment of such deals, but never a shilling goes outside the bank. A cheque is written out against the credit that exists and there is no money in the transaction. However, I hope members will give serious consideration to our system of financing the State, which is gradually but surely bringing us to a condition of financial servitude. We cannot avoid that fate unless we are on guard and unless we immediately counter the pernicious system of private institutions owning public credit.

MR. NORTH (Claremont) [9.14]: Having heard the speech of the member for Murchison, I am encouraged to add a few remarks myself. I feel a little guilty because of the flood of oratory to which we have listened. Some years ago, with the support of the House, I urged the appointment of a Royal Commission to investigate our banking and economic system. Years after that the objective was achieved and I cooled off in my advocacy of a better financial system and urged the member for Murchison to take the banner in hand and carry on the fight. He has done so religiously.

Mr. Doney: Then this is all your fault!

Mr. NORTH: I urge the Committee to look at the other side of the picture. We have various schemes for monetary reform, the support for which is very strong and emanates from all sections of the community. Directors of the Bank of England and others all over the world have advocated various changes, but they tend to confine their remarks to that side of the picture with a result that one is inclined to over-estimate what can be done. I am no less guilty in that respect than is anybody else; but when I did first raise the question in this House we were in the

depths of a terrific depression. Thousands of persons were without work at all, and there was far more misery than there is today. The very thing we sought to achieve in those days by the appointment of a Royal Commission on banking was that there should be a condition something like that which exists today, a condition of full employment for the people.

That brings me to the point, cannot we now learn something from the present situation to apply when the war ceases? Because if this sabre-rattling by Hitler has been sufficient to bring the community to the state of having reached a position of full employment for the people, our question now is surely to find out what are the reasons which will coerce or agitate our leaders after the war to abandon the policy of work for all. That is a question which to me is of great interest. I think it brings the financial side of the discussion into the position of a mirror. Years ago, before the great changes came in the world, we used to be told that finance was only a mirror, the reflection of the economic activity which accompanied it; and we were asked and urged to look to the economic activities in order to find the real issues, and we were told that whatever was done in the economic world would be reflected in the financial sphere.

But during the past few years, thanks to the enthusiasm for improving things, we have perhaps confined our attention to the mirror. If one assumes—as I do for my own purposes—that the Royal Commission on banking did a good job and produced for us a report which, if carried out, would achieve all the objectives of the member for Murchison, all those objectives which he has so strongly advocated from time to time, we would at least have been in a position to leave that mirror alone, after seeing that it had been carefully cleaned and carefully polished to do its job. Then we would have to turn from the personal figure that stood in front of the mirror—that is to say, to the body politic. Thus, I think, we can criticise fairly if we intend to improve our economic condition when peace returns.

At this moment 90 per cent. of our loan efforts are going to the war. They are enormous efforts, though we hardly see the effect of them in this State. On the other hand, those who travel

East come back and tell us, and we occasionally receive statistics. We know that there has been an economic revolution in Australia during the last few years under the knowledge gained from the practice of banking, which has enabled even a Conservative Government to put up a great big effort. Planes are flying over Australia, and there are other things of which we had never heard when we first thought of economic and financial reform. But if we want to come away from the financial mirror to the practical side of the persons living in this community and their activities, then we can soon trace the effects of a good financial system as against those of a faulty system. That is the question which concerns me at the moment, and which I believe will be strongly stressed after the war. That is the time when we should apply the acid test to those who are sincere in the desire to improve the condition of this country as against those who use present conditions merely for the false cry of a new era after the war. The acid test for the last ten years, namely, the loan policy, has been availed of but has failed to achieve full employment. Tens of millions of pounds have been squandered in the not doing of works that could have been done. All this talk about economy, perfectly true as far as it goes, amounted merely to wasting tens of millions of pounds in unemployment which had been forced upon us.

That is the charge which has been made by the member for Murchison and others. They have gone to the Loan Council and the central banking system and laid their charges. I would urge that we are only the inheritors of the system we have lived under. However, this war has come and has shown us that under stress of circumstances Australia can rise to the heights which she has attained, so that our Minister for Labour was able to tell us recently that there is now no longer in Western Australia a single unemployed man who wants a job. That was the ideal we had in front of us. We were told in those days that it was economically absurd, that no professor of economics would stand for such a theory. Gradually the change of thought came, until we saw in this morning's newspaper that one of our big banks had issued a statement telling us that when the war started there was a large unemployed market which could be drawn upon to enable the manufacturers of munitions to carry out

their contracts without disturbing the private market for goods and services. We were always told, "You cannot have your cake and eat it too; you cannot have one thing without going without something else; you cannot put a quart into a pint pot."

But of course these arguments of mine are merely idle today. The point is that these Loan Estimates are quite in order. They are estimates which represent, I may say, the crumbs from the rich man's war table, the most that can be allotted to us while the war endures. That is only a reasonable attitude to adopt. I want to know what will happen when arguments are brought forward, after peace has returned, and opportunities occur to do those very things to State utilities, for example, that various members are urging, opportunities at a time when thousands of workers will be available and unexplored industries awaiting our attention. What will then enable the pundits to say, "It cannot be done; the war is over now, and we go back to the conditions of peace"? But the people will demand that the efficiency which has been shown in this war shall be maintained in peace, and that we shall start the new era which the member for Murchison and others have fought for here.

