

road board secretaries and health inspectors, and that like provision has been made in other States. Another place suggested that this was an innovation, and that we should go backwards and permit road boards to dispense with the services of officials without the consent of the Minister. We propose to go forwards and give municipal officers similar protection to that enjoyed by road board officers. In Victoria recently a similar provision was enacted and it includes protection also for valuers and rate-collectors. In South Australia an appeal board has been provided. In New South Wales the Act provides for an inquiry to be conducted by a person appointed by the Governor whenever one of these officials is dismissed. The municipalities themselves are anxious that their officers should be protected. I move—

That the amendment be not agreed to.

Mr. DONEY: I do not think any objection was raised to the provision here. The most potent—if that be the proper word—reason for the objection was given by an hon. member who said he could not for a moment think that a servant of a municipality would be dismissed except for proper reasons. We know that sometimes puerile disputes arise between a member of a municipal council and a servant of the council, and that frequently the member, having considerable influence locally, does manage to get the servant of the municipality dismissed without proper reason. I am disposed to adhere to the Minister's view on this matter, especially as the Municipal Councils' Association seems to be of the same opinion.

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

Resolution reported and the report adopted.

A committee consisting of Mr. Doney, Mr. Withers, and the Minister for Works drew up reasons for not agreeing to the Council's amendment.

Reasons adopted and a message accordingly returned to the Council.

House adjourned at 6.17 p.m.

Legislative Council.

Wednesday, 25th November, 1942.

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The PRESIDENT took the Chair at 2.15 p.m., and read prayers.

BILL—LOTTERIES (CONTROL) ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. SIR HAL COLEBATCH (Metropolitan) [2.20]: I shall oppose the second reading of this Bill and I shall be pleased, if there is sufficient support, to divide the House. It was pointed out during the discussion of a similar Bill last session that an increase of one-half-penny—a very modest increase—in the hospital tax would have yielded a larger revenue than is obtained for hospitals and other purposes from the lotteries. I suppose that now the chance of imposing such a tax has passed. Taxation has been handed over to the Federal authorities; but had there been sufficient foresight to impose that tax a year or two ago, then it would have had to be taken into consideration by the Federal authorities in assessing the amount to be paid to this State. We should have got that without any extra expense to ourselves.

However, what I want to find out is the purpose this House had in mind in refusing to make the Act a permanent piece of legislation and insisting that the operation of the measure should be confined to a single year at a time. The only purpose I can mention is that the House thought and hoped that the time might come when a stop might be put to these lotteries. What would be the circumstances that would justify the House in reversing the previous decision that the Lotteries (Control) Act should continue from year to year? I have

two circumstances in mind; one is that the House was dissatisfied with the method in which the Government distributed the proceeds of these lotteries; and the other is that the House considered the times were not suitable for this extravagant method of raising money, that the times were not suitable for employing a lot of people in utterly useless work, that the times were not suitable for encouraging the community to put money into these lotteries that ought to be put into war savings certificates and support for the war effort in other directions. I maintain that both of those circumstances have arisen.

There is abundant reason for dissatisfaction with the method in which the money is distributed, and the time has come when it is little short of a scandal that £35,000 a year should be spent in keeping people in utterly useless employment. The time has come when it is an offence against the best interests of Australia to encourage people to put their money into these lotteries when they ought to be putting it into some form or other of war effort. If this House insisted that this Bill should come up year by year, it must have been—I was not present at the time—that the time would come when it would be desirable to put an end to the business. I contend that that time has come now. What excuse can there be for spending £35,000 a year in keeping people engaged in work of this kind? At certain times—although it is an argument I should never agree with—it might be said that employment is being found for those people, but surely in these days, when the Commonwealth authorities are clamouring for more men and more women in all classes of war work, there can be no possible excuse for keeping people employed in an utterly useless and unproductive undertaking.

Then we come to the question of how the money is distributed. Strong protests were raised on this point last session and it was claimed—I think with good grounds—that the distribution of the money should not be in the hands of the body that raised it. The practice in those days was quoted and I think that an unanswerable case was put up in favour of the establishment—if the lotteries were to be continued—of a more representative committee to supervise the distribution of the money. I saw a few

days ago a report which referred to the distribution of these moneys between the 20th August and the 6th November. The sum of £27,672 was distributed, and £21,000 out of that amount went to the Perth Hospital Trust Account. Only £6,500 was distributed to charities. Only that small amount was disbursed in the way which would justify the carrying on of the lotteries! The £21,000 was a contribution to revenue and should have been raised by taxation. There is no case in history where a Government has depended on the raising of revenue in this way without it has come to grief and brought its country to grief.

At the close of the 17th century in England distraught Ministers of the Crown, faced with the peril of national bankruptcy and having exhausted the virtues of their people, resorted to the exploitation of their vices with disastrous consequences. We find that the cost of running the Lotteries Commission, according to the Minister's statement, is something like £35,000 a year. The long arm of coincidence reaches out into this matter. Is there not something familiar about the mention of "£35,000 per annum"? Is not that the amount of money collected in fines from the S.P. bookmakers?

