

Legislative Council,

Tuesday, 9th November, 1926.

	Page
Assent to Bills	1987
Bills: Industries Assistance Act Continuance, 3a.	1979
City of Perth Act Amendment, 3a.	1979
State Insurance, 2a.	1979
Shearers' Accommodation Act Amendment, 2a.	1987
Constitution Act Amendment, 1a.	1993
Metropolitan Market, 2a.	1993
Road Districts Act Amendment, 2a.	2002

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

BILLS (2)—THIRD READING.

- 1, Industries Assistance Act Continuance.
 - 2, City of Perth Act Amendment.
- Passed.

BILL—STATE INSURANCE.

Second Reading.

Debate resumed from the 4th November.

HON. J. CORNELL (South) [4.35]: So much has been said upon this Bill that one is almost at a loss to know where to begin. The subject is an important one, apart from the principle of State insurance. It is claimed that the results obtained from the medical examination of miners represent the chief and only factor underlying the introduction of the Bill. I ask members who are opposed to it to give that phase their serious consideration, and hesitate before casting a vote. I have been informed that recently the Minister for Mines reopened hostilities against members of the North-East and South Provinces over a question that we hoped had been decently buried. I am given to understand he impugned the honesty and probity of members concerning their attitude relative to the amelioration of miners' cases and compensation to these men. The latest outburst of the Minister is compatible and consistent with the scoured disposition and the narrowed vision he usually possesses concerning the views expressed by others. Unfortunately he has not been so endowed by the Almighty as to see any virtue in others. I join issue with him in one important direction. Whilst he has impugned

the probity and good intentions of others, he has yet to explain, not only to the miners in the North-East and South Provinces, but to the miners generally throughout the State, why during the session when the Miners' Phthisis Act passed through the Legislative Assembly he found time to address himself to over 30 different subjects, but was never articulate on this particular question, which he is so fond of accusing others of putting to political use. I do not mince matters in expressing my opinion either of a friend or a foe, but it must be conceded that I have shown that I can see some good in those who do not see eye to eye with me, or who belong to a different political camp.

The Honorary Minister: You have no monopoly in that.

HON. J. CORNELL: The Honorary Minister has a weakness in that direction himself, but in the case of the Minister to whom I refer, I am afraid the Almighty has forgotten to add that quality to his other characteristics. I give the Government due credit for all they have done for miners affected by disease, and extend to them my congratulations. I believe they have honestly endeavoured to further the position generally, and to a large extent they have succeeded. I would lay this charge, not against the whole Government, but against some members of it, that they are prone to take unto themselves all the credit, and have not been generous enough to award the initial credit to the proper quarter. The real credit for any improvement that has been made in this direction is due to the original sponsor of the Miners' Phthisis Act. If that Act had not become law, I ask any intelligent man what the position would have been. What good could the Government, good intentioned though they might be, have accomplished if they had not assumed office at a time when the structure upon which their subsequent operations were based had already been erected? That is the position. The original benefactors who designed and raised the structure were the Mitchell Government. There is no gainsaying that fact. They passed the original Miners' Phthisis Act. If there are two men who are entitled to a due meed of credit as the originators and promulgators of what made the position to-day possible, they are the then Minister for Mines, Mr. J. Scaddan, and a former Prime Minister, Mr. W. M. Hughes. In

fact, too much credit cannot be given to those two gentlemen. Mr. Scaddan framed the Miners' Phthisis Act.

The Honorary Minister: And slept on it!

Hon. J. CORNELL: He did not. Ministers are in possession of the facts, and know the real position. Mr. Scaddan did not sleep on it.

The Honorary Minister: Yes.

Hon. J. CORNELL: Then the present Minister snored on it! While Mr. Scaddan framed the original Act, one of the conditions governing the position was that the then Prime Minister, Mr. Hughes, agreed that if the State Parliament passed an Act making the examination of miners compulsory, he would erect, equip, man and maintain a suitable laboratory at the expense of the Commonwealth, thus enabling the necessary examinations to be conducted. That was the foundation for the whole fabric that is apparent to-day. According to figures given by the Minister for Mines recently, 4,017 miners have been examined since the proclamation of the Miners' Phthisis Act which, I would remind the Honorary Minister, could not have operated until such time as a laboratory was erected, equipped and manned. The cost of that examination has been made a charge upon the Consolidated Revenue of the Commonwealth, and not upon that of the State. Every credit must be given therefore, to those who made the present-day position possible.

The Honorary Minister: No one denies that.

Hon. J. CORNELL: But I have not found anyone willing to give credit along those lines. We must be fair in our attitude.

The Honorary Minister: Quite so.

Hon. J. CORNELL: The success we have achieved to date is attributable to the Commonwealth as much as to the State, and is to be accorded on a fifty-fifty basis. That fact is patent to anyone taking even a remote interest in the question, the success of the whole gadget, to use a diggers' expression, resting upon the examination that is conducted at the Commonwealth laboratory. So much for the initial task I have set myself in dealing with the Bill. I have listened attentively to the discussions in this Chamber upon the Bill, and particularly to the speeches delivered by those opposed to it. I have made what I regard as a fair summary of the objections taken by those hon. members, and, in my opinion, they can

be boiled down to three headings. The first objection amounted to a defence of the insurance companies in refusing to quote for the added risk of miners' phthisis under the Workers' Compensation Act, and abuse of the Minister for Labour for his failure to induce the companies to take up the risk. The second objection was that the Bill represented an extension of State trading, while the third objection was that the Government had acted illegally in establishing the State Insurance Department without the sanction of Parliament. Dealing with the first objection, I make bold to say that neither the insurance companies nor the Minister gave evidence of much foresight, tolerance, or judgment respecting the unfortunate negotiations that ensued concerning the persons Parliament sought to benefit. The Legislature endeavoured merely to give a bare measure of relief and justice to the miners. During the negotiations neither side earned much credit by a display of humanitarian, charitable or even justifiable motives. Each side appeared to have emerged from the skirmish on a fifty-fifty basis. It would be well to relegate this phase of the discussion to the past, and I intend to do so, because it has little or no bearing on the real issue now before the House. I admit that both the insurance companies and the Minister for Labour were equally culpable when we come to consider the position of those whom the Bill proposes to benefit. I hope to deal with the whole question from that aspect. As to the second objection regarding the extension of State trading, every opponent of the Bill has said, in effect: "Were it not a State trading concern, we would support it." I think that fairly epitomises their statements. Hon. members opposed to the principle and the Bill have dug up every sin of omission and commission of State trading concerns within recollection since they were first established. A lengthy dissertation upon State trading concerns and upon the question whether or not the Bill extends the principle of State trading is one that I would have been glad to avoid. The opponents of the Bill have chosen State trading as the spearhead for their attack on the battleground of their selection. Therefore I have to defend the Bill, so to speak, on the battleground of the enemy's choice. I hope, though I may weary the House, to show, upon careful analysis, that there is more smoke and powder than lead

in the shots they have fired against the Bill. Reviewing the question of State trading concerns generally, their establishment, their extension and their continuance, I would ask this question: Has there been any great and concerted move throughout the State for their abolition?

Hon. E. H. Gray. No.

Member: No one has pluck enough for that.

Hon. J. CORNELL: In all our wars we have had our Victoria Cross winners. If we were to go into the question, I think it would be found that those who are opposed to State trading concerns number to the population as the V.C. winners did to the great army that constituted the A.I.F. Looking in retrospect over the battleground that the opponents have chosen, one finds that the first trading concern established in this State was initiated over 20 years ago. That was a State hotel, and State hotels still perform useful functions.

Hon. G. W. Miles: Did not Sir Walter James establish that State trading concern?

Hon. J. CORNELL: Yes, more than 20 years ago. I will not enumerate all the State trading concerns, for they are varied and well known. With two exceptions—the State meat shop and the State fish shop—all are going concerns still, and have considerably increased their ramifications.

Hon. Sir William Lathlain: At an enormous cost to the people.

Hon. J. CORNELL: At any rate, they are in existence and the businesses have been greatly increased. What is the actual history of the State trading concerns? For many years it was held that they were illegal and were not established with the sanction of Parliament. Nevertheless they were established and functioned. In 1916 a law was passed that ratified the establishment of the existing trading concerns, but prohibited the setting up of any new concern without the approval of Parliament. That law does not provide against gigantic extensions of the trading concerns that existed at the time the law was passed. In that respect, if no other, the law is absolutely inconsistent; it gave with one hand and took away with the other. Let us make a retrospect of all these concerns. What is the position? Take for instance when—ever it was mooted in the Legislature, or even outside, that they be abolished. What a state of chaotic opinion existed not only

amongst members of Parliament, but amongst immediate and other supporters. Some favoured the retention of their own pet concerns and urged the abolition of others, or the non-commencement of any more. A smaller section favoured the abolition of a particular trading concern that another section considered ought to be abolished. Generally speaking, the path of politics is now strewn with the wreckage of the Parliamentarians that had the temerity or pluck that Sir William Lathlain referred to, to declare that the trading concerns should be abolished. Those Parliamentarians fell by the wayside for their pains. It can truthfully be said that no political party, whatever its colour, has made one sincere effort to abolish State trading and to close-up the institutions that are established to-day. The reverse has been the case in the history of our trading concerns. I will take members back to the passing of the law that proposed to prohibit the establishment of any further State trading, and I ask this question: Have not the trading concerns been added to at least one hundredfold? That is the actual position.

Hon. Sir William Lathlain: And the losses also.

Hon. J. CORNELL: I will not go into the question of the losses.

Hon. J. M. Macfarlane: You would if you were in private business.

Hon. J. CORNELL: I will deal with the private business attitude later on. The question whether State trading should be continued, or extended, is one that in the past had the undoubted approbation of the majority of the electors of this State, and it will continue or it will disappear as the case may be, with or without the consent of the electors. Labour established State trading in this State, and to that fact the political parties that followed them owe their existence. I should have said earlier that personally speaking, I have grave doubts as to which is better for the community, trading by the State or trading by private enterprise. The question remains, however, that one swallow does not make a summer, and however unpalatable the position may be to Parliamentarians, they have to bow to the will of the majority. Let us review the position and note the sincerity or lack of sincerity, or sophistry, that surrounds the whole question. Labour held office when it established the trading concerns, except the hotels. That period was between 1911 and 1916. From 1916 to 1924 the National and Country Parties held office.

Since then Labour has been in power. So that in a period of 15 years we can truthfully say that the political compass has been boxed. That story does not need adornment; it is sufficient to say that the community cannot be against State trading. After all, if the political compass is boxed and all political parties endorse the principle of State trading, it is safe to say that were there a majority of the people in Western Australia opposed to State trading, surely in the period of 15 years one of the Parliaments would have been elected to abolish the State enterprises. The fact remains that that has not happened.

Hon. G. W. Miles: One Parliament was elected to abolish State trading, but they had not the backbone to do it.

Hon. J. CORNELL: I am pleased to have that interjection from Mr. Miles.

Hon. G. W. Miles: And they went out at the next election because they failed to introduce the necessary legislation.

Hon. J. CORNELL: I venture to say that the public demand was not sufficient; at any rate it was not in the right direction, or the abolition of the trading concerns might have been attempted. The other interjection that that particular Government went out of power because they did not abolish the trading concerns, I can only describe as queer reasoning. The political party that was returned—the party that introduced State trading—went before the electors and honestly declared that if they were returned they would extend the trading operations. It is queer reasoning on Mr. Miles's part. It is like going from Heaven to Hell to get a better reception. You would get a warmer reception but it would not be so congenial. The interjection is, I repeat, queer reasoning and utterly devoid of logic. On the question we are now discussing I submit that a large section of the people desire a measure of State insurance. This is not a subject that has been sprung upon us, so to speak, in the night. It is a question, I venture to say, that has had more publicity, and has been subjected to more controversy, than any other for a long time past, at any rate since I have been in Parliament. I have yet to find a man in the street who has any objection to a measure of State insurance. Those who are in opposition to this Bill could command no greater following were they to stand on no other ground than that of opposition to State trading generally. The question has been raised as to whether this proposed measure of State insurance is

actually State trading. I will take one State trading institution from many others for the purpose of comparison—State steamers. I well remember when State steamers were introduced. It was my first session in this House. I may be rough now, but I do not think I could adequately describe how rough I was at that time. When I went home after sitting here and listening to the debates, particularly the Address-in-reply—talk about specks before the eyes—I had a plethora of ships before the eyes for a long time, waking, dozing or sleeping. What is the position to-day in regard to State steamers? I can reverse the old saying and declare that there are none so poor as do them reverence. We all do them reverence to-day. They recognised that that particular trading concern was necessary.