I do not, however, wish to embark on the subject of how we should alter the mechanism to achieve such results. It is easy to advocate lower interest, increased loans, and a certain amount, though not an unlimited amount, of costless credit. All those things are in the report of the Royal Commission on banking. We asked for just such a Royal Commission in this House years ago. We did not want a Royal Commissioner who could be bamboozled, but a judge of the Supreme Court who would take evidence and elicit the truth. When interested persons got before the Royal Commissioner, they gave their evidence and thought they had the judge where they wanted him; but the result was that the Commissioner gave a report which contained everything the member for Murchison or anybody else could ask for. The Commissioner said that, under certain conditions, finance or credit could be issued free even to individuals. What more could any Royal Commission say than that?

[*Mr. Marshall took the Chair.*]

Hon. N. Keenan: The Royal Commission did not say that.

Mr. NORTH: As I read the report, the Royal Commission did say that. We have an acid test before us here to judge this or any other financial system by if after this war we fall back to the state of partial employment. I hope, too, that this question of employment will not be the only question which we shall discuss from the mirror of evidence. It is only the first question, when we come to Loan Estimates or any other Estimates. The second question is the use of more and more labour-saving machinery, and the consequent throwing out of employment of great numbers of men.

Then there is a third point, the adjustment of jobs from the unskilled to the skilled jobs. Those things are not part of the monetary reform at all, but they are vitally important to the full employment basis. Then comes the question of more and more ability in management, or not allowing managers to get away with blaming the workers and imposing longer hours and lower wages upon them. Then we have to face the obvious point dodged by all authorities for the last 50 years, that when modern machinery is put in arrangements must be made for the men who lose their work. The Arbitration Court has no power today to deal with that trouble. It may alter the wages and hours, but what power has it to say to an industry, "This industry is rottenly run; it should be modernised, and then we shall fix the wages"? Those controlling the industry would say, "We cannot finance this modernised machinery."

Now to get right down to the economic side of the question. Finance, after all, is only a reflection from relatively a small part, but really a very large part in the total of the economic reforms contemplated. That is why I was grateful to the House for carrying the motion urging inquiry into a great many valuable public works to be undertaken after this war, because that sort of thing would have been quite impossible for us under the system of finance or system of economics we were carrying until this war. However, having had the great lesson of the war, there will be in future no excuse that the works should not all be undertaken up to the capacity of the men and material. Now I may be told, and told correctly, that a lot of men are not suited or sufficiently skilled for these works. The opportunity is there too for training. I am told the Army is now doing

a great deal of training. I am sure that those responsible for reconstruction will also arrange for a large amount of training if necessary.

For the last few weeks I have been listening on Sunday nights to "World Talk." I think Mr. Henderson of this city and of the "West Australian" has a lot to do with those talks. In them a great variety of useful information is being disseminated which should be made available to members. The question of what is to be done when the war is over should not be left merely in the hands of a few committees. I would like to see more attention paid to it by our own Cabinet and by the Federal Cabinet. I am not sure that this generation is not getting too much advice from various sources. We hear a lot over the air now about what should be done. One wonders whether people listen more to talks on the radio than they read of the remarks made in this House on these questions. What is said over the air gets a very clear hearing, with a little static, whereas the Minister for Industries might make a speech about his enterprises, and it might be given only a few lines in the Press, and perhaps not be seen at all. The time has come when Cabinets should arrive at the conclusion that these problems must receive attention in this Chamber as well as outside. These outside writers and talkers have not to face the public and fight for a seat before they speak, and are far less cautious than we might be in making such remarks.

I wish again to congratulate you, Mr. Chairman, on the great work you have done in attempting to bring before this Chamber the question of the financial changes which will eventually come all over the world. A great many important political persons—shall I call them statesmen?—say the same things that you do, but they use other language. It is almost the difference between a well-dressed person and one going in for a swim clothed in a pair of V's. You are very outspoken, Mr. Chairman, and I would remind you that Mr. Roosevelt and Mr. Churchill made a statement to the world from the Atlantic a few weeks ago. They said all the things you say, and a great many more perhaps, but one could hardly compare the sense by reading the two sets of speeches. They said that nobody should want; every-one should live out his life in peace; raw materials would be available to all the na-

tions: the conquered nations would have prosperity, and that the victorious nations would be the police. If members read through the whole of the remarks of these two world leaders, they will see that everything said in this Chamber by the Chairman is included in their policy. The only thing which worries me is that it will be the duty of those of us who are here after the armistice to see that this enlightened plan succeeds and that there is none of the "sitting back and picking grass off the street" policy of 1930.

MR. CROSS (Canning) [9.34]: I really thought the member for Claremont would have told us how our friend, Mr. Aberhardt, is getting on with his Douglas Credit in Alberta.

Mr. North: We have no information, but he is still in power.

Mr. CROSS: The only thing I have seen is that the Federated Commonwealth Governments of Canada have had to pay some of his debts. I was disappointed that the member for Claremont did not give us a dissertation on some of Mr. Aberhardt's performances in Alberta. After the war there will be a drastic change in the financial system of the world. Not only Governments, but the people, have been paying far too much for the use of credit. With the enormous expenditure on the war effort we will reach the stage, after the war, when it will take as much as the total income of the people before the war to pay the interest bill alone. I do not think the temper of the people in Australia is such that they will return to that standard. It means they will be struggling and receive just sufficient on which to live. It is ridiculous that, in a Commonwealth such as Australia and a State with such potentialities as ours, people should have to revert to such a standard as obtained in 1933 when many of the citizens in this State got scarcely sufficient to eat. As a matter of fact, a lot of people in Western Australia in these more prosperous times—more prosperous because loan money has been spent, unfortunately, on war preparations—have barely got sufficient to keep body and soul together. In spite of the increased expenditure it is extremely difficult for people today to get houses.