Hon. J. Cornell: It is more than that.

Hon. Sir HAL COLEBATCH: Perhaps the lotteries expenses will increase too. The two things balance. What we get on the swings we throw away on the merry-go-round. Speaking of the S.P. bookmakers—and this is a matter closely associated with the lotteries—we find another coincidence. Every week practically the same number of offenders are arrested, and every week practically the same amount of fines is imposed. What does that suggest to the public? Simply that the offenders are hand-picked. There is a happy family arrangement between the authorities and the starting-price bookmakers, under which it will be my turn this week and someone else's next week, but each week there will be a certain number brought up and certain fines imposed. That same coincidence extends to Fremantle where the fines are light. Just the same number are brought in each week and the same amount of fines imposed.

Hon. L. B. Bolton: There is nothing like being consistent.

Hon. Sir HAL COLEBATCH: Only the carrying out of the terms of the proposed Royal Commission would remove the impression that a family arrangement exists

between the authorities and the S.P. book-makers. What other impression could arise from these extraordinary coincidences? It is a fact that the amount of those fines coincides almost entirely with the cost of running these, what we at one time called "charities sweeps." The Government, however, has had the decency to wipe out the word "charities" and the Bill now refers to "lotteries control." There is no element of charity in it at all; the charities get only an infinitesimal proportion of the money raised. I do not know whether most of the members of this House are prepared to face facts as they should. I do not know if they are prepared to say that we permitted the continuance of this measure from year to year only because we did not intend that it should be indefinite, but because we thought that if at any time we were dissatisfied with the manner in which the Government was conducting the lotteries, or that circumstances did not justify their continuance, then the Act would cease forthwith.

I claim that the time has arrived from the point of view of both these aspects. The Government chose to ignore entirely the arguments advanced here a year ago in regard to the method of the distribution of the funds. Nobody could reasonably argue that this is a suitable time for £35,000 per annum to be paid to a number of men and women for doing useless work. Nor is it a suitable time for the Government to be appealing to the people to put their half-crowns into a venture of this sort when a large proportion of that money goes in expenses, seeing that, as a matter of fact, the whole of the money should be devoted to war-saving certificates or some other method of advancing Australia's war effort. We are told that of the expenses 10 per cent. goes in commission paid to the sellers of the tickets. We are also told that there has been wonderful popularity evinced for these sweeps since the new policy was introduced. If they are so popular, what occasion is there to pay 10 per cent. to the ticket-sellers? I should have thought that it would have been a better arrangement—if a business arrangement could be introduced into a high-class swindle of this kind—to limit the number of persons selling tickets and cut down the commission to about five per cent. Apparently the public, gorged with money as it is at the present time, is rushing these things in

the hope of getting rich quickly. There is no excuse for maintaining a large number of people to sell tickets on the basis of 10 per cent. commission. I shall oppose the second reading of the Bill.

HON. J. G. HISLOP (Metropolitan): The last time I spoke on this matter I was, to say the least of it, somewhat timid in my approach to the subject, but when I found that quite a number of members agreed with me in principle that there should be a separate body to distribute these funds I had hoped that I would, this year, see some constructive thought put before this House when the Lotteries (Control) Bill was submitted. But I find we are again in the same position. We have a continuance Bill in front of us, and we can do very little about it except discard it. I should be very sorry to see it discarded until some other means of raising the money has been substituted. I feel strongly on the matter and think that the Government might at least have taken cognisance of the fact that almost every speaker in this Chamber last year asked for some method of distribution of the money different from that which now exists. For that reason I am going to ask this House to adopt a definite attitude towards the Bill.

It is not very often that we have an opportunity to be definite in connection with the requirements of a Bill, with any chance of obtaining those requirements, but here we have the chance. At the moment the Government cannot afford to have this measure rejected. It must have this money until some other means are found for conducting hospital affairs throughout the State. To raise money now by taxation is impossible except through a direct request to the Commonwealth Government to increase the amount of money allocated to this State for hospital purposes.

We might even request the Commonwealth Government to increase the rate in Western Australia by a halfpenny per head. Therefore I ask members to make it clear to the Chief Secretary that we have very little intention of passing this Bill as it stands unless we are given some assurance that the Government will bring down a measure providing for something akin to the charities board of Victoria for the distribution of these funds. I repeat that very seldom do we have the business in our hands, as it were, and I think today we have it in our

hands and should make it clear to the Government that we are dissatisfied with the present method of distribution. As I said last year, I have no objection whatever to the Lotteries Commission or to the manner of raising the money, but I have a very firm objection to the method of distribution. I had hoped that the Government would go some way towards meeting our request so that I would not have been forced to place before this Chamber some of the information I am going to give regarding hospitals and hospital administration in this State.

