

lost money by responding to an appeal made by the Government? We are entitled to believe that when a responsible Minister speaks, as did the Minister for Agriculture last September, he has full knowledge of the facts before him, but if subsequent events which he could not foresee prove him wrong, then the Government, and not the farmers, should suffer any financial loss that is made.

I know, of course, that some farmers refused the price offered by the Agricultural Bank, and, being unable since to obtain a better price, they consider the Government should now give them the price they refused, but I have no sympathy for such men. But the others who, as previously stated, answered a national call and so refused a known price for their crop if stripped for grain, these have, I consider, a just claim for compensation against the Government, and I appeal to the Minister to reconsider his decision to loan money only to such farmers as can comply with his very restrictive conditions.

I do not propose to go over all the ground covered by the file which Mr. Seward has been kind enough to lend me. Mr. Wood has stated the case from the farmer's point of view and the two letters I have read indicate the serious loss that has been borne by farmers who, in an honest endeavour to assist the Government and their fellow farmers, cut hay which under normal conditions they would not have done. Mr. Wood, in moving the motion, asked the Government to see whether it was not possible to evolve a fair and practical method of meeting the position that has arisen. I do not think that is impossible and I believe that on due inquiry it will be found that there are men who have experienced severe losses. It would not hurt the Government to deal with each case on its individual merits and I am sure the House would not take exception to any course of action the Government pursued in that direction.

The Chief Secretary: How can a distinction be made between the deserving and the undeserving?

Hon. A. THOMSON: I hold no brief for those that were offered high prices and refused them, but there are many farmers who have every justification for feeling that they have been let down. They were led to expect that they would receive a certain price, which they have not received. I hope the House will agree to the motion which, after all, is only a recommendation to the Government to inquire into the matter with a view to ascertaining whether

some way can be found to assist those who have suffered loss.

On motion by Hon. G. B. Wood, debate adjourned.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Assembly's further Message.

Message from the Assembly received and read notifying that it had agreed to the amendment made by the Legislative Council to the further amendment made by the Legislative Assembly to the Legislative Council's amendment No. 1.

House adjourned at 6.18 p.m.

Legislative Assembly.

Wednesday, 3rd December, 1941.

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

QUESTION—PUBLIC BUILDINGS.

As to Disinfection.

Mrs. CARDELL-OLIVER asked the Minister for Health: 1, What is the practice of the Department regarding disinfection of public buildings; especially State schools? 2, Is he aware that many metropolitan schools have not been disinfected for 25 years, notwithstanding the various epidemics from which many school children have suffered? 3, Is he aware that in those schools where limited disinfection takes place, the school provides the disinfectant from school funds collected from the children?

The MINISTER FOR HEALTH replied: 1, Disinfection of public buildings and schools has long been discontinued as a measure of any public health value. Fresh air by ventilation, sunshine, and mechanical cleansing of desks and floors is all that is necessary. 2, Yes, answered by 1. 3, No. This is not done with the concurrence of the Department which does not recommend anything more than is indicated in question 1 above.

QUESTION—EDUCATION.

As to First Aid Kits.

Mrs. CARDELL-OLIVER asked the Minister for Health: 1, Is he aware that first aid is an essential part of the curriculum in schools, and that there are still approximately 300 schools without first aid kits, making it impossible for this subject to be taught? 2, Owing to the national crisis and the necessity for all schools to be provided with first aid materials, will the Government supply these kits immediately?

The MINISTER FOR HEALTH replied: 1, No, but first aid work is included in the syllabus of the upper-primary and post-primary classes. 2, The requirements of schools on account of the national crisis are receiving the close attention of the Government.

BILL—DEATH DUTIES (TAXING) ACT AMENDMENT.

Third Reading..

THE PREMIER (Hon. J. C. Willecock—Geraldton) [4.33]: I move—

That the Bill be now read a third time.

HON. C. G. LATHAM (York) [4.34]: I wish to ask the Premier: Has he looked into the points raised yesterday evening dealing with the word "direct," and the interpretation of the phrase "active service?" The Premier promised to look into those matters. We have little chance to discuss this, except when he replies. Some steps will have to be taken to check these points. I would like an undertaking from the Premier that, if he cannot do anything in this House, the matter will be attended to in another place.

THE PREMIER (Hon. J. C. Willecock—Geraldton—in reply) [4.35]: I was under a

misapprehension. I thought this Bill was the one of which I had moved the third reading last night.

Hon. C. G. Latham: It is practically the same.

The PREMIER: The two measures are complementary, and the Government wants to interpret them in a very generous way. In reply to the Leader of the Opposition, I would be prepared, if an amendment were moved in another place to delete the word "direct," to agree to it. If that word is retained, it might mean that under exceptional circumstances some person might be deprived of the benefits contained in the measure. It is the intention of the Government that everybody who could be entitled to the rebate in connection with probate and estate duties should receive it. I could discuss an amendment with the Leader of another place.

The interpretation of the term "active service" is rather confused. The interpretation section of the Defence Act defines "active service" to be the same as "in the Imperial Army Act." When we look at that statute we find the position to be unsatisfactory. It states that when, in the opinion of somebody, active service conditions apply, then they do apply, and proclamation has to be made and the necessary procedure adopted.

Mr. Doney: There were four or five interpretations yesterday.

The PREMIER: It is no use saying what the Commonwealth Act provides, because it refers to the Imperial Army Act which states, by Subsection 1 of Section 189—

In this Act, if not inconsistent with the context—

Then we have to consider the context.

—the expression "on active service" as applied to a person subject to military law means whenever he is attached to or forms part of a force which is engaged in operations against the enemy or is engaged in military operations in a country or place wholly or partly occupied by an enemy, or is in military occupation of any foreign country.

The House considered the term "active service" when dealing with the Income Tax Assessment Act, and allowed soldiers on active service certain taxation concessions.

Hon. N. Keenan: The Commonwealth Government did that too. It strictly applied the provision to men outside Australia.

The PREMIER: We did that also, and in our Income Tax Assessment Act we have a definition of the term "active service."

Hon. N. Keenan: It means outside Australia.

The PREMIER: I will tell the hon. member what it does mean. We might be well advised to adopt the phraseology contained in that Act. We have not made any mental reservations, nor have we any desire to exclude, for purely formal reasons, anyone from getting the benefit under this clause. The Government desires to make the law as widely and generously applicable as possible. This means that when anyone loses his life on active service and his estate comes under the Administration Act or Death Duties Act, his beneficiaries will receive a certain amount of relief. Here is the definition that we passed in the Income Tax Assessment Act of last session—

(b) in the case of a member of the military or air force of the Commonwealth—embark for service outside Australia.

Hon. N. Keenan: Is that the same as the definition in the Commonwealth Act?

The PREMIER: I cannot assure the hon. member that it is so, but I believe it is. We have tried in our taxation Acts to maintain uniformity with the Commonwealth. I give the House an assurance that the matter will be considered and, before the Bill is passed in another place, an amendment along these lines will be inserted. This will mean that so long as a person was a member of the military or air force of the Commonwealth and embarked for service outside Australia, he will be regarded as having been on active service.

Question put and passed.

Bill read a third time and transmitted to the Council.

BILL—TRAFFIC ACT AMENDMENT (No. 2).

Second Reading.

THE MINISTER FOR WORKS (Hon. H. Millington—Mt. Hawthorn) [4.42] in moving the second reading said: In 1939 a Bill was introduced to make provision for compulsory third party insurance. This Bill does not differ materially from that measure as regards the benefits conferred by insurance effected under the mea-

sure. However, there are two major points of difference in that under this Bill the insurance will be undertaken by a fund or pool to be administered by the State Government Insurance Office only, and the insurance will be obtained simultaneously with the issue of the motor vehicle license and will run concurrently with the currency of that license. Those are the two fundamental differences between the Bill introduced in 1939 and this measure.

Members are aware that requests extending over several years have been received from numerous organisations, including the Royal Automobile Club, various hospital authorities, the Commissioner of Police, municipalities and other local government bodies for such legislation. The general principle embodied in the Bill is that insurance must be effected by the owner of every motor vehicle, which will cover the legal liability of any person driving the vehicle, whether lawfully or unlawfully, in the event of death or bodily injury occurring to any third person. The Bill does not cover damage to property. When discussing similar legislation previously, I endeavoured to make it clear that all such Acts covered legal liability only. True, the liability can be extended, but what I have stated is all that is contained in this measure and, I think, in similar Acts throughout the world. The Bill provides for the same amount of cover as do the Acts of the other States and New Zealand.

On previous occasions, members have agreed that, while the effective control of traffic for the purpose of preventing injury to persons by motor vehicles is of paramount importance, it is impossible to eliminate entirely such unfortunate occurrences, and it is therefore only reasonable and proper that the owner of the vehicle should be required, in the public interest, to place himself in a position adequately to compensate persons injured through his negligence. That is the principle behind the measure and is the reason for the demand for it. In many cases of injury to third persons caused purely by the negligence of the drivers of the vehicles, the injured persons have been unable to recover any hospital or medical expenses, or compensation for permanent injury, owing to the fact that the owner of the vehicle was financially unable to pay, and was not insured.

Somewhat similar laws have now been in operation in England, New Zealand, Queensland and Tasmania for some years. In 1936, the South Australian Parliament enacted a compulsory third-party insurance Act—proclaimed as from the 1st April, 1937—following an exhaustive investigation by a special committee on road transport; and Victoria, in 1939, passed and proclaimed similar legislation. It has been reasonably urged that so far as the Australian States are concerned, the various Parliaments should aim at uniformity. Therefore the general principles of the Bill now presented are based on the provisions of the South Australian Act, which is somewhat similar to the measures operating in Queensland, Tasmania and Victoria.

During recent years hospital authorities have often directed attention to the losses incurred by them in treating motor injury cases owing to neither the insured persons nor the owners of the motor vehicles being in a position to pay the hospital expenses. Provision is made in the Bill to meet to some extent this unsatisfactory position. Statements have been made on various occasions by the management of the Perth Hospital emphasising the urgent need for some such provision as is now proposed, owing to its inability to recover hospital charges in many accident cases. The position as far as hospitals are concerned should be materially improved under the provisions of the Bill. The Adelaide Hospital Board states that the third-party Act has proved very beneficial.

At the 30th June, 1941, the number of motor vehicles licensed in Western Australia totalled 68,487. Information as to the number of vehicles actually covered for third-party risks is not available, but it was stated in 1938 by a leading insurance authority that probably only 50 per cent. of the motor vehicles then on the roads were so covered. In 1938 I quoted lengthy statistics relating to the number and incidence of motor accidents, but do not consider it necessary to do so now as the alarming facts under normal conditions in the motor industry are so well known. Members are aware that since the 1939 Bill was introduced the subject has been one of inquiry and report by a select committee of the Legislative Council, under the chairmanship of the Hon. A.

Thomson. In its report the select committee said—

The overwhelming evidence submitted has convinced your committee that it is essential to introduce compulsory third-party personal protection to compensate the public for injuries. We believe this is a social obligation long overdue.

In order to ensure the required protection the licensing authority should collect the premium for third-party risk, and should then issue the license which should have imprinted thereon the fact that a premium for third-party personal risk has been paid for the period of the license.

This method provides for economy in collection, at practically no cost, by the local authorities, eliminates all possibility of a motor vehicle being on the road without cover, and ensures that any person injured by the vehicle will be compensated by the pool.

Present conditions do not provide for compensation to persons injured by hit-and-run, unauthorised or uninsured drivers, and insurance companies have the right, under existing legislation, to refuse what they term bad or hazardous risks.

Under the present Act—

This obviously refers to the 1939 Bill—

—no limitation of liability is fixed for persons injured other than in passenger vehicles, where damages are limited to £2,000 per person, or £20,000 in all. Your committee considers liability should be limited to the sum of £1,000 per person.

Although that was the select committee's recommendation, no one here is in a position to say to what extent the liability exists. If we limit the liability to £1,000 the court may award a sum considerably greater than that, and this would mean that the person concerned would only be partially covered. The Bill provides that the cover shall be unlimited, and the only limitation stated is in connection with buses, which are limited to £2,000 for the individual and £20,000 for the owner's risk. Following the report of the select committee the majority of its members recommended the establishment of a co-operative pool to be administered by an advisory board. In the opinion of the Government, the business can be efficiently and cheaply undertaken by the organisation existing in the State Government Insurance Office on a non-profit making basis as recommended by the select committee. As the committee points out this compulsory levy is merely a form of taxation, and as such it is appropriate and proper that it be collected and administered by a State organisation.

Mr. Doney: Are you quoting the report of the select committee?

The MINISTER FOR WORKS: These are comments on the committee's report. That body recommended the establishment of a pool to be administered by some organisation set up for the purpose. The Bill provides for a fund to be established and administered by the State Government Insurance Office, which already possesses the necessary expert staff and organisation. The fund must be administered on a non-profit basis, as I will point out later on. We have embodied in the Bill the principles set out and recommended by the select committee.

In respect of the business done by the State Government Insurance Office and the administration costs, I point out that for the year ended the 30th June, 1941, the premium income of the State Government Insurance Office was £323,596. The administration expenses were £9,992, and the taxation assessment £18,661, a total of £28,653, equivalent to 8.8 per cent. of the premium income. That will give members an idea of the economic manner in which the State Government Insurance Office has conducted its business. Provision is made for the collection of premiums by the licensing authorities, as suggested by the select committee, thus tending materially to reduce administrative costs. The select committee on the evidence placed before it aimed at providing compulsory insurance at the lowest possible cost to motor owners, and we are following that up.

The method of obtaining insurance is described in proposed new Section 13A, to be inserted in the Traffic Act, which provides that, when a person applies for a motor vehicle license, he will at the same time pay to the local authority the premium for the requisite insurance. In the new Part IV A to be inserted in the Traffic Act, provision is made for the State Government Insurance Office only to undertake the insurance, and for the nature and extent of its liability under such insurance. The establishment of a special and separate fund to be termed the Traffic Act Insurance Fund is provided for, and this will be administered by the State Government Insurance Office. The moneys in the fund will be kept only for use in connection with the insurance obligations of the insurer. As in the 1939 Bill, provision is made for the appointment of a committee to be called the Traffic Act Insurance Committee.

but under the Bill now before the House its functions will be different from those specified in the old measure.

Under this Bill the State Government Insurance Office will, in the first place, fix the premiums to be paid for insurance. That will be done by the State Government Insurance Office. The committee will, as one of its functions, investigate and report to the Minister upon the reasonableness of the premiums so fixed. It cannot override the State Government Insurance Office as regards the fixation of rates of premium, but if the committee thinks the rates are unreasonable, and the State Government Insurance Office and the committee cannot reach an agreement on the question, the Minister as arbitrator will decide. Provision has to be made for the change-over. Members will be aware that many insurance policies are in operation which it is safe to assume will extend beyond the period fixed for the commencement of this measure. If passed, this Bill will be put into effect at the next licensing period, that is from the 1st July, 1942. Elaborate arrangements have to be made for the change-over in respect to premiums in operation at the time. Those would be comprehensive policies which include third-party risks.

Arrangements are made that the third-party risk shall be assessed and paid to the State Government Insurance Office. That would mean that from the 1st July next year the State Government Insurance Office would conduct the pool entirely and all insurance policies then current would end. The third-party risk amount would be assessed and paid to the State Government Insurance Office. This difficulty will arise only once and after the current insurance policies are exhausted the State Government Insurance Office and the pool will be entirely responsible, and no else will be permitted to conduct third-party insurance.

Mr. Mann: Fresh policies would be required afterwards.

The MINISTER FOR WORKS: Yes. That is briefly what would happen; but the elaborate method of this change-over is set out in the Bill. The other major function of the committee will be to settle disputes between the State Government Insurance Office and the outside insurance companies concerning the amount of surrender value to be paid by the latter to the former upon surrender by insured persons of current

policies which they have with the outside companies, when it becomes necessary for such insured persons to obtain insurance under the Traffic Act.

Because, during this session, Section 9 of the Traffic Act has already been amended to provide for quarterly, half-yearly and yearly licenses, in relation to a fixed financial year, that section cannot now be amended to abolish the fixed financial year and allow the issue of half-yearly and yearly licenses to run from the date when they were issued, as was provided for in the old Bill. Since insurance under the new Bill is to run concurrently with the license when issued, special provision must be made with regard to the owner who, when it becomes necessary for him to obtain a new license and, at the same time insurance under the new Bill, already has with an outside insurance company a current policy under which he is entitled to insurance of the same nature as that provided for in the new Bill.

Provision is made for such cases as follows:—The obligation to obtain insurance under the new Bill will run from the 1st July, 1942. The owner can, before the 31st May, 1942, apply to the private insurance company for a certificate which will show, inter alia, the amount of the surrender value as at the 1st July, 1942, of that contract in the policy which covers third party insurance risks and by the 15th June, 1942, can lodge that certificate with the State Government Insurance Office. Upon this Bill receiving assent, it is reasonable to assume that the insurance companies when issuing new or renewing existing comprehensive policies between the passing of the Bill and the end of June next, will so arrange the premiums that the risk made compulsory under this Bill is covered by them only up to the 30th June, 1942, and thus avoid a calculation of surrender values in respect of such policy. In connection with the issuing of new policies, I imagine it would be a simple matter to arrange with all private companies that the third party insurance policies they issue shall end on the 30th June, 1942. That would prevent all complications and there would then be clear sailing. It would be a question of taking out a license and also third party insurance and paying the money into the pool. It has to be recognised that the change-over must be provided for, and therefore this some-

what complicated system has been devised by the draftsman.