After the war a drastic overhauling of the financial system will take place in order that

homes may be provided for the people. I anticipate the greatest housing scheme ever faced in Australia will have to be undertaken, and means will have to be provided to finance it at a price the people can afford to pay. The Leader of the Opposition seemed to be dissatisfied because the loan expenditure, although it is severely cut in this State, was not, in his opinion, cut even more. Despite the war he should realise that certain loan expenditure is absolutely essential in the interests of the State. Take south of the river: We have a new secondary school which was built a couple of years ago. It is overcrowded and should have at least four new classrooms constructed immediately and a science room, not to mention a metalworkers' room. Hundreds of children attend that school and a good many of them do so on bicycles. The bicycles are left out in the sun in the summer and the rain in the winter. Some provision should be made so that they could be put under cover. The parents and citizens' association of that school thinks there should be an assembly room built as well. I do not know about the assembly room, but I do know that at least four new classrooms should be built at once so that the children could receive proper education.

Mr. J. H. Smith: If you were in the country you would have plenty about which to complain.

Mr. CROSS: We have sufficient in the city. The Forrest-street school can accommodate 600 scholars. In the New Year it is anticipated the attendance will be at least 650. That school needs another classroom. The Como school is overcrowded and requires another classroom. When I heard the Leader of the Opposition speaking and saying he was dissatisfied because the loan expenditure is too great, I wanted to tell him that a certain amount of loan expenditure, even at a time of war, is essential.

Will the Minister for Railways say whether he has spent the loan money provided for the new engine for the ferryboat? The boat has been built quite a long time now and is floating in the river. I hope it does not deteriorate too much before the engine comes to hand. It was stated some time ago that marine engines were being made at Midland Junction. If this engine, which was ordered from Great Britain does not soon turn up, I hope the Minister will

make arrangements for one to be built at the Midland Junction workshops. It is two years since the engine was ordered.

The Minister for Railways: We expect it at any time.

Mr. CROSS: I was told that 12 months ago. It is two years this November since the engine was ordered, and we were told it left England last November. We should do everything possible to carry on war work and protect our people to the extent of our ability, but at the same time we should look after our children and not neglect their education. It is necessary that repairs to public buildings be carried out, with the aid of loan funds, in order to protect the assets of the State.

I do not definitely know what has been done, but preparations should be made now to absorb the large number of men who will come on to the labour market when the war is over. We will have the spectacle of having to take 30,000 to 50,000 men back into industry. Not only has a great number of men gone oversea, but a lot of factories in this State are doing work purely of a war character. That will cease immediately the war finishes, and the Government of this State will be faced with the task of finding employment for those workers. That is a pretty big job, and it will require much preparation. We should now plan for the future. The war may conclude earlier than most people expect. It is generally considered that it will last a long time, but the unexpected always happens in war. It always has, and will again. One of the things for which preparation should be made is a big housing scheme. Another is a new causeway, and such work.

Mr. Doney: That would not come out of loan funds.

Mr. CROSS: I think the wheatgrowing section of the primary producers, from figures I have read, has never grown wheat at a profit in this State. When we take into consideration the large amount of money that has been poured into the wheat industry by successive Governments, and the huge amounts that have been written off from time to time, it is doubtful whether we have produced a bushel of wheat at a profit.

Hon. C. G. Latham: It has brought a hundred millions of money into the country.

Mr. CROSS: The point is whether other commodities could not be produced at a profit. I am told there is a shortage of almonds in Perth.

Hon. C. G. Latham: Would you suggest taking wheat out and putting almonds in?

Mr. CROSS: In China preparations are being made to obviate the need for importing lubricating oil by growing the tung oil plant. It might be more profitable to grow this plant to produce lubricating oil than to grow wheat. Money spent on an investigation of these matters, even from loan funds, would be money well spent. The Leader of the Opposition has told us that after the war there will be a big market for all the produce we can export. I point out, however, that it will not be long before the wheat requirements of the European market will be supplied. There is a fairly large surplus of wheat in the Argentine and in Canada, and when Russia begins to produce again the demand will soon be supplied. We would certainly be wise to inquire whether some other product would not prove more profitable than wheat.

Hon. C. G. Latham: Your Prime Minister said, "Grow more wheat."

Mr. CROSS: I think it was Sir James Mitchell who said that. Did he not say, "Go on the land, young man, and grow more wheat"? Members have been shown samples of the wheat that is being sold to poultry farmers in my electorate. It contains quite 33 per cent. of weevil and the poultry farmers have been charged 4s. 7d. per bushel for it. No wonder they are incensed at having to pay such a price for rubbish! It does not reflect much credit on the wheat industry that it should sell to another primary industry wheat of that quality. I might be digressing somewhat in introducing this matter on the Loan Estimates, but it is a positive scandal that poultry farmers should have to pay 4s. 7d. a bushel for wheat of that quality. Members opposite may smile; it is no joke for the poultry farmers.

Hon. C. G. Latham: We are not laughing.