One of the statements made last year when a similar Bill was being discussed was that the lotteries, through the money allocated to hospitals, had raised the standard of hospital accommodation and administration in this State. Again it is the Father Christmas attitude that has found favour, but I ask members to realise that this improvement in hospital conditions has been very relative, and has been nothing like the improvement in hospitals in other States and nothing at all in keeping with what is demanded by modern medicine. When we think of the local hospitals being improved as a result of the operation of lotteries, I wish it to be borne in mind that we are only comparing the present position with what it used to be and are not comparing the state of our hospitals with what it ought to be.

I ask members who did not hear the facts that I gave last year to read them in "Hansard" because the great majority of them as they were at that date still stand unaltered. I do not wish to bore the House by repeating those details of the Victorian scheme, but towards the end I shall refer briefly to them. I would rather give the House fresh information regarding the state of the hospitals in Western Australia. I direct attention to Sir Hal Colebatch's very wise remark that had we had a hospital commission in this State and had the amount we raised by taxation been larger than it is today, we would still be receiving the larger amount from the Commonwealth; but as we all our lives have had a policy to keep hospitals poor and to keep hospital administration at a low ebb, we have to continue on that basis because we are allowed only that much money from the Commonwealth since uniform taxation has come into force.

It is my great regret that the position should be as it is. Some method of rectifying it will have to be found very soon.

Another reason why I am asking for a commission is that with the present call-up of manpower, the shortage of staff and the inability to maintain hospitals, after the war is over some very real plan for the reconstruction and re-equipment of our hospitals must be put into operation. Some of the hospitals I have seen are definitely falling into a state of disrepair. I remind members that it is impossible to build a hospital on the basis of its being just four walls in which to house individuals. It is much more than that. If members are interested to see the multiplicity of organisation and departments necessary, the plans of the new Perth Hospital are open to them and will amaze them.

In a modern hospital, such as the Perth Hospital, the cost nowadays is something like £1,000 a bed, and up to £2,000 a bed has been spent in some parts of Australia on hospital construction. Let us consider for a moment some of our country hospitals. Let us take a look at the Geraldton hospital. The front of the building was erected in 1887, since when portions have been added to the structure. The block is now almost in the form of a quadrangle, except that one side is a covered way joining the theatre to the other part of the hospital. Consider for a moment whether this building is efficiently arranged. Take the front portion of the quadrangle. At one end of it is the nurses' sitting room, and so far as I recall there are eight trained sisters and six untrained persons on the nursing staff there. The room next door to the nurses' sitting room is the bedroom of one of the orderlies. Alongside that is a doorway leading to a passage which cuts the front block in halves. The sisters' sitting room occupies the whole of the distance across the block and the orderly's bedroom about one-half. The corresponding room to the orderly's bedroom is the x-ray room, and into this small room the Government intends to place an expensive and new x-ray plant.

I am delighted to know that a new x-ray plant is to be installed at the Geraldton hospital, and to know that circumstances, from the military point of view, have allowed others and myself to make the decision to place that x-ray plant there. What is done in the room when the patient gets there, and the sister and the x-ray technician are also in the room, I do not know. When a patient has to be brought to the x-ray room, he

has to go from the wards through a roofed covered way, where there is no side protection from the weather, and, when going through the door I spoke of alongside the orderly's room, he has to be removed from the stretcher and then, with a great deal of manoeuvring, taken into the x-ray room. On the other side of the corridor is another orderly's bedroom, and beyond that is the infectious diseases block. Above that, the nurses sleep; it is not a separate block. The night nurses will be sleeping above the room in which we are going to instal the new x-ray plant. There is no telephone in the nurses' home. If a nurse is rung for, someone will come down from the hospital and call out her name in a loud voice, while the night nurses are still sleeping in the same area.

Members will realise that a building erected in 1887 cannot be regarded as modern. The patients must be taken from the hospital across an open way to the theatre. It is now recognised that, if it is at all possible, patients who have just received a general anaesthetic should not be exposed to chill before being placed back in bed. I admit this difficulty occurs in most of our hospitals except the recent bungalow type. I now come to another hospital. Although I could go on like this at great length, I have no intention of doing so, and will therefore confine my remarks at the moment to the maternity side of hospital care in Western Australia. Let me take Albany as an example. The district hospital there does not cater for maternity cases. When I was in the town some time ago, there was a hospital which was struggling to provide for the maternity work at Albany. I was amazed to find it was being subsidised by the State Government. The person in charge—she might have been an estimable person, and I say nothing against her—was one who had not received her certificate in this State. She could not, therefore, conduct the hospital herself but had to get another double-certificated nurse to act, shall I say, as a dummy, thereby considerably increasing the expense of that hospital. It is no wonder that before long the hospital closed. Possibly also the closure of that hospital was due to a certain extent to the fact that the population of Albany decreased somewhat under war conditions. The only two remaining mid-wifery hospitals in Albany are very small private houses. If members care to look,

they will find that the birthrate at Mt. Barker is enormous, simply because the maternity cases from Albany go to the Mt. Barker hospital.