Hon. G. W. Miles: It was never justified. We would get a better service from private enterprise to-day if the State steamers were out of the way.

Hon. J. CORNELL: The same could be said about the trams and ferries. Take the South Perth ferry. It remained for the Government of the day to give the people communication between Perth and South Perth, and better communication than they were getting at the time. I can safely say that State steamers can be regarded by reasonable and progressive men not in the light of State trading concerns, but in the light of a public utility.

Hon. A. Burvill: That is what they are on the south coast.

Hon. J. CORNELL: I was just coming to that point. What would have happened to Phillips River, to Esperance, and the places along the coast to Eucla but for the State steamers?

Hon. G. W. Miles: What nonsense; there was a private line there subsidised by the Government and it gave a good service, a better service in fact and moreover white crews were employed.

Hon. J. CORNELL: A few white crews are to be found there now. As one who has represented that part of the State for 1½ years—and I think my colleagues will agree with me—I consider that it would have been to all intents and purposes dead, especially during the war period, but for the State shipping service.

Hon. G. W. Miles: The position of affairs would have been just as good as it was if the Adelaide Steamship Company had received a subsidy.

Hon. J. CORNELL: To a lesser degree it can also be said that the State Shipping Service function as a public utility for Wyndham and Derby.

Hon. G. W. Miles: They have not kept their mail contract.

Hon. J. CORNELL: Only the hardshell, the man who will not be convinced, can dispute that but for the State Shipping Service there might have been no shipping whatever on that part of the coast.

Hon. G. W. Miles: Nonsense!

Hon. J. CORNELL: I ask Mr. Miles, who so persistently interjects, this pertinent question: Was there not more shipping operating on the Australian coasts, and particularly on the Western Australian coast, at the date of the establishment of our State Shipping Service than there is to-day? I say that is so.

Hon. G. W. Miles: Yes, but the State ships came in and took the place of the companies' ships.

Hon. J. CORNELL: I am coming to the shipping companies. Because of the fact that private enterprise did not perform an essential service in the form of shipping to the remoter parts of Western Australia, the citizenship of that part of the State, and our citizenship generally, to-day recognises the value and benefit of this State utility. The uncertainty of profit was the main or the only reason why private enterprise left that coast and does not now trade there.

Hon. G. W. Miles: Do you not understand that the State Shipping Service get a subsidy which the shipping companies did not get?

Hon. J. CORNELL: The reason why the shipping companies do not function in that field of enterprise as they did before the war is that the risk of loss is greater and the return of profit less certain. Those are the considerations which guide private enterprise in all its ventures, and quite rightly. I submit that similar reasons are applicable to the refusal of the insurance companies to assume certain risks. Greater probability of loss and less certainty of profit are the only reasons for the attitude adopted by the insurance companies. One can excuse that attitude, but can one excuse the companies for their opposition to a Bill enabling the State to function, chancing the risks in a field from which the companies have withdrawn? The companies and the opponents of this Bill consider that it re-

presents an invasion of the charter of rights held by companies. It is no more an invasion of those rights than was the introduction of other State trading concerns. Undoubtedly the chief objection to the Bill is to be found in the probability that the establishment of State insurance will make inroads on the business of the companies and may result in a cutting of rates. That, I submit, is fair reasoning. The opposition of the companies is perfectly natural; the first law of nature is self-preservation. In finance that law applies equally. Self-protection is the chief if not the only reason for the stand taken by the insurance companies in opposition to this Bill. In referring to the insurance companies I do not wish to be understood as speaking personally of the people controlling or managing those companies. Those people, I acknowledge, are just as much entitled to their views as I am to mine. In the course of the debate I interjected that identically every reason advanced against the passage of this measure was advanced against the Bill for the establishment of the Commonwealth Bank. Those reasons were advanced by politicians and their henchmen, and by many misguided individuals. I venture to say that if one delved down into the musty records of the past one would find that identically the same reasons were advanced against the establishment of what is now the State Savings Bank. As regards the Commonwealth Savings Bank, a reference to the Federal "Hansard" shows that all that could be said in opposition to the present measure was advanced against the proposed establishment of that institution. However, the Bills to which I refer were duly enacted: and who to-day would have the temerity to stand up on a platform, while seeking election, and say that either the Commonwealth Savings Bank or the State Savings Bank should be abolished?

Hon. G. W. Miles: The difference is that those two institutions were established after the passing of the necessary Bills, whereas in the present case the institution was established before a Bill was introduced.

Hon. J. CORNELL: I will come to that point. As regards the Commonwealth Bank, I make this acknowledgment to the early traducers of the institution, that they now give due credit to that establishment as a wonderful instrument for the benefit of the Commonwealth, especially during the war

period. The Commonwealth Bank has turned out what its originators said it would prove—the national bank of Australia.

Hon. H. Stewart: But the Commonwealth Bank would not finance the wheat pool.

Hon. J. CORNELL: Because they knew they were dealing with cockies. If we view the situation fairly and dispassionately, through both eyes and not through one, we must acknowledge that there is considerable analogy between banking and insurance. Who to-day would say that banking is a trading concern? Banking is a public utility without which the communities of the world could not function. We have long got past the stage of barter, when a ruling medium of exchange was dingo tails. If insurance is not a public utility equally with banking, I do not know what a public utility is. What does insurance do?

Hon. Sir William Lathlain: Take risks.

Hon. J. CORNELL: Does insurance sell anything? Does it give away anything? Does it function in the world of commerce? Nothing of the sort. Insurance provides a medium whereby the community may guard against risks to life and property. To-day insurance is compulsory under our industrial laws, and therefore more of a public utility than ever. Sir William Lathlain interjected that insurance companies exist in order to take risks. My reply is that they no more exist for the purpose of taking risks than banks do. If our insurance companies went insolvent, there would be the same chaos and hardship occasioned as if the banks broke. Those two utilities in the world's commerce as we know it to-day perform almost identical functions. It has been asserted that no Government could make a success of State insurance, that there would be this at fault, and that at fault, and the other at fault. My answer to that contention is that I hear no complaints concerning the management of the Commonwealth Bank, and that I hear very few complaints about savings bank management. Further, I venture to say that those placed in charge of State insurance would be, and in fact are, as highly qualified to carry out that function as are the men in charge of Commonwealth and State banking for their particular work. Without disparaging the managers employed by private insurance companies, I consider that the work of State insurance will be done quite as well and quite as honourably. Opponents of the Bill have said that because the Government re-

fused the companies' offer to cover the risk of miners' phthisis with an indemnification against loss, and then decided to take the risk at a similar rate under State insurance a big loss to the State would result. I think that puts fairly one of the viewpoints taken against the Bill. But shorn of all sophistry, this reasoning is ridiculous. What would have been the position had the Government indemnified the insurance companies against loss and had losses occurred? Of course the indemnification must have come from Consolidated Revenue. Now assuming that loss occurs under State insurance as the result of covering miners' phthisis, that too will be made up from Consolidated Revenue. So, after all, the only factor of saving that could be stressed was the factor of management, with which I have already dealt. One important phase of this subject has been overlooked by previous speakers. It is this: Should industrial insurance be run for profit? I say it should not be. Industrial insurance should be run guardedly and safely, but so run that it would represent only a minimum burden on industry. Every penny that could be saved on premiums charged would be a penny saved to industry. Has that been the aim of private insurance companies? I do not think so. But it should be the aim of any State insurance department covering industrial insurance. Such a department should do its utmost to lighten the burden of insurance on industry. Is it reasonable to expect that this necessary innovation would come from the private insurance companies? As has always been the case, one of the fundamental principles underlying the introduction of State trading is that as far as possible it should be conducted for utility purposes, not for profit. I commend that phase of the question to members, and I hope that those who follow me will touch upon it. Now I come to the third point, namely, the Government's illegal act in establishing State insurance. That is stressed as one reason why the Bill should be defeated.

Hon. G. W. Miles: One of the main reasons.

Hon. J. CORNELL: It is no reason at all. I readily admit that an illegal act, whether by a person or by a Government, is hard to condone. If State insurance be State trading—I submit that it is not, that it is rather a public utility—then without hesitation I say the Government stand condemned. But will any useful purpose be

served in labouring this phase of the question? Where will it get us to? If any member had the temerity to advocate that the Bill be thrown out for this reason alone, without being disrespectful to you, Sir, or to the House, I should consider he ought to be mentally examined. I hold no brief for the Government or indeed for any Government, but however unacceptable it may be, we have to face the introduction of State insurance as an accomplished fact. The sponsors of the Bill claim, and with some justification, that they had no alternative, that the issue was forced upon them. There is another phase to be taken into consideration: As I say, State insurance is now an accomplished fact. I ask opponents of the Bill what they would have said if the Government had followed the example set them by a previous Labour Government and established this concern without the sanction of Parliament, and, in the ordinary way, appropriated revenue for the purpose! Then opponents of the Bill would have had a complete indictment against the Government. Yet that is what the Scaddan Administration did when introducing the State trading concerns. It was done because that Government knew they had no chance whatever of getting those State trading concerns agreed to by the Legislative Council.

Hon. G. W. Miles: The Act of 1916 was not in existence then.

Hon. J. CORNELL: Let us be honest and admit that the Government erred in taking the action they did. At the same time let us be fair and say they have given Parliament full opportunity to consider this question of State insurance. We all err at times, but it was a wise man that said that to err is human, to forgive divine. It has been suggested that the Bill should be thrown out and a select committee appointed to do lots of things. I want to know what is to happen in the meantime. Let us face the facts. State insurance is in active operation. Policies have been effected. Are they to be repudiated?

Hon. H. A. Stephenson: Are they legal policies?

Hon. J. CORNELL: Never mind whether they are legal or not. Here is the position as I see it: The policies have been issued, and the only men that would lose if the Bill were thrown out would be those persons to whom the policies had been issued. I have no doubt that if the State Insurance Office were to be closed down to-morrow,

the private insurance companies would take up the risks, other than miners' phthisis. What would be the position? The Government would have to carry on those risks and they would become a burden on Consolidated Revenue without returning any income. So I say repudiation at this stage is impossible, besides being incompatible with British fair play. Another phase I wish to touch upon is this: When the Workers' Compensation Bill was before the House two years ago I warned the Government and the House that the provision would not justly nor adequately meet the compensation of miners and other victims of silicosis and dust. Brief experience has shown that prophecy to have been correct. Yet the Government still think otherwise. Should the House reject the Bill, will the position be improved? Will the Government tamely submit? I say no, emphatically no. State insurance has been established, and whether or not the House throws out the Bill, State insurance will go on. There can be no retreat from the position taken up by the Government. We are on the eve of a general election and the Government will ask the electors to renew the mandate given them nearly three years ago to establish a State insurance office. What then will be the position if the present Government are returned to power? Their attitude will have been endorsed by the men and women of this country and the Legislative Council will be unable to prevail against the verdict of the people. In those circumstances, the Government would ask that this principle be made law and, if this House again refused, the Government would be justified in carrying on State insurance. If the Bill is defeated, I am certain that State insurance will still be continued, even though another party come into power. Would any other Government be likely to do away with State insurance? They would no more abolish State insurance than they have done away with other State trading concerns. They would be bound to ask this House to give its endorsement, and this House would have no alternative. I intend to support the Bill because it will ensure a small modicum of compensation to a large section of the miners, who the public and the Legislature have definitely stated shall be compensated for injury done them by the industry. If the Bill is lost the miners will be where they have been during the last 25 years—in the air, without any certainty of

receiving even a small measure of compensation. Though I intend to support the Bill, I consider that the whole question of compensation to miners should be reviewed. I see no alternative to our passing the Bill, but I repeat that the laws as they stand will not solve the problem of compensation to miners suffering from phthisis. There is only one practical course that will give, if not a complete solution of the problem, as satisfactory a solution as can be expected. Prevention of the disease which is the cause of all the trouble has ever been my chief concern. It is the only question that matters. If we could bring about the happy state of affairs of being able to prevent the cause of miners' complaint, there would be no need for animated discussions as to the compensation to be paid. When an industry does injury to a workman, it is a sound principle that the industry should compensate the worker until we can remove the cause of the injury. These are the lines on which our laws should be based: (1) Tighten up and improve the present methods of dust prevention and ventilation in metalliferous mines; (2) make the present method of medical examination periodical and continuous; (3) make the medical test for commencing work for the first time in any mine, where possible, similar to the present medical test for exclusion; (4) reconsider the wisdom of and need for the present decision to bring every part of every mine within the scope of the Miners' Phthisis Act; (5) consider the advisableness of continuing the application of the Miners' Phthisis Act to all metalliferous mines; (6) make a measure of compensation payable to all miners who are found to have traces of silicosis; (7) grade all silicotic miners in three classes; (8) Fix compensation on a lump sum basis for miners in the first and second classes; (9) make it optional for miners in the first and second classes to relinquish work, but give them clearly to understand that whether they quit mining or not, no greater amount of compensation can accrue whatever later condition may supervene, also when they relinquish work, they do so for ever; (10) prohibit men in the third class from further mining work and pay them compensation from Consolidated Revenue on a basis similar to that now paid under the Miners' Phthisis Act; (11) Compensate from Consolidated Revenue the present accumulation of first and second class men,