Mr. CROSS: I have not heard of any member of the Country Party taking action in the matter. The poultry farmers are paying top price for rubbish; the stuff is not worth the price of bringing it to Perth. I should like to know whether the storekeepers who are supplying the wheat are

paying top price, or whether the poultry keepers are merely being charged top price by the storekeepers.

Mr. Mann: Ask your Minister.

Mr. CROSS: For a struggling industry to have to pay 4s. 7d. for weevil-infested wheat is not fair.

Hon. C. G. Latham: The wheat was all right when it left the farm.

Mr. CROSS: I do not know where it came from.

Mr. Watts: You can make a fairly shrewd guess.

Mr. CROSS: Certainly it is not all right now. The complaints in my electorate are fairly general and it is time something was done to ensure that when the poultry farmers pay for wheat, they get it. If this sort of stuff is exported to Britain the people there will not want any more Australian wheat. While there is good wheat in the country, it is not fair to ask poultry keepers to pay top price for such rubbish.

HON. N. KEENAN (Nedlands) [9.52]: I desire to offer very few words on the Loan Estimates. This is a debate in which one is allowed to wander as far as one wishes because, from time immemorial, members of the great House we look to as being the forerunner of Parliaments have asserted the right, when granting supply, to discuss every grievance under the sun, and some not under the sun.

The Minister for Labour: Even to wander from South Perth to South Perth!

Hon. N. KEENAN: In the course of the debate I listened first of all to the very eloquent exposition by the member for Murchison of his views on monetary reform and the supplementary remarks of the member for Claremont, and then to the mixed address of the member for Canning, largely consisting of grievances that there is not enough loan money to supply all the wants of his own electorate. Of course the matter might become one for further consideration if we had to supply everything that South Perth wants. Finally he voiced a legitimate complaint on behalf of poultry farmers about being supplied with weevils when they asked to be supplied with wheat.

I do not want to discuss monetary reform. It is a subject that requires an atmosphere entirely different from the one that prevails in a Chamber of this character. It is a matter that requires careful analysis, and un-

fortunately the requisite conditions for making a careful analysis do not obtain here. While I give full credit to the member for Murchison for his enthusiasm, I think he misleads himself. For instance, he spoke of the great loan of £100,000,000 raised in recent days for war purposes, for supplying the needs of the States and for the conversion of existing loans as if it were merely a matter of chicanery.

The Premier: Or legerdemain.

Hon. N. KEENAN: Of course it is no such thing. Sixty thousand people have subscribed to that loan.

Hon. C. G. Latham: Eighty thousand.

The Premier: There were 60,000 small subscribers.

Hon. N. KEENAN: Whatever the number, that huge sum has come out of the pockets of Australians who have saved their money, and in some instances have sold assets in order to obtain money that they might subscribe to the loan. Why have they done this? Because they recognise that if the money is not made available there is a great danger of losing everything—their liberties, their property, in fact everything that makes life of any value. All those things are at stake. It is not a difficult lesson to appreciate. We have seen how countries have been conquered and taken possession of by the military forces of Germany, and how nothing is left to the population but starvation. That would be our position if Britain lost the war. So our people make the greatest possible sacrifices, not only of money they can spare but also of money they can with difficulty borrow or produce by the sale of their assets, and no monetary system or credit system or legerdemain has produced the hundred million pounds of money that has been subscribed for the use of the Commonwealth Government.

Of course we could not get that money in peace time. We have got it only under the urge that we must save ourselves, our family, our wife and children, our relations. For that purpose many Australians, and the families of many of us who are fathers, are prepared to give up their lives. But that cannot be compared with peace conditions. When it becomes a matter of obtaining money in peace days, one has to show first of all that there is going to be something produced by that money, something that is reproductive. One cannot under any possible conditions imagine that

one will go to the Loan Council or to any other authority that finances under existing conditions the wants of the States, and ask for huge sums of money merely to squander and throw away. One goes with a programme of reproductive works; and on that premise I think the Treasurer will agree with me that taking it by and large generous consideration was given by the Loan Council in past years. I do not want to be drawn into a discussion on what is called the monetary system, or whether some gentleman who once preached some particular doctrine has recanted that doctrine and become a director of the Bank of England, or whether the fact that he has become a director of the Bank of England opens hope that he may convert all his fellow directors to the views he once personally expressed. All those things will be highly interesting and very informative on another occasion, but not on this.

There is one point of view I would like to make clear, that in the main for the last ten years we have justified our borrowing, which has been, I am afraid, on a large scale—so large a scale that the Commonwealth Grants Commission, which the Minister for Works is so anxious to quote on other occasions, pointed out that in Western Australia the loan indebtedness was £206 per head, the highest of all the States, and that during the last five years our loan expenditure has been £27 a head, compared with an average Australian State expenditure of £14 per head for the same period, all but twice the average of the other States.

The Premier: Of course the other States borrow a lot by other means, through semi-Governmental bodies.

Hon. N. KEENAN: That must be allowed. The Grants Commission would not have made the statement while ignoring the borrowings by semi-Governmental bodies.

The Premier: It has done so.