I intended recently to wrestle with this problem, but I unearthed a difficulty. That difficulty was that the Government has a policy that if a local authority requires maternity work to be done in its main town, it shall provide half the cost of the maternity hospital. If the local authority cannot find the money, or if there is a difference of opinion between that authority and the Government, the Government shakes the responsibility off its shoulders, and says, "We will subsidise someone." In many instances the subsidy is not a handsome one. When I asked that maternity arrangements should be made in Albany, I learnt that it might be difficult to solve this problem. For instance, if the Government once took over the provision of maternity work in Albany, it might be said to be setting up a dangerous precedent, that other people might ask for the same thing, and that if after the war it were found that the accommodation was insufficient, the Government might be asked to extend it.

It therefore appears that maternity work in this State depends entirely on whether the local governing body will provide 50 per cent. of the cost of the building, or whether there is a good feeling between the local authority and the Government. This might occur whether the town was wealthy or whether it depended for 98 per cent. of its income on the weekly pay envelope—the principle is the same. I maintain that this is not even justice to the cause of the modern care of maternity cases. It is for this reason I ask that some body be set up which will control these affairs and tell us what is needed in the way of cost to the community, some body that will distribute to the community in a reasonable manner the money that is raised, either out of Consolidated Revenue, or from lotteries or any other scheme. I am going to read an extract from a letter sent to me by a doctor in a town that has for some time been battling for a maternity hospital. There are certain maternity arrangements there already. I do not wish to shake members by reading too much of that letter.

Hon. J. Cornell: Will you place it on the Table when you have finished?

Hon. J. G. HISLOP: I would rather not. The extract is as follows:—

A large number of cases, I think more than half, left the hospital with very unpleasant and very resistant staphylococcal pustular condition of the skin.

This is a private hospital.

Usually the baby only is affected, but frequently there is secondary infection on the skin of the mother's breasts. Consequently it seems almost to be a routine now to incise the breast abscesses a few days after the women leave hospital. The pustular rash on the babies is frequently very bad and always distressing to see, and many weeks are required of treatment at home or in the district hospital to eliminate the infection. The use of masks by the sisters at my request has not lessened the trouble.

There is a good deal more in the same strain. I know that requests have often been made that the conditions at this hospital be investigated, but those conditions will continue because there is no Government provision for maternity work in the town.

Hon. J. Cornell: There are scores of towns in the State where there is no Government provision for maternity cases.

Hon. J. G. HISLOP: I now desire to read extracts from another letter which refers to a small midwifery hospital, where the staff is not large. In many of these small maternity hospitals, the work is done by the matron and one other person. The extract is as follows:—

Except for a short period recently when an assistant nurse was engaged to help during the day, this is a one-woman institution. Even the physically robust could not do such a job justice, still less one such as the sister, who is far from being robust. She has to have her sleep and so at night women in labour are left for hours alone, and are required to summon her from her slumbers by calling out at such times as they think appropriate. On two occasions I have been conducting difficult confinements with sister's assistance, when she has come over faint, and "had to stretch out on the floor to recover," leaving me holding the baby (literally, if only in part) the chloroform, the patient and the legal responsibility for the proper preservation of asepis.

These are things that this House cannot tolerate much longer. This afternoon we have it in our hands to make a very definite request to the Government, and even to make our actions stronger to indicate that we must have a board or a commission trained to the job, similar to that which was constituted in Victoria, to see that these conditions do not continue. Whilst on the subject of midwifery and maternity

cases, let me take members to Collie. In this instance I will name the town. Arrangements there were very unsatisfactory. They had been unsatisfactory for a long period. Collie has made repeated requests for a maternity hospital in that town. Always has come back the reply that local bodies must be prepared to do their share. Now it has been varied to this: "You get so much from the Lotteries Commission and raise so much yourself and the Government will raise some more." That is what the Lotteries Commission is being used for. I do not believe this House ever intended that the Lotteries Commission should be a body to which to go in order to obtain legitimate needs for maternity work in a country town. If those needs are legitimate—and I think I have said enough already to show that something more has to be done for midwifery in this State—they should be provided. Let us have a look at the Collie Hospital for a moment.

I will give members a little background to the position down there. The hospital is fairly reasonably built. It is somewhat drawn out, but I should say it is one of our best types of hospital. But the nurses' quarters are not quite so good. I am sorry not to be able to give the exact figures, but there are either 15 or 18 nurses on the staff. There are three single rooms that are used by three trained members of the nursing staff—the matron and two others. The remainder of the staff use the three rooms as dressing rooms and sleep on the balcony both in winter and summer. That means that there are not less than four to six nurses using one room as a dressing room and sleeping on the balcony. We need a maternity block and we find that the Government is worried about the expense. Some way out has to be discovered. A suggestion is made that the isolation block could be used and converted into a maternity block. I had a look at it myself. The plan is to undertake the conversion at a cost of £2,500, and even then only eight beds could be provided.