regardless of whether they elect to relinquish mining work or not; (12) make the mining industry carry all future cases of silicosis whether complicated or not by tuberculosis, and pay compensation under the Miners' Phthisis Act to only purely tubercular cases; (13) assure the mining companies that the only charge upon them will be that of compensation; (14) consolidate the Miners' Phthisis Act and amalgamate with it the provisions of the Workers' Compensation Act applicable to metalliferous mines, and consider the need for incorporating in the same Act the Mine Workers' Relief Fund provisions and its obligations to beneficiaries; (15) make it clear that the Mines Regulation Act shall apply only to the prevention of the contributing causes of miners' phthisis; (16) ask no contributions from the workers for the purpose of compensation. I have discussed these phases on numerous occasions, and I do not intend to enter into details now. My suggestions should prove helpful to the Government or to any Government that may supersede them as to the way in which the whole problem should be tackled. There is one question that has not received the consideration it deserves from this House: "Do the results of the medical examinations call for an early and careful reconsideration and revision of the whole field exploited, and are the public awake to what has been revealed?" I do not think that members here are awake to what has been revealed by the examinations, much less the public. Let us now consider the story told by the figures recently disclosed by the Minister for Mines. Do those figures call for serious reflection and action on our part? As one who has studied the question closely, I claim that the figures do call for serious action. Whatever the cost, they should receive more serious attention than they have received in the past. The figures given by the Minister show that 4,017 miners were examined, of whom 459, or 11.25 per cent., were in the early stages of silicosis; 186 or 4.5 were in advanced stages of silicosis; and 140, or 3.5 per cent., were tubercular cases. Thus of the 4,017 miners examined, 785 had silicosis in an early or advanced stage, or complicated by tuberculosis, the percentage being 19.25.

Hon. G. W. Miles: Do those figures embrace the whole of the men employed?

Hon. J. CORNELL: No, the whole of the men examined. Anyone who considers

those figures must give the goldfields members credit for not having indulged in any romancing during all the years they have been endeavouring to enlighten the public of the many fatalities occurring from miners' diseases.

Hon. J. E. Dodd: Those figures practically bear out Dr. Cumpston's statement.

Hon. J. CORNELL: The Leader of the House said that up to about a month prior to the date when the figures were compiled, only six purely T.B. men had been excluded. It is safe to say that out of the 140 T.B. cases, only ten were purely T.B. cases. This would mean that 775 men out of the 4,017 examined were the victims of miners' disease.

Hon. G. W. Miles: Would 4,017 represent the total number of miners employed?

Hon. J. CORNELL. No, the number examined.

Hon. G. W. Miles: Then there are some more.

Hon. J. CORNELL: There are not many more. There were 130 suffering from silicosis and tuberculosis, equal to 3.25 per cent., and 10 suffering purely from tuberculosis, equal to .25 per cent. Thus a total of 3.5 per cent. of the men examined were found to be suffering from tuberculosis. That is a small percentage. There is another phase of the question that calls for calm and serious meditation, and it is revealed in figures which should go home to the heart of every man and woman in the State. I refer to the fact that out of 140 T.B. cases, 17 have died in the space of about 12 months, this being equal to 12 per cent. It is safe to assume that the same rate of deaths will go on amongst the excluded men. The position before the House is a simple one. We have to put aside all prejudices and pettiness, and view the situation as it is. We must give the Government the Bill which they claim will relieve the miners in the way of compensation, but we must plainly and firmly tell them that the recipients are entitled to even more than the Bill will give them, and that this House will do what it can to increase the measure of relief that is afforded them.

On motion by Hon. J. R. Brown, debate adjourned.

ASSENT TO BILLS.

Message from the Governor received and read notifying assent to the undermentioned Bills:—

- 1, Stamp Act Amendment Act.
- 2, Supply £1,363,500 (No. 3).
- 3, Broome Loan Validation.
- 4, Land Tax and Income Tax.
- 5, Inspection of Scaffolding Act Amendment.

BILL—SHEARERS' ACCOMMODATION ACT AMENDMENT.

Second Reading.

Debate resumed from 2nd November.

HON. SIR EDWARD WITTENOOM (North) [6.5]: Before discussing the conditions appertaining to this Bill, I wish to make a few remarks concerning the woollen industry and the manner in which it is carried on. This industry is conducted under conditions different from those connected with other industries. Manufacturing industries and other similar undertakings are generally conducted in good buildings, warehouses, or shops. The woollen industry is not and cannot be carried out under similar conditions. There are two or three important phases connected with it. In the first place there is the breeding of the sheep. There is then the shearing of the sheep, a work that produces the wool; and this is done in shearing sheds. The next step is that the wool is brought into the cities and sold in large warehouses; and then taken to the manufacturers and turned into clothing. In the circumstances the industry cannot be classed with other industries, which are conducted in comfortable surroundings, and whose workers have regular homes and carry on their duties without any interference. Although shearing is an important part of the wool raising industry, it is a very brief part. It is quickly done. To carry out this work in a satisfactory manner it is necessary to have large and commodious buildings, fitted with conveniences for the sorting and skirting of the wool, and for classing it in such a manner that it goes before the buyers in a proper condition. In most sheep stations the shearing sheds are erected several miles away from the homestead, perhaps five, 10 or 15 miles. At places like the

Murchison and the North-West where 20,000 or 30,000 sheep may be shorn, there would be no grass left around the homestead, if the sheep were shorn there, for any other stock such as cattle or horses. The shearing shed, therefore, is erected several miles away, so that the shearing, which occupies four or five weeks, may not lead to the cleaning out of the paddocks adjacent to the homestead. The shearing sheds can only be used exclusively for the work of shearing. They are too far removed to be used for any other purpose. Shearing operations are brief. Let me instance a station containing 12,000 sheep and employing eight shearers. The ordinary shearer will shear 100 sheep a day. If the shed is kept going for four weeks, allowing for wet days, Sundays and any other off days the whole of the shearing can be completed within four weeks. The premises may be great or small, and may contain all kinds of conveniences for the handling of the sheep, but they are of no use to the owner at any other time of the year. No matter how much they have cost they are never brought into use except at shearing time. In the circumstances, therefore, a pastoralist cannot be expected to spend more on these shearing sheds than is absolutely necessary. Recently I made a tour of the Murchison and visited 12 or 14 different stations. At two of these stations 10 shearers were averaging 150 sheep a day, and were doing their work at a faster rate than in the case I previously instanced. This means that the shearing operations would last a shorter time than four weeks if only 12,000 sheep were involved. It is generally stated that the shearing conditions are rough for the men, and the Bill is brought down to make them as comfortable as possible. The conditions must necessarily be rough. The shearer is really a nomad; he is never in one place for more than a few weeks, and does not desire to remain longer than that. He is continually moving from place to place. It is, therefore, impossible to give him the comfort that would necessarily be associated with the man working in a factory near a town, or in a factory which has its permanent buildings. If the conditions are rough these are recognised by the remuneration that is paid. Shearers receive 40s. per 100 sheep, so that if a man can shear 150 sheep a day he earns £3 a day. That is a very comfortable income, and a man should be

able to put up with a certain amount of discomfort to earn that sum. I say unhesitatingly that the food is, in practically every case, exceptionally good. I have rarely heard any complaint made on this score. In some places fault may be found with the buildings, but as a rule these too are good. Shed hands receive about £3 15s. a week and their keep. It does not matter whether they have learned the business or not. A young fellow may be put on to picking up wool, and others are engaged in rolling fleeces. They may have had no previous experience until they reach a particular shed, but they learn by degrees, and are taken from place to place.

Hon. E. H. Gray: Their wages will go up a bit.

Hon. Sir EDWARD WITTENOOM: They will not know what to do with the money; they get so much now. As a rule, pastoralists are most anxious to make their shearers comfortable, and they have shown that desire in the past. In the circumstances, therefore, the Bill is unnecessary, and to a large extent is uncalled for. I congratulate the Chief Secretary on taking such a fair and honest view of the circumstances, for he said that so far as he knew there had been very few complaints in the past. I believe I interjected "Were there any complaints?", and he replied that he had not known of any for a long time. I do not think it will be possible to point to one conviction against a pastoralist, on the ground that he had refused to make an improvement the inspector had called upon him to make. I do not know of any case in which a pastoralist has been prosecuted for neglect in this direction.

Hon. E. H. Gray: Have the inspectors asked them to effect improvements?

Hon. Sir EDWARD WITTENOOM: If they have not been asked to do this, the improvements could not have been necessary. No pastoralist that I have heard of has refused to do what he has been asked to do. We can deal with the Bill more fully in Committee. The first clause that requires to be amended is No. 2.

Hon. J. Nicholson: Does the Act provide for a reasonable standard of accommodation being given?

Hon. Sir EDWARD WITTENOOM: Yes. It provides for a first rate standard. Nearly all our pastoralists have good, if not palatial, sheds. I know of one that cost £7,000. The Chief Secretary said that in nearly all

cases the pastoralists had made good provision for their hands. I would again point out that these sheds are used only for three or four weeks in the year, and that they are no good for anything else but for shearing.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. Sir EDWARD WITTENOOM: When I was interrupted by the tea adjournment I was expressing my satisfaction at the generous manner in which the Leader of the House indicated the Act had been observed by pastoralists in the past, inasmuch as there had been no complaints against them and no convictions. That is very satisfactory, because the shearers and shed hands are not the class of men to put up with any discomfort. I can say that from experience, knowing the men as I do. If their food or domestic arrangements generally are not as they think they are entitled to, they will take strong exception to them at once. So much is this so that I remember on one occasion shearing was nearly held up, because too much raspberry jam and not sufficient jams of other descriptions had been placed on the table. That will show hon. members that many of these men have highly cultivated tastes, and desire a little variety!

The Honorary Minister: Where was that?

Hon. Sir EDWARD WITTENOOM: It was at a shed the Honorary Minister was not at. The point is that these people do not constitute a class of men who will put up with any kind of treatment, to which they may be submitted. Seeing that there have been no complaints and no convictions, and that the workers have been satisfied to go ahead, hon. members can readily appreciate the fact that the pastoralists have endeavoured to carry out the conditions of the existing Act. That Act provides for the welfare of shearers and workers in every way, to such an extent that the Bill before us is really superfluous. It is a pity that the Government introduced a Bill of this description, particularly in view of the fact that the pastoralists are worried enough with the Arbitration Court. Only the other day, despite the fact that wool is going down in price and the cost of production is increasing, the Arbitration Court increased the rates by 2s. per hundred sheep, raising the price from 38s. to 40s. That enables a man who can shear 150 sheep per day, to make £3 a day. That is a highly remunerative

rate. When I was dealing with rates before tea, I forgot to mention one or two points. I said that shed hands drew £3 15s. and also had their food supplied. I forgot to mention that they get paid for every wet day. It does not matter how it may rain and whether the shearers can shear or not, the shed hands get paid just the same. I also omitted to mention the pressers, one of whom told me that, working by himself he had earned £12 a week. I could hardly believe it, but I am informed that it is a common practice for some of the pressers to make as much as £12 a week. In these circumstances even though the surroundings may be a little rough, they can be put up with, seeing that the remuneration is such as to compensate for any of these little discomforts. While I recognise all that the Minister said, I am surprised that he and the Honorary Minister supported a Bill of this description coming before Parliament at all. They represent a province where the people, with the exception of those dwelling in the town of Geraldton, comprise almost entirely farmers and others owning sheep. They are fortunate enough to have sufficient water all the year round to enable them to maintain sheep. They are in a different position from the people in the eastern wheat areas. Thus it is that nearly all the settlers in the province I refer to are men who have sheep, but they carry small numbers of them. To inflict upon them the necessity to provide larger rooms with palatial surroundings is not a good idea. I am surprised at the Bill coming before us, because the policy of the Government is to encourage people to develop their farms and pastoral holdings. We know they have been very successful in promulgating that policy. I am sure if the Minister and the Honorary Minister will only reflect upon the position as I put it to them, they will vote against the second reading of their own Bill. I wish to refer to a few of the clauses in the Bill. The first is Clause 2 which provides for an amendment to Section 2 of the principal Act. The section sets out, *inter alia*:

This Act shall not apply to buildings provided for the accommodation of shearers in cases where the total number of shearers employed in the shearing shed is less than eight . . .