When it receives such certificate the State Government Insurance Office will give the owner an acknowledgment in writing which will operate as a cover for insurance under the new Bill and, when the owner applies to the licensing authority for his vehicle license, he can lodge with such authority such acknowledgement instead of paying the insurance premium, and the licensing authority can issue the license subject to payment later to the State office of the premium to be assessed by the State Government Insurance Office. Having received the private insurance company's certificate from the owner, the State Government Insurance Office will consider whether the surrender value is adequate. If it is satisfied on that point, the State Government Insurance Office will demand payment of same from the insurance company which will be bound to pay it to the State Government Insurance Office.

If the office considers that the surrender value stated in the certificate is not adequate and the question cannot be settled amicably, the matter will be referred to the Traffic Act Insurance Committee which will decide the question. When the committee has fixed the amount of the surrender value the State Government Insurance Office can demand that amount from the private insurance company which will be bound to pay. When the State Government Insurance Office has received the surrender value it will assess the premium to be paid by the owner of the vehicle. If the amount of surrender value exceeds the amount of premium, the owner will be credited with the excess. If the amount of premium exceeds the surrender value, the owner will be given credit on account of the premium payable up to the amount of the surrender value received and will be liable to pay the difference to the State Government Insurance Office.

The State Government Insurance Office will notify the owner of its assessment and, where the owner still has some payment of premium to make, he must pay it to the State Government Insurance Office within a specified time. Upon payment, the office will sign a special memorandum on the owner's license showing that the premium has been paid in full. If the owner fails to make such payment of premium the State Government Insurance Office will notify the licensing authority, the vehicle will be deemed to

be unlicensed and uninsured, and the local authority can take steps against the owner as the owner of an unlicensed vehicle. This procedure is to avoid congestion at the traffic licensing offices in June and July next and to make the position as clear as possible to the licensing officials.

We are asking the local authorities to collect this money without charge. That will mean that in the metropolitan area the Police Department, which collects half the license fees in Western Australia, will have to do the work free of charge. This is in conformity with the idea of the select committee and of the Government that the cost should be kept down to the lowest possible amount. This appears to me to be one of the commendable features of the whole scheme. In respect to insurance, I think it is recognised that getting business is always very costly. In this instance the business will come to the pool free of cost, and only charges for administration and the payment of claims will be a charge on the funds.

No profit can be made from this by the State Government Insurance Office which will merely be agent for the pool, the administrative authority, and to all intents and purposes this will carry out the idea recommended by the select committee except that the State Government Insurance Office will do the business of the pool. The Bill also provides that instead of an owner following the procedure I have outlined, he may pay the full premium to the licensing authority and negotiate direct with the insurance company as to surrender value. If a policy has three months to run and insurance is to be taken out for 12 months the full amount of the license fee would be paid together with the premium, which would go to the pool, and then negotiations could be undertaken with the company for a refund of the amount overdue on the 1st July. I think it will be found that although this is set out in a complicated manner, it will work out all right.

So far as private cars are concerned the premiums charged in South Australia are 27s. 6d. if registered within 20 miles of the G.P.O., Adelaide, and 17s. 6d. elsewhere within the State. The latest advice is to the effect that reductions are contemplated on account of petrol rationing.

Mr. Patrick: Is there a pool in South Australia or is it done by the private companies?

The MINISTER FOR WORKS: It is left to the private companies. In Queensland the premium in 1938 was 30s. and in Tasmania in the same year it was 25s. In New Zealand the amount was recently increased from 20s. to 26s.

Hon. N. Keenan: There is a State Insurance Company in New Zealand, is there not?

The MINISTER FOR WORKS: There is the same sort of pool arrangement in New Zealand. I think it is not entirely done by the State. In Victoria the figure is 33s. within 20 miles of the G.P.O., Melbourne, and 18s. elsewhere.

Mr. Doney: What is the reason for the big disparity between 33s. and 18s.?

The MINISTER FOR WORKS: The scheme has just been started there and the figure includes a special hospital levy of 1s. 9d. on each vehicle. I assume that the authorities have their actuaries to advise them as we have in this State. I remind the House that on my instructions preliminary inquiries were made in 1938 by the Government Actuary and the Under Secretary for Works. These indicated that premium rates somewhat in excess of those now operating in South Australia might be justified in Western Australia, having regard to the rather striking increases in the average amount per claim settled under comprehensive policies in this State compared with the corresponding position in South Australia. The officers making the preliminary inquiries admitted, however, that the data available at the time was incomplete and not convincing. That was the difficulty confronting us when we considered the matter at that time. Although at the request of the underwriters a Bill was drafted along similar lines to the South Australian legislation, so that they would have, so to speak, a yard stick on which to base their tenders, they still insisted that the risk in Western Australia was 20 per cent. greater than in South Australia.

Mr. Doney: Because of the larger number of accidents in this State?

The MINISTER FOR WORKS: The underwriters maintained that the claims settled in Western Australia were greater in average amount than in South Australia to the extent of 20 per cent. We in this State had no means by which we could check-up on that assertion. Because of that phase the underwriters on that occasion instead of 27s. 6d. quoted 33s. for transacting the

business in Western Australia. It was for that reason that when the Legislative Council refused to allow the State Government Insurance Office to participate in this class of insurance business, the Government dropped the Bill. It was not prepared to hand the motorists of this State over to the private insurance companies. In view of what I have pointed out members will agree that an obligation and responsibility rest upon the Government and Parliament to see that reasonable premium rates are charged.

As the legislation formerly proposed did not meet with the approval of the Legislative Council, the Government has now introduced a Bill along the lines recommended by a select committee of that House. That is the reason why the pooling system has been recommended. The pool will be administered by the State Government Insurance Office on a non-profit making basis, and all moneys will be collected by the Police Traffic Branch or local governing authorities throughout the State without charge. I would point out that the local authorities secure the full advantage of the traffic fees, and it is not too much to ask of them that they shall write out an additional receipt and collect free of cost whatever premium is fixed by the State Government Insurance Office. The officers of the Police Department will be required to collect the money on similar terms. Members will see that right through the piece the Government is endeavouring to cut the cost to the motorist down to the lowest possible level.

The standard third-party policy operating in Western Australia covers a much wider scope than that prescribed in the Bill and covers damage to property in addition to that relating to persons. The premiums charged by the tariff companies for the standard cover are:—

| | £ | s. | d. |
|---------------------------|---|----|----|
| Metropolitan Area | 3 | 10 | 0 |
| Goldfields Areas | 3 | 15 | 0 |
| Elsewhere | 3 | 0 | 0 |

That briefly explains the provisions of the Bill. Members are aware of the extent of cover in connection with third-party insurance, which has been explained to them on previous occasions, and the principle has been agreed to. Perhaps members may find in the measure something to which they may take exception, but in favour of

it I can claim that the pool will be administered at cost and on a non-profit making basis; the work will be undertaken by a competent staff, and the accounts will be audited by the Auditor General. Those considerations should inspire confidence on the part of the motorists of Western Australia. I fail to see how any scheme could be devised to provide similar cover on a more economical basis.

Mr. Doney: Can you state roughly what the premium rate is likely to be?

The MINISTER FOR WORKS: The hon. member asks me to place myself in the position of the manager of the State Government Insurance Office, Mr. Bennett. All I can say is that the work will be carried out at cost price.

Mr. Mann: Mr. Bennett should have some knowledge of what the rate would probably be.

The MINISTER FOR WORKS: Mr. Bennett has not been asked to quote, and gentlemen in his position do not answer questions until they are put to them. The Government could not ask anyone to quote until the legislation is passed. I should say, judging by the premium rates charged in other States of the Commonwealth and New Zealand, that the pool under the system suggested in the Bill, should operate very successfully compared with the experience in South Australia and Victoria where the companies compete for the business offering. That very fact must tend towards additional costs in those States. I cannot conceive of any cheaper rate being possible than under the system outlined in the Bill, by which the work will be carried out free of cost in some respects and at any rate on purely a non-profit making cost basis from the standpoint of administration.

Mr. Mann: It should be the cheapest in Australia.

The MINISTER FOR WORKS: Yes, and the proposed system certainly commends itself to me.

Mr. Doney: What rate was it anticipated would be charged last time?

The MINISTER FOR WORKS: The companies would not agree to a charge of less than 33s.; that is to say, 27s. 6d. plus 20 per cent. At that time the Legislative Council would not allow the State Government Insurance Office to compete for the business. The Government considered that if the necessary legislative sanction had been obtained

it would then have had an opportunity to discover what was the real cost of the business and what was a fair charge to be levied by way of a premium rate. Under other circumstances we would have no possible hope whatever of ascertaining that information from the private insurance companies. I understand some charge as high as 30 per cent., for overhead expenditure. I have already informed members that the State Government Insurance Office administrative costs were 8.8 per cent. of the premiums collected. Under the provisions of the Bill the cost would be less because the premiums would be paid in free of any charge against the motorists. If members ask me to give a quote, I can only reply that the scheme outlined is the most economical that can be devised and that the charges will be levied accordingly.

If by any mischance an over-estimate should result in the charging of too high a premium rate the motorists themselves would derive benefit in the next ensuing year because the money collected has to remain in the pool and the financial statements have to be audited by the Auditor General. The premiums committee will have the task of checking all premiums and that committee will comprise two representatives of the motorists, the insurer—that is the State Government Insurance Office—the Auditor General and one other, as set out in the Bill. The function of the premiums committee would be to see that no undue charge was made, and that if any profit resulted from an over-estimate on the part of the manager of the State Government Insurance Office or if profits were shown in respect of the transactions motorists would secure consequent benefit in the form of decreased premiums in the following year. I can give members an assurance on that point. I again emphasise that the system outlined is the most economical that can be devised.

In conclusion I wish to remark that there seems to be a general impression throughout the State that if the motorists have to accept this increased cost having regard to petrol rationing, the service should be rendered to them at the lowest possible cost. For my part I claim there is no justification for anyone making a profit out of the business. The object of the legislation is to secure benefits to the general public. I refer to the injured person, the third party asso-

ciated with any accident. The cost is to be a charge against motorists. If Parliament says that motorists must incur this additional expense, the Government would have no justification whatever in allowing insurance companies—I include the State Government Insurance Office in that category—to make any profit out of a scheme that is compulsory.

Mr. Doney: Are the risks to be covered comparable with those covered in the Eastern States?

The MINISTER FOR WORKS: Yes. The risks covered are similar to those dealt with in New Zealand and the various States of the Commonwealth. Members will be able to judge for themselves whether the motorists in Western Australia are to be given a fair deal by contrasting the conditions obtaining in New Zealand and the other States. [move—

That the Bill be now read a second time.

On motion by Mr. Doney, debate adjourned.

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

Returned from the Council without amendment.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Council's Message.

Message from the Council notifying that it had agreed to the Assembly's amendment to the Council's amendment No. 1, subject to a further amendment made by the Council, now considered.

In Committee.

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

The CHAIRMAN: The Council's first amendment was as follows—

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

The Assembly's amendment on the Council's amendment was—

Add to the amendment the following words:—"and add to the paragraph the following words," and by adding after the word "writing" in line 14 of the definition of "worker" the following words:—"The worker's remuneration shall not include overtime

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

The Council's further amendment was—

Delete all words after the word "overtime" in the second line of the words proposed to be added.

The MINISTER FOR LABOUR: These amendments deal with the definition of the term "worker." It will be remembered that the maximum remuneration of a worker who could secure the benefits of the Act was fixed originally in the Bill at £600. The Council reduced the amount to £500. The Assembly sought to add to that amount earnings on account of overtime, allowances associated with employment in industry and any other amount that might be forthcoming due to any difference between the basic wage earned outside the metropolitan area and that paid in the metropolitan area. The latest amendment from the Council, which is now before us, means that the maximum under the new definition of the term "worker" in respect of earnings per year would be £500 plus overtime. In other words, any worker receiving £500 or less per year would be covered by the provisions of the Workers' Compensation Act, and would still be covered in respect of his overtime earnings, regardless of whether such overtime earnings raised the amount of his annual income by way of wages or salary and overtime earnings above the amount of £500. Thus a worker could receive £500 per year by way of wages or salary, and could receive in addition an amount of £50 or more by way of overtime earnings, while still coming under the provisions of the Act. The members of the Government consider that the maximum improvement in the definition of the term "worker" has now been obtained from the Legislative Council. We are convinced that there is nothing to be gained by pursuing the matter further, and therefore I move—

That the Council's amendment on the Assembly's amendment be agreed to.

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

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

BILL—ADMINISTRATION ACT AMENDMENT (No. 2).

Third Reading.

Order of the Day read for the resumption from the previous day of the debate on the third reading.

Question put and passed.

Bill read a third time and transmitted to the Council.

BILL—WORKERS' HOMES ACT AMENDMENT.

Second Reading.

Debate resumed from the 27th November.

MR. SHEARN (Maylands) [5.34]: This short Bill proposes to grant certain facilities to those who come within the ambit of this important activity. I am sure the nature of the amendments proposed will commend itself to every member of the Chamber. I know most members will agree that it is unfortunate the Treasurer could not go somewhat further in the matter. However, even what is proposed postulates the erection of an additional number of workers' homes. To the 700 applicants who we understand are waiting for homes, these provisions will make a strong appeal; and I have no doubt that the House will pass the measure.

The first amendment, as the Premier pointed out, seeks to overcome the present somewhat unfair definition of "worker" in the parent Act and to extend some consideration to the worker who has family responsibilities. From my own meagre experience I am aware that there are cases where a worker, because of the existing provisions of the Act, is precluded from partaking of its benefits. Therefore the amendment dealing with family responsibilities is a most just and reasonable means of meeting the situation. That portion of the Bill must be welcomed by those for whose benefit it is advanced.

The proposal to raise the maximum of advances from £800 to £900 is also eminently suitable to the conditions now prevailing. As the Premier pointed out, and as most members are well aware, there has been a gradual increase in the cost of building here as well as in other States. Whilst I am personally doubtful whether £800 will meet all the contingencies, at all events the move is

a progressive one and will afford the Workers' Homes Board some opportunity to transact business, having regard to the higher costs associated with it today. Whilst the board may not be able to provide any great number of homes, at least the additional finance will enable it to keep the scheme going until the advent of such times as will allow of a greater amount of funds being made available. Then the board will be able to deal with the situation of the shortage of houses in a far more proportionate degree than this Bill will render possible.

The proposal which seeks to vary the rate of interest charged in relation to ground rent on leasehold property from the existing fixed rate of 3 per cent. to what may be termed a rate variable according to circumstances, is one about which some members, like myself, may feel a little doubtful; but, as the Premier pointed out, particularly in these times it would not be practicable to fix any rate. As the Premier also mentioned, the discrepancy between the rate charged by the Treasury of $4\frac{1}{2}$ per cent. and the proposal for a variation in charge of 3 per cent. appraised on the value of the land is one which the House may rightly be asked to take into consideration.

In all the circumstances it may be said that the last provision of the Bill is almost similar in character to that which exists already in the War Service Homes Act. It is one which I know also from personal experience to be much appreciated, and to have provided considerable relief to people who during the last two or three years have been called upon to find money for household connection of sewerage. I know of several cases where, had it not been for the sinking fund, so to speak, that has been accumulated over the years in relation to purchases of war service homes, these people would have had either to apply to the State Government for some assistance on the deferred payment plan or else would have had to remain without the facilities. Those people have also been enabled to add to their dwellings as their families increased, as well as renovating their homes.

Facilities have also been provided for persons in arrear with their instalments to appropriate sums from the sinking fund to bring their instalments up to date. That likewise is a good provision. In conclusion, I regret that it is not possible for the Premier to go much further in relation to

this matter. I feel, however, that at this stage the Chamber should welcome the opportunity to grant this small measure of relief and incidentally to instil a certain amount of progressiveness into the policy of the board. Therefore I have much pleasure in supporting the second reading of the Bill.

MR. NORTH (Claremont) [5.41]: I also desire to support the Bill. I shall not go over the ground already covered, but I wish to draw the Premier's attention to a matter connected with workers' homes, and that is, how best to secure the greatest value in the construction of the homes. We have lived through a generation of many changes, such as motor cars and radio; and I sometimes wonder whether we are getting the best value in our homes, having regard to the amount of knowledge now available. I have had experience of home building; and I have noticed, as the years go by, the extraordinarily poor value one receives in an every-day home. For many years there has been a great deal of taxation levied by various institutions on our homes, and the time is ripe now for a criticism of the entire building industry.

What are the desirabilities of a modern home? In the first place it is necessary that the women should have more say in the design of homes. A man proposes to spend £900, as mentioned in the Bill, and expects to get something which will last a lifetime, and longer than that. Indeed, it will take him almost his lifetime to pay for the home. And what does he get? Things begin to deteriorate, repairs are soon needed, roofs leak, flooring boards give trouble. In the past the home builder received something that we do not get today. Following on that, we gain other experiences in this climate. We have to deal with such things as insects, flies, and vermin like rats and mice.

What action is taken in an average home costing £900 to deal with those things? Take the case of insects! The architect puts gauze round the doors and windows, and the owner is entitled to expect freedom from insect pests. But will he get it? In about two years the gauze rusts away. Thereupon the bronze gauze is applied. That also goes in a few years, and moreover becomes poisonous, producing copper sulphate. It deteriorates and has to be re-

newed. I consider that the expenditure on maintenance in an average home is far too great. It has been argued—and I think the member for West Perth (Mr. McDonald) reminded us of the matter in this Chamber—whether the more economical method is, on the one hand, to rent or lease a home, or, on the other hand, to build one's own home. The discussion was amongst several people; and without exception they were of opinion that it was better to rent or lease.