It is well known in Collie that people who can afford to do so go to Perth or Bunbury. The provision of eight beds would not be much more than a temporary arrangement. Very shortly the need will arise for an increase. If effect is given to the suggestion, the isolation block will be dispensed with. That is to be done on the ground that only

three cases were admitted in three years. I find that that is so, but the reason was that if infectious cases were admitted to that block it meant calling in extra staff which was not always available. So, provided they were not notifiable diseases, such cases had to be treated in the remainder of the hospital. Shortly after I had been there to see what would happen when this isolation block was converted, I received a letter from Dr. Copping, in which he said—

1, Adult female meningitis admitted last night, being nursed in one of the specials attached to the women's ward.

2, Influx of a number of female cases. These latter have had to be put on the verandahs, which is not much fun during the night, as some of them are feeding babies.

3, Overflow of three females to the men's block. Fortunately the male ward is slack and we are able to use the small four-bed ward for women. Had our maternity block been running in full, convalescents would have had to be accommodated somewhere. Puzzle: Where?

So that arrangement does not look too good. I do not propose to try to hold up any arrangements at Collie. I would rather see the Government spend its £2,500 and convert that isolation block into a maternity block, because something is absolutely and desperately needed there, and I have given my word that I will not attempt to stop even this temporary measure.

Hon. J. Cornell: Is it any of your business to stop it?

Hon. J. G. HISLOP: No. I would not attempt to stop it, but I am saying that it is not in the interests of Collie that that should be done. It is said at the moment that there is difficulty in getting the work done. It was not so a week or two ago, because there was a team of men ready to start work at the Collie hospital. They were not employed on the particular task which they were called to that district to do and would not be so employed for some time. I maintain that these are things this House cannot allow to continue. While money is just being distributed here, there and everywhere, and while, before it is possible to get money from the Lotteries Commission, one has to put up a better tale than the other fellow—

The Honorary Minister: That is hardly a fair thing to say.

Hon. J. G. HISLOP: It is obvious that it must be so, otherwise the money would not be sufficient to do all that is necessary in country towns. The Lotteries Commission

must realise that it can give money at the present moment only to those it considers in most urgent need. I maintain that the Lotteries Commission is not fitted to know whose medical need is greatest. It does not investigate that aspect. It does not do so because it is not qualified. I am asking for the appointment of a body that is qualified to make such investigations, and am asking that this House requests the appointment of such a body and sees that it gets it.

While I am here I might as well finish this job. Last year I made a statement about small x-ray plants, and I notice that several members got the idea that I was against such small plants. That is not so, but I am opposed to the waste of £50,000 in the provision of small plants all over the place, plants that cannot do the job they are expected to do. I maintain again that a hospitals commission would have zoned x-ray work and provided at centres throughout the State bigger plants capable of doing what was required. To put small plants all over the State is only just laughing at the real question. The £300 plants will not do what is required and the result is that our people have had to travel long distances before they could secure adequate x-ray examination.

The Chief Secretary: Are these £300 plants of no use?

Hon. J. G. HISLOP: I would say that in many cases the £300 plant has been useful for the work that it can do and for the only work that it should be expected to do.

The Chief Secretary: Who is responsible for using it for other purposes?

Hon. J. G. HISLOP: The doctor, for the simple reason that he has to do something or he has been allowed, by the provision of that £300 plant, to attempt to do things which he should never be doing, and which the plant should never be doing. If we had higher-powered plants established in zoned areas there would be a much more efficient service.

Hon. J. Cornell: There would have to be technicians.

Hon. J. G. HISLOP: Yes. Even with the £300 plant, a doctor who knows nothing about radiology is being asked to interpret it. Skilled persons are needed to interpret radiology. An x-ray plant does not label the disease. We should not have a Lotteries Commission which merely distributes this money as it thinks best, but a commission that is empowered to investigate these mat-

ters and call for evidence. It should investigate the position of our hospitals and provide some settled plan. I do not think there is any organisation in this State which can even grade our hospitals. Some of our hospitals should be no more than cottage hospitals. There are areas where work of a certain type should not be attempted. We should have fast motor services from one centre to another where work could be done. It is wrong to ask that all types of work be attempted by one doctor in a country town. It is not fair either to the doctor or to the patient. We want a settled policy and we do not want a policy whereby a matron in charge of a hospital receives commendation only when she has not exceeded her financial allowance for the year. That is the method of commendation at the moment. I would rather see commendation by a hospitals commission for efficiency.

The Chief Secretary: The Lotteries Commission is not a hospitals commission.

Hon. J. G. HISLOP: I am asking for the appointment of a hospitals commission. I am asking that this Bill, which is a continuance Bill, be withdrawn, and that if it is not withdrawn we be given some guarantee that there will be a Bill to provide for a distributing body in the form of a hospitals commission. I trust that members will side with me and make it quite clear to the Government that we have no intention to pass the Bill in its present form until we have some guarantee that the hospital arrangements in this State will be put on a sound basis. I oppose the second reading of the Bill.