The Bill proposes to reduce the number of shearers in the shearing shed to six. To me, the extraordinary part of it is that the Leader of the House referred to this

as one of the chief objections to be urged against the Bill. He referred to the great difficulty an inspector would have in identifying the different sheds, to determine whether they had employed the specific number of shearers or not. An inspector might go to some of the sheds and ask how many shearers had been employed there. He might be told four shearers or six shearers, whereas, perhaps, there might have been eight or ten shearers employed. As the Leader of the House pointed out, it would be necessary for the inspector to visit the shed while the shearing was going on in order to find out whether the statements made to him were correct or not. I cannot see that the alteration in the number of shearers proposed will overcome the Minister's objection. It would be better to substitute a number of sheep rather than limit the number of shearers. I suggest that, particularly in view of the interpretation included in the Act. In Section 3 the definition of "shearer" includes the following:—

"Shearer" means any person employed in or about a shearing shed in the shearing of sheep or in work connected therewith . . .

Hon. members will see therefore if we restrict the number of shearers to six or eight, a difficult position may arise. There may be only three shearers employed but there would also have to be a shed hand, a man to pick up the fleece, a man on the press and probably a man on the engine, so that although three shearers only may be employed, the rest of the men employed in or about the shed would make up more than the number specified in the Bill. In my opinion, therefore, it is best to amend the Bill so as to refer to a number of sheep. Mr. Stewart suggests a useful amendment. He proposes that the definition of "shearer" should be altered to mean a man who uses the shears; that would not include the men helping about the shed. The amendment that commends itself to me, and I hope to a majority of the House, is one to make the Bill apply only to those shearing over 6,000 sheep. The Act would then commence by making it clear that the measure would not apply to persons shearing less than 6,000 sheep. That would also do away with the objection raised by the Leader of the House regarding the difficulty that would confront the inspectors in the identification of sheds conducted with any specific number of shearers. Every pastoralist and sheep owner has to make a

return showing the number of sheep he owns. Therefore, an inspector could see at once whether or not the number of sheep owned by a man entitled him to come within the scope of the Act. In the circumstances it would be wise to adopt that amendment so long as the definition of "shearer" is left as it stands at present. If the amendment suggested by the Leader of the House were agreed to substituting six for eight shearers, then Mr. Stewart's amendment would be a necessary one. The next clause to which objection may be taken sets out that the accommodation for shearers in their huts must be increased. I recognise that this provision is not retrospective, and will apply only in the future. The air space per man is to be increased from 360 to 480 cubic feet. There is not much difference, but it will make it more expensive for the sheep owners. A room containing 720 cubic feet of air space would be 8ft. x 10ft. x 9ft. high. Surely that is not too small for two men to sleep in for three weeks or a month, especially if there is a verandah in connection with the shearer's quarters. In such circumstances, the men would probably prefer to sleep outside. I hope the extra expenditure will not be imposed upon the pastoralists or stock owners in future. We will go into this question more fully when we are in Committee. The next clause I wish to refer to is Clause 7, to which objection can also be taken. It seeks to amend Section 12 of the principal Act but on comparing the section and the clause, I do not think it makes much difference. The Leader of the House said that under the terms of Section 12, an inspector would have to make three trips to see that the conditions of the Act were carried out. So far as I can see it will take exactly the same number to properly supervise the operations of Clause 7. There is so little advantage to be gained under the clause, that I doubt whether it is worth while altering the Act. Under Clause 9 the penalty to be imposed for a contravention of the Act is to be increased from a sum not exceeding £5 to one not exceeding £50. The increase is too severe. In the face of there having been no convictions, and no complaints by the inspectors, I cannot see the necessity for increasing the maximum amount of the fine to such an extent. I hope when the Bill is in Committee this matter will receive consideration. It is also proposed that in-

stead of cases being dealt with by two justices of the peace, they are to be dealt with by a police or resident magistrate. Whether that is intended to be a compliment to the justices of the peace, I do not know. Anyhow, I do not intend to take any exception to the proposed alteration. It will not make any difference because, as I have pointed out, there have been no convictions and no complaints. Were it not for Clause 2, I should be inclined to vote against the second reading. In an industry like this, where the pastoralists and owners of sheep are worried in many directions by bad seasons, dogs, want of water, etc., they should not be harassed by the law. We have an Arbitration Court and it watches the position very carefully, whilst the agreements that have been entered into between the pastoralists and the shearers have invariably been in favour of the shearers. We have nothing to fear from the Act as it exists at the present time.

HON. H. STEWART (South-East) [7.48]: I endorse Sir Edward Wittenoom's remarks and his views in general. There is a slight difference in the way of approaching the subject from the points of view of the agricultural and the pastoral areas. Generally, however, I am in accord with the views he expressed. With regard to Clause 2, from the point of view of the agriculturist and the pastoralist, the definition of shearer is satisfactory. I wish to refer to this because very often the Minister in charge of the Bill puts a different interpretation on the wording, or perhaps uses the words that are in the Bill to enable him to build up his case. As Sir Edward Wittenoom pointed out, the definition of shearer in the principal Act includes all those who are engaged in the work of shearing, but "does not include a person who is employed on a holding on which a shearing shed is situated, when shearing is in progress." The principle of not counting the permanent hands while shearing is going on, was endorsed by the Arbitration Court in connection with the recent application of the A.W.U. for an award in the shearing industry. The A.W.U. sought to have the permanent employees brought in, provided they came into contact with the shed during the progress of shearing operations, and asked that those employees be paid a specially high rate during the period. The judge, however, expressly excluded them.

The award given by Mr. Justice Powers was that in Western Australia the permanent employees should not be brought within the scope of the award as it applied to the shearers and shed hands specially engaged for the shearing period. If the amendment Mr. Miles has given notice of is not carried, I will not amend the definition of shearer. In Clause 4, Subclause 6 (paragraph xiv.), the word "workers" is brought in in this way: "where buildings erected for the accommodation of workers have been rendered unfit for habitation." "Workers" are not defined in the Act. I pointed that out to the Minister after he had his second reading speech. He has looked into the matter and has an amendment on the Notice Paper to alter the word to "shearers." I do not propose to alter the definition of "shearer" and probably I will not move the amendment indicated on the Notice Paper in the event of Mr. Miles's amendment being carried. The number "six thousand" in respect of sheep may not be entirely satisfactory in connection with the agricultural industry because of co-operative shearing. The amendment I have on the Notice Paper respecting this matter will if carried, make Section 2 of the Act read that the Act should not apply to buildings where the total number of shearing machines or blade shearers working in the shearing shed was less than eight. The reason for that is that the definition of shearer as it is in the Act includes any person engaged in the shed as shearer, rouseabout, woolbaler, etc., who is not a permanent farm employee. That brings him within the definition of shearer. According to the Bill, even eight shearers would not be all shearers but would probably mean three shearers. I have known and frequently seen three shearers shearing a flock of 800 sheep. There is a good deal in the interpretation of terms and now that we have larger staffs administering the Acts, and keen people looking out for loopholes, it behoves us to be careful when we frame our laws to see that nothing is done to retard development. It is necessary to emphasise that point. My desire sometimes is also to try to guard the Government against what might prove to be an interference with the development of the country by way of handicapping the small man who is starting out, or who may have been established for some time but who is still

carrying on operations in a small way. Quite unintentionally I contend the Government have in recent legislation, made it harder for the small man to carry on. Settlers are also experiencing a hardship in connection with the Land and Income Tax Assessment Act. The Government should be the last to tax the small man in connection with his holding and when they double the tax on land they double the tax on the man who does not improve his land. The Government, however, wiped out the exemption of £250 and imposed an additional burden on the small man who needed that exemption. The Government also reduced by 50 per cent. the rebate allowed under Section 17 of the Land and Income Tax Assessment Act to the agriculturist whose income is derived from working the land, thereby increasing the income tax and again penalising the small man. Perhaps you, Sir, wonder how these comments are connected with the Bill. However, the position is perfectly clear. I shall not elaborate on the measures which have been passed relating to vermin and other matters. The pastoralist is closely associated with the land, and so is the agriculturist. We do not want to find that through this Bill a burden is unintentionally inflicted by the Government. Let us save the Government from themselves. Let us amend the Bill so as to give full protection where it is needed.

Hon. J. Nicholson: The Act is liberal now.

Hon. H. STEWART: Sir Edward Wittenoom's remarks have practically covered the ground which I would have taken had I been the first speaker after the Chief Secretary. As the Minister was putting his case for the Bill, I had the Act before me. Part III. of the Act explicitly provides that an inspector shall inspect once in every twelve months, and that every inspector may whenever he thinks fit, inspect all buildings used for the accommodation of shearers which are situated in his district. The provision in question has existed since 1912, and is absolutely mandatory. Having had no complaints regarding the Act, why is it necessary to repeal a portion of Part III. and re-enact that portion in a different form with penalties of £50 in place of £5? One cannot see that any real necessity for this has arisen. Possibly there is an idea that with a general election approaching it is desirable to convey the impression that a forward move has been made by the Government for

the purpose of giving protection which is urgently needed. However, we see that the protection already exists and has not been made use of. Part III. of the Act, from which I have already quoted, further provides—

Every inspector shall annually, on or before a date to be fixed by the Minister, forward to the Minister a detailed report of his inspection.

Under Section 12—

An inspector, after making an inspection, if he has reason to believe that any of the requirements of the Act have not been complied with, shall so notify the employer, directing him within a time mentioned in the notice to comply with such requirements. He shall also in the notice specify in what respects the said requirements have not been complied with. The notice shall be in writing, and may be served on the employer personally or by being left at his usual or last-known place of residence.

That provision is to be repealed by this Bill and to be replaced by something which the Minister has indicated. If the original provision has never been put into operation, how can it be declared ineffective? We have too much interference with legislation, and too many new laws placed on the statute-book. Another section to be repealed provides—

Any two justices may, upon complaint of an inspector, if satisfied that any of the requirements of the Act have not been complied with by the employer, order the said employer to comply with such requirements, and if thought desirable may in the order specify what things shall be done by the employer and the time within which the order shall be carried out, or may dismiss the complaint.

The section contains two other paragraphs dealing with inspection and alteration of buildings. The Minister stated that three inspections were necessary under the Act before an inspector could insist upon work being carried out. While he was speaking I looked carefully through the Act, and I have looked carefully through it since, but I have failed to recognise that under the wording of the Act more than one inspection is necessary. As regards taking a case into court, there is no provision for a preliminary notice, or for any notice after the first inspection. The Act provides for one compulsory inspection annually, and contains no provision for three inspections. Therefore I wonder whether the Government's proposal is anything more than an electioneering stunt. Possibly my remarks will lead the Minister to give some specific instance in

which it has been found impracticable to administer the Act. In his second reading speech he gave no such instance, so far as I remember. If an instance were given, it would afford ground for the Government's proposal. Towards the trivial alterations proposed by the Bill I shall lend my assistance, always provided that we guard ourselves against putting unnecessary burdens on new development, and especially on development by small men. Subject to those limitations, I am ready to assist the Government to redeem the existing Act from anything that causes difficulty. Now with regard to Mr. Miles's amendment restricting the operation of the Bill to shearing sheds with not less than 6,000 sheep. In numerous cases a co-operative association of farmers, not necessarily a co-operative company, has put up a shearing shed. There is one at Gnowangerup and another at Wagin. Indeed, such sheds are scattered all over the country. The shed may be situated on a farm, or may be situated near a town. In the latter case the shearers could get accommodation in the town, and this measure would not apply. However, the shed might be on a homestead. The length of time required for the shearing of 6,000 sheep would depend largely on how many blade shearers and how many machine shearers were employed. The 6,000 sheep might come from half-a-dozen farmers scattered about the district. In any case, 6,000 sheep are a small lot. Therefore it seems to me that in the case of a co-operative shed the amendment which I have indicated relating to six machine shearers or six blade shearers, would afford a better safeguard. However, the difference between Mr. Miles's amendment and mine is not so great as to make me part company from the hon. member who has placed his suggestion on the Notice Paper. I support the second reading.