I do not believe that the home as now designed is the best we can get. I believe that with the experience of motor car construction and other branches of construction work we could erect homes far more permanent and less liable to need repairs. I would urge the Government either to call for a competitive design or to offer a substantial bonus for a really well-designed home, so that full value may be received for the money spent on it. Architects too long have had their way, and their plans have failed to achieve the desired result. One has not to go outside this building to see what architects do. The building is leaking all over, notwithstanding the repairs that have been effected. It seems as if the simplest propositions are quite beyond the ability of the tradesmen employed.

The Premier: Different people like different types of homes, just as some individuals wear clothes of different colours. Some people like white clothes!

Mr. NORTH: Yes, but one does not expect clothes to get torn the first time one wears them.

The Premier: But clothes wear out.

Mr. NORTH: I am arguing that the maintenance cost of homes is far too high. That is possibly due to insufficient attention having been given to a satisfactory design. I support the measure, which is a good one, although I urge the board, which is controlling hundreds of thousands of pounds worth of property, to see that the best is done to obtain the most suitable design for the persons concerned.

HON. N. KEENAN (Nedlands) [5.47]: After the instructive and careful speech of the member for Maylands (Mr. Shearn), there is little scope for comment on this measure. It has, however, been impressed upon me for some time that we are gradually, but surely, departing from the original

idea of workers' homes. We still retain, strange to say, the definition of "worker," although it has been entirely departed from in practice. "Worker" is defined in the Bill as "employed in work of any kind in manual labour." I propose, in the Committee stage, to move to strike out that definition and to substitute for it something to the following effect: "A worker is a man employed in any work," because that is in fact what is happening today. No worker employed only in manual labour would dream of acquiring a house costing £900, as he could not carry the financial burden. We are deliberately shutting our eyes to the fact that this scheme has been extended to cover the construction of buildings of a far more costly character than a manual worker could possibly buy. So we have departed from the original conception and maybe it is wise that we should have done so.

Mr. Needham: What does "manual labour" mean?

Hon. N. KEENAN: The hon. member did some 40 years ago.

Mr. Needham: Is a man using a pen engaged in manual labour?

Hon. N. KEENAN: A manual labourer does not mean a clerk, a white-collar gentleman. At a certain stage of my career I did manual labour and did not wear a white collar.

Mr. Patrick: But clerks secure workers' homes.

Hon. N. KEENAN: I do not want any false impression to prevail. I do not say for a moment that the drift—if I may so express it—is not in the right direction. At the same time, I want to make it quite clear that we should not retain the present absurd definition of "worker." In the great majority of cases, the board at present now deals with applicants who are not engaged in manual labour at all. Such workers would be more likely to apply for wooden homes in districts where cheap land could be obtained. They would not make application for a £900 house in Nedlands or in Wembley, which I understand is the constituency of the Minister for Works, or in any other fashionable district, except South Perth or Victoria Park. I am in favour of the Bill, but I am also in favour of being honest in the matter. I say we are passing a Bill to provide cheap homes for those who are deserving of those

homes, but who are not confined to the class prescribed by the Bill, namely, workers engaged in manual labour.

MR. SEWARD (Pingelly) [5:52]: I regret that advantage has not been taken to extend the operations of the Workers' Homes Board more extensively to country districts, especially to farming areas. I recently had before me what I consider was an extraordinary case. An application was refused by the Workers' Homes Board which had been made by a young man living in a country district. His father owns a store; and, as a matter of fact, the son is in partnership with his father. At present, country stores, what with the demands made upon them to finance farmers, have little money to spare. This young man, wishing to get married, made an application to the board for a worker's home. He was willing to pay rent as from last September, when he put in his application, although he did not require the use of the house until next April. He was also willing to pay a deposit at once and to continue paying the usual rent after next April. In addition, he was willing to lodge his insurance policy as further security; nevertheless, his application was refused by the board. It seems to me that the board's decision was unfair. It certainly will not tend to induce people to remain in country districts.

Mr. J. Hegney: What kind of home was he seeking?

Mr. SEWARD: An ordinary wooden house.

Mr. J. Hegney: Of what value?

Mr. SEWARD: Whatever value the department would allow. He required a wooden house of four rooms. He said he did not want an elaborate home, that he was getting married and had not the money to purchase a house. I thought the terms he offered were liberal, but they were rejected because the house was required in a country district. I am aware the board must safeguard the money in its hands. It cannot erect homes all over the country that might be thrown back on its hands. But in the instance I mentioned, the applicant was firmly established in the district, he had an interest in a store and consequently was not what might be termed a doubtful case. He was not likely to live in the district for only a year or two and then depart.

When the Premier was speaking the other night, I interjected and asked if the question of erecting cement-brick houses had been considered. I made the suggestion because it is considerably cheaper to construct cement brick houses than houses of ordinary bricks. There is ample sand available; as a matter of fact, the cement bricks required for the house could probably be made from the sand on the block upon which the house is to be erected. There is also the saving of the cost of transport of the ordinary bricks. If cement bricks were used, a great saving would be effected in the cost of the house; and the house would certainly be comfortable. I make the suggestion in the hope that the matter will be investigated in order to ascertain whether such bricks cannot be used more extensively. Subject to the matter raised by the member for Nedlands (Hon. N. Keenan) as to the alteration of the definition of "worker," which I agree with him is an extraordinary provision, I support the second reading. The benefits of this legislation should also be extended to clerks and other workers.

MR. STYANTS (Kalgoorlie) [5:56]: I support the Bill, because I consider the proposed alterations are not only desirable but necessary. It is unfortunate that, owing to increased costs, the amount that may now be expended on a worker's home is to be increased. This point has already been mentioned by previous speakers. We are getting away from the original idea of this legislation, which was to provide homes for workers with low incomes. It is also desirable that there should be some modification of the definition of "worker." The proposal in the Bill is that the definition should be amplified by recognising a man's family responsibilities. That is one way of meeting the wishes of a man with a large family who desires to obtain a home under the provisions of this legislation.

As far as the goldfields are concerned, the board has ceased erecting houses there because of the increased cost of building. I do not agree with the board's contention that because the demand for houses on the goldfields has now been met by the supply, a worker there should not be supplied with a home. That is not the principle of this legislation, which is to provide homes for workers who desire to secure them and thus avoid paying rent. On account of the enormously

increased cost of building on the goldfields, the terms of repayment have been restricted; the full amount has to be repaid within a period of ten years. The repayments have now become so high as to be prohibitive in the case of a man earning the basic wage or 2s. or 3s. per day above it. Such workers would find it impossible to make those repayments and consequently the building of workers' homes on the goldfields has been discontinued.

The definition of "worker" is also unjust to the worker on the goldfields, who suffers in many other directions, such as workers' compensation and taxation. He receives approximately £40 per annum by way of a cost of living allowance, so that a man on the goldfields in receipt of £365 per annum, plus £40 district allowance, would not come within the definition of "worker" in the Bill, whereas his contemporary worker in the metropolitan area can be in receipt of £360 per annum, with no district allowance, and be eligible to get a worker's home. That is another of those invidious distinctions whereby the worker on the goldfields receives a larger remuneration, but which only compensates him for the increased cost of living. It cannot be said that because a basic wage worker on the goldfields receives £40 per year more than the basic wage earner in the metropolitan area he is better off. As a matter of fact, he is worse off. I know one man drawing £405 a year, including the district rate of £40, who is disqualified from getting a home because of the amount of his income. Something should be done to rectify the position.

To increase the amount from £800 to £900 makes it rather high, but the increased cost of building has to be taken into consideration. Since the commencement of the war 5 per cent. sales tax has been placed on building materials. Previously that tax applied only to a small proportion of the materials required in the building of a home. Taxation at 5 per cent. on a £900 home means that the cost would be increased by £45. In the case of some articles the tax is more than 5 per cent.

Mr. Sampson: It has gone up to 15 per cent.

Mr. STYANTS: That applies to some of the internal fittings included in the modern home. In addition, there have been about four increases in the basic wage, and the margins for building trades workers have

automatically risen. The pay-roll tax has also been added. If a worker is to be permitted to obtain a home similar to what was previously built for £900, it will be necessary for us to increase the amount he is able to borrow. We are not doing our utmost in the matter of providing workers with homes at as cheap a price as possible. The position is not, as the member for Nedlands said, that we should provide them with cheap homes, but that a cheap means of acquiring a home should be made available. We could go still further.

If the Public Works Department were to engage a regular number of building artisans it would be able to build homes for at least £100 less than the £900, usually charged by the private contractor. We should also make full use of our State Brickworks and State Sawmills, and so effect a reduction even greater than £100. The worker should be able to acquire a home as cheaply as possible. He is made contented by being given a stake in the country. We already have created the necessary authority to supervise such a scheme. The principal Architect, and the Public Works Department are both in existence, and we could substantially reduce the price being charged at present to the prospective home owner under the system of private tender. The State-produced bricks cost more than those manufactured by private brickyards, probably because a better type of brick is produced. That is admitted by all builders. The State timberyards are in the ring and exactly the same price has to be paid to them, as to the merchants, for timber.

Mr. SPEAKER: I suggest the member for Kalgoorlie deals with that point under the Estimates, and not under this Bill. The State Brickworks and the State Sawmills have nothing to do with this measure.

Mr. STYANTS: The State Brickworks and the State Sawmills certainly have. The charges made by private builders are, in my opinion, far too high. A contractor who tenders for a £900 house expects to make £100 profit. In addition he has to make wages, which he assesses at £10 per week. If the Government is sincere in its desire to provide a worker with a modern home at a minimum cost, it should utilise the Public Works Department and engage a full staff of building trades artisans, and also supply the bricks and timber at cost price. Repayments at 2s. 6d. per week for

each £100 borrowed, on £900, which works out at 22s. 6d. per week, plus rates and taxes for which we could allow another 4s. a week, making a total of 26s. 6d., seems to be fairly high for the man in receipt of but little more than the basic wage.

A worker who rents a house, valued at £900 plus the cost of the block, would pay considerably more than 26s. 6d. per week, and still not be making the home his own as would a worker who had taken advantage of the workers' homes scheme. Even though the repayments appear to be high the man who owns a worker's home and is paying 26s. 6d. per week is in a better financial position than the man who pays rent, because in 33 years—

The Premier: Thirty-five years.

Mr. STYANTS: —the home belongs to him. One member contended that the consensus of opinion was that a man was better off in paying rent than in purchasing a home under the time-payment system. I do not think that is the general opinion, although, viewed from the standpoint of hard cash, if a man had £1,000 and let it out at current rates of interest, or put it into a home, there would not be a great deal of difference in the returns. The great thing about a home is the security of tenure which it offers. The home owner knows that the landlord will not come round and give him notice to quit because the property has been sold.

Although this Bill provides for a large amount, I support it, because if the worker of today is to be permitted to acquire a home of the same quality as a similar one constructed four or five years ago, it is necessary that we should amend the Act so as to empower the worker to borrow more than £800, which is the limit at present.

MR. MANN (Beverley) [6.13]: I want to deal with the question of interest. I am surprised that the member for Murchison (Mr. Marshall) has not made an attempt—

Mr. SPEAKER: The member for Murchison is not mentioned in the Bill.

Mr. MANN: The difficulty connected with owning a home does not lie in the amount to be paid for the home, but in the interest charges. Why do we not have a lease policy? The Government could build the home for the man and lease it to him. The

costs today are far too great. The average working man pays too much for the right to own freehold property because of the interest he has to meet.

The Premier: The rate of interest is very low.

Mr. MANN: We are hopeful that it will be lower yet. We have been promised a rural bank and, more or less, the nationalisation of the finances of Australia. But today the same old 5 per cent. rate of interest still remains. At what interest rate does the Government borrow money today for its purposes? Under the present rate of interest at the end of 35 years, when the house becomes his own, the man is too old to appreciate it or else he is dead.

Mr. Berry: He will ultimately pay over £2,000!

Mr. MANN: Of course! The proper basis is the lease basis.

The Minister for Mines: What do you mean by a lease system?

Mr. MANN: The Government could build the homes and lease them to the workers.

Mr. Cross: What about the Bill we brought down a year or two ago?

Mr. MANN: We talk about easy repayment, and cheap homes for the worker. They are not cheap; the workers pay through the nose for everything they get! What do we find in the case of the farmers? Some are forced to live in hovels because they cannot afford decent accommodation. The member for Kalgoorlie (Mr. Styants) stated, rightly, that the greatest incentive for a man to live in peace is for him to be possessed of his own home.

Sitting suspended from 6.15 to 7.30 p.m.

MR. CROSS (Canning) [7.30]: I listened with interest to the remarks of the several speakers and have come to the conclusion that the present cost of building workers' homes is unnecessarily high. I do not know whether there is any collusion between the contractors. I have inspected two or three homes built not by the Workers' Homes Board, but by other people. One that I saw last Saturday cost £600 to erect, and a similar structure for the Workers' Homes Board is costing £770. I suggest that the board should organise a team of artisans and tradesmen and erect its own homes, instead of calling tenders for their construction. If

that was done I think the board would be able to erect homes much more cheaply than they are being built at present.

To me it is remarkable that outside contractors should be able to build homes so much more cheaply than the board can build them. I know the board is very strict and insists upon the best workmanship and materials, but in the home I inspected, the best materials had been used—State pressed bricks and all first-class timber. I went to some trouble to ascertain these facts, because I realise that the workers cannot afford the fabulous prices that homes are costing. One of the problems this State has to face is that of providing homes at a price the workers can afford to pay. While it is all very well to raise the statutory limit under which a worker may get a home—and I agree with this proposal—a large number of workers could not meet the repayments, even over the extended period of 35 years, for a house costing £800 or £900.

It is possible that after the war the present rate of wages will not be maintained, and workers who in these days enter into contracts for high-priced homes will be faced with disaster, because they will not be able to maintain their payments after a fall in wages. For them this would be tragic; their commitments would be fixed and they would be unable to meet them. This is one of the major problems the State will have to face after the war. We should begin now to prepare a greater scheme of house building and, to make a success of it, the homes must be constructed at a price the workers can afford to pay. Great Britain and European countries, once the war is over, will proceed with their housing schemes and the people of Western Australia, and indeed the people of the other States as well, will also demand the institution of housing schemes.

The problem of interest will have to be tackled. I agree with the member for Beverley (Mr. Mann) regarding the importance of this question. The rate of interest really determines the amount of weekly payments. When a home is acquired on long terms, nearly the whole of the weekly payment in the earlier stages is absorbed by interest charges. That is what makes the burden on the worker so heavy. Twenty years ago it was possible to get a comfortable brick house at a cost of £400 and the repayments per month amounted to a little over £2. Many of the homes being built under the Workers'

Homes Board at a cost of £900 could then be obtained for £450 and the repayments amounted to considerably less than £3 a month. The objective of the board should be to provide homes on a lower scale of repayments, and to do that considerable attention will have to be paid to the rate of interest. It will be the job of the Government to provide funds at a lower rate of interest. If money can be borrowed for war purposes at $2\frac{1}{2}$ per cent., why cannot money for workers' homes be provided at less than 5 per cent.? Surely money should be made available for workers' home at an interest rate of 2 or $2\frac{1}{2}$ per cent.

Even during the present period of war, I again direct attention to the need for increased activity by the board in the Canning electorate. There is still available plenty of cheap land on which wooden houses could be built. Recently the board made an inspection, and I am hopeful that good results will follow. The Canning Road Board argues—and I think there is substance in the argument—that it is still possible to build a fair type of house at considerably less than the amount considered essential by the Workers' Homes Board. Since the inspection was made, I have paid a visit to a home in Brentwood-road, which is in the Swan electorate. A carpenter built a home for himself and charged wages at the top rate and paid top prices for his material, and the home cost him £287 to build. The member for Swan should look at that home; it is the only decent one in Brentwood-road. When a man is able to build a home at that price—he could not buy his requirements on a wholesale basis and he paid himself and employees top rates for wages—surely the board should be able to build a similar place for less than £400! If the board cannot do so, something must be wrong. This matter is deserving of careful consideration.

Certain it is that the board will not be able to provide cheap homes so long as tenders are called for the work. Builders insist upon paying themselves top wages as well as a substantial profit, and, in my opinion, they take advantage of the fact that more jobs are available than they are able to undertake. The board should certainly organise a team of carpenters, bricklayers and plumbers and build its own homes. In spite of the statements made about the shortage of tradesmen, I am sure that suitable men are available. The homes

could then be built under the supervision of the board on the day labour system, and I feel sure that cheaper homes would be secured as a result of this departure. When all is said and done, most of the tradesmen employed by the contractors are paid on the day labour system. The only part of the building done by contract is the contract itself. The contractor pays tradesmen as long as their services are satisfactory. The State can do the same, and can succeed in the business of building houses.

Mr. Sampson: The State has not succeeded in anything else.

Mr. CROSS: The fact remains that the bricks turned out by the State Brickworks are the best to be obtained in Western Australia.

Mr. SPEAKER: Order! We are not dealing with bricks.

Mr. CROSS: It is highly important to be able to obtain first-class bricks, even though made by a State enterprise. I support the Bill, but should have been glad to see a more comprehensive measure. I would like the Government to contract now for the erection of a large number of homes at a price which people can afford. It is a disgrace that so many of the poorer people in our community are living in something like hovels. Particularly in Canning and East Cannington there may be found homes which should not be permitted to exist for two minutes in a country like this. People who go to these outlying districts are entitled to have decent homes to live in, but today the renting of the veriest hovel is at a premium. We should avoid the herding of two or three families in one house, as is done at present.