HON. J. CORNELL (South): I wish to say a little on this Bill, especially after having heard Dr. Hislop. In the course of his remarks, Sir Hal Colebatch took the logical course, and the only one that can be taken. He does not like the Bill and wants it rejected. There is no other course for him to take. We have either to pass the Bill as it is or reject it. It is a continuance Bill. Dr. Hislop is very much like the Chinaman who first tasted roast pig. He liked it so much that in order to enjoy a second lot of it he ran a pig into his own house, and then burnt it down so as to roast the pig. Dr. Hislop has come late in the day. If he wants what he says he desires, he should introduce a Bill to amend the Act. I cannot

understand the logic or reasoning of his attitude.

Hon. J. G. Hislop: A private member cannot amend this Bill.

Hon. J. CORNELL: Of course not; neither the Chief Secretary nor the Honorary Minister could do so. I have already told the hon. member that the Bill under discussion is merely a continuance measure. I remind Sir Hal Colebatch, who was not in Parliament when the original Act was passed, that the limitation upon its life was determined in another place at the instance of the then Leader of the Opposition, Hon. P. Collier, who moved that its operations be restricted to one year only. That was done in 1932 when Mr. Baxter was a Minister of the Crown. The legislation at that time was passed in order to give it a trial for one year. The next session it was re-enacted with certain amendments. This House from time to time has refused to extend the term of the Act beyond one year. As the late Mr. J. J. Holmes said—and he generally had the House with him in his determination—he desired, in agreeing to the legislation, to make provision so that Parliament could keep a string on it.

Hon. A. Thomson: That is quite correct.

Hon. J. CORNELL: His object was that if the members of the Lotteries Commission departed from the original intention and, for instance, displayed favouritism in their allocations, this House could refuse to renew the Act and say, "Away with it altogether." That is the sole reason why from 1932 to 1942 the Act has been extended year by year. I listened to the remarks of Dr. Hislop and I am at a loss to know what his real function is in connection with the B.M.A. and the Commonwealth Military Forces. To judge by his behaviour here to-day he is using his official position to engage in sticky-beak business, looking into institutions and then coming to this House and criticising the conduct of those institutions. I do not think that has anything to do with his job at all.

Hon. E. H. H. Hall: As a member of Parliament?

Hon. J. CORNELL: Yes, as a member of Parliament. He is using his privileges to do a job for which he was never appointed. My interpretation of that appointment is that Dr. Hislop, as the representative of the British Medical Association, is the liaison officer between that body and the Common-

wealth Military Forces in an endeavour to get the most out of the medical and nursing services now at our disposal. It is not to see that they are what we think they ought to be and what we would like them to be, but to determine that we get the best improvisation and use of what we have got. So far Dr. Hislop has apparently not visited the goldfields. I take off my hat to the medical and nursing professions on the goldfields and that applies also to the North Province and to other country districts. I speak of all that is left of those two professions. The doctors and the nurses are doing what they can under most difficult circumstances. Dr. Hislop has criticised the provision of a maternity home at Collie. It is 220 miles from Kalgoorlie to Esperance and Norseman is half-way and there is a hospital there.

There is no hospital at all at Ravensthorpe. People from that township have to travel 86 miles to Lake Grace for hospital accommodation, and that applies to those living in Newdegate who have to journey 40 miles or more as well as to the people residing in the areas between those two outlying centres. Dr. Hislop complains about the agitation for a maternity ward at Collie and about patients being placed on verandahs. For over 20 years, I have seen patients suffering from severe accidents accommodated on verandahs at Perth Hospital because there was no room for them inside the institution. I have yet to learn that Dr. Hislop has lodged any complaint against that practice although he has been attending that hospital for many years. I had hoped that Dr. Hislop would have tackled the hospital problem in the country districts only as it can be tackled now. Unless it is taken in hand and organised properly, quite a number of our country hospitals will have to close down. I make that statement in the light of personal knowledge of what is happening. They will have to close down not because of the inadequacy of the buildings or equipment, but because of the shortage of staff.

Hon. G. B. Wood: That is so.

Hon. J. CORNELL: I know about a dozen country hospitals that are in that position.

Hon. A. Thomson: We all know that.

Hon. J. CORNELL: If Dr. Hislop had tackled the problem from that point of view and endeavoured within the means at our disposal to improve our country hospital

system, even if it were operated along the Victorian base hospital lines to a limited degree, he would have done much better. Unless something along those lines is done, I know that many country hospitals will have to close down. Who could justify a two-bed-a-day hospital today when we cannot get a staff for a ten-bed average hospital? That is the angle from which I would like Dr. Hislop to approach the subject. I do not know whether it is pertinent to the discussion, but I know of an instance at Fremantle where half the hospital was taken over by Dr. Hislop's department as a first-aid post. A bund was constructed round the portion that was taken over, but nothing was done regarding the remaining sections of the building. What could be more absurd than to protect the first-aid post and leave the unfortunate inmates in the remainder of the hospital to fend for themselves in the event of an air-raid? I could cite other instances on a par with what Dr. Hislop says characterises some of our institutions and their work. I shall certainly vote for the continuance of the Act.

Hon. A. Thomson: We could not afford to lose it.