Hon. N. KEENAN: I am sorry to suppose that the Commissioners would make a statement which on the face of it, if they did not take into account semi-Governmental borrowings, was misleading; but leaving all that out, I have quoted here previously figures prepared by the present Prime Minister of Australia for the purpose of presenting Western Australia's case to the Grants Commission. Taking into account the fact that there are no semi-Governmental bor-

rowings in Western Australia—except, I believe, some of a very small character—and the fact that in other States there are semi-Governmental borrowings on a large scale, unfortunately our figure remains the highest for the whole of Australia.

For the last ten years there has been no question about the necessity for borrowing money, because we were obliged to have the means to keep our unemployed in some form of occupation. That was absolutely necessary, and was the duty of the Government, whatever Government was in power. As the revenue did not permit of that being done, money of course had to be found in order that works that would give employment might be started. In many cases, I am afraid, the works were started purely and simply for the purpose of giving employment.

The Premier: That has been admitted.

Hon. N. KEENAN: Yes. Every Government had to admit it. That policy was forced on everyone. Those days, however, are past for the present and, I hope, for the future. There are no unemployed nowadays; or, if there are any, they are only unemployed because they do not want work. If one desires to get any job of an ordinary character done now, one finds it very hard to get a man to do it, unless one is prepared to take a very old man who is past his days of labour but is still willing to work if anybody will let him try to do it. Indeed, I think the statement made by the Hon. E. H. Gray is correct, that there is not a single unemployed man in Western Australia who wants work. So the necessity for borrowing has entirely ceased on that head; and the fact is one to which consideration must be given.

From the figures shown on the Estimates it can be seen that the actual amount proposed to be spent during the current financial year under the head of loan expenditure is very little less than last year's expenditure, £1,560,000 for this year as against £1,760,000 for last year. Included in the £1,560,000 is work which, I fear, if it were carefully examined, would be found to be capable of postponement. If there is one duty incumbent upon us it is, as the member for Murchison put it, to supply our immediate and urgent wants; but our second duty is to stop at that point and to keep all the work we possibly can in hand so that when our men come back we

will not be faced with the difficulty of finding jobs for them. For instance, there is expenditure of portion of the loan moneys on sewerage connections. I think the estimate is £98,000, which is to be spent mainly on the completion of the Welshpool sewerage extension, the completion of Victoria Park and Maylands sewerage, ventilation stacks, surveys, minor reticulations and extensions, house connections and so on. It may be that some of those works are so urgent that they must be done at once.

The Premier: At Welshpool we had a contract with the Commonwealth Government.

Hon. N. KEENAN: Has the Commonwealth Government made it a condition that the sewerage is to be extended to Welshpool?

The Premier: Yes.

Hon. N. KEENAN: And I presume that it is not merely to be extended, but that some reticulation is to be made.

The Premier: At the small arms factory, yes.

Hon. N. KEENAN: That is a single pipe. I may be quite at fault, but I am merely pointing out that an analysis must be made of the work on which it is proposed to spend these loan moneys, for the purpose of seeing what undertakings can be postponed—not because they are not meritorious, but because it will be necessary to have works in a few years' time, when large numbers of our men will come back. And of course there is a transition period here before the returned men will be settled in industry. In that transition period they will look to, and I hope rightly, the Government of the State to provide work for them. We must prepare for that. It is not in the programme that the member for Claremont laid before the House. That programme consists wholly of schemes of great magnitude and great merit, but involving expenditure of moneys that it might be hopeless to achieve.

Here, however, we have the possibility of putting by, out of any moneys available today, as much as the urgency of the moment will allow, to provide a fund for work that must be given to the soldiers coming back from the war, to our own men who come back here to Western Australia and who undoubtedly not only have a claim for work, but a claim it would be a disgrace on our part not to meet. That is all

I desire to say. I thank the Treasurer for the manner in which he laid the Loan Estimates before the Committee and for the clear and explicit information he gave on all the items. I also pay tribute—I am afraid I am neglectful for the moment—to those other members who have addressed themselves to these Estimates. But to me the most important thing—altogether apart from the discussion of what are almost ideal questions—is that we should be preparing now our resources with a view to making provision for our men when they return.

Progress reported.

BILL—CHILD WELFARE ACT AMENDMENT.

Second Reading.

Debate resumed from the 13th November.

MR. WATTS (Katanning) [10.12]: In introducing the Bill, the Minister said there was nothing very revolutionary about it. With that sentiment I can most heartily agree, as there certainly is not. In fact, although I propose to support the second reading, I doubt whether there is anything at all in the Bill worth bringing before the House at this juncture. The first proposal is one that I intend to try to get deleted when we reach the Committee stage. It is one that alters the definition of "child" by including a boy or girl committed under Section 39 of the Act and a girl whose period of detention or supervision is extended by order of the Governor under Section 49 of the Act. It may be there is reason for this proposal and, had the Minister chosen to insert his amendments in the respective sections of the Act to which he referred, I should have had no objection; but he has chosen to alter the definition of "child." "Child" is defined by the Act as a person under the age of 18 years. That definition is proposed to be extended by this amendment: and the extension may, in certain circumstances, carry the age up to 21 years.