In the city areas there is evidence of increased activity in the building of flats. Now, flat life never built up a nation anywhere. Before the war all the Scandinavian countries—

Mr. SPEAKER: Never mind the flats or the Scandinavian countries.

Mr. CROSS: We are dealing with workers' homes.

Mr. SPEAKER: The hon. member must confine himself to workers' homes.

Mr. CROSS: The workers want homes rather than flats to live in, but they want the homes at prices they are able to pay. The Government should take more interest in the subject than it has done hitherto. I support the second reading.

MR. ABBOTT (North Perth) [7.45]: I do not think any member would refuse this Bill his support. The first point raised by the Premier in introducing the measure had reference to the definition of the term "worker." Quite rightly the Premier said that a man with a family should receive more consideration than a man without a family. No one will find fault with that statement. The Premier might have been a little more liberal in the matter of child age. Many children do not go out and earn their living before arriving at the age of 18 years, an age which might well have been substituted for the existing maximum of 16 years in the Bill. A child is accepted in the home as a member of the family until he has reached the age of 18 years.

Construction prices must rise. Wages are being increased, and there cannot be increased wages without relatively increased cost of work where wages represent a large proportion of the total cost. In buildings, moreover, improved materials have added to the initial cost. The member for Canning spoke about builders' profits. Evidently the hon. member discussed the question without having gone into it. If he did go into it he would find that the average contractor for workers' homes is a worker himself, and himself works in the construction of those houses. There are very few contractors for workers' homes who do not engage in actual construction work. They are carpenters or bricklayers. The small amount paid for expert supervision of the building of a house is money well spent.

Mr. Cross: Surely the other system is worth a trial!

Mr. ABBOTT: I do not think so. The system has been tried and has proved a failure. The suggestion that a large staff should be built up—

Mr. Cross: I have never suggested that.

Mr. ABBOTT: It is much easier to say that we want a certain type of house and that the contractor must deliver it. It is only reasonable that the Government should receive interest on the moneys which it advances at the rate paid on Government borrowings. I do not like subterfuges. Our official capitalisation of land values, made so that the Government may receive a reasonable rate of interest, represents the wrong way round of doing things. We should be straightforward. The member for Canning (Mr. Cross) will not dispute that contention.

Mr. Cross: I am straightforward.

Mr. ABBOTT: Yes, and I say that is the proper course. In this case we should provide that the Government will be able to draw a reasonable rate direct instead of drawing it indirectly through taxation of over-capitalised land values. The Bill provides that if the thrifty housewife has a few pounds to spare she may place it in a fund and receive a reasonable rate of interest. In case of emergency she may draw some of the money for the needs of the home. I emphasise again that the Premier might liberalise the age limit. In Committee I will move that it be raised to 18 years. I propose to support the Bill.

MR. TONKIN (North-East Fremantle) [7.50]: I welcome the amendments brought forward by the Premier. One of them is in direct line with a suggestion I made when speaking on the Address-in-reply. From time to time it has been necessary to increase the amount of the loan for a home. In 1911, when this legislation was first introduced, provision was made for a loan of £550. Subsequent experience proved that it was necessary to increase that amount, and in 1925 it was fixed at £650. In 1928 the amount was raised to £800 and it has remained at that figure since. If members are of the opinion that workers should be enabled to secure their own homes then they will agree to the amendment increasing the loan to £900, because rising costs have made it impossible to secure a brick home at less than that sum. If members consider that a worker is entitled to a brick house rather than to a wooden one, then it is imperative to agree to a loan of £900.

Under existing conditions, a brick home cannot be provided on a loan of £800. I welcome the amendment, because it will make it possible for workers without money to obtain a brick house. Under existing conditions, only workers who are able to pay a deposit of £50, £60, £70 or £80 can secure a brick home; and they were getting these homes to the exclusion of workers who were unable to pay a deposit. The amendment will make it possible for workers who desire to live in brick areas, in order to be close to their work, to secure a home there; otherwise they would be compelled to build a wooden house in some other district. So far as the interest is con-

cerned, I say quite candidly that the rate will prove a big burden on people who have to make use of borrowed money; but this matter can be left over for a little time, because interest rates will receive consideration before very long.

The member for Yilgarn-Coolgardie (Mr. Kelly) was kind enough to lend me a publication entitled "The Australian Women's Weekly" containing an extremely interesting article on home building in New Zealand. I consider it to be of such importance as to justify me in reading extracts from it so that the information will be on record.

Mr. SPEAKER: Will you connect the article up with the Bill?

Mr. TONKIN: Definitely. The article is headed, "Housing scheme that beats the bugbear of being 'just like the one next door.'" The New Zealand Government has embarked upon a tremendous workers' homes building programme. It is building thousands of homes for workers and has endeavoured to build them as cheaply as possible, while safeguarding against similarity of design.

Mr. Seward: I think the New Zealand Government allotted £4,000,000 to the scheme last year.

Mr. TONKIN: It has been suggested in this debate that interest will impose a big burden on the workers and that consequently it is undesirable to increase the maximum loan. This article may throw some light upon that aspect of the matter. It reads—

Munitions boom towns and war industry influxes to already crowded centres makes housing an urgent problem in most parts of the Commonwealth. The problem of where to live—and at a rental within budget-depleted incomes—is one that looms in almost every city. New Zealand, in spite of a maximum war effort, is still making excellent progress with its housing scheme inaugurated in 1937. The pictures show some of the 11,900 Government-owned houses which have been built in four years. No two of these houses in any one locality look exactly alike. Thus New Zealand has refuted one complaint commonly levelled at housing schemes—that low-cost production will result in unbecomingly uniformity of design. Professional men, clerks and labourers clamour alike for tenancy of these State-owned houses, and, although 3,000 more are in course of erection, 15,000 more will be needed before the housing shortage is cured. Then the housing authorities will face the problem of re-housing those people who occupy the 55,000 houses below the standard set by the Government.

To finance the scheme the Reserve Bank created a special housing credit on the basis that over a period of 60 years rents would repay the money advanced. When the scheme was first mooted in 1935 by the then new Labour Government, there was strong criticism. Said the critics: "Ownership of houses is not the province of the Government." If the Government does build, the houses should be sold. Tenants would want to own their houses eventually. The standard was too high. The critics have been proved wrong. It was found that the majority of city dwellers were those who would never buy or build. They were overjoyed at the prospect of well-built houses at comparatively low rents. The high quality was made possible through use of New Zealand materials and through standardisation of many fittings. Special investigators went forth to find what housewives wanted. They asked thousands of women what they liked or disliked about their present dwellings, and why. Result has been comfortable, simple homes, without the showy useless adjuncts beloved of the spec. builder. All houses are planned by State architects to catch the maximum of sunlight. If necessary to this purpose the rear is placed to the street but the back is as pleasing in appearance as the front. About 40 per cent. are brick, the balance of plaster or wood.

That shows conclusively that New Zealand realises that brick houses, as well as weatherboard houses, should be provided. I say again that, if the amendment which the Premier has brought forward is not agreed to, brick houses cannot be built for workers in this State unless such workers have a considerable amount of cash available to pay by way of deposit. It is not my desire to restrict workers to wooden houses, because it is essential that some workers should live in certain districts in order to be close to their employment. If such areas are declared brick areas, they will not be able to live there.

The Workers' Homes Board is doing excellent work; but not nearly enough homes are being built. Our aim should be to grant all applications for homes. I agree that if we provide large loans for individual houses, that will necessarily mean fewer houses can be built for the same sum of money; but we cannot have it both ways. It is preferable, under existing conditions, that the larger loan should be made because of certain essential features, one of which I have mentioned; it is that workers should be able to secure brick homes if they desire them. I agree with the other proposals contained in the Bill, which I trust will receive the support of members.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Marshall in the Chair; the Premier in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 3:

Hon. N. KEENAN: I move an amendment—

That the words "in manual labour" in paragraph (a) of the definition of "worker" be struck out.

The Premier: I have no objection.

Amendment put and passed.

Mr. WATTS: In paragraph (b) of the definition of "worker," I think we find ourselves up against the same difficulty in regard to workers in certain portions of the State as we experience when dealing with workers' compensation legislation. That is to say the figure of £400 as salary, wages or income in the South-West land division would enable workers to be included amongst those entitled to consideration under the Act, whereas workers in another division of the State where extra payment is made on account of district or other allowances, would be debarred. I would like to see the clause amended to deal with that aspect.

The PREMIER: It was decided to give relief in a different way. We made the increase in the amount of income entitling a worker to take advantage of the Act contingent upon his having children. That is to say, a married man may earn an extra £25 for each child in his family so that a man with three children would be able to earn an income of £475 per annum and still be entitled to be defined as a worker under the Act. It is reasonable to expect that a married man with no children and receiving a salary of £500 could make some arrangements about getting a home without the assistance of the board, especially when there are so many people who are in worse circumstances and who desire to derive benefit from whatever money is available to the board. The board has not a tremendous amount of capital and at present it is not desirable to engage in a considerable amount of building. In fact, it is physically impossible because the men cannot be obtained to undertake the work.

Mr. ABBOTT: I move an amendment—

That in line 3 of the proviso to paragraph (b) of the definition of "worker" the word "sixteen" be struck out and the word "eighteen" inserted in lieu.

I have already stated my reasons. I do not think it would make very much difference to the demand for houses if the age were raised. I think that a person of 18 years of age is not too old to be considered a member of a family. We are hopeful that the school-leaving age will be raised and children will not be expected to branch out for themselves until they reach the age of 18.

The PREMIER: The hon. member has mentioned the raising of the school-leaving age. If we reach the limit proposed in the Bill we shall have gone far beyond existing conditions. The general principle, particularly in regard to taxation assessments, is to consider an individual who has reached the age of 16 as being in a position to make some contribution towards his own support, and it is assumed that if he does not do so his parents are able to maintain him. If children pass the age of 16 and are then supported by somebody, they are termed dependants, but the taxpayer does not receive as much consideration in the way of rebate for dependants as he does for children. It is advisable for us to maintain uniformity, and the age of 16 should be retained in this measure. I hope the hon. member will withdraw his amendment.

Mr. ABBOTT: I realise the difficulties facing the Premier. Even if a child is able to contribute to the extent of the rent of the house, that does not assist the parents in purchasing a home. The purpose of this measure is to enable people to provide their own homes. Because a boy is able to contribute something towards the rent that does not assist the worker to get a home.

The Premier: Yes, it does.

Mr. ABBOTT: It may assist him to rent a house.

The Premier: And to pay for one.

Mr. ABBOTT: Yes, probably, but the terms granted by the Workers' Homes Board cannot be compared with those available outside. This is somewhat different from the ordinary taxation principles advanced by the Premier. A boy of 16 is not completely independent. He may have reached a stage of partial independence. We should enlarge the scope of this clause as far as possible. If this amendment is carried, some people might have to wait a little longer.

Mr. Warner: A boy would want his own home within two years.

Mr. ABBOTT: At eighteen?

Mr. Warner: Yes.

Mr. ABBOTT: I hope not. I hope that no boy would want a home until he has at least reached the age of what the law calls "maturity."

The PREMIER: This measure aims at liberalising conditions. When we take one step forward we have got a little further. We should not try to go the whole distance in one day. We cannot see our way clear to go further at the moment. Other steps will be taken in the future. I ask the hon. member not to press his amendment.

Amendment put and negatived; the clause, as previously amended, put and passed.

Clause 3—agreed to.

Clause 4—Amendment of Section 11:

Mr. WATTS: I move an amendment—

That in line 3 of paragraph (b) of proposed new Section 11 after the word "other" the word "lower" be inserted.

This clause provides for a new section which will only take effect from the present time. The general trend of interest rates is not upwards but downwards. We are safe in assuming that in the future the rates of interest will be lower than at present.

The Premier: Oh, are we?

Mr. WATTS: It is all very well to comfort the worker by telling him that he is receiving higher remuneration. He is not! He is simply receiving compensation for the increased cost of living. The 5 per cent. in this paragraph should be the maximum.

The PREMIER: Notwithstanding that you particularly Mr. Chairman, and the rest of the Committee generally, desire that the interest rates should be ever so much lower, the carrying of this amendment would not bring in the new order.

Mr. Watts: It is nothing like that.

The PREMIER: We would discourage activity in regard to workers' home if interest rates became much higher than 5 per cent. Some of the money which we have in the Workers' Homes Board was raised at a rate higher than 5 per cent., and those loans still carry such high rate.

Hon. C. G. Latham: There are none in Australia.

The PREMIER: I am not talking of Australia. We have several loans which have not yet matured carrying interest rates beyond 5 per cent. The insertion of the word "lower" in this Bill will not affect the position. Parliament will certainly endeavour to ensure that lower interest rates are one

of the big ameliorating factors in future. For some little time the rate might be slightly higher, but I do not know of anyone who would be prepared to spend 5 per cent. or 6 per cent. money for workers' homes. If there is any variation, the rate will probably be lower, but if interest rates increase as they did after the 1914-18 war, we should either have to cease making advances for workers' homes or advance the money at a direct loss to the community, which would not be a sound proposition. The Minister for Works reminds me of a story that illustrates the point under discussion. A number of farmers met and carried a motion to the effect that they would have a 25-bushel crop. Naturally, the resolution made no difference, and this amendment will make no difference to interest rates in future. It is possible that the experience after the 1914-18 war will be repeated. In 1923 the loan rate was 6 per cent. and loans were floated at £96, making the effective interest rate between 6 and 7 per cent.

Mr. Doney: It would be a reflection on our sanity if that occurred again.

The PREMIER: Quite so! If interest rates increase, there will automatically be a cessation of building workers' homes.

Amendment put and negatived.

Clause put and passed.

Clauses 5 to 11, Title—agreed to.

Bill reported with an amendment and the report adopted.

Third Reading.

Bill read a third time and transmitted to the Council.

ANNUAL ESTIMATES, 1941-42.

In Committee of Supply.

Resumed from the 27th November; Mr. Withers in the Chair.

Vote—Mines, £127,705 (partly considered):

MR. MARSHALL (Murchison) [8.28]: The Minister, in introducing his Estimates, mentioned nothing very new, but adopted the usual procedure of briefly outlining the activities of the department. I am not greatly interested in aspects of mining outside of

goldmining. However, I wish to emphasise a few points regarding the control and administration of the industry. I do not know whether gold is now regarded as playing a part in the commercial life of any particular nation. Many years have passed since gold was in circulation as a medium of exchange. Our nation is off the gold standard and no longer pays in gold. Of course, gold is acceptable to all nations and retains its importance as the international unit of account. From that point of view it still maintains its old value and is still respected as a medium of exchange.

There are no statistics to indicate accurately the extent of the sacrifices that have been made to produce gold in this State, and I am doubtful whether statistics could be furnished to show the sacrifices in life and misery that have been made in other countries. Some figures are available now. They have been obtained because the Kalgoorlie unit has been able to keep some record of prohibited men, whose deaths are also recorded. Thus we have some idea of the number of men who have lost their lives through contracting what is generally known as miner's complaint, in the course of following the miner's occupation. But to this number must be added all those who sacrificed their lives in the hunt for gold. We know that many men exploring Western Australia in the early days lost their lives from attacks by aborigines or through being lost and perishing for want of water. To this number, small though it may be, must be added thousands of men who contracted miner's complaint and died a death of anguish.

This went on for years. Therefore I want the Minister to understand that though he says the Kalgoorlie unit's examination discloses that there were not so many men suffering from miner's complaint or being prohibited, still there are many features which present themselves to confirm that view. The industry has taken a heavy toll of human life. The Minister himself and other men experienced in the goldmining industry will realise that the life of men who have contracted the disease is one of pain and anguish. And theirs were not easy deaths. For years they suffered, ultimately to die. There was no compensation either for them or for their widows and orphans. To the credit of the Labour Party, that at least has been changed.

There is another aspect. I readily concede to the Minister the accuracy of his statement that ventilation of mines, and particularly of gold mines, is now greatly improved compared with what it was in the old days. Still, I must differ from the Minister very distinctly when he says that strict supervision and improved practices in ventilation of mines are to be credited with the reduction of the number of men prohibited through having contracted miner's complaint. There are other factors besides the ventilation of mines. I remind the Minister and other members who have had experience of the goldmining industry that there was a time when a miner remained a miner all his life. He started as a child in the mines, and sometimes the child did not live long. But the point is that the children followed on in the same way and remained in the same industry. So we had a succession of young men who never left the industry. Because of bad administration and bad legislation these hundreds of recruits contracted the disease, and, worst of all, they contracted T.B., and spread it terrifically throughout the district.

Those things do not happen now. That is due not solely to improved ventilation of mines but to the fact that we have had constantly coming into the industry and almost as constantly going out of it, new men. Since about 1925, when a start was made with prohibition of men who had contracted T.B., or since the revival of the goldmining industry, the men have not taken kindly to the occupation, and do not remain in it permanently. They work a few years in the industry, and then go out of it. I speak from experience because I am in close contact with the gold mines in my own electorate. There the change of personnel is remarkable. Hundreds and hundreds of youths come into the industry every year and go out of it in 12 months. Thus the industry has constantly a fresh supply of healthy young men going into it, and going out of it before they contract the disease. The Minister's figures are shattered by those facts.

As regards ventilation of mines, there is no improvement in method. The method now used has been used since I was a child. We still have the old system of either suction or blower pulling the acid out and causing a draught at the other end. These methods have existed for a very long time.