Hon. J. CORNELL: Of course not. While I may sometimes question whether the money allocated by the Lotteries Commission should be for this or that purpose, the answer I always have to make to myself is that the Lotteries Commission is a body that ought to know whether the expenditure authorised is justifiable. I have known the chairman of the Lotteries Commission since 1907 and I believe he is a straight-goer, above-board, and desirous of giving everyone a square deal.

The Honorary Minister: He has the knowledge too.

Hon. J. CORNELL: If there is any dissatisfaction on that score or in respect of the allocations by the Commission, the remedy lies in endeavouring to amend the existing Act. I agree with Sir Hal Colebatch that his course is logical seeing that he desires to defeat the Bill altogether. On the other hand, Dr. Hislop asks for the support of members on the ground that unless something is done along the lines of the Victorian scheme, the Bill should not be passed. Dr. Hislop's attitude is like cutting off one's nose to spite one's face. Taking everything into consideration in this State, with its vast distances and sparse population, and comparing the size of this

State with that of Victoria, I think Western Australia has done exceptionally well. I have in mind the position at Norseman. When the township and the surrounding districts were in the doldrums, the local town-folk kept the hospital going.

If there is one man I take my hat off to in this State it is Dr. Downing who, when other doctors left country practices to go to more substantial centres or to set up as specialists in St. George's-terrace, remained at Norseman. When the occasion arose the people of that locality made good and built quite a commendable hospital building, the great proportion of the money subscribed being obtained locally. No one in his sane moments would advocate the erection at Norseman or Meekatharra of a hospital such as Dr. Hislop suggested where it would be fitted up with a £1,000 x-ray plant with a technician to read the plates for the doctor. But we all know what mining districts can do. We all know what Norseman did, and what Coolgardie did. Therefore I take exception to the line adopted by Dr. Hislop, because I think it would be entirely destructive. The doctor has not yet made any constructive suggestion.

Personal Explanation.

Hon. J. G. HISLOP: May I make a personal explanation?

The PRESIDENT: Certainly.

Hon. J. G. HISLOP: I have been accused here this afternoon of using my position wrongly. Mr. Cornell, who has just resumed his seat, if I heard him rightly, made the statement that I was appointed Commonwealth liaison officer of the British Medical Association to inquire into hospital matters, and that I brought such matters to this House. I resent that statement very much; and I think the hon. member may, after due reflection, withdraw it. A hospital is open to any member of the medical profession, and, in fact, to any member of the public, to visit. Certainly it is open to me as Honorary Director of State Emergency Medical Services to go into a hospital, and it is certainly open to me as a member of Parliament to state in this House what I found, without being called a sticky-beak. I do not speak with feeling. I do not mind a bit. Mr. Cornell also began to make a statement about my "mis-use" of public

money in putting a bund around a portion of a hospital.

The money that was so spent was spent through my department with the cognisance and consent of the Civil Defence Council, acting under a Minister of this State on a principle accepted by it. That principle was that we banded that portion of a hospital in which the staff might be actually working during a raid, and not the whole hospital. It would be impossible to spend the money for banding around all the hospitals that we intend to use under A.R.P. operations. Therefore the hon. member will find, if he likes to go to all these hospitals, the portion which he refers to banded around. It was not I who spent the money "wrongly." It was done with the consent of the Civil Defence Council, and on that council's advice. The work was carried out by the Public Works Department. I am sorry the hon. member does not like the work that was done. I am afraid he must withdraw the personal reflection upon me.

The PRESIDENT: I am quite sure that Mr. Cornell did not intentionally reflect on any member of the House, and I am quite certain that he will withdraw anything that any other member regards as a personal reflection.

Hon. J. CORNELL: Dr. Hislop has made a very long statement. What am I asked to withdraw? What I said was that I was at a loss for a reason to know what was Dr. Hislop's actual job. Is he liaison officer between the B.M.A. and the Commonwealth Military Forces?

Hon. G. W. Miles: You said he was sticky-beaking.

Hon. J. CORNELL: Yes.

Hon. G. W. Miles: You should not have said it.

The PRESIDENT: I did not hear that remark, or I would have asked the hon. member to withdraw it.

Hon. J. CORNELL: May I go on to say that in his capacity of liaison officer he paid visits to certain Government and district hospitals and that instead of endeavouring to make a success of the material at our disposal today for the co-ordination of services, he went much further and used what he saw as a weapon to attack our system here.

The PRESIDENT: I think the hon. member does not mean anything that would be

in the nature of a reflection on the hon. member.

Hon. J. CORNELL: Of course I do not.

The PRESIDENT: And he withdraws anything that the hon. member regards as a reflection on himself?

Hon. J. CORNELL: As a personal reflection on himself.

The PRESIDENT: You withdraw it?

Hon. J. CORNELL: I withdraw.

On motion by Hon. H. Seddon, debate adjourned.

BILLS (3)—FIRST READING.

1, Road Closure.

2, Reserves.

3, Health Act Amendment (No. 2).