In other parts of the Act, we find the court has power to order the maintenance of a child or children; and it appears to me that the insertion of this addition in the definition of "child" will enable the court, if it so desires, to order that the question of maintenance and other matters—quite irrespective of the sections referred to—may be extended to persons between the ages of 18

and 21 years. I do not think that is what is required; and it certainly does not seem to me to be proper that there should be any suggestion of a right for the court to order that maintenance should be paid, for example, in the case of a person who is over 18 years of age. I find on inquiry that already there is too much inclination on the part of the magistrate of the children's court—I will not say the magistrate, but on the part of children's courts—to order maintenance to be paid for children who are between the age of 16 and 18 years. There is an inclination, so far as I can ascertain, to disregard the fact that on the one hand in some cases a child over 16 years of age can assist towards his own maintenance, and on the other, that the maintenance of a child up to the age of 18 years may become too great a burden on the near relative charged with that maintenance. If the Minister will put his alteration to the definition of "child" in such a way that it will apply only to the particular sections of the Act to which reference has been made in the amendment, I shall offer no objection; but, for the reasons I have given, I think the variation of the definition proposed in the Bill may give rise to circumstances which are not intended and which I consider would be unfair to those who have to contribute to the maintenance of the child.

The next amendment is intended to give boards of visitors, by statute, the right to investigate and report upon the subsidised institutions referred to in the Second Schedule to the Act, which schedule is being added to by the last clause of the Bill. The Minister said that, in practice, the boards of visitors have extended their operations to the subsidised institutions. That may be so, but at the same time I am disinclined to give them the statutory authority to do so. We have had no grounds given to us to indicate that the subsidised institutions are carrying on in a manner which warrants their being inquired into or inspected. I find on a perusal of the report of the Child Welfare Department which was issued in 1939 that those institutions are favourably commented upon. Most of them are conducted by religious institutions of one kind or another, and of various shades of religious thought. To impose upon them by statute the obligation to have their premises inspected seems to me to be unreasonable, unless there is justification for some reason or other, or be-

cause their behaviour is such as to warrant an inspection.

Mr. J. Hegney: The institutions welcome the voluntary boards of visitors.

Mr. WATTS: That may be so. I am not denying that the institutions offer no objection to voluntary visits, to which they can put a stop if they so desire. That is all right. If, in practice, such visits are welcomed, as the member for Middle Swan (Mr. J. Hegney) suggests, and I do not deny it, then what is the reason for inserting the provision in this Bill without sufficient justification? This reason, as I say, we have not been given. If these institutions have been conducted satisfactorily, and such visits have been welcomed by them, why the necessity for this amendment? We have not been given any reason for the change, and as I personally am not aware of any justification for it I consider the amendment should not be in the Bill. I shall, when we reach the Committee stage, propose that it be struck out.

Subsequently there is a new provision in the Bill that the powers and authorities in a court of summary jurisdiction under the Guardianship of Infants Act may be exercised by this court. Here the Minister again states that until a recent decision of the superior court this jurisdiction was exercised. I find that a court of summary jurisdiction is empowered to deal with these matters under the Guardianship of Infants Act, and the Minister is inclined to regard the Children's Court as a court of summary jurisdiction. The Guardianship of Infants Act deals with quite a number of matters affecting children, such as the appointing of guardians, the making of arrangements for custody and maintenance payments to mothers during the period of custody and relative matters. The more one looks at the Guardianship of Infants Act, without going into the matter in any detail, the more undesirable it seems that a court of summary jurisdiction should have very much to do with these matters. A court of summary jurisdiction consists not only of a resident or stipendiary magistrate, but in some instances of justices who have had little if any legal experience. It appears to me that it is undesirable from many points of view that the existing provision in the Guardianship of Infants Act should have been made. Nevertheless it is there, and the question we have to deal

with is whether the Children's Court as at present constituted or as it may be constituted in the future should by statute be able to overcome the decision of the superior court referred to and should have the right to deal with these cases.

With every respect to him, the magistrate of the Children's Court in Perth is a gentleman who prior to his appointment to the Bench had absolutely no legal experience whatever, and it is not difficult to imagine instances that could arise under this legislation when a substantial amount of legal knowledge—at least that amount which would be possessed by a stipendiary or resident magistrate who was either a legal practitioner or had passed examinations—would be required; and the attitude of the superior court was the right one and should be maintained. We should see that a magistrate, notwithstanding whatever qualifications he may possess, who had at the commencement of his engagement no legal knowledge whatever so far as I can ascertain and has acquired what he now has simply by experience in the Children's Court, should not have extended to him the authority which the superior court has denied him to deal with these matters under the Guardianship of Infants Act which are not at times without their legal problems.

As the Minister said, there are not a great many other matters of importance in the measure, but there is one in particular which I wish to touch on, and that is his proposal that where no members of a children's court are available near to the place of arrest, an ordinary court of petty sessions may deal with matters which otherwise would be dealt with by the Children's Court. There are or there were in 1939, I think, according to the report of the department, 52 children's courts constituted in Western Australia. They were in a great number of instances constituted by justices of the peace who had been appointed on the recommendation of a resident or stipendiary magistrate, and the magistrate himself was authorised to act as a children's court. That system has in my view worked very well. Those men who have been so appointed in cases that have come under my notice have taken some considerable interest in the children coming before them, and done their best to understand and appreciate so far as they can the methods that are desirable in

dealing with such cases, particularly under the laws existing in this State. It seems to me that it would be most inadvisable, even to the small degree suggested by this measure, to allow any type of court of petty sessions constituted by any two justices of the peace to deal with cases that come under the Children's Court. I believe that while it may be slightly inconvenient to operate in the cases contemplated by this amendment, at times it would be far better to forget all about that and maintain the right to have a children's court and the provisions of the law relating to children's courts intact in regard to all legislation concerning child welfare. So I propose to oppose that amendment also.