On motion by the Chief Secretary, debate adjourned.

BILL—CONSTITUTION ACT AMENDMENT.

Received from the Assembly, and read a first time.

BILL—METROPOLITAN MARKET.

Second Reading.

Debate resumed from 4th November.

HON. W. J. MANN (South-West) [8.15]: We have listened to a good deal of ancient history concerning markets in the metropolis, and a good deal as to the necessity for the establishment of markets within the metropolitan area. The debate has disclosed an almost complete unanimity amongst members that in the interests of the people central markets are essential for the sale of agricultural and kindred products. But whilst there is perfect agreement as to the necessity for the markets, there appears to be a serious element of contention as to who shall control them. Speeches made by members indicate that the question has been approached from various aspects, some members obtruding the consumer aspect, whilst others obtrude that of the producer. All members, I am sure, are honestly imbued with the idea of assisting to bring about a more effective organisation in marketing. Nevertheless, the one side is out to get the best possible conditions for the producer, while the other is out to secure the greatest advantages for the consumer. The Government, at the request of the agricultural community, propose to place the control of the markets in the hands of a trust. The City Council also desire to assume control, contending that in addition to their special fitness for the responsibility, their civic rights should not be invaded or their authority unfairly abrogated. I listened with interest to the impassioned appeal by Mr. Nicholson, who urged that the time-honoured rights of the City Council should be preserved. I do not think any member would dispute that. Still I do not think it is altogether a question of time-honoured rights nor can I agree that the City Council is being unfairly treated. In common with other members, I have received from country people a sheaf of requests to support the Bill. With Sir William Lathlain I believe those requests have been largely engineered from one source. Still that fact does not weigh very much with me, for during the past three weeks I have been over a good deal of country and have talked with producers, many of whom are not allied to the source from which it is alleged these letters have emanated. Moreover, there is amongst the producers a very keen desire that the Government should control

the markets. A quarter of a century of almost daily association with local authorities has created in me a profound admiration for the men who carry on the work of those institutions. I have nothing whatever to say against the men who are acting gratuitously in this way; on the other hand I greatly admire the work they do for the common good. That being so, I hope I shall be acquitted of unkind intention in what I am about to say. In going about the country I have asked many men why they prefer Government control. The basis of nearly all their answers has been that there is a lack of confidence in the City Council. I cannot say how far that judgment is correct, but I believe that an earlier attempt to put through a Marketing Bill without any provision for representation of the producers has had something to do with it, the men in the country now feeling that they cannot repose any confidence in the City Council.

Hon. J. Nicholson: That Bill was drafted on lines common to Bills of the class.

Hon. W. J. MANN: That may be so; I am merely stating the position as I have found it. Outside the House I have been told that the producers' statement that they have no confidence in the City Council could not be fairly substantiated. Let me point out that those people are not alone in their contention, for there are others who have no confidence in the City Council. During the past 12 months there have been two referendums in Perth, and at each of them the people have shown a lack of confidence in the City Council. The same thing is now happening in the country. Such views, of course, are not very flattering to the City Council, and I can understand members of that body and Mr. Nicholson also, not feeling very pleased on hearing them. I must say I have found no real evidence that the people of the metropolitan area want the Bill. I have received only one letter in favour of it, a letter from the Housewives' Association, whose slogan is "Reduce the cost of living." Also I have heard quoted in the House a letter from the Subiaco Municipality and I have read one or two letters in the Press. Beyond that I have heard no propaganda for handing over the control of the markets to the City Council. On the other hand I have received more than a score of letters from the country, including one from Osborne Park. It is evident therefore that the people of the city do not desire that the City Council should control the markets, or alternatively they are strangely apathetic.

In the country, on the other hand, there is very real desire that the Government should take over the central markets. I intend to support the second reading, but in Committee I will endeavour to secure an amendment providing an additional seat on the trust for the producers. The Bill provides that there shall be five members of the trust, two representing the Government and one each the consumers, the producers and the City Council. That constitution of the trust means that the consumers will have four representatives and the producers one; for, wittingly or unwittingly, the two Government nominees and the representative of the City Council will be inclined to look at questions through consumers' spectacles. Therefore as the producer is the basis on which the markets will have to grow, he is entitled to at least two seats. I think the producer and the consumer should have fifty-fifty in point of representation. I want to say this to the Minister: it has been stated by opponents of the Bill that the appointments to the trust will have some political significance; in other words, that the Government will elevate some of their supporters to the trust at a fairly lucrative remuneration.

The Honorary Minister: Who are they?

Hon. W. J. MANN: The statement has been made to me and, for the edification of the Honorary Minister, I shall inform him that the names and the proposed salary were also mentioned. The Minister should give us an assurance that if the Bill is passed the appointments will be made with due regard to merit and ability, and that men will be chosen who know something about marketing. I anticipate that the Minister will tell us that nothing of the kind will happen. At any rate I hope he will not give us an empty reply, but will satisfy us that a fair thing will be done and that no political significance will attach to the appointments.

The Honorary Minister: You suggested that you knew the men.

Hon. W. J. MANN: I said that the names of the men had been mentioned to me.

The Honorary Minister: And that the salary had been mentioned.

Hon. W. J. MANN: The Minister is deliberately seeking to put into my mouth words that I did not utter. I said that the names had been mentioned to me, together with the salary to be paid, and those men happen to be prominent members of the party with which the Honorary Minister is connected.

HON. H. STEWART (South-East) [8.32]: In common with other members I have received a large amount of correspondence on the subject of this Bill. I am aware that interjections are disorderly, but I should like to hear the interjection that the correspondence is inspired from one source. I wish I had been speaking when the interjection was put to Mr. Mann. Still I may assume that the interjection has been repeated and I ask, "What is that source?"

Hon. E. H. Harris: From how many sources has it been inspired?

Hon. H. STEWART: We all know that a marketing Bill is very necessary.

Hon. Sir William Lathlain: Hear, hear!

Hon. H. STEWART: That is a good interjection.

Hon. J. Cornell: And a sympathetic one.

Hon. H. STEWART: When Mr. Mann was speaking he raised in my mind, apart from the nature of the Bill introduced at the request of the Perth City Council, the question of the reason for want of confidence in the Perth City Council. Fundamentally I suppose it was the producers' lack of confidence in any source of marketing in the metropolitan area. A producer who is a shrewd business man knows when prices are likely to be good. He knows that good prices rule for eggs and poultry at Easter and at Christmas, and he knows that special lines of fruit command good prices just before Christmas. He sends in his produce to catch the rise of the market and he finds the prices quoted as he anticipated, but his accounts do not reflect the same high prices. No matter what the quotations might be—and he knows the market quotations are right—he does not get the top prices. Consequently the producers will have no confidence in a market in which they do not have reasonable control. Last session when the Primary Products Marketing Bill was before us I outlined the constitution of the boards that deal with the marketing of produce in other countries. When we consider the figures I then quoted as compared with the figures obtained in this State, I maintain that our producers are altogether too reasonable when they ask for only two representatives on a trust of five.

Hon. E. H. Gray: Do you suggest that they should have a majority?

Hon. H. STEWART: I will tell the hon. member what is done in other countries and in prosperous British countries, too. The

piles of letters I have received have not come from one inspired source. They have come from all over the country.

Hon. G. W. Miles: Have not they come from the Westralian Farmers, Ltd.?

Hon. A. Burvill: They have come from every co-operative organisation in the State.

Hon. H. STEWART: I have received correspondence from Capel, Bridgetown, Mt. Barker and, in fact, wherever people have been engaged in marketing and have not obtained the value for their produce. Here is a letter that goes right to the point. It comes from the Secretary of the Open Markets League and it perhaps throws light on the reason why some people lack confidence in the Perth City Council. I do not know the writer, but the letter was addressed to me. It reads:—

Allow me to draw your attention to the attitude of the Perth City Council re municipal markets. Our league early in 1924 requested the council to extend the municipal open markets in Wellington-street. The City Council replied on the 4th April, 1924, as follows:—"With reference to the petition from growers attending the open markets in Wellington-street, urging that some structural alterations be made to the shelter in order to enable them conveniently to handle their motor lorries, I beg to state that alterations cannot be effected to the shelter sheds until the gas works are removed to East Perth. It is expected that the gas works will be removed at no distant date, and the matter will then be further considered." That, Sir, was more than 2½ years ago. So far nothing has been done. The position has become more acute owing to the motor lorries replacing to some extent the horse-drawn carts. This market is quite obsolete, having convenience for neither buyer nor seller. The producers are pressed tightly together with about six feet of frontage to the public. Water is laid on in such a position that it is impossible to obtain it during market hours when, of course, it is required. Most of the taps are without handles; some taps are without handles or drainage (see lavatory). The condition of the urinals and lavatory is such that, were they not under municipal control, the owners of the premises would be prosecuted as a menace to public health.

The City Council were quite perturbed as to whether a trust, which would be a corporate body, would be subject to their sanitary conditions.

Hon. A. Burvill: I had a letter to that effect.

Hon. H. STEWART: Apparently the Perth City Council are not subject to their own sanitary inspectors. The letter continues—

Also it is impossible for a lorry to get out of the market until the vehicles nearest the

exit get away. This is happening all the time—complete congestion.

Hon. J. Nicholson: Do not we want markets established on the one site?

Hon. H. STEWART: Yes, but this Bill provides that the open markets shall not be abolished. The City Council brought the open markets into existence in order to benefit the consumer and producer. If the statements contained in the letter are correct, the state of affairs is rather scandalous from the point of view of the Perth City Council.

Hon. Sir William Lathlain: They have not the land.

Hon. H. STEWART: But the City Council could at least see that the taps and drains were in order. The letter continues—

The only thing the City Council have been consistent in is the collection of the £1 a month rent from the 100 stall holders. On a hot dusty day is the time for one to judge whether this is a sanitary market or a sanitary depot. We of the above league believe the markets should be enlarged and made really hygienic, where both producers and consumers can meet to their mutual advantage, with clean, healthy conditions governing this growing factor of open marketing.—G. S. Putland, Honorary Secretary.

I have a letter from the secretary of the Bedfordale Agricultural and Horticultural Society; others from Bickley, Mount Barker, the Perth City Council and so on. Any one who has had anything to do with the marketing of small lines of produce knows the need for well organised markets conducted so that the producer will get the benefit of the prices realised by his produce. There should be reasonable representation of the producers on the controlling body. According to the policy speech of the Leader of the Country Party at Katanning nearly three years ago, the members of that party favour municipal utilities being controlled by trusts, and since the Labour Government have been in power the Premier has expressed himself in favour of similar control. After the present Government were elected, the Premier said he favoured this principle and hoped that it would apply in the case of water supply, sewerage, tramways and other undertakings. If the local governing authorities formed themselves into trusts and took over these activities, he said it would be a relief to the Government. Coming as this did from the head of the Government it was such a shock to those we would like to see in charge of these activities that they have not yet got over it, and have

not taken steps to acquire such utilities. Speaking last year on 18th November, I drew attention to the fact that in New Zealand there is a Dairy Produce Export Control Act, which was brought into operation in 1923. I went on to say—

That Act provides for a corporate body consisting of two persons chosen by the Governor in Council on the recommendation of the Minister for Agriculture.

Hon. J. Nicholson: That is for export control.

Hon. H. STEWART: It was for marketing. I am going to illustrate certain legislation that was in operation in other States or Dominions, with the object of helping the producer to get a fair and reasonable price for his produce. One of the aims is to secure greater representation on the trust on behalf of the producer, who sends his produce to the market. In order to strengthen that argument, when we reach the Committee stage, I wish to take this opportunity of indicating that, when we consider other countries that are dealing with this kind of thing, we are really asking less than is provided there on behalf of the producer. I am not raising what seems to be a vexed question as to whether the control is to be in the hands of a trust or of the City Council. I am trying to persuade the House to grant greater representation than one in five to the producer. I went on to say that—

Nine persons were elected by the producers, and one manufacturers' or sellers' representative. The personnel of that board rejoices my heart, for there the producers have representation elected by themselves.

Hon. G. W. Miles: They should have that here too.

Hon. H. STEWART: I went on to say—

In New Zealand there is a Meat Export Control Act. Under that the board is a corporate body composed of two persons nominated by the Governor in Council on the advice of the Minister for Agriculture, five representatives elected by the producers of meat for export, and one representative of the stock and station agents.

Hon. V. Hamersley: An export trade.

Hon. H. STEWART: It is marketing.

Hon. J. Nicholson: It is a different kind of marketing.

Hon. H. STEWART: Yes, and the result would be a different kind, too.