I agree with the Minister when he says that the mining companies have realised that the purer and cleaner the air below, the more efficient are the results they obtain from the workers. Having regard to that fact, the mines drew upon a great deal more money in efforts to get a draught of air through the mine by virtue of the old principles.

There was a time when the mining companies kept no records at all. They would employ any man provided the man would work. But supervision was bad, and so was the legislation. In those respects we have advanced greatly, but no new invention is being applied anywhere in the Commonwealth to improve or purify or increase the volume of air flowing through the underground workings of abandoned gold mines. Outside that fact, the mining industry to-day is much the same as it was 40 years ago. Let me say that the mining companies also have become more humane, and that they now co-operate with the departmental inspectors. That represents a wonderful improvement. However, I still wish it to be understood that in regard to mechanical devices and using the volume of air, the type of machinery in operation when at the age of 11 years I went into the mines, still persists.

I find that in other countries some mining companies have spent very large sums of money. They have installed mechanical appliances which condition the air and then distribute it underground through the levels and stopes. They have engaged scientists who test the moisture and the rock temperature. By means of these particular appliances they can get underground to the deepest point and to what we know as "dead-ends" and still supply to the men working in such places an atmosphere as normal as that on the surface. I admit these plants are not cheap, but they are in existence and are operating, although not in great numbers. Some have been installed in mines in Canada and one on the Rand in South Africa.

From the literature I have received, it is accepted by the Chamber of Mines—I forget for the moment the exact name of the scientific bureau in Africa—that since the machines have been installed the temperature underground is as normal as that on the surface. A good flow of pure, clean and cool air is assured, and the output per

man has increased enormously. While travelling in the Eastern States I endeavoured to ascertain whether any such plants had been installed in the big mines there, but I regret to say that such is not the case. I understand the idea is that in course of time one such plant will be installed at the Broken Hill mine; but it is anticipated that it will not be installed for another 10 or 15 years.

I gather the position to be this: These companies recognise that the ventilation system of their mines—which is the same as is the system in Western Australia—will remain in use for another 10 or 15 years. By that time the temperature will be so hot that the same efficiency could not be expected of the men as if they were working under normal conditions. The point I want the Minister to watch, and it is the one that strikes me most forcibly, is that all that the companies are concerned about is the efficiency of the men, in other words, the output per man. Should that happen in Western Australia, then the figures which the Minister quoted when introducing these estimates will no longer apply to our mining industry. If there is to be no obligation to instal these plants until the rock temperature, or the temperature underground, reaches such a height that the men cannot give efficient service, thousands of workers will be poisoned before that point is reached.

We shall have silicotic and T.B. workers, although the T.B. workers will be prevented from working when the disease is discovered. I want the Minister to understand that we must not be influenced merely by the efficiency of the men; that is the job of the mine management. We are, however, responsible for the protection of the health of these workers and for ensuring that there shall be no repetition of the great sacrifices made by miners in past years. There is no cure for the complaint, no matter in what form it appears, whether it be fibrotic or silicotic. True, the diseases are not contagious if the miners are free from t.b. But once a man has a silicotic lung, it remains silicotic until he dies. The lung is lacerated, becomes weakened and is liable to attack by T.B. germs. If we are not careful, men in the early stages of miners' complaint will develop T.B. rapidly, and that is what I want avoided.

With my experience, I warn the present Minister, and any other Minister who may fill his position, that the time is ripe for a thorough investigation into these latest appliances. Undoubtedly, they are costly. They are of two kinds. One is a large plant which is installed on the surface and conditions the air there. The air is then forced underground. There are smaller plants which may be used as units on the various levels. These plants take the air down from the surface, recondition it and then distribute it. From the literature I have obtained from America and Africa, these plants are favourably viewed by the mining companies there, but only from the standpoint of the efficiency of the workers. I view the matter from a more serious aspect. I desire to see these plants installed for the purpose of sending a flow of pure air throughout a mine, so that the temperature underground may be normal and thus prevent our miners from contracting the diseases peculiar to the industry.

Some of our mining companies are having a hard struggle to exist. I feel confident that if the Government—I do not care which Government it is—imposes further heavy financial obligations upon such companies they will have to close down. That is plain. They are working on a very small margin at the moment; but those companies have contributed liberally to a fund. A fair amount of money has been accumulated by the Government from premiums that have been paid under the Third Schedule to the Workers' Compensation Act. I am not suggesting that the Government should draw on that fund; but I say, "You are not going to allow the miners to be poisoned as they were poisoned in the past and save your money." Someone will have to pay. I do not care who finds the money, I will not stand here representing a gold-mining constituency and allow a repetition of what occurred in the past. I warn the Minister—

Hon. C. G. Latham: The Minister will take the warning.

Mr. MARSHALL: It is all very well for the Leader of the Opposition to say that.

Hon. C. G. Latham: I am helping you.

Mr. MARSHALL: I know that, but in a very sarcastic way.

Hon. C. G. Latham: I am not sarcastic.

Mr. MARSHALL: I know the Leader of the Opposition.

Hon. C. G. Latham: You know all of them, do you not?

Mr. MARSHALL: Yes, I know them. They have never experienced what I have experienced, not only by observation of strangers and friends but in my own family. I speak very feelingly on this subject because I have paid the price. The hon. member came into this House with me and saw an ex-miner sitting here for a period of 18 months and the suffering and anguish of that man should have been a lesson to everyone.

Hon. C. G. Latham: Did I ever oppose any legislation?

Mr. MARSHALL: No, but I take exception to the way in which the Leader of the Opposition interjected. There was nothing serious about his remark.

Hon. C. G. Latham: It was serious.

Mr. MARSHALL: In a jesting way he said, "Let the Minister take that warning."

Hon. C. G. Latham: I did not say it in a jesting way.

Mr. MARSHALL: The hon. member made the remark in a manner that suggested the Minister would be a fool if he did take the warning.

Hon. C. G. Latham: You have an evil mind.

Mr. MARSHALL: If I am misjudging the Leader of the Opposition, I am sorry. I do not want to do so, but I will not allow any member to treat these matters lightly.

Hon. C. G. Latham: I have always helped to pass legislation of that kind.

Mr. MARSHALL: There is no industry that has done so much for Western Australia or sacrificed more life than has the goldmining industry. I do not care what industry one considers. Thousands of men who have been engaged in the goldmining industry have gone to an early grave. It was the goldmining industry that saved this country in 1930-33 when its product had a ready market and its rapid redevelopment absorbed thousands of men who were stalking this country in search of employment. I take a very serious view of this matter, far too serious a view to allow any member to jest about it.

I want to say something that will enable members to have a clearer conception of the position. Two doctors came here, one from America and one from South Africa. I have their names which are on record. They were both scientific men and they came here to examine the goldmining industry.

All my remarks have reference to goldmining and not to any other branch of mining. These men examined the Golden Mile and the Sons of Gwalia Mines. On their return trip to Perth the member for Boulder (Hon. P. Collier) called all the goldfields members of the House together and suggested the visitors should be met. This was done, and in the dining-room of this House a question was put to these two gentlemen. This was the question, "What do you think of the sanitation and the ventilation of the Golden Mile?" One of the men said, "I am prepared to tell you, but not for publication. If you have a room where we can go and sit down quietly, I shall be prepared to express my views." It was arranged that we should have the Speaker's room and there in secrecy the doctor's views were revealed. I have mentioned the matter before and it has long ceased to be a secret. In the Speaker's room the question was submitted to him again, and the doctor—it was the man from South Africa—said, "This is not for publication, but the conditions under which your men are working on the Golden Mile make my hair stand on end. The blacks in Africa work under a thousand times better conditions."

So the blacks in Africa are enjoying that privilege today. These machines are being installed over there and the miners are given good, clean fresh air so far as it is scientifically possible to provide it. There is some hesitancy to instal the machines in Western Australia, and I part with the companies when they say it will be time enough to instal such machines when efficiency is declining. I am more concerned about the health of our men. Some of our mines are getting particularly deep. The deeper they go the fouler the air becomes and the more difficult it is to ventilate them. The time is ripe for some consideration to be given to and some investigation to be made into these plants, and I am hopeful that if I am here when the Mines Estimates are introduced next year I shall receive some information from the Minister in regard to what has happened in other countries and what it is proposed to do in this country. I feel that when this war ends thousands of men will be forced into the mining industry and they will not be able to leave it. It will be an economic impossibility to do so. They will be coerced into mines and they will have to remain there. And it is when men year in and year out

follow this occupation to obtain a means of livelihood that they become affected with miners' diseases.

I plead with the Minister to have his scientific officers obtain all the information they can, and to devise some means of affording financial aid for the installation of these machines in the deeper mines to begin with. I do not think the Minister lacks sympathy with the miners, because he has had personal experience, but there are times when the question of finance probably causes him to hesitate. Money, however, cannot be considered when it is a question of the health of men who will be obliged to continue labouring in this industry. I went to the Eastern States to see if I could obtain some information in regard to these matters, and to observe what was taking place there. I failed dismally. I have not the slightest hesitation in informing this Committee that so far as the supervision of our goldmining industry is concerned and in regard to legislation controlling the industry we have nothing to learn from any other portion of the Commonwealth.

As a matter of fact, the other States are miles behind us. I am proud of the position of this State in comparison with the other States, but I do not propose to permit that to mar my view of future possibilities. I put it to the Minister that the time is overdue for the application of scientific principles in the manner I have suggested, that is, in getting up-to-date machines for conditioning the air and keeping temperatures underground normal, and the flow of air free from silica and gases. If production is to continue, these conditions must be paid for.

I ask the Minister to make all the investigations he can. Some time ago, before I left the Eastern States, I interviewed departmental officials, but they had little information. I had more information of my own, having been supplied from America due to the kindness of the manager of the Big Bell mine or the assistant manager, and others, who were good enough to send me quite a lot of data. I am waiting for some further information.

Figures relating to the operation of these plants in other places are beginning to be tabulated, and I expect to secure them in the near future. I understand these plants have improved efficiency in African mines, and there is not the slightest doubt that there must be a beneficial effect on the health

of the men. Those men are coloured. I do not suggest that we should act in an inhuman manner towards them, but it is only fair that our own men should be working under equally satisfactory conditions. The goldmining industry is suffering from a small lull at present. That is deplorable. Gold is a wonderful product. It stabilises our credits abroad; we can buy foreign currency with it; there is a ready market for it, and as an absorber of labour the industry is a particularly good one. If some action is not taken—and I do not care what it is—we will have a repetition of what has occurred in the past few years.

I know of a proposition in this State which is a good one from an investor's point of view. As soon as the owners are approached with a view to making a sale, they demand an exorbitant price, and foreign investors will not touch it. It is difficult to interfere with individuals. Had that proposition been offered for sale on a willing market a year or two ago, the belt of country in which it is situated would be employing the best part of 1,000 men to-day, instead of which there are only about 100. No sale was effected. The Minister will have to do something. I am looking at this from the point of view of the State, which is suffering because of the attitude of the present owners. It is the Minister's job to say what should be done in such instances. Sometimes these lands are taken up immediately on discovery without having been developed or the values ascertained. The holders ask for huge sums of money and thus frighten off investors, and the State, in consequence, suffers. The bona fide prospector usually sells far below what he should sell at. Very frequently men take an option from him for a shilling and hawk it round the country. That practice should be stopped. The State should take some part in these matters because they are causing it to lose so heavily.

The Minister for Mines: Let me know where your show is and I will have a look at it.

Mr. MARSHALL: The Minister knows the proposition well enough and he knows its value. The cost of mining has greatly increased by virtue of taxation. I could not believe that any Government could have been so unfair and unjust as the Federal Government has been in regard to the imposition of taxation. It has confiscated a

portion of the product, and has then imposed higher taxation. Although the tax is supposed to be imposed only once, the regulations provide for two taxes on the one lot of material. No effort on our part can gain any redress. I refer now to the sales tax. I will demonstrate to members how it applies. The goldmining companies import steel to make drills and other mining tools. They also import sheet metal for the purposes of truck and cage making, and for numerous other requirements round about a mine. On that material they pay tax. When they get it to the mine and make it up into useful articles, they have to pay another tax on it under the sales tax provisions.

Hon. C. G. Latham: That applies to all commodities.

Mr. MARSHALL: No. The point I want to make clear to the Leader of the Opposition is this, that the manufacturers of goods such as mining machinery, etc., do not pay the second tax; they pass it on. The mining companies, however, consume what they make themselves, and have to pay the tax on those articles.

Mr. Sampson: Surely they do not have to pay twice!

Mr. MARSHALL: Yes, they do; they cannot pass it on.

The Minister for Mines: If a company makes a cage, does it pay tax on the completed article?

Mr. MARSHALL: Yes. If it gets an 18ft length of steel and cuts it into lengths, as soon as it is shanked and bitted, sales tax has to be paid. If they sold these articles, I would not complain because they would be recouped.

The Minister for Mines: This is news to me.

Mr. MARSHALL: If the Minister makes inquiries he will find that what I say is true. One does not notice these things until one comes into direct contact with the mine managements. Let us take the basic wage. No mining company that I know of complains about the basic wage itself; no exception is taken to the increases it brings about in the pay roll. But what does happen can be illustrated in the case of the Wiluna mine, which is one of the biggest mines in my electorate. It is under an obligation to pay something like £30,000 or £40,000 a

year more because of the big increase in the basic wage of a year or two ago. That was a heavy enough imposition, but in addition the mine has to pay an increased premium for workers' compensation insurance. As the pay roll increases so does the premium on that insurance. It also has to pay the 2½ per cent. tax for child endowment on the increased amount.

Many gold mines are working on what is termed a small margin. In consequence, they find it difficult to carry on, and the scarcity of labour aggravates the position. Just how to overcome that difficulty is a problem for us all. We cannot do it.

The Minister for Mines: It is enough to give one a headache.

Mr. MARSHALL: Yes. Some mines will suffer more than others. I think that those at Kalgoorlie and Boulder will be better off than the rest. More of the amenities of life and a better social environment are available there, and miners will remain in preference to going out into the isolated areas. Some of them do go out for a while, but then they leave again. We have a mine like the Triton where the ground is particularly bad. It is so bad that an ordinary machine man would not understand it. Only very experienced men can be trusted in the stopes which are dangerous and treacherous. When we find a shortage of labour in a place like that, I marvel that mine managers are able to keep up their spirits and carry on.

Many problems confront the industry, but my greatest concern is that of mine sanitation and ventilation. This is the first thing that should be attended to, but in no circumstances should we place any further obligations on the industry. If we do so, we shall revert to the position of killing the goose that lays the golden eggs. I suppose this applies to most industries; taxation will eventually defeat its own ends. I compliment the officers of the department, who are excellent administrators and whom I have always found willing, efficient and enthusiastic. I consider the staff of the department equal to that of any departmental staff with which I come into contact. I appeal to the Minister to ascertain all he can about the appliances to which I have referred, and to do everything possible to perfect as far as is humanly possible the sanitation and ventilation of the mines.

MR. KELLY (Yilgarn - Coolgardie) [9.12]: I was not present when the Minister delivered his speech, but I have since read the "Hansard" report. I have also studied carefully the report of the Mines Department, which is an excellent compilation. Having heard the Minister, considered that report, and studied the position of mining generally over quite a period, I have come to the conclusion that the vast mineral resources of this State remain almost untouched. I believe I made reference to this aspect in an earlier address to this Chamber, but it will bear repeating because we have many resources that are not being fully exploited.

The time is overdue when we should introduce into the department a bold and vigorous policy for the future development of the State's leading industry. I make this reference, even while being fully cognisant of the fact that we are confronted by difficulties greater than those that have had to be faced at any time in the history of the industry. I am convinced that if a policy of expansion of the industry generally were launched in a vigorous manner, the wealth-producing propensities of the State would be considerably enhanced.

The Minister for Mines: What would you like us to do?

Mr. KELLY: I will come to that point later. There are many latent resources that should be developed, even in spite of the present shortage of labour and the high costs of mining due mainly to war causes. Since becoming a member of this Chamber, I have heard remarkable figures quoted relating to the pastoral and agricultural industries. I have learnt of the colossal figure standing as a debit against both those industries, and it has surprised me that money should have been found for them in such huge amounts. Without intending to say anything at all detrimental to either of them, I must say I have been surprised that such a large sum should have been voted by Parliament and provided by the Government to subsidise and carry on those industries.

We all realise that the cause has been a most deserving one, and that the State has been wise in pursuing a policy of granting substantial and continued support. However, we have in the mining industry something of which the rest of Australia cannot boast, possibilities that have not been in any

way explored for the purpose of improving the conditions under which the State is at present labouring.

I am convinced that we must speed up the mining industry to an extent far greater than was reflected in last year's achievements as outlined by the Minister. There was certainly merit in the operations mentioned by him, and I hope he will not regard my remarks as being made in a critical vein. Most of what I have to say will be offered in the hope of being able to help and not with any intention of hindering. Though some of my remarks may appear to be critical, they are not intended in that way. In my opinion there is only one way in which we can hope to pull the State out of the very serious conditions that have gradually enveloped it in the last few years and that is by organising an intense development of our mineral resources. As was aptly remarked on a previous occasion, we as a State have the means here to dig our way out of debt. This is a solution that is not only possible but also practicable. Immediate steps should be taken for the adoption of a long-range plan. I am aware that the completion of that plan will mean an increase in the burden of debt hanging around the Mines Department's neck; but I believe that the expenditure would be more than justified because of the plan.