There is another amendment to Section 32 of the Act which provides that if a child is brought before the court, charged by a parent or a near relative with being uncontrollable or incorrigible, the court upon being satisfied that the charge is well founded may order the child to be sent to an institution, may order a whipping in certain cases or may release the child on probation. There is then a proviso to the effect that no order of committal of an uncontrollable child on the application of his parent or near relative shall be made unless—

- (a) such parent or relative proves that he has not by neglect lost control of the child; and
- (b) security is given to the satisfaction of the court for the making of such payment as in the opinion of the court the applicant is able to afford towards the maintenance of such child.

In dealing with that matter the Minister made some reference to the difficulty of the court in cases where the near relative in question had no income or very small income, and it was therefore difficult to give security to the satisfaction of the court so far as that relative was concerned; and he proposes by the Bill to delete paragraph (b) of the proviso thereby cutting out the necessity for the giving of security. I would sympathise with his point of view as to the difficulty of getting security in cases where people are of small means or have a poor income, were it not for the words in the proviso that "the security is given for the making of such payment as in the opinion of the court the applicant is able to afford." If the applicant is able to afford little the

court could content itself with a shilling by way of security. If the applicant is able to afford much the court rightly will content itself with a much greater amount of security. The court has the fullest discretion under this proviso, as I see it, to make such order as it chooses based on the financial position of the people concerned. If this paragraph is cut out of the proviso, the court will no longer have an opportunity to make an order for security of any kind, however financial the people concerned may be. I see no need for the deletion of paragraph (b) from the proviso to Section 32.

One of the provisions I notice is an amendment to Section 79 of the Act. I think that is necessary. It gives power to the court to vary or diminish the amount of the weekly payment made under order of the court. Hitherto, as I have understood the position, there has been some difficulty on the part of the magistrates in varying the order by reducing it. They have been able to increase it, but when it comes to a question of variation by reduction some question has been raised as to whether jurisdiction exists for that purpose. I do not know what the decisions have been but the matter will be made quite clear by the proposals for the new Section 79, which gives the fullest authority to vary in any way the order the magistrate may have made. That is a satisfactory proposal.

I do not desire to touch on any other matters; if there are other matters which I may want to discuss I can deal with them in Committee. I propose to support the second reading, but I feel at the same time that there is not a great deal in this Bill beyond one or two necessary provisions. Yet, perhaps, there is ample room for the overhaul of the legislation in regard to child welfare. I would have liked to see the power of the court, under Section 32, respecting the ordering of whippings, deleted. I am not one of those who sees much virtue in legal whippings, which are occasionally ordered by courts of justice, especially in regard to children. They may have their advantages in regard to some hardened criminals, but that is an aspect which I am certainly not prepared to discuss even if, Mr. Speaker, you would allow me. I think there is a grave doubt as to whether they are of any value at all in regard to a child, say, of 16 years of age.

The general trend of the law dealing with children in children's courts, and the inclination of the magistrate in charge of the Children's Court, Perth, seems, and rightly so, to deal with juvenile offenders in a manner bearing no resemblance to the system adopted when dealing with offenders of mature years. We are not going to derive any benefit by allowing, under the law, whippings to be inflicted on children. Other ways, which have for some time past been practised by the inspectors and those responsible for the welfare of delinquent children, are more likely to be successful. I regret that the Minister did not see fit to delete that particular provision from the Act when dealing with these minor amendments.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Marshall in the Chair; the Minister for Labour in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 4 of the principal Act:

Mr. WATTS: I move an amendment—

That paragraph (a) be struck out.

This amendment to the definition of "child" should not be in the place where it is. It has special reference to two types of children, in the one case to a boy or girl committed under Section 39, and in the other to a girl whose period of detention or supervision is extended by order of the Governor under Section 49, whether any such boy or girl becomes over the age of 18 years during such period of committal, detention or supervision. I contend, and nothing has yet been said to the contrary, that by putting this amendment where it is, it is quite likely to enable magistrates to order maintenance to be paid for a child between the ages of 18 and 21 years. A limit to 18 years of age is reasonable.

The MINISTER FOR LABOUR: The member for Katanning has not made available sufficient information to justify me in accepting his amendment. He might explain his point of view more fully. I am anxious to meet the reasonable views of any member of the Committee.

Mr. WATTS: I was hoping to elaborate the matter and put it on the notice paper. I had no idea the Bill would go into Com-

mittee this evening. In consequence, I am not able at the moment to assist the Minister further.

THE MINISTER FOR LABOUR: In view of that explanation, the better plan would be for the hon. member to attempt to achieve what he seeks by having the Bill recommitted after it has been through Committee.

Mrs. CARDELL-OLIVER: I move—

That progress be reported.

Motion put and negatived.

Amendment put and negatived.

Clause put and passed.

Clause 3—Amendment of Section 8:

Mr. WATTS: Boards of visitors have been visiting subsidised institutions and I gather there has been no objection to the practice. We have been given no reason for making the alteration. Why statutory authority should be given to investigate these places, I do not know. If the present practice has been working satisfactorily, as I believe it has, it should be continued. Unless I hear some justification from the Minister I shall oppose the clause.