Hon. J. Nicholson: It is for the export trade.

Hon. H. STEWART: I cannot help it if members put that interpretation upon it. I am showing the provisions in other countries where agronomics play such an important part.

Hon. V. Hamersley: They want to encourage production in those countries.

Hon. H. STEWART: I also drew attention to the fact that in Victoria they have made attempts at voluntary pools, but so far have not been as successful as we have been in Western Australia. When a wheat pool was started in this State during the war it was only after an agitation extending over years that we gained from the Government the right to elect one representative of the wheat growers to the board of five. Was that export trade? It was marketing. I went on to say that—

In Victoria they have sought to protect the consumers by the Stock Foods Act, which deals with the sale of chaff, bran, hay, pollard and other stock foods. That Act makes provision against adulteration, and with regard to agents for the proper conduct of the business of produce merchants. They also have the Farm Produce Agents Act passed in 1920. That embraces cereals, fruit, vegetables, grain and other things. Section 10 is a restriction on the agent purchasing consignments without declaring his position: If we had legislation along those lines it would be helpful. There is another section in the Act which I think would help to improve the position, particularly of the fruitgrower so far as marketing is concerned. I had evidence put before me recently dealing with the marketing of apples this year, and the marketing of apples last year at this time of year. Apples were sent away last year at this time of year to two markets, and went through the same cool store, and through the same old-established firm, and realised almost the top price on the market. I saw the quality of the apples. In another instance apples were put through other agents who realised 50 per cent. below the prices obtained last year. There is no remedy for this position. The producers may send in tomatoes or fruit, and know that the quality is prime, but if the return is small, there is no protection for them. The account sales do not prove anything. Under the Farm Produce Act of 1915 there is a schedule. According to this the following information has to be supplied—the name of the purchaser, the address of the purchaser, the nature of the produce sold, the quantity sold, the sale price, the total price paid, and the commission charged. In this State what we have is everything except the name of the purchaser and his address. It would probably help to safeguard the position of the grower if he received the name of the purchaser, for he might like to ask him what he thought of his particular produce. This might lead to mutual satisfaction as between grower and consumer, and to the producer getting a higher price than he now receives.

I mention this by way of illustration. A marketing Bill will not alone remedy the position for the producer. There is other legislation in operation elsewhere, which makes provision for these returns being made of the account sales. I, therefore, quote other countries where agronomics have prospered and where so far as I have seen in all their legislation, although it was thought to be revolutionary, it has been followed by the advancement and prosperity of the country concerned. My object is to secure greater representation on the trust for the primary producer than is provided for. I will support the second reading of the Bill.

HON. H. J. YELLAND (East) [8.55]: Every member is quite satisfied that a Bill of this kind is long overdue. Under present conditions the producer has to sell what he has at the price that is given to him, and the consumer has to pay the price he is asked to pay. The question naturally arises who is the man who is giving what he pleases and taking what he asks? Undoubtedly he is the man who is receiving the greatest benefit from the trade.

Hon. A. Burvill: He is the man who controls the trade.

Hon. H. J. YELLAND: Yes, the man who comes between the producer and the consumer. The establishment of markets, as I understand the question, aims at bringing into closer communication the producer and the consumer. We want to bring these people into closer touch with one another. That is the main object of the Bill. The principles of the Bill are recognised, and I think every member will agree that the second reading should be passed. Clause 3 is a vital one. This deals with the constitution of the trust. It is upon this clause the House is more or less divided. The question is whether it should be under a Government appointed trust or placed under the Perth City Council. That is the thorn we have to extract from the Bill. Generally speaking, the trust as arranged in the Bill is not in accordance with the best interests of the whole community. There is one representative of the producers and one of the consumers.

Hon. Sir William Lathlain: Who is he?

Hon. H. J. YELLAND: That is what the Bill says. There are also two representatives to be appointed by the Governor to

represent the Government. As the Government will be putting up the money for the establishment of the markets they naturally must have someone to see that the money is spent judiciously. Attention has been called to the number of representatives of the producers, namely, one in five. It is argued that the representatives of the Government can satisfactorily look after the interests of the consumer. I note also that the Mayor of Perth says that the Perth City Council will look after the consumers in the metropolitan area. If on top of that we have a special representative for the consumers we can see what advantage the consumers will get over the producers. The Perth City Council will be called upon to nominate one member from their body to represent them. If after a certain lapse of time they have failed to nominate that person, it will be the duty of the Government to nominate someone from the Perth City Council. At the same time the Government have the appointment of one of the representatives of the producers. They make the appointment of the representative of the consumers and also of the two representatives of the Government. Thus the Government have the right to appoint at least four members of the trust. Should the City Council fail in their duty, the Government will have the right to appoint each of the five members who are to comprise the trust. Thus, from that point of view, it is evident that the constitution of the trust, as set out in the Bill, is certainly not to the advantage of the producer nor yet to the advantage of the general public. Naturally, the City Council advocated that the control should be vested entirely in that body. I will not labour the question as the whole thing boils itself down to whether the control of the markets shall be in the hands of the trust, or in the hands of the City Council. The advocacy of Mr. Nicholson of the control being vested in the City Council was anticipated. I have not been able to find a single bona fide producer, let alone a body of producers, who are in favour of the City Council having the control of the markets. I challenge those who advocate municipal control to present one bona fide producer who supports City Council control. Mr. Macfarlane said that he hoped the rents charged in connection with the markets would not be too low, because if they were, it would interfere with rents paid for shops in other parts of the city.

Hon. Sir William Lathlain: That is, shop fronts.

Hon. H. J. YELLAND: Yes. To the producers the most vital point concerning the markets is that the rents charged in connection therewith will be reduced.

Hon. A. Burvill: That is what the markets are for.

Hon. H. J. YELLAND: Of course, to reduce rents. Yet one of the members representing the Metropolitan Province says he hopes rents will not be reduced, because it will interfere with the landlords and those who pay rents in shops.

Hon. V. Hamersley: The City Council collect rents themselves.

Hon. H. J. YELLAND: I understand that is so. That is one reason why the producers favour a trust. Who charges rents in the city? Is it not the landlord? Who makes land values in the city? Is it not the landlord? The landlords put their heads together and increase the rent of a shop by 10s. a week and that brings in an extra £25 per year. Capitalising that amount at 10 per cent., we find that the increased value of the property is £250 a year. In that way the landlords of the city are increasing what I might term the unearned increment in connection with land.

Hon. Sir William Lathlain: Do you think it is done as easily as that?

Hon. H. J. YELLAND: It can be done that way.

Hon. Sir William Lathlain: It is a wonder the producer's don't do it!

Hon. H. J. YELLAND: They cannot do it; they have not the same facilities. Each increase in rent levied by the landlords in the city has to be made up by the tenants of shops. The extra amount has to be paid by the producer or the consumer. In nearly every instance it cuts both ways, and both producer and consumer have to suffer. To the middle man, however, it makes no difference for he gets his return in any case; the producer and the consumer have to pay the piper. Advocates of control by the City Council are out to assist these people, so they say, but it is all moonshine to suggest that they have the interests of the consumers at heart.

Hon. Sir William Lathlain: You doubt our sincerity.

Hon. H. J. YELLAND: The manner in which those hon. members advocate the advancement of the city as against the advancement of the country as a whole, is an

indication that they are prepared to give assistance to those who in the past have been able to assist themselves to the disadvantage of both the producer and the consumer.

Hon. A. Burvill: They are out after the golden eggs!

Hon. H. J. YELLAND: I make no apology for dealing at length with this point because it is vital in connection with the Bill. I intend to take up the question as it was put forward by the representative of the Westralian Farmers Ltd. in a letter that appeared in the Press recently, and also as it was dealt with in a letter by the Mayor as representative of the Perth City Council. I will not take sides, because I am aware that the Westralian Farmers Ltd. are standing aloof from it, except so far as they are urged by organisations, with which they come in contact, to take action. I propose to examine that letter and the reply, seeing that this is a project the control of which the City Council are endeavouring to secure. In those circumstances it is as well for us to give close consideration to the statements contained in the communication. Perhaps the Mayor did not think that we read the "West Australian" for he has sent to each member of Parliament a copy of his letter that was published. In the course of his communication he says—

As mayor of the city, may I hope, in view of the importance to the public of the type of body which shall control the public facilities, such as markets, the members will at least agree to refer the question to a select committee.

I thought that was the prerogative of Parliament. Before passing on to deal further with the letter, I would like to refer to statements made by Sir William Lathlain when he spoke on the second reading of the Bill. The "West Australian" report of his speech contains the following sentence:—

Another important factor in City Council control was that the councillors were periodically elected by the people who would have to pay the cost of the erection of the markets.

Hon. Sir William Lathlain: That is so.

Hon. H. J. YELLAND: In a previous portion of his speech, Sir William Lathlain said—

No body of men in the State was more anxious for the welfare of producers, consumers and ratepayers than the Perth City Council. All that body desired from the markets was interest, sinking fund and rates.

Those two statements appear to be contradictory. In the first place, the City Council intend to provide a sinking fund, and I presume that sinking fund is to be built up from the profits derived from the markets. If that be so, who will provide the profits? They will come from the consumers who buy and the producers who send their commodities to the markets for sale.

Hon. J. M. Macfarlane: Do you say that is not a proper charge?

Hon. H. J. YELLAND: I consider it is a proper charge.

Hon. Sir William Lathlain: You have to get the money from someone else first.

Hon. H. J. YELLAND: That is so, but the hon. member said that the sinking fund is provided to pay for the buildings that will be erected. Yet he also said that the important feature of City Council control was that the councillors would be periodically elected by people who would have to pay for the cost of erection. I have shown that the people who will contribute the sinking fund are not those who will elect the councillors, but the producers.

Hon. H. Stewart: And as the producers will pay, they are entitled to representation.

Hon. H. J. YELLAND: Exactly.

Hon. Sir William Lathlain: And the City Council offer the producers more representation than the Government do!

Hon. H. J. YELLAND: Irrespective of whether the Government will control through the trust, or the City Council will control, the producers will pay for the erection of the building. The ratepayers will not pay.

Hon. Sir William Lathlain: Of course they will.

Hon. H. J. YELLAND: During the course of his speech Sir William Lathlain said definitely that the councillors would be elected by the people who would pay the cost.

Hon. Sir William Lathlain: Who finds the money in the first place?

Hon. H. J. YELLAND: But that is only a loan. The sinking fund has to be established to pay for the concern.

Hon. Sir William Lathlain: Certainly.

Hon. H. J. YELLAND: And that will be furnished by the producers, who will have to pay the piper.

Hon. Sir William Lathlain: The producers pay for everything in Australia in the long run.

Hon. H. J. YELLAND: Perhaps they do; I like a person to be candid.

Hon. Sir William Lathlain: I defy you to find anything wrong with it.

Hon. H. J. YELLAND: I have quoted the hon. member's definite statement. It is his own, and now he tries to shuffle out of it.

Hon. Sir William Lathlain: Excuse me, I have not attempted to do so.

Hon. H. J. YELLAND: We all know that when one catches a rabbit, one generally hears him squeak. Another communication that we have received relating to this matter has been sent by the Housewives' Association. It is the only letter, apart from the one from the City Council, that advocates City Council control. Of course we realise that that would be the association's attitude, seeing that they represent the consumers. As the Mayor of Perth has stated that the council represent the consumers, we may presume that the Housewives' Association go hand in hand with them. Reverting to the Mayor's letter in which, I understand, he voices the opinions of the Perth City Council, Mr. Franklin said—

Mr. Thomson states "the scope of the City Council is confined to the municipal area, while the scope of the markets is State-wide." As a matter of fact the Bill now before the House does not even apply to the whole of the area under the jurisdiction of the City Council, let alone the whole of the State. The City Council controls Perth, North Perth, Leederville, Victoria Park and the endowment lands, whereas the Bill proposes to give the trust control of market powers only within the first three of these districts. Taking, therefore, Mr. Thomson's own argument, City Council control would be better than trust control, because it has jurisdiction over a larger area.

The Mayor claims that the municipal council would do better because it would have more extended control than the proposed trust. In the same paragraph, however, the Mayor states—

One notices that there is a harmless looking proviso in Clause 2 which empowers the Government to extend the boundaries of the jurisdiction of the market trust.

We have the Mayor of Perth putting forward a claim for the control by the City Council and stating as one reason that they can have a greater control than is given by the Act, and at the same time pointing to the Act where it is possible for the trust to extend its operations to boundaries almost unlimited. The Mayor goes on—

Mr. Thomson states that while "markets are important to consumers they are vital to producers."