There is no limit to the possibilities of Western Australia. I would instance as an example my own electorate of Yilgarn-Coolgardie. Possibly there are many other districts which could claim an equally important position. Certainly in some cases the returns from districts are much greater than those of Yilgarn-Coolgardie, which ranks about fourth in the State's list of gold producers. I have gained some information from the reports of the Mines Department, which I will give to the Committee. During 1940 the Yilgarn-Coolgardie field produced 9.2 per cent. of the State's gold output; nearly 10 per cent. of Western Australia's gold return! It is interesting to note that during this period only four centres in the State provided increased out-turns over the 1939 operations, totalling 19,775 fine ounces. Of this total Yilgarn-Coolgardie produced 18,224 fine ounces, or 92 per cent. of the total increase of the State's entire production.

Apart from the gold production of the Yilgarn-Coolgardie electorate there are many

other mining activities, which in some cases represent the entire quantity of mineral produced in Western Australia. Of tantalite, two out of six tons produced in the State were mined in Yilgarn-Coolgardie. Of scheelite my electorate produced 821 tons, valued at £1,960; wolfram, one ton valued at £211; and gypsum, 1,359 tons (out of 13,020 tons mined) valued at £14,082. The last named product is very plentiful in the Yilgarn section of the electorate, and it would be highly pleasing if in the coming year the Minister could see his way clear to enabling the district to obtain a far greater share of the State's gypsum requirements.

The Minister for Mines: It is time we made our glass bricks from our own gypsum.

Mr. KELLY: Yes, I think the time is overdue. Felspar was mined south of Coolgardie, and there were produced 3,457 tons out of 3,505 tons mined in Western Australia, the value being £7,010. Many other minerals have been produced in Yilgarn-Coolgardie in small quantities. Even in the small territory I have covered, room for extension does exist. The fact of these various minerals being available must lead to more extensive and more intensive forms of prospecting in the future interests not only of the State but also of some of those derelict towns to which the member for Murchison has referred. I feel sure that Western Australia's future will depend largely upon the unearthing of many of these new minerals which have been brought into prominence by the war.

A recent find made in the Mt. Jackson district has probably not been brought in the Minister's notice. It promises to be something out of the ordinary. The show contains gold of an assay value of seven dwts., and in addition discloses 14 per cent. of copper to the ton. If it is possible to develop these minerals on the lines that the finds warrant, they should prove something of distinct advantage to the State in the very near future. The position there today is that the private enterprise which has been responsible for the finding of the show to which I have just referred finds itself unable to open up on the lines which a show of that nature justifies. The average prospector is not in a position to work so low-grade a proposition.

Apart from that aspect the existing conditions of treatment in that area are poorly served. The distance to the nearest mill is

great, and finally the district has no facilities for the handling of the copper content. That is another area which I consider should be very keenly watched, and which should be the means of bringing greater wealth to this State. At a later stage I will deal with the means whereby I consider these improvements could be effected, even with our present restricted manpower. I would also say that there are many finds similar to the one I have mentioned, finds which have been opened up but their low values have proved unprofitable to the average prospector. Therefore the new field, or the old field with a new lease discovered, sinks more or less into oblivion. At present it would appear that the department has no machinery by which promising shows may be quickly investigated. Application must be made to the department for assistance; in many cases there is a great deal of red tape and it is difficult to convince the department that assistance is warranted. This long and involved procedure causes miners to abandon their claims. This particular phase ought to be speeded up. An investigation might be made merely upon hearsay, or upon the published reports in the Press. If that were done, the result in many cases would be that new finds could be developed quickly and become permanent.

The Minister for Mines: Where did you get the idea that it was necessary to apply to the department to have such an inspection made?

Mr. KELLY: I got the information from a man who had a promising show. He was unable to develop it and applied to the Mines Department for a loan. After a considerable lapse of time an inspector of the department made an extensive examination and a thorough report. The report disclosed that, in the estimation of the inspector, the department would not be warranted in granting assistance. Subsequent events proved that the department's summing-up was hasty. Crashings from that show proved that values did exist, and the crashings were taken out of four different shafts over a space of about 200 feet. The gold must have been there in fair quantities, judging by the results achieved by the owners. The point is that I cannot see the necessity for making an application to the department before an investigation is made.

The Minister for Mines: That is not correct.

Mr. KELLY: I am very pleased to know that.

The Minister for Mines: Bondini and Stein found a show in your district and we immediately sent an inspector up to report upon it. That happened only a few weeks ago.

Mr. KELLY: I am pleased to hear that, because in the instance I quoted the matter was held up until a report was obtained.

The Minister for Mines: Naturally, if application is made for a loan.

Mr. KELLY: If my suggestion to institute what I might term a branch of inspection is carried out, then the investigations to which I have referred would be carried out expeditiously. The initial cost would not be heavy, while the ultimate benefit to the State would be great. We should have a five-year programme for our mining industry, instead of planning from year to year. If that suggestion were adopted, the State's ever-increasing deficit would gradually be overtaken and our other industries would be put on a much better footing.

I have spoken upon what I think is lacking in the department. I now propose to make one or two suggestions which I consider will, if adopted, improve the industry generally. There should be included in the equipment of the Mines Department at least two thoroughly up-to-date diamond drilling outfits. These could be manned without great expense for wages; certainly, technicians would be required, but not many. The uses to which such drilling outfits could be put are various. The existence or non-existence of gold even in unprospected areas could be determined by diamond drilling. If gold did exist, it could be proved whether it was in quartz or in lodes. The outfit would also prove useful in determining the quantity of gold already located on leases, the owners of which are battling for a mere existence. These outfits would prove invaluable in determining whether it would be wise to continue working those shows or whether it would be advisable to abandon them. In that way prospectors, leaseholders, and even small gold-mining companies could receive valuable assistance.

I know of several small companies which cannot afford to undertake diamond drilling. I am convinced, however, by the general strata and also from what I was told by a trained mineralogist who visited the district,

that gold does exist; it is merely a matter of putting down a bore or two to ascertain the extent and comparative value of the gold. The knowledge thus gained would in many instances disclose fairly accurately the extent of the ore and the best position to put down the main shaft. Savings would thus be effected which could afterwards be applied to further develop the show. In the case of the small prospector, he would be able to put his show on a more acceptable basis not only to himself but to the State, at very little outlay from a drilling point of view.

There are many instances where rich shows—I know the Minister will have in mind a number of them—have been reported on and have caused a big influx of prospectors to the districts concerned. Many claims have been pegged and a lot of activity has taken place for a few days, but although the first indications were very encouraging, on many occasions the results have been disappointing and have not justified the early assumption that the fields were new El Dorados. Frequently this has been occasioned by what are known as "squibs." That is to say, the goldbearing quartz does not go to any great depth. In such cases the consequence is that the average prospector of the not-so-rich class reaches the stage of being unable to carry on, and because of his depleted finance he abandons the show. I contend that if the drilling plants I suggest were available, the possibilities of a field would be satisfactorily gauged after only a few days' work.

In conjunction with the installation of such outfits there should be a geologist able to get quickly to the new finds where drilling was required and to make decisions necessary for the furtherance of the work. The value of the information that would be disclosed by this means cannot be over estimated when post-war reconstruction plans are under consideration. Few men would be required to man and equip these plants, and many potential fields could be prospected as a result of the drilling operations and the data compiled. Such data would remain in the hands of the Mines Department so that later on when men desired work and were prepared to enter the gold-mining industry, the information would be available to them. Thus men returning from the war could be put into excellent shows, in many instances proved by the diamond driller; at the same time the State's finances

would be boosted. I hope the Minister will give consideration to my remarks regarding diamond drilling outfits. I understand the department has nothing of the kind at present, and I stress the desirable effect that would be produced by the department's owning and operating some of these plants.

A further means of increasing the output of gold would be the more liberal treatment of prospectors and assisted prospectors. In the Mines Department report the help given to assisted prospectors covering the period from June, 1933—which I think was the date of the inception of the scheme—is dealt with. I propose to direct attention only to the operations over the last year. During 1940, 330 prospectors received assistance and produced 30½ tons of ore per man for an average return of 13.6 fine ozs. per man, valued at £130. During that period the department's outlay under the scheme was £53 3s. per man for sustenance and roughly, £4 for explosives. The total cost to the department was £17,523 for stores, and £1,320 for explosives, a total of £18,843. During that same period the amount of gold won by the assisted prospectors was valued at £42,900. The combined repayments over the same period amounted to £7,760. From those figures it will be seen that the department's activities for the year resulted in a net loss of £11,083. I contend that that amount is excessive taking into consideration the gold won during that time.

The Minister for Mines: Do you think they would have found any more if we had paid them £3 a week?

Mr. KELLY: I think that better results might have been achieved. I am coming to that in a moment. In stating the reasons for the diminishing number of prospectors under the scheme, the Minister said that the shortage of labour was one of the chief causes, and another was the number of men who had enlisted. Both of those factors have had a detrimental effect on the industry, but I think they have been a little over-stressed in the report. For instance, the big majority of the prospectors under the scheme were men who were too old to enlist.

The Minister for Mines: Not on your life! Big strapping young fellows were sent away.

Mr. KELLY: Some of them were.

The Minister for Mines: Sixty-five per cent. of them.

Mr. KELLY: I am speaking of the 330 in the industry in the last 12 months. Those that have gone away did so because they could not make a success of prospecting under the scheme. The Minister said that, in his opinion, the prospecting scheme had been a wonderful success. Undoubtedly it has some excellent aspects.

The resultant amount of increased gold output was the reason for the Minister's remarks, but I contend that the scheme was only a part-scheme and could never have achieved the amount of success claimed for it because of the part generosity displayed in its formation in 1933. I would say that 50 per cent. of its success is due to the country storekeeper. I speak feelingly on this subject because I know the game thoroughly. I was fortunate in some ways, in regard to my business, in having a number of these assisted men in my area. The Mines Department allowed them to go out on a prospecting scheme with a totally inadequate amount of money. It was a mere pittance, and the conditions were not satisfactory. The country storekeepers assisted the prospectors to the same extent that the department did. Nine out of every ten of these assisted prospectors had to call on the country storekeeper for assistance before the month was half way through. I could bring books of account to verify that statement. These men were unable to do any good unless a further subsidy by way of credit from the storekeeper was forthcoming.

These men were under a further disability because the moment they found anything worth prospecting they had to take out a prospecting area for which they had to pay a 10s. fee. In many cases, after a few days' investigation—perhaps a week or 10 days—the prospecting area would prove useless and the prospector would have to seek a fresh position. That aspect did not prevent the Mines Department from asking these men for another 10s. as soon as a new prospecting area was pegged.

The Minister for Mines: The Mines Department was only carrying out the law.

Mr. KELLY: Then the law needs revising. I am dealing with the matter more from the point of view of Parliament than from that of a Government department. No matter how many prospecting areas the assisted prospector pegged out, he had to

pay 10s. each time. In the majority of cases the country storekeeper found that 10s. I now advance a stage further. In some cases the prospecting area proved satisfactory, a shaft was commenced and a trial parcel taken out. In some instances the result was such as to encourage the prospector to carry on with the particular show. The department should not compel a prospector to register his prospecting area as a gold-mining lease immediately he has milled payable ore. In many cases that payable ore represents the total return up to the time it is won, and to have to register the area as a lease inflicts a definite hardship on the prospector.

Under the scheme the assisted prospector received 2s. 10d. a day. Naturally, the value of that 2s. 10d. diminished to a great extent in the remote districts where the cost of living is high. He was allowed £1 per quarter for explosives. One pound per quarter will purchase exactly one packet of gelignite, one packet of caps and three coils of fuse—sufficient for the average miner to use in three days. The department is still giving to these men that amount of explosives to be used over a period of three months. Were it not for the assistance given to these men beyond what is granted under the scheme, the scheme itself would have become a farce from its inception. Were the scheme made more attractive many of these men would return to prospecting.

The unassisted prospectors deserve more consideration than they have received in the past. The same conditions apply to those men regarding the registration of prospecting areas and the holding of leases as they apply to the assisted prospectors. Relief could very easily be given without a great deal of outlay by the department. The old scheme of granting a prospector the privilege of crushing the first 25 tons of ore from any prospecting area he might occupy, before having to turn that ground into a lease would be of material assistance. Further aid could be given by the State batteries allowing a prospector to put through a small parcel of ore free of charge. The prospectors generally are suffering a certain amount of disability through a medium which is also proving a great boon to them—that is the State battery itself. The conditions and methods applying to State batteries are in need of overhaul and a report should be obtained from an outside adviser. If this were done, and his recommendations were adopted, a

great improvement in the set of 28 State batteries would be effected. Conditions might not require adjustment in all 28 batteries, but in quite a number of them there should be an overhaul in the light of outside advice.

The matter of sands treatment could and should receive the attention of the department. Twelve or 15 months ago an attempt was made to give the prospector a certain amount of relief by reducing the amount of the deductions then made. An analysis of the results achieved by the department's so-called relief is rather startling and, in general practice, what I am about to mention may be regarded as typical of how the so-called relief has affected the average prospector. I take as an example 100 tons of ore crushed. After deductions for moisture we have 90 tons of tailings and the agreed assay on that parcel was 6 dwts. The treatment charges under the old scale were 2dwts. 8 grs., leaving a total of 3 dwts. 16 grs. On the 75 per cent. deduction basis, we have to take a further 22 grs. from the 3 dwts. 16 grs., and the net result is 2 dwts. 18 grs. Then the department decided to give a certain amount of relief.

The Minister for Mines: There is nothing original about that. It has appeared in "Hansard" for the last four years.

Mr. KELLY: Then it will appear again. Under the revised scheme the 100 tons still remains the same, with 90 tons tailings and the agreed assay was the same, but the deduction of 75 per cent. extraction is made before the treatment charges are taken out. This appeared to effect a considerable saving to the prospector but, as a matter of fact, it has given him no relief whatever. After deducting the 1 dwt. 12 grs. on the basis of 75 per cent. extraction, we have 4 dwts. 12 grs. left, and the deduction of 1 dwt. 18 grs. for treatment charges brings it to the same amount of 2 dwts. 18 grs. The prospector should be given greater assistance from the point of view of the sands.

The Minister for Mines: You might mention the charges for treatment by other than State batteries.

Mr. KELLY: It is stated that a majority of the privately-owned mills are trading on an excessively high rate, but in actual practice the rate charged by them, taken over a number of instances, is only 7 grains higher than that charged by the State batteries. Consequently the State should be

getting a far greater return than has been disclosed in the figures for the 12 months. The basis of extraction, I have been assured, cannot be varied to any great degree, but the 75 per cent. basis appears to me to be excessively high, particularly after actual experience of it. For ore up to 5 dwts. it seems quite reasonable in order to give the department sufficient to remunerate it for its outlay, but higher than that the amount of value in the prospector's sands becomes a fast diminishing asset. Take returns worth 8 dwts. on the 75 per cent. basis. A prospector loses first of all 2 dwts. plus 15 per cent. moisture deduction, plus 1 dwt. 18 grains treatment charges, and thus the 8 dwts. fall back to roughly $3\frac{1}{2}$ dwts. This is an extortionate charge, considering that a well-run treatment plant should not in any circumstances have residues higher than 1 dwt. If they are higher, undoubtedly there is something wrong. If the residues of a private mill were worth more than 1 dwt., the manager would be rushing around to find out what was wrong. To leave the department a clear 1 dwt. is in many instances an unfair imposition on an already badly done-by prospector.

The unfairness to the prospector increases as the value in the sands returns becomes higher. I ask the Minister, why should any man be penalised because of the fact that he has a fairly high sands return? A man's returns might be worth 12 dwts., but unfortunately, because of the process or the type of ore, he is able to get only 4 or $4\frac{1}{2}$ dwts. over the plates while the balance of the values is in the sands. This means that with the 75 per cent. basis operating, that man is being penalised extensively in what is already a low-grade proposition from his point of view. I ask the Minister to consider adopting a sliding scale as follows:—

| | Per cent. |
|----------------------|------------------|
| 4 dwts. | 75 |
| 6 dwts. | 77 $\frac{1}{2}$ |
| 8 dwts. | 80 |
| 10 dwts. | 82 $\frac{1}{2}$ |
| 12 dwts. | 85 |
| 15 dwts. | 87 $\frac{1}{2}$ |
| 18 or over | 90 |

The reduction basis should be the means of determining the value remaining in the man's sands. On the highest basis the department should still retain at least 2 dwts. even if the returns were to go many dwts. Allow- ing for the ordinary amount of loss in the

residues, that would still represent roughly 9s. 4d. per ton for handling and treatment charges.

The Minister has said that although the Government had made every endeavour it had been finally decided that there was no possibility of obtaining any relief from the gold tax. Notwithstanding the Minister's statement, I consider it is high time that this entire Parliament, and not only the Government, took drastic steps to have the amount of that imposition placed on the industry by the Federal Parliament if not completely wiped out then at least very considerably reduced.

The Minister for Mines: The Chamber of Mines has said that it is satisfied with the taxation.

Mr. KELLY: I have the report of the Chamber of Mines here and will quote from it presently. It appears to me that the Chamber has spoken individually and not as representing the State's mining industry. The Chamber of Mines has not presented the position on behalf of 75 per cent. of the producers of the State, and what induced that body to make such remarks is beyond my comprehension, and probably beyond the comprehension of many members of this Chamber.