THE MINISTER FOR LABOUR: These are institutions to which children are sent, and the Government subsidises them to the extent of paying so much in respect of each child sent there by the court or the department. The institutions have not offered any objection to visitors appointed by the Minister making inspections, reports and recommendations, but it is desirable that the matter be put on a legal basis in order that the boards may be given the necessary standing.

Mr. J. HEGNEY: The proposal is reasonable. The boards of visitors function admirably and I know of no objection from any institution. They have power to visit State institutions and should be given legal authority to visit subsidised institutions. The visits of the boards are welcomed. The boards serve a useful purpose in reporting on the scope for improvements and on the general conditions prevailing. When money is made available by the Government towards the maintenance of wards of the State, we should ensure that it is wisely spent.

Mr. SEWARD: For the reasons outlined by the member for Middle Swan I oppose the clause. I do not think any board of visitors could advise an institution on the spending of its money. The record of the various institutions and the fact that they

have been appointed to receive the children is sufficient indication that they know their business, no matter how competent outside bodies may be. These institutions, being approved and subsidised by the Government, are, in my opinion, using the funds to the best advantage. No reason has been given in justification of the alteration.

Mrs. CARDELL-OLIVER: It is unwise on the part of the Minister to alter the present conditions, which are very happy, because people can go to all these institutions and be welcomed and see whatever they want to see; the officials show visitors over every part of the institution. But if visitors are arbitrarily appointed, they may have a feeling that they possess the right to go through the whole of the institution and may act in a very different manner.

Mr. WATTS: The Child Welfare Department's report for the years 1937-38 and 1938-39 states—

Excellent co-operation exists between the governing authorities of the institutions and officers of the Child Welfare Department, and the department here records its appreciation of this co-operative relationship, and extends thanks to the managers and matrons for the practical help and assistance rendered by them.

What need is there to upset that by some statutory obligation? Nothing whatever! It is undesirable to tinker with the present highly satisfactory state of affairs.

THE MINISTER FOR LABOUR: The Government subsidises those institutions.

Mrs. Cardell-Oliver: Not very liberally.

THE MINISTER FOR LABOUR: That is a matter of opinion which need not be argued now.

Hon. C. G. Latham: Your inspectors can enter the institutions at any time they like?

THE MINISTER FOR LABOUR: Yes. The clause merely asks for the right to appoint boards of visitors in connection with these institutions. All a board of visitors can do is to make recommendations.

Mr. SAMPSON: I hope the Minister will not press this clause. If he gets it, he will get something of less than no value. At present, as is well known, the inspectors and inspectresses of the department have the right to enter the institutions at any time, and freely exercise that right, and are always welcome. They inspect the surroundings, note the cleanliness and so forth, and view the care which the inmates receive. If there is to be a number of visitors, in what respect could they possibly be better than the offi-

cers of the department? They might easily prove to be busybodies making themselves a nuisance.

The Minister for Labour: We do not propose to appoint the member for Swan a visitor.

Mr. SAMPSON: If the Minister made that appointment he would perhaps in that exceptional instance be displaying some wisdom. The clause amounts almost to a reflection on the Minister's department. I doubt whether a number of inexpert and casually appointed visitors would be of service to the Child Welfare Department, which I am most anxious to assist.

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

Ayes	..	..	..	..	19
Noes	..	..	..	..	12

Majority for 7

AYES.

Mr. Berry	Mr. Raphael	
Mr. Coverley	Mr. Rodoreda	
Mr. Fox	Mr. F. C. L. Smith	
Mr. Hawke	Mr. Styant	
Mr. J. Hegney	Mr. Tonkin	
Mr. W. Hegney	Mr. Triat	
Mr. Leahy	Mr. Willcock	
Mr. Millington	Mr. Withers	
Mr. Nulsen	Mr. Cross	(Teller.)
Mr. Pantou		

NOES.

Mr. Abbott	Mr. North	
Mrs. Cardell-Oliver	Mr. Sampson	
Mr. Hill	Mr. Seward	
Mr. Latham	Mr. Watts	
Mr. McDonald	Mr. Willmott	
Mr. McLarty	Mr. Doney	(Teller.)

Clause thus passed.

Progress reported.

House adjourned at 10.59 p.m.

Legislative Council.

Wednesday, 19th November, 1941.

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

QUESTION—STATE HOTELS.

Barmen's Wages and Conditions.

Hon. Sir HAL COLEBATCH asked the Chief Secretary: 1, Has his attention been directed to the statement of the secretary of the Barmaids and Barmen's Union that barmen employed at the State hotel at Gwalia receive £8 8s. 3d. per week, plus double rates for holidays, a fortnight's holiday on full pay, an afternoon and evening off each week, long service leave and superannuation? 2, Has he noticed that this is advanced as a reason why the miners at Gwalia should pay more for their beer at the State hotel than is charged at the private hotels in Leonora? 3, Does not this suggest that the State hotel at Gwalia is conducted for the benefit of the employees rather than to serve the community and make profit for the taxpayer? 4, Does the same scale of wages prevail at other State hotels?

The CHIEF SECRETARY replied: 1, Yes. 2, I am aware that an individual expression of opinion was made through the columns of the Press. 3, No. 4, All employees of the State hotels are paid at award rates.

MOTION—HAY CROP.

As to Relief to Farmers.

HON. G. B. WOOD (East) [4.34]: I move—

That this House—having considered the position of farmers who, in 1940, cut hay when it was anticipated that there would be a state of emergency in regard to the shortage of hay, and who subsequently found themselves, owing