I think that is a recognised axiom which will be accepted by every hon. member. The Mayor goes on to say—

So far as the consumer is concerned I think it will be agreed by both sides that as the City Council is elected by the people of the city, who number possibly one-fourth of the total population of the State, the Council represents the consumer in a way that a non-elected body such as the proposed trust could not hope to do. So far as the producer is concerned, the experience of other cities throughout the world where municipal markets are established and operated with conspicuous success is that the interest of the producers are effectively safeguarded by the municipal councils.

One might add they will be equally safeguarded under a satisfactory trust.

Hon. J. M. Macfarlane: Query.

Hon. H. J. YELLAND: Not at all; there is no query about it. The Mayor goes on—

As, however, it has been urged that the producer should have special representation, the City Council has agreed to the appointment of two direct representatives of the producers on the Council's Market Committee if the Bill be amended to vest market powers in the council.

A very laudable consideration to the producer, especially from the council as representing the consumer. Clause 3 is not of importance, but in a comment on that the Mayor says—

On the other hand there would seem to be a very real danger if a trust of five members were appointed, lest the Westralian Farmers should obtain a controlling interest in that body.

A more ludicrous statement could hardly have been written, and for that to come from the Mayor of Perth does not place a halo on his head.

Hon. J. M. Macfarlane: That statement was made by the Leader of the Country Party.

Hon. H. J. YELLAND: I do not profess to be a follower of the Leader of the Country Party. Then the Mayor goes on—

I have been informed that the friends of this company are endeavouring to secure two instead of one representative of the producers on the trust; in fact, Mr. Thomson practically admits this in paragraph 6.

We all admit that in justice to the producers.

Hon. J. M. Macfarlane: What about the consumer?

Hon. H. J. YELLAND: According to the Mayor, the City Council represent the consumers. The Mayor goes on—

If they can secure this, there is little doubt that before long they would succeed in dominating the trust.

They could have only two out of the five, so how could they possibly dominate the trust? Then the Government would have the right to appoint the chairman. I may ask where would the consumers be with three representatives and the producers with two? Dealing with the fourth paragraph, the Mayor says—

Mr. Thomson states, "There is no need for the City Council to own the markets to protect the health of the citizens, and whoever may be appointed to the trust will have enough common sense to know that they must make suitable arrangements in this regard."

It seems from the report given to us by Mr. Stewart that possibly it would be better from the sanitary point of view for the control to be under the trust. Probably the City Council would make the other fellow do what they are not prepared to do themselves. The Mayor goes on—

This has unfortunately not been the experience of the City Council in the past.

That is that the other bodies have paid the same attention to cleanliness as the City Council would do. On the part of the Mayor that is an admission of incompetence. Then he writes—

We are told in the Municipal Year Book of England that the main benefits derived from municipal ownership of markets are cleanliness, public convenience and the protection of the producer from unsound food. That would apply here just the same as in England. These advantages would accrue under the trust equally with municipal control.

I have very little respect for misrepresentation. The Mayor accuses Mr. Thomson of misrepresentation. He says—

Mr. Thomson then seeks to misrepresent the position by stating that fruitgrowers and market gardeners require relief from present cost. We cannot afford to pay toll to the City Council.

Further along the Mayor says—

I am pleased to note that the Westralian Farmers, Ltd., are so keen on affording relief to market gardeners and fruitgrowers from present costs and presume that this cannot be the same firm of Westralian Farmers, Ltd., which I understand a few years ago succeeded in raising the rate of commission on the sale of fruit and tomatoes by 50 per cent.

A clearer case of misrepresentation cannot be found. The Westralian Farmers Ltd. are in no way associated with the Producers' Markets, who were responsible for the alteration.

Hon. J. M. Macfarlane: Do you mean to say it is not a certificated company?

Hon. H. J. YELLAND: It so happens that two gentlemen who were directors of the Western Australian Farmers Ltd. were also shareholders and directors in the Producers' Markets, in the same way that I may happen to hold shares in two companies that are not associated.

Hon. J. M. Macfarlane: The facts are not disputed.

Hon. H. J. YELLAND: The Producers' Markets raised the rate from 5 to 7½ per cent. and we find that the Mayor of Perth, who has been wrongly advised, makes a statement publicly accusing the Westralian Farmers Ltd. by misrepresentation. I had occasion to send produce to the Producers' Markets, and I mentioned some matter of difficulty to Mr. Murray who said he could not help me, and he advised me to see the manager of the Producers' Markets. That manager had nothing to do with the Westralian Farmers.

Hon. A. Burvill: Everyone knows that.

Hon. H. J. YELLAND: In spite of that we have misrepresentation on the part of the Mayor. The Mayor's statement synchronises with the letter that appeared over the name of a member of the City Council who is interested in markets. Anyway, I am taking this opportunity to endeavour to remove the misapprehension under which the Mayor is labouring.

Hon. J. M. Macfarlane: You say that statement is false.

Hon. H. J. YELLAND: Absolutely. The Producers' Markets and other auctioneers decided they would increase the rate from 5 to 7½ per cent. with a view to giving better service. To prove that they are giving better service I need only say that the Producers' Markets are to-day in the forefront as salesmen. In the Eastern States the price is generally 7½ per cent. and in some places it is as high as 10 per cent. That is just by the way, and I refer to it merely because of the misrepresentation that has taken place. The Mayor closes his letter with certain details that appear in the Manchester Market Committee's report and he says that when 14 stalls fell vacant there were no fewer than

122 applications for them. I do not know whether that was because they were municipal markets or whether there happened to be a number of persons anxious to get into the business. I daresay the same number of applications would have been made had the markets been either a private undertaking or held by a trust. This is simply a matter applicable to trust control as well as to municipal control. I have examined the case put forward on behalf of municipal control. I maintain that no case has been made out either by the Mayor or by its advocates in this Chamber. I hope the House will in no way attempt to wrest control from the trust on which the producers will have a say. I shall certainly oppose the attempt to refer the Bill to a select committee, since that course will mean the delaying of the measure to such an extent that probably it would not reach finality this session.

Hon. A. Burvill: It has been delayed for 20 years.

Hon. H. J. YELLAND: I wish to inform the Honorary Minister that I do not agree with the proposed constitution of the trust. I think we have shown the hon. gentleman sufficient grounds for recognising that there is some force in our argument for giving the producer a little more consideration. I trust that the number of representatives of the producers will be increased, and that those representatives will be obtained from the ranks of the producers. The City Council claim to be able to represent the consumers. Perhaps Mr. Gray will be able to ascertain from the City Council by whom the representatives of the consumers will be elected. When the term "consumers" is used, it is difficult to know who is excluded, because practically everybody is a consumer. Practically everybody, whether a producer or not, buys from the markets something that he does not produce. The term "consumer" practically includes everybody in the realm.

Hon. Sir William Lathlain: The term "producer" is nearly as wide.

Hon. H. J. YELLAND: I do not think so. In the metropolitan area from Fremantle to Midland Junction, containing from 46 to 48 per cent. of the total population of Western Australia, there is not sufficient wheat or fruit produced to keep the community supplied for any length of time.

Hon. J. M. Macfarlane: We are all concerned in the development of the country.

Hon. H. J. YELLAND: That is so; but the people I refer to are not producers.

Hon. Sir William Lathlain: From whom are you going to elect the representatives of the producers?

Hon. H. J. YELLAND: It is possible for us to find a method of electing representatives of the producers, and I trust it will be done. I do not agree that either the Government a political organisation, or a financial institution should have the right to nominate any person to the membership of a trust of this kind. While supporting the second reading of the Bill I shall, as I said before, strenuously oppose any attempt to place the markets under the control of the municipality.

On motion by Hon. E. H. Harris, debate adjourned.

BILL—ROAD DISTRICTS ACT AMENDMENT.

Second Reading.

Debate resumed from the 4th November.

HON. E. H. HARRIS (North-East) [9.36]: As the result of my perusal of this measure, I will say that it contains a few useful clauses the enactment of which will assist the local governing bodies in the pursuance of their work, but that it also contains several important features with which I cannot agree. To those features I now propose to make reference. Clause 5 provides that if for two consecutive years the rates of a board amount to less than the sum of £500, the board may be abolished. My colleague, Mr. Seddon, has called for a return showing which of the existing boards would be abolished under that provision. I find that the number of boards affected is 13, eight of them being situated in the gold-fields area. When this measure was before us last session, it was ascertained that 24 boards would be affected by the proposed amendment. As regards the proposal that such boards shall be abolished, and presumably amalgamated with other boards, I may point out that in some cases this would involve districts of huge areas, in which members would have to travel great distances in order to attend meetings. Thus the expense of travelling would prove extremely heavy, absorbing possibly 40 or 50 per cent. of the rates. I have here a note from the chairman of the Mt. Margaret Road Board

stating that the vexed question of centralisation enters into the matter, and that it is generally accepted that centralisation has a retarding influence on the progress of the community. These people are far removed from what would be the centre of their district if the Mt. Margaret Road Board were blotted out by the proposed amendment. The chairman further states—

We wish to say that this board has never had to ask the Government for assistance, and further that the ratepayers have had a reduction made from 2d. in the pound to 1½d. on the unimproved capital value for the present year. The value of our rateable property has increased by £27,000 in five years, which is a fair indication of progress.

The Mt. Margaret Road Board are far removed from what would be the controlling body of the district if absorption took place, and the travelling expenses involved would be extremely heavy. I acknowledge candidly that probably absorption or amalgamation would result in an immediate saving of a few pounds; but hon. members will agree that local government at a distance of about 250 miles does not make for either efficiency or economy. Some of the boards which would be amalgamated or absorbed I find are the representatives of growing centres, which may in a very few years have rates reaching the proposed minimum of £500. A year ago the amendment in question would have affected 24 boards, whereas now the number is reduced to 13. This goes to show that if these 13 boards are allowed to continue for a year or two, the probability is that the incomes of most of them will rise to the minimum of £500. The Bill makes no provision for reconstituting a board which has been amalgamated with another board. I understand that a certain procedure would have to be gone through in order to get the amalgamation revoked. This is an important feature, in view of the likelihood that growing centres now below the minimum of £500 will speedily attain to it. Another important feature is the term of office allowed to members of boards—"three years and no longer." On the ground of economy it seems desirable to eliminate two elections, but I have a great regard for continuity of policy. From that aspect I consider it highly undesirable that all the members of a municipality or a road board should be elected at one time. During the national crisis we learnt that a cry may be raised as to some matter which has received no great amount of consideration,

and that thus an appeal may be made to party prejudice. For that reason it might happen that an entirely new board would reverse the policy obtaining prior to their election, and so occasion considerable loss to the ratepayers.

Hon. A. Burvill: Do you know that the last Road Board Conference expressed themselves in favour of that particular alteration?

Hon. E. H. HARRIS: It may be so. As one who has sat on a local governing body for a considerable period, and especially as a member of this Chamber, I consider it undesirable that all the members should be elected at one time. Suppose there is a new board of 10 or 12 members without previous experience of local government or the administration of an institution. There will be a secretary or a valuer, and the members of the board will be entirely in the hands of that officer. We shall be placing him in the position of an autocrat. He will be conversant with the Act, and so the majority of members will have to look to him for advice. I do not think that at all desirable. We have another innovation providing that a man with property in more than one ward shall say in which ward he desires to vote. A man of property may be residing in one ward and have his business premises in another. When it comes to a question of spending money in one ward or another he is particularly interested, and in my view should have a vote for each ward in which he has property. Miners and pastoralists who have devoted the whole of their lives to the improvement of their properties frequently have interests covering a large area. I submit that when they have properties in separate wards they should have a vote for each ward. The next point to which I take exception is the one man one vote proposal. The Government have not had a mandate either from the people or from the road boards respecting this provision. I hope it will not be agreed to. It is grossly unfair that a man should have only one vote, irrespective of the rates he pays. In my electorate I can point to men living in camps for which they pay 8s. 9d. per annum. They each have a vote, and under this proposal the mining company providing work for them and paying up to £300 or £400 in rates shall have but one vote also. On the Sturt Meadows station, outside of Leonora, the company are now installing 78 wind-

mills, and spending vast sums on other improvements I claim that they are entitled to have votes in accordance with the rates they pay.

Hon. E. H. Gray: How many votes would you give them?

Hon. E. H. HARRIS: I would leave it as it is at present. In that centre there are approximately 600 persons on the ratepayers' roll. Twenty of those ratepayers pay 33½ per cent. of the rates collected. Is it fair to say that those 20 ratepayers should have only 20 votes, as against 580 distributed over the rest of the roll?