I notice that in 1940 the amount of tax collected was approximately £1,000,000. It would be hard to countenance the fleching of this immense sum from our goldmining industry even if the Federal Government were handing back 75 to 80 per cent. of the amount. The individual loss incurred by many companies is so great that the amount drawn by the Federal Government may actually be regarded as taken out of their pockets. However, it appears that all we have had refunded during the past 12 months from the Commonwealth gold tax that has been extracted from the gold producers of Western Australia is about one-tenth of the total amount collected from that tax. No other State is affected to any degree by the imposition of the tax because the other States have not the assets that we possess in our goldmining industry.

I observe that under the provisions of the Commonwealth Encouragement of Mining Act, Western Australia received £111,000 by way of encouraging our mining industry. I stand corrected if the Minister has received other amounts. The amount we should have received for the stimulation

of the industry has certainly not been forthcoming. Against the imposition of the Commonwealth gold tax we should put up a very hard fight. It is high time this Parliament began to combat the tax and again ventilated the State's position, so that we might secure some redress. The infliction of the tax cannot be too strongly condemned. Since the outbreak of war the price of gold has increased a little, but not nearly as much as would be necessary to carry the extra gold tax or to compensate the high and rising prices of commodities used throughout the industry. I have gone to some trouble to compile a list of the chief stores used by the industry, and the comparative percentage increases that have accrued since the outbreak of war, as follows:—

| Commodity. | Increase. | Percentage. |
|--------------------|---|-------------|
| Mining drill steel | £68 to £105 per ton | 50·1 |
| Mercury | £22 10s. to £35 10s. | 204·4 |
| Fuel oil | 124s. to 191s. 6d. per ton | 54·4 |
| Borax glass | £72 18s. 6d. to £106 per ton | 45·0 |
| Corduroy cloth | 3s. 11d. to 7s. 4½d. per yard | 88·3 |
| Cotton waste | 68s. to 90s. per cwt. | 38·4 |
| Filter cloth | 4s. 6d. to 8s. 7½d. per yard | 95·3 |
| Hammer handles | 16s. to 32s. per dozen | 100·0 |
| Carbide lamps | 11s. 9d. to 19s. 3d. | 63·8 |
| Plumbago pots | 45s. to 98s. per cwt. | 117·8 |
| Oregon timber | 68s. to 121s. 6d. per 100 super feet | 78·5 |

Besides these increases there have been many others; general equipment and machinery replacement parts of every description have risen out of all proportion to the ability of the mining industry to pay. My view is that with all these increases the time is not far distant when a highly serious position will be experienced by the mining industry unless we can stop this drift of money to the Federal Government through the medium of the gold tax. I do ask the Minister and this Chamber in particular to endeavour to formulate some scheme of assistance to that effort which is already being made on our behalf by our Federal representatives to get the gold tax lifted and so benefit the mining industry generally.

MR. LEAHY (Hannans) [10.19]: I have been associated with the gold mining industry for a few months, and I never thought that anyone would come into this Chamber and paint so doleful a picture of that industry. I think the possibility still exists of drawing a bright picture of the industry's future extending over a considerable period. In the first place, present conditions in the industry have been attacked.

After considering the matter seriously, I wonder if the critics of today realise what they are talking about. I have heard much said about the conditions existing in our big mines; but most of it applies to a period 20 years ago. I hope to bring our mining information up to date. I tell the members of this Committee that those conditions do not exist today, and that those now appertaining to the Golden Mile are on a par with those found in the mining industry in any other part of the world.

Mr. Sampson: Are you sure the conditions are equal to those of South Africa?

Mr. LEAHY: We find people here continually crying out about the conditions of the goldmining industry. I will refer briefly—and very briefly—to the facts. Prior to 1930, mechanical ventilation was unknown; people did not understand what it meant. Between 1930 and 1940, a period of ten years, 22 fans were installed in our mines. Some of those fans have a capacity per minute of 80,000 cubic feet. To express it in other words, the 22 fans installed in our gold mines draw into the working portions of the mines 26 tons of pure air per minute, or 26,000 tons of air every 16 hours, or two shifts. Whether the fan is placed on the surface or in the bottom of the main shaft, the air is scientifically controlled. There is no such thing as circulated fresh air through funk areas; the funk air is carried out. If, in the setting out of a mine, provision is not made to carry away funk air, the modern mining inspector, or the ventilation engineer or the company—and the mining companies have fallen into line with the experts—will ensure that other means are provided of carrying away that funk air.

After all, what is ventilation? What does it really mean? A maximum is set for the degrees of temperature in any place in a mine where a man is permitted to work; that maximum is 87 degrees dry bulb and 80 degrees wet bulb. In very few parts of the Golden Mile today will one find in the deep mines a temperature up to that standard. Although the rock temperature increases I believe by about half a degree every 80 or 90 feet, that would make the rock temperatures at 3,600 feet in the deep mines only about 90 degrees. One can imagine what the effect would be if that air were permitted to remain still in the mine. It would be impossible for the men to work there, as the temperature would be up to al-

most blood heat. But the present system of ventilation keeps the atmosphere moving at such a velocity that, notwithstanding the rock temperature is 80 degrees, the air driven by these powerful fans through the working places reduces the temperature and makes it reasonable for the men to work in.

Some five or six years ago the Hannans North mine installed a fan with a capacity of about 22,000 cubic feet per minute, which is equivalent to about 22,000 tons of air per month, or about four times the quantity of ore broken and hoisted from the mine. When I hear people telling me that no advance has been made in the industry, that its conditions have not improved, I feel as if I did not exist. Many other arrangements have been made to provide ventilation, and very cheaply too, such as blowers driven by compressed air or by electricity. Our mine workers today are producing more than they ever did and at the same time are working less hours, simply because of the improved conditions. Yet people tell us there has been no improvement! Control is exercised over firing times, which I suppose charge the air with more nitrous fumes and dust than does any other occupation in the industry. Firing is only permitted at crib time and knock-off time. Every man must be on the intake air side of the person firing. Fresh air is being brought to the worker at all times. There is a break between shifts. In the old days, workers went into a dirty mine; the air was charged with nitrous fumes and dust. Today that is not so. In a period of about 48 minutes between shifts the mine is cleared and the miners proceed to work under good conditions.

Mr. Fox: Previously that was done at every level.

Mr. LEAHY: Yes, but our mining machinery has been improved. People perhaps are misled to some extent when it is said that the men work with a water-line drill. That is dangerous, because the dust and water that travel through the hollow steel and through the machine are deleterious. They form into small globules, pass into the atmosphere and are the most dangerous thing a miner can inhale. However, I will leave that matter for the time being. I shall not delay the Committee long, but I want to refer to a flying visit recently paid to this State by a committee which was termed the Federal Copper and Bauxite Committee and was under the

chairmanship of Sir Colin Fraser. To me it appears that that committee was wasting public money, at a time when every penny was urgently needed by the Empire for war purposes. The committee came here to inspect our vast mineral deposits, extending over thousands of square miles. The members spent two whole days in Perth, during which they visited and inspected the bauxite deposits at Toodyay and on the Darling Ranges. They then made a trip to Greenbushes and inspected the tin deposits.

The result of the investigation by these highly paid people—we have men here equally competent to make such an investigation—was rather chilling. Their complete report has not yet come to hand, but what they did say about our mineral resources was pessimistic. As far as copper was concerned, that could be imported cheaper than it could be worked here. According to them, our tin deposits are superficial. Our bauxite was too inferior. After the expenditure of a large sum on that committee, that is the account we get from people who do not consider this State worthy of a fair go. If the Public Accounts are studied it will be found that assistance accorded to the mining industry has not been generous after all, when compared with that given to the farming industry. The Public Accounts disclose that the assistance given to farming has been exceedingly generous, because the farmers have been continually howling for help.

Hon. C. G. Latham: Do not spoil a good speech.

Mr. LEAHY: I am only just starting my good speech. Even during this session members opposite have been pleading for the poor unfortunate farmer. I know a little about that, too. It would almost make one cry to hear what is said. I feel moved to tears.

Mr. Mann: Do not shed them here.

Mr. LEAHY: Everything that could possibly have been done for the farmers has been done.

Hon. C. G. Latham: That cannot be discussed under this vote.

Mr. LEAHY: I am going to make a comparison. Very little has been done for the mining industry compared with what has been done for the farming industry.

Hon. C. G. Latham: Everything that the mining industry has wanted it has received.

Mr. LEAHY: I will tell members what I think should happen. The aid that has been so generously provided by the State and the Commonwealth for the farming industry should be discontinued. Not much harm would be done because all the assistance that has been afforded has had no effect in stemming the ebbing tide of the farming industry. I would put an end to the assistance rendered with a view to freezing out the incompetent farmer.

Hon. C. G. Latham: What about the incompetent miner?

Mr. LEAHY: I will say something in favour of the farmers in a moment. I suggest that the money provided for the assistance of the farmers should be deflected into the mining industry.

Mr. Mann: God help Australia!

Mr. LEAHY: I feel sure that the State of Western Australia and the Commonwealth generally will never become a manufacturing country unless full advantage is taken of our mineral deposits. In manufacturing lies our future, and if big industries were established in the Commonwealth and this State, the poor unfortunate farmers who are always squealing might find a home market for their products and be relieved of the necessity for competing in the open markets of the world, which are overcrowded.

Mr. Mann: They never squeal; you cannot say that!

Mr. LEAHY: Specious arguments are advanced. It is said that the goldmining industry has progressed, that the price of gold has increased. The farmers need to take notice of other facts, too.

Mr. Mann: They are very broadminded.

Mr. LEAHY: The farmers need to remember that they have a home parity price for their wheat. They asked for it and received it.

Mr. Boyle: Are you talking about the goldmining industry or the wheat industry?

Mr. LEAHY: The home price that the farmers are receiving for their wheat is in advance of world prices. I do not see why if we all work together we should not progress. I am speaking of the successful farmers, like my friends on the Opposition, not the fellows that do not know the first thing about the subject, who never have a cow or a pig and whose hens do not lay eggs.

Hon. C. G. Latham: They are all roosters!

Mr. LEAHY: The farmers who complain about their conditions never think about the poor unfortunate toiler who loses his job and who has no cows or pigs. I lived on a farm once.

Mr. Mann: And you flourished.

Hon. C. G. Latham: I imagine there were a good many spuds where you grew up!

Mr. LEAHY: Not enough to feed me.

Mr. Berry: Were you a competent farmer?

Mr. LEAHY: I can relate instances—

The CHAIRMAN: The member for Hannans had better keep to the mining Estimates.

Mr. LEAHY: I intend to associate mining with farming, if it is possible. I will show the farmers how to escape from their difficulties. Let them try to be fair to us and not take all the money.

Hon. C. G. Latham: As a matter of fact, we are your very best friends.

Mr. LEAHY: A man said to me, "You were a fool to enter politics." I said, "You're telling me! I knew that long ago; but why do you make that remark?" He replied, "You come from the goldfields and if you are dumped tomorrow, what will happen? You are too old to go back to the mining industry. You are half-dusted, half-dead, you are only half a man; what have you to go back to?" I asked him what he had to go back to, when he was thrown out of Parliament. He said, "I will tell you. I have a farm which is over-capitalised and over-mortgaged. I do not own a blade of grass on it; but when I went back to it I had five meals a day. When I wanted a new suit of clothes or a few pots of beer, I killed a sheep or sold a pig."

Mr. Boyle: What about Section 51?

Mr. LEAHY: I had forgotten about that! I have tried to create a little brighter atmosphere. I do not desire to go too deeply into the question of mining because there are other speakers.

Hon. C. G. Latham: You are helping a good deal.

Mr. LEAHY: Helping what?

Mr. Doney: We do not know.

Mr. Mann: You are helping the progress of the State.

Mr. LEAHY: I am glad to be told that. I hope people will not tell me that I am living in the past. I have lived in Western

Australia for 36 years and know the advance that has been made in the mining industry. I do not like to hear people decry it and say that no improvement has been made. Our standard of mining is equal to that of any other part of the world. I desire to pay a compliment to the Minister and his staff.

Hon. C. G. Latham: Do not say too much about him.

Mr. LEAHY: I pay the compliment which is due to him, and yet not so much to him either, as he is guided and assisted by his staff. The Mines Department staff stands alone. The officers are always courteous and give every assistance possible when it is sought.

MR. TRIAT (Mount Magnet) [10.38]: I must have a few words to say regarding the goldmining industry and particularly about the ventilation of mines, which is very important. I do not intend to delay the Committee very long, but I would like to give a history of miners' diseases based on my own experience over a number of years. Up to 1924 we had no knowledge of the cause of miners' phthisis. The ordinary worker and mine manager had the idea that it was a sort of disease that entered the mines on account of the wet nature and darkness of the mines. It was considered that because of those conditions the men became tubercular. When investigations were made it was found that tuberculosis occurred as the result of dust on the lungs which broke down their resistance and permitted the tubercular germ to secure a grip.

Dust was found in the mines in atmospheres as clear as the atmosphere of this Chamber. It was thought that there had to be a heavily dust-laden atmosphere before the germ could make headway. But that was found to be totally wrong. The visible dust was too coarse to penetrate the lung's membrane. In 1926 an examination took place and from then on everybody became aware of the cause and the incidence of miners' phthisis. It was discovered that the dust content of the mine of a very fine nature, much too fine to see with the naked eye, was the cause of the complaint. After much investigation and experiment it was found that the only way to prevent it underground was to send a current of air through to remove the small particles of dust. That was

the result of examinations made by the ventilation inspectors.

Hon. C. G. Latham: That was only one thing.

Mr. TRIAT: It was the main cause.

Hon. C. G. Latham: They were supposed to use water with the drills.

Mr. TRIAT: That is a big item. Many mines bored dry, which was bad, but it was found that the dust created by boring machines even when dry was not so bad as the dust created by explosions. The fine dust arises from two sources—from the fine grinding of the machines, and from the explosions which completely grind the ore. Some of these classes of dust remains underground for a long period unless a current of air is passing through the mine. The last returns of the Mines Department show that the incidence of miners' phthisis has been almost eliminated. Very few cases of advanced silicosis are known today. That is the stage before T.B. is contracted. We have early silicotic cases and they will always occur. They can arise from conditions on the surface in any of the mining towns.

Many of the womenfolk in those places suffer from the early stages of silicosis. The advanced stage is very rare. Modern methods of ventilation exist in Western Australia today. We have not the air-conditioning system in operation in this State, but the modern conditions operated by scientific men ensure that there is no great quantity of dust in the mines, and that the air keeps circulating. The greatest cause of miners' phthisis is the work period between shifts. In the old days when a man went to work after firing had been carried out in the mine, he would walk into a very dusty place and would work under those conditions during the whole of the shift, and firing would be carried out at any time during the shift. As a result, a considerable amount of dust was continuously suspended in the air. Today, under the Arbitration Court award, a break of 48 minutes has to be given after firing has been carried out underground before the new shift goes on. That has solved the problem of miners' phthisis to a great extent.

In South Africa no miner is permitted to fire during the course of a shift that he is working. He simply takes the face out and a special squad goes in at night and fires the holes. South Africa has practically eliminated its incidence of miners' diseases.

[*Mr. J. Hegney took the Chair.*]

The inspection of the mines in Western Australia has been good; it has been exceptionally good since 1930. We are today, in this regard, as up to date as any State in the Commonwealth, and possibly more up to date than most. I do not know the particulars of the new scheme in America, but if the incidence of disease rises sufficiently, our mines inspectors will take action very quickly. Another matter I desire to deal with is the question of payment to turned-down miners. For some years the payments have remained stationary. Under the Mine Workers' Relief Fund, a turned-down miner receives half his wages until he exhausts £750. He is generally paid at the rate of £3 10s. a week, which cuts out the £750 in about $4\frac{1}{2}$ years. He then comes back to mine workers' relief payment at the rate of 25s. for himself, the same amount for his wife, plus some further amount for each child, to a maximum sum of £3 10s. per week. Unfortunately, if he receives the old age pension, it is taken into consideration. I hope the Mines Department will get in touch with the Commonwealth Government to see if it is prepared to give a man the old age or invalid pension in addition to the miners' phthisis pension.

Mr. Styants: They do that in New South Wales.

Mr. TRIAT: I believe the Government has been in touch with the Federal authorities, but I do not know whether finality has been reached.

The Minister for Mines: We have not received an answer.

Mr. TRIAT: That would help these people because, although the cost of living has increased by leaps and bounds during the last two years, these people suffering from miners' phthisis have not received any benefit by way of increased payments. They have contributed to the scheme. It is not a gift. I wish to deal with the question of explosives. Western Australia is the greatest user, in industry, of explosives in Australia. Probably a greater amount of explosives is used for war purposes in States where shells are manufactured. This State should not be under the penalty of having to import explosives manufactured in the Eastern States. An inspector of explosives told me that the necessary ingredients to manufacture them can be obtained in West-

ern Australia with the importation of nitro glycerine. If we could do that, it would effect a large saving to our mines and also to our prospectors.

In some parts of my electorate explosives cost £5 5s. per case, which is a lot of money when one case of explosives may be used in a week in hard ground. Very few prospectors, unless on good ore, can afford £5 5s. a week for explosives. Something should be done to have them manufactured in this State and so save the cost of importing from the Eastern States. A further matter with which I desire to deal is the treatment of refractory ores. Many of our prospectors operate in districts where the ore is of a high value. On occasions the ore is worth a little over £12 a ton and yet something in the vicinity of £4 worth of gold cannot be recovered. It remains in the sands, which cannot be treated because of the refractory nature of the ore. The State batteries have endeavoured to treat small parcels of refractory ore. By installing concentrating tables this could be done. Three thousand pounds worth of sands was sent to a small syndicate for treatment.