Hon. E. H. Gray: You would give them one-third of the representation.

Hon. E. H. HARRIS: No, I would leave things as they are. This proposal will take from them their existing voting strength. It is merely a political provision. We are to have a general election presently, and this will be one of the placards displayed in the political windows.

The PRESIDENT: Order! The hon. member must not impute motives.

Hon. E. H. Harris: It is desirable that we should induce people to take an interest in the local authorities.

Hon. E. H. Gray: Plural voting will reduce that interest.

Hon. E. H. HARRIS: The hon. member ought to apply this principle to his own province. He might then find people declining to share his views. This is an effort to stifle the voice of the pioneers and their successors, for in effect it says, "You pay the rates, and in proportion to numbers, not to needs, will the money be expended." Another clause deprives joint owners of their existing privileges. Under it only one of the joint owners shall be entitled to vote. Before passing from the question of the single votes, let me take as an illustration the industrial unions of Western Australia that are affiliated with the Australian Labour Party. They pay capitation fees to the governing body in proportion to the number of their members, but their representation at congress is not on the basis of one union one vote; rather do they fight like Kilkenny cats to get as much representation at congress as they can.

Hon. J. Cornell: And that applies to the A.L.P.

Hon. E. H. HARRIS: It applies also to their official newspaper, of which I am a

shareholder. The principle of one vote is good enough for ratepayers, but not good enough for the Labour Party. Immediately a union becomes affiliated with the central body, it endeavours to get as many delegates as it can on that body, and when congress is held the union fights to get the maximum number of delegates there. So the representation that appeals to the unions is not on the basis laid down in the Bill. If an amendment be submitted to eliminate that provision, I will support it. Another provision suggested to me as being unfair is that by which the ratepayer, if dissatisfied with the rating of his property, is denied an appeal. Suppose the board is a newly elected one, its members unacquainted with the Act. They have the valuator and the secretary, but there is not to be an appeal from any decision given. The new board may have been elected on a certain issue. Almost certainly they will be relying on the officers to assist them in conducting the affairs of the district. They may determine on a particular rating, and the ratepayer who objects to the rate fixed upon his property will have no appeal from the decision of those men who have been elected on a particular election cry and whose knowledge of the Act is so limited that they have to be guided by the secretary, who may exert an influence prejudicial to the ratepayer who thinks his land is over-rated. The proposal to empower road boards to purchase halls is desirable. It frequently happens that a hall is built for many purposes and if the board were empowered to purchase it, it would prove beneficial to them and to the whole of the ratepayers. Regarding the proposal to empower boards to run certain institutions, a good deal would depend upon the personal equation. In one district there might be enthusiastic men of business acumen, whereas another district might not have members of the same calibre. Still, so long as it is necessary for a board to obtain the authority of the Minister, the ratepayers would be more or less safeguarded. It is highly desirable to insist upon the local health authority being notified when houses are being demolished. The boards on the goldfields have been anxious to obtain that power for a considerable time. Those are the only points to which I take exception. I realise that several of the clauses will materially assist the local governing bodies. I shall support the second

reading, reserving to myself the right to move amendments in Committee.

HON. V. HAMERSLEY (East) [10.2]: I realise that the road boards have done an immense amount of good work for the State, but I am at a loss to know why it is desired to change the name of a road board to that of a district council and the name of chairman to that of president. That is probably only a detail and doubtless has been requested by the road board conference. I hope this House will not agree to all the changes indicated in this measure. I take exception to the proposal to grant extended powers to road boards for the purpose of raising money to acquire, establish and carry on such services as ferries and transport of various kinds. That is not the kind of thing that road boards should undertake. I imagine that in some instances we shall have them competing with the Government, and I hardly think that the Government would appreciate such competition. We know that they have already interfered with each other much in the same way that the State Government are apt to encroach upon the rights and privileges of the Commonwealth Government, and vice versa. That might also apply if the power to run hospitals is granted to road boards, because there again road boards would be encroaching upon functions exercised by the Government. To give road boards power to raise money for running cinematographs—

Hon. E. H. Harris: They might easily lose money on cinematograph shows.

Hon. V. HAMERSLEY: Undoubtedly. To give them such power seems to me tantamount to launching them on the road to ruin.

Hon. Sir William Lathlain: They might import Harry Lauder.

Hon. V. HAMERSLEY: Such powers granted to road boards should be curtailed rather than enlarged. The Government have entered upon a lot of trading concerns.

Hon. A. Burvill: The City Council on markets, for instance.

Hon. Sir William Lathlain: That is their province.

Hon. V. HAMERSLEY: The Government are already competing with private enterprise in many directions in spite of the prohibition in the State Trading Concerns Act against any extension of such trading. Those who feel that the Government have

already embarked upon too many trading concerns dread the future if the local governing bodies are to be empowered to undertake similar ventures. I fear that untold difficulties will be the outcome of granting such extended powers. I have had experience of local governing bodies and it has been interesting to me to observe how new people coming into a district immediately begin to talk of what a splendid thing it would be if the road board could take charge of this business or run that concern.

Hon. H. Stewart: A steam laundry, for instance.

Hon. V. HAMERSLEY: Yes, or something of that kind. These newcomers tell the local people what a lot of duds have been on the road board for the last 30 or 40 years, and urge that things need to be livened up. Such people are generally found to have an axe to grind. They get one or two special pals elected to the board and then begins a general squandering of the funds. When they have raised the rates as high as the district can stand, and often a little higher, these men who have made themselves jolly good fellows disappear—they have never been more than tenants—and leave the bona fide owners of property to carry the burden of the added debt. That is one of the greatest dangers attending local government and the possibilities of such dangers being increased under this measure are glaring. An immense amount of money is being spent under the Federal aid road grant and in other ways, and I doubt whether there are sufficient men in the community to compete for the enormous amount of work to be done. If it is not possible to get competition for the work, it will be doled out and arranged amongst the men in the district.

Hon. E. H. Gray: That is a good argument for well supervised day labour.

Hon. V. HAMERSLEY: It is not a good argument for day labour. The most satisfactory plan is to call for tenders and, if tenders are not received, to refrain from going on with the work. Under the day labour system a road board is in the same old boat of not being able to get 20s. worth of work for each £1 spent. The property owner continues to pay his heavy rates and money is extracted from him that often could be used to better advantage by him than by the local governing body entering upon picture entertainments and such like. If road boards are permitted to establish un-

dertakings of that kind they will be well on the high road to ruin. The clauses in the Bill that propose to confer such powers on road boards should receive careful scrutiny and the pruning knife should be applied to them rather severely. It is not in the best interests of the country to give road boards such extended powers. I support the remarks of Mr. Harris on the question of curtailing the voting power of property owners. Such a curtailment constitutes a serious departure and may easily prove a great danger. I have not looked closely into the matter to see what the effect is upon the man who owns property in two or three road board districts. Very often the boundaries run through a block of land, and it is possible the owner may have to elect in which road board area he will have his roads. That probably would be the next stage. There is an old saying that he who pays the piper should call the tune. The man who is providing the major portion of the funds that are spent by these local bodies should have more say in the expenditure of the money than the flotsam and jetsam that drift into a district for a little while and have no great interest in its welfare. With regard to the question of raising money for the construction of homes, it may be that a builder would get on one of these boards, and would persuade the authorities to increase the size of the township. Whilst the money of the ratepayers was being squandered in the raising of loans and in other directions, this man might be making a little fortune. The principle is a dangerous one. If people want to build homes they can do so through the Workers' Homes Board, who understand the whole business and have it all at their finger ends. It would be a great mistake to interfere with the policy that is being followed by the Workers' Homes Board. With regard to the election of members of these councils, it would be a great mistake to have them all coming due every three years. Letters I have received from districts all complain that this would break the continuity of policy that has been built up for many years, and of which the local people are so proud. The present system in this respect is working satisfactorily. If the elections occurred every three years there might be a complete change in the personnel of the local authorities, which would bring about a similar change of policy. Furthermore, the policy might be controlled by a noisy sec-

tion of the community, and the people might be put into a constant state of ferment. It would be unwise to make any change in this respect. I support the second reading of the Bill.

HON. A. BURVILL (South-East) [10.20]: The Bill will require to be amended in Committee. The provision contained in Clause 26, for one engineer to act for several boards, is a wise one. It should be extended to embrace auditors, so that one auditor may act for several adjacent boards. This would make for greater economy and for the better keeping of the accounts. It would also acquaint the local authorities with their financial position at more regular intervals. With regard to the election period, I understand the road board conference was in favour of this provision, but I am opposed to it. It would be better to leave things as they are. It is merely an experiment. It will save money at two elections, but that will be at the expense of continuity of service concerning what is to a great extent a business undertaking. If a man has votes in one ward, the Bill provides that he shall not have a vote in any other ward. I do not agree with that. I may have property in a ward which costs me £10 a year in rates. I may have similar property in another ward and have to pay a similar amount, but another man may have to pay only 5s. in that ward, and he will have a vote there, but I will not have one.

Hon. E. H. Harris: That is a preliminary to a Bill to amend the Constitution Act.

Hon. A. BURVILL: I am opposed to the principle of one-man, one-vote. I have been a member of a road board for 17 years and claim to know a little about the work. The man who pays the piper should call the tune. There may be a hundred voters each paying £20 a year in rates, and there may be twenty who are paying up to £50 a year. The hundred voters will pay altogether £2,000 a year. If, however, there are also 100 voters who pay 5s. each, these will pay only £25 a year, but they will have 100 votes. Those who pay the £2,000 may have only 25 votes, so that the others would have four times as many votes. The term "road board" does not seem to cover the position. A road board functions in other respects than merely in connection with roads. Whether the term

"district council" is a better one or not is a moot point. It might be better to call them provincial or shire councils. The building of homes is not one of the functions of road boards, although I have no objection to their building homes for their employees. Very often it is difficult to get a house in a small town, and it is possible that owing to the shortage of accommodation certain individuals may erect houses and charge exorbitant rents for them. If a road board had power to build homes for the employees, all this additional cost would be saved. Such a provision would do away with a lot of the trouble that has occurred in some towns, and be the means of providing suitable residences for good employees. I have pleasure in supporting the second reading of the Bill.

On motion by Hon. Sir William Lathlain, debate adjourned.

House adjourned at 10.27 p.m.

Legislative Assembly.

Tuesday, 9th November, 1926.

	PAGE
Questions: Milk Supply	2007
War Relief Funds	2007
Septic Tanks, Claremont	2007
Assent to Bills	2007
Bills: Constitution Act Amendment, 2 nd , etc. ...	2007
Industries Assistance Act Continuance, returned	2022
City of Perth Act Amendment, returned ...	2022
Annual Estimates: Chief Secretary's Department...	2022

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

QUESTION—MILK SUPPLY.

Mr. SAMPSON asked Hon. S. W. Munsie (Honorary Minister): What steps do the Government propose to take in order to give effect to the report and recommendations of the Royal Commission on Metropolitan Milk Supply submitted in 1925?

Hon. S. W. MUNSIE replied: It is proposed during the next session of Parliament to introduce legislation dealing with the matter.

QUESTION—WAR RELIEF FUNDS.

Mr. WILSON asked the Premier: 1, Has his attention been drawn to the annual report of the Red Cross Society, wherein it is stated that £500 was received from the war relief funds during the year? 2, In view of the early passage of a War Relief Funds Bill, will he affirm the desirability of all trustees of war relief funds withholding further action in respect of advances until the council or committee, as provided for in the proposed Bill, is constituted?

The PREMIER replied: 1, Yes. 2, Yes.

QUESTION—SEPTIC TANKS, CLAREMONT.

Mr. NORTH asked Hon. S. W. Munsie (Honorary Minister): Has the Bill authorising local bodies in the Claremont electorate to introduce septic tanks been prepared?

Hon. S. W. MUNSIE replied: The preparation of the Bill is now in the hands of the Crown Law Department, and the measure should be ready within about ten days.

ASSENT TO BILLS.

Message from the Governor received and read notifying assent to the following Bills:

- 1, Stamp Act Amendment.
- 2, Supply (No. 3), £1,363,500.
- 3, Broome Loan Validation.
- 4, Land Tax and Income Tax.
- 5, Inspection of Scaffolding Act Amendment.

BILL—CONSTITUTION ACT AMENDMENT.

Second Reading.

Debate resumed from the 7th September.

MR. PANTON (Menzies) [4.37]: A good deal has been said about this Bill already. Probably it is looked upon as a hardy annual. Nevertheless, in my opinion it represents a much needed reform.