Mr. Sampson: Speaking of refractory ore, has Wiluna a future?

Mr. TRIAT: I do not know about Wiluna's future, but I do know there is a future in many small mining centres if men can have refractory ore treated. A content of 3 per cent. of copper will prevent the State batteries from treating the ore. It may contain 1 oz. of gold per ton, which is worth about £9 15s., but unfortunately those sands cannot be treated. If the copper ore could be treated these people could receive the value of the gold contained in the concentrates, and thereby obtain some results from their efforts. It would not be a big item to instal plant to treat refractory ore by concentration. It would be too costly to put in a treatment plant.

One speaker mentioned the question of man power and said that military enlistments were not altogether responsible for the shortage of labour. In parts of my electorate this has definitely caused a shortage. The Youanmi gold mines will close down unless they can produce 7,500 tons of ore per month. It is not only the highly experienced and skilled machine miner who is wanted, but a good class of man who can on his own remove a large amount of ore by bogging and trucking under-

ground. Three or four men have no room to work together and only one man can do the job. The young men have been conscripted for military training. If the men are taken away, the mines outback will not progress. I am given to understand that instructions have been received from the head office of the Youanmi mine that the management must salvage all that is possible and then close down the mine. That will affect a centre with a population of over 400 souls and a mine that the manager holds has a future of some years. He said, "The mine is quite all right. Provided I can get the required labour I can work the show for years. If I cannot get the labour, we must close down." It would be a pity if that has to be the fate of the mine, because if it is closed down it will never again reopen, at any rate in our time.

To my mind it is exceedingly regrettable that mines may have to close down because young men have been called up for military service. Certainly if the men are required for the militia, with the result that a mine has to be closed down, some provision should be made for the payment of compensation. In many instances I cannot see the necessity for the young fellows being drafted away from these outback mining centres. After all, what effect could half a dozen men here and there have on the war effort if they were permitted to remain on the mines? I trust the Man Power Board will give consideration to this aspect and endeavour to see that a sufficient number of men is left on the mines to keep them in operation.

Even during the course of my experience in the mining industry, wonderful strides have been made. There has been a great advance in the methods of operating and in the provision of health safeguards. Taking everything into consideration, we have nothing to fear from that point of view regarding the future of mining operations in this State and most certainly we shall never revert to the old conditions that obtained 25 years ago. In fact, in these days men would not attempt to go down a mine unless good conditions were maintained. I agree with the member for Murchison that if better conditions are required and improvements necessary, immediate attention should be given to those requirements. In such instances the Government inspectors, once they establish the fact

that improvements are necessary, contact the management and intimate that unless the improvements are effected, the mine will not be permitted to continue working. Fortunately in this State there is no fear of mine managers refusing to do what is necessary. I can cite several instances in support of my contention. For instance, conditions in the Lancefield mine were bad. The mining inspector said to the manager, "If you do not improve the conditions within a week I shall close down the mine." The show was not closed down because the conditions were duly improved. I have no fear regarding the future of miners in the industry so long as the present Government and the present personnel of the Mines Department remain in control.

HON. N. KEENAN (Nedlands) [10.53]: I desire to offer only a few comments on the Mines Vote, and indeed I would not do so were it not for a certain reason I shall endeavour to make plain. The Minister had a pleasant tale to tell of conditions as they are today, making due allowance for the disabilities the war has imposed on the industry. On the whole, I am not now in a position to speak of present-day conditions in the mining industry, but it would appear that those conditions are reasonably good. They were not always so, and certainly were not so in the early days when the industry was first established. I can recall the words used by the Prime Minister of England when he warned the inhabitants of the Home Country regarding what they had to look forward to during the war period. He told them that all he could promise was tears and sweat and blood. That was very nearly the position in the early days on the goldfields.

Mr. Marshall: And remained so until a few years ago.

Hon. N. KEENAN: I can speak only, unfortunately, of the old times, and I mean the very old times. I know what the miners had to suffer. I know what we all had to suffer in those days. I can recall that when it rained the only covering we had was some wretched hessian that had to be hung over a bush. The hessian let through almost as much rain as it kept off.

Hon. C. G. Latham: So long as there was rain, it was all right.

Hon. N. KEENAN: Yes, it rained at times in those early days. On such occasions we had to hang out the rugs we slept in so that they could dry—if the sun should come out. In those days we lived on food principally imported from Queensland. I do not wish to deery Queensland products, but I find now that I cannot look at some of those tins without my memory being stirred.

Mr. Marshall: Tins of bully beef?

Hon. N. KEENAN: Yes, bully beef from Queensland! I can recall that when we opened up a tin we were very glad indeed if we could stand the smell. The point I make is that that was the foundation of the industry. It was done by men who never grouched, never complained, never came to Perth with deputations asking for assistance. The miners of those days worked and lived solely on their own endeavours. One of them died within the last few days—one of those men who in his own way made the great State of Western Australia possible. He lived to a ripe old age; he lingered on and died a few days ago. So I am rising merely to pay a tribute to that man and to men like him, men who built the mining industry up, not in the pleasant ways that are spoken of nowadays, but in the ways that spelt toil and sweat and tears.

The suggestion has been made that improvements have taken place in the mining world as distinguished from the prospecting world, which is the one about which I have been speaking so far. The suggestion has been that the improvements resulted from the actions of what is now known as the Labour Party. That suggestion is far from being historically correct. Why do I say so? Because in 1922 the first Act was placed on the statute-book dealing with miners' phthisis and it was placed there by a National Government.

Mr. Marshall: And it was never effective; it was left there; it was never proclaimed.

Hon. N. KEENAN: That Act provided all the machinery necessary for the purpose.

Mr. Marshall: But no compensation.

Hon. N. KEENAN: I am afraid the member for Murchison's memory is faulty because the law is there for him to read. The Act provided that in certain circumstances a miner could be debarred, by reason of tuberculosis, from working in a mine. If he was so debarred by the medical officer appointed for the purpose of administering

the Act, the miner was entitled to appeal to a board. If his appeal was successful he was entitled to resume his mining operations. If it was not successful then it became the duty of the Mine Workers' Relief Fund authorities to keep a register and enter the miner's name therein. The Act also provided that any person whose employment was prohibited and whose name was registered as I have indicated, had the right to receive from the department an amount of compensation equal to the ruling rate of pay in the district in which he was employed at the time of the prohibition.

Mr. Styants: But none of them got it under that legislation.

Mr. Marshall: The Act was never proclaimed.

Hon. N. KEENAN: Yes, it was.

Mr. Marshall: No, it was not.

The Minister for Mines: It was proclaimed in 1925.

Hon. N. KEENAN: The Act was passed in 1922 and by a National Government. A further measure was passed in 1932 to fill in the gaps left by the earlier legislation. The 1932 Act was introduced by the late Mr. John Scaddan. The Minister for Mines will remember that Mr. Scaddan took every care to place on the statute-book a measure that would meet all the requirements likely to arise in connection with the mining industry. So it is incorrect to suggest that the care of miners has been especially the object of any particular political party. As I have said on other occasions, I do not challenge the desire of members who sit on the Government side to give those employed in the industry all possible protection and assistance, but I do not care to hear an attempt to absorb all the credit for all that has been done when such a claim is historically and entirely false. That is all I have to say on the matter.

One question was raised by the member for Hannans to which I wish to refer because it illustrates the treatment the goldfields people received from the people of the coast in the early days of the century. Much has been made of the water scheme as something wonderful that was given by the people of the coast to the people of the goldfields. When the water scheme was completed, I was occupying the position of mayor of Kalgoorlie, and I got into very bad odour with Sir John Forrest and political leaders on the coast because I suggested

that it was a national work and there was no justification for laying down a scheme for the return of the cost of the work by the goldfields people when it should be borne by the people of the State as a whole.

I am aware that the scheme was never carried out, but it was proposed that a sinking fund of a certain amount would enable the expenditure to be wiped off in a period of 15 years, and that the contributions to the sinking fund should be added to the price of the water. It was not to be a national scheme; it was to be a scheme for which the goldfields people alone would pay. The view I took, and the view everyone would take nowadays, was that if it was a national scheme to run a railway to Dumbleyung from Wagin, it surely was equally a national scheme to run water to the goldfields, and if the State bore the burden of the construction of the railway, it should bear the burden of a national work such as a water scheme to the goldfields. I became intensely unpopular for having the impudence to voice those ideas.

The Premier: But not in Kalgoorlie.

Hon. N. KEENAN: No, in the rest of the State. The people of Kalgoorlie, I think I may say, agreed with me. It was matters of that kind which produced the feeling that exists even today, as the member for Hannans knows, of jealousy and distrust between the two sections of people living in the same State. There were all sorts of pettifogging matters that contributed to the feeling. If goods were consigned from Fremantle to Kalgoorlie by rail, they paid a much higher rate of freight relatively than goods consigned to Northam or even to a station near Merredin. This was carried to such an extent that it paid one to have goods consigned to Merredin and then get them re-consigned to Kalgoorlie. Those were little pettifogging matters that counted. It is not the big grievance that makes people angry; it is the small wretched grievance. Even today I am afraid there remains a considerable amount of distrust on the part of the people of the goldfields towards the people on the coast. This should not be so. We are all people of one State, and we should learn that we have interests in common and can best conserve our interests by acting in common.

I do not wish to detain the Committee. I rose mainly to pay a very humble and sincere tribute to a man who has just died.

I do not wish to mention his name here because members would not know him, but he was a great prospector, a man who did all that he could in the days of his youth to place this State on the pedestal it occupies today as the greatest mining State. I should like to remind members that a peculiar anomaly arises in connection with insurance against miners' phthisis. I know a man of over 50 who was working for the Western Mining Corporation, got his laboratory certificate and was properly covered by insurance. He went out prospecting and when he came to work at some dud show near Cue, no insurance was taken out by the mineowner. For some extraordinary reason, this man, whose health until then had been perfect, developed miners' phthisis; and he is now at Wooroloo and cannot get a penny compensation except the small grant he draws from the Mine Workers' Relief Fund. To that, of course, he is legally entitled.

The Minister for Mines: He is entitled to that because he has paid for it.

Hon. N. KEENAN: Yes, and it is all to which he is legally entitled. This state of affairs should be altered. It was impossible for that man to know that his employers were not insured; he had no means of finding out. If he had been asked, he would not have known. There he is at Wooroloo, a human wreck, without anything except the Commonwealth invalid pension and the money from the Mine Workers Relief Fund. It is regrettable that such a thing could happen. I have had very little connection with the business of the Mines Department, but whenever I have had occasion to go there, I have been treated in such a way that I willingly offer my tribute to the civility, kindness and assiduity of the officials.

In conclusion I wish to state that the Minister is deserving of every credit for the administration of the Mines Department, and that great credit is also due to the whole of the staff. Despite any possible appearance to the contrary the Minister very specially does deserve the tribute which I paid him. I hope he will be able to unfold a better tale when he is next called upon, if he is called upon, to deal with the Mining Estimates of this State.

MR. STYANTS (Kalgoorlie) [11.11]: I think that anyone who reads the report of the Department of Mines must realise that

there is quiet optimism as regards the industry permeating the whole of that report. I believe that spirit of optimism is brought about by the very efficient and scientific mine managers of Western Australia and by the highly competent Mines Department of the State. Many of the improvements in the working conditions of the mines are attributable to modern ideas which were brought by scientists from other countries and have been incorporated here. Our School of Mines has produced some of the most capable mining engineers in the world, and they are holding very important positions throughout the world. Those men have put into effect the teaching they received in this State, with the consequence that results in mining have considerably improved. Fortunately I have never had to work in a mine. My experience underground has been in the direction of going down there to try to familiarise myself with the working, so that I might be able in some degree to represent correctly the industry which employs so many of my constituents.

Men who have worked in the mines in the old days and have also worked under the new management tell me that conditions have improved tremendously during the last 10 or 15 years. One of the greatest achievements, in my opinion, is the practical elimination of tuberculosis from the mines. Each year tuberculosis is getting less and less, until now, I think, it is down to a fraction of one per cent. of men who are afflicted with the disease. In that we have something to congratulate ourselves upon and to feel very pleased about. From what I can discover in the industry, the greatest difficulty which faces it at the present time is a man-power shortage and difficulty in obtaining some of the stores which are essential to running the mining industry. The manpower shortage is not felt so much on the Kalgoorlie field, for the simple reason, I understand, that living facilities in Kalgoorlie are better than those in the back country. As men go out of positions in Kalgoorlie, men in the back country leave their positions there and come where they can find better living conditions for themselves and their families, and educational facilities for their children.

Although there is still a slight shortage of men on the Golden Mile, the principal shortage, and one which has been giving great concern to the mining industry, is in sup-

plies of firewood. Some six weeks ago things reached the stage when the Chamber of Mines declared that if supplies of firewood did not increase it would be necessary to curtail mining operations, thereby throwing quite a number of men out of work. But certain remedial action has been taken, and we are waiting to see its effects. The main shortage, especially as regards the mining industry in general, has been caused by enlistments. In my electorate 320 men have gone into the A.I.F., apart from men called up under the Australian military regulations. Then there are about 500 aliens, who were interned. It will be seen, therefore, that those factors by themselves create a shortage of labour.

There is only one feature that I want to deal with to any extent, and that is the alarming increase in fatal accidents on the East Coolgardie goldfield during the last 12 months. While there has been an appreciable reduction in the number of fatal accidents, for some reason there has been an increase of 57 per cent. in the number of fatal accidents on the East Coolgardie field, although a considerable decrease has occurred in fatal accidents so far as the mining industry is concerned. The Mines Department reports suggest that it may be due to inexperienced men being employed. I think that could very well be traced, and I do not think we should offhandedly assume that that has been the principal cause. Mining men tell me that new men working in the mines are not accustomed to mine working and therefore are particularly careful. It may be that in some instances their ignorance leads them into dangerous positions, in which they get seriously hurt or even lose their lives. It should be easy for the Mines Department to trace whether this actually is the cause. Looking through the returns of accidents on the Golden Mile, one infers that such is not the case, because in many instances fatal accidents on the Golden Mile caused the deaths of experienced miners, men who had been working in the industry for a great number of years. I believe there were only two cases where it was said that the accident might have been caused by inexperience. I hope it will not be taken for granted that it is mere inexperience which is causing these accidents.

It has been said by my colleague, the member for Hannans, who used to be a workmen's inspector on the mines, that a number

of the accidents which occurred on the Golden Mile during the 12 months were "freak accidents." I do not know exactly what is the definition of a freak accident; but it does appear to me that we should take every precaution to see that even those accidents do not occur. There must be something going wrong, probably some breach of the regulations or misadventure of some kind, to bring about these freak accidents. We should carefully scrutinise why in the East Coolgardie district there should be an increase of 57 per cent. in fatal accidents and a considerable increase in serious accidents—I think there were 130 more of serious accidents in the East Coolgardie field during the previous 12 months, and throughout the State there has been a reduction from 38 fatal accidents to 28.

I understand that the Mines Department's definition of a serious accident is one which keeps the employee away from his occupation for a considerable period. That both serious and minor injuries can be avoided or minimised by the use of precautions is made evident by the lesser number of head injuries that have taken place during the last three years. The reduction was brought about by a regulation from the Mines Department directing that mine employees must wear hard hats. Many small falls of stone or of small objects on to men's heads, which previously put them out of commission for a considerable time, have recently had no effect at all. The reduction in the number of head injuries in 1938 was 90, in 1939 it was 60, and in 1940 was 45.

Over a period of two years, from 1938 to 1940, they had been reduced 50 per cent. This shows that, with precautions, many minor accidents and probably serious accidents—serious accidents are those which incapacitate a man for three weeks or a month—can be avoided. That was also made evident by a safety boot which was introduced into the mines, but unfortunately some difficulty has been experienced in obtaining a uniform boot. Possibly through the department, or the Chamber of Mines, something can be done by which the use of a uniform boot will be made compulsory, in the same way as is the use of a hard hat. Foot and toe accidents comprise 14 per cent. of the total accidents in the industry and the number would be considerably reduced by the compulsory use of the safety boot.

It is pleasing to note that in mines which 15 years ago were regarded as worked out, development is taking place today. The most notable instance, probably, occurred on the Golden Mile. At the 2,650 ft. level of the Great Boulder Mine, in a bore hole which was being put through into the Lake View lease, a lode 60 ft. wide was discovered which is averaging 1 oz. per ton. So one never knows what the ground will reveal. It is gratifying that such an important and rich development has occurred.

Some consideration should, I think, be given to increasing the amount payable from the Mine Workers' Relief Fund to those men who are in receipt of relief. The cost of living has increased tremendously. The Price Fixing Commissioner tells us the increase is about 10 per cent.; but ask the housewife on the goldfields what the increase is and she will say it is considerably in excess of 10 per cent. In my opinion, she is right. The member for Mt. Magnet mentioned to-night the question of payment of old-age pensions to men in receipt of relief from the fund. The matter has come under the notice of the Minister and I understand he is taking action similar to that which was taken in New South Wales. A fund similar to our Mine Workers' Relief Fund is in existence there, and miners in receipt of relief from that fund are exempted from the provisions of the Old Age Pensions Act. I cannot recall the name of the fund in New South Wales.

The Minister for Mines: Mine Workers' Relief Fund!

Mr. STYANTS: If that can be done in New South Wales, similar action should be taken here, so that our miners may enjoy the privileges enjoyed by the miners of New South Wales.

Vote put and passed.

Progress reported.

House adjourned at 11.35 p.m.