Received from the Assembly.

BILL—GOLDFIELDS WATER SUPPLY ACT AMENDMENT.

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to the amendment made by the Council.

BILL—MUNICIPAL CORPORATIONS ACT AMENDMENT.

Assembly's Message.

Message from the Assembly received and read notifying that it had disagreed to the amendment made by the Council.

BILL—EVIDENCE ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY [3.41] in moving the second reading said: The main purpose of this Bill is to provide a more convenient and practical method of establishing the identity of persons whose conduct is being investigated in our courts of law. Broadly speaking, courts are called upon to consider convictions, if any, in two sets of circumstances: Firstly, in a number of instances it is necessary, where a person is charged with an offence, for the prosecution to be able to prove a previous conviction. Secondly, whenever a person has been convicted of an offence, the court, before pronouncing sentence, invariably requires to know the history of the person concerned; and, if that person has a previous record, it is made known to the court.

Should, however, the person convicted deny any previous record, it is necessary to supply evidence of proof.

The method of proof of a conviction is dealt with in Sections 23 and 47 of the Evidence Act, 1906. Those sections provide that, besides the production of a certificate or a copy of the conviction, the identity of the person named in the certificate or copy may be established. This involves the calling of an identifying witness. Where a conviction has been recorded in some part of His Majesty's dominions other than this State, or even where it has been recorded in one part of this State at a great distance from Perth or some other place where the convicted person is being dealt with, the inconvenience and expense of calling a witness become immediately apparent.

This Bill seeks to overcome the difficulty, and provides that identity may be established by means of an affidavit exhibiting the finger prints where these are available, and a record of previous convictions of the person concerned. I may mention that similar provisions exist in South Australia, and that information from other States indicates that they are considering the amendment of their existing laws on the matter. A further amendment contained in the Bill obviates the necessity of calling a witness where it is required to produce evidence that there is no banking account in the name of a person whose conduct is being dealt with by a court. In the case of the passing of a fraudulent or valueless cheque, it is necessary that evidence be produced that the person charged has no account at the bank or at any branch of it; and unfortunately it is necessary, when the evidence is produced in the court, that some representative of the bank shall give it. Usually the witness giving such evidence is not cross-examined in any way, and is not at all associated with the prosecution.

There have been many instances of persons having cashed valueless cheques drawn on far-distant branches of banks throughout the State, or even drawn on banks in other States of the Commonwealth, and the expense that would be incurred in bringing witnesses from those far-distant places in the State and from other States in order to prove the charge has been so great as to prevent a prosecution from being launched. Those are the two main amendments. There is another, in which provision is made for

the substitution of the word "production" for "proclamation" in the Act. This is necessary to correct an obvious error which was made in the printing of the Act. I know that in dealing with matters of this kind members are apt to be jealous of these Acts as they stand today, but I think the House will agree that circumstances are entirely different from those of 1906, when the Evidence Act was passed.

Today we have methods of identifying persons charged by means of finger-prints. Today it is both difficult and expensive to bring persons from other States and from certain parts of this State to give evidence on matters of this kind, and so it is considered the time has arrived when we should be prepared to agree to an amendment of the principal Act making it possible for the court to accept evidence as set forth in this amending Bill. The measure contains a schedule which will indicate to members the affidavit that is necessary, in conjunction with finger-prints, in the case of a person charged in our courts. I move—

That the Bill be now read a second time.

On motion by Hon. W. J. Mann, debate adjourned.

BILL—STATE (WESTERN AUSTRALIAN) ALUNITE INDUSTRY PARTNERSHIP.

Second Reading.

THE CHIEF SECRETARY [3.48] in moving the second reading said: This Bill has been introduced in order that Parliament may approve and ratify an agreement entered into by the Treasurer and certain persons in this State in relation to the development and treatment of alunite deposits at Lake Campion. The measure is the culmination of several years of hard struggle and endeavour against almost insuperable difficulties, both from the point of view of our inability at certain stages to solve quickly and efficiently the chemical problems which threatened to condemn the deposits and the reluctance on the part of Eastern States' interests to give their whole-hearted support to the establishment of a new industry in Western Australia. It can be said that the exigencies of war have given the matter the necessary impetus to bring our plans to fruition.

The full story is long and interesting, and I propose to deal as briefly as possible with

the main considerations leading up to the necessity for the Bill. At the same time I am taking the unusual course of distributing a memorandum covering the development of the Lake Campion alunite deposits so that members may be clearly aware of the facts which finally led up to the stage when we could start to develop this most important and vital industry. It is necessary, of course, that I refer to the subject-matter of the memorandum, because much of what will be explained to members in that memorandum is linked up in the partnership agreement.

The mineral resources of the State are extensive and it is not unnatural that from time to time certain deposits are brought under the notice of the Government either by private enterprise or by servants of the Crown. On examination and investigation certain difficulties and setbacks are met with that make it impracticable at times to carry out development on a commercial and economical scale. In most cases the resources concerned are not sufficient in extent to warrant any development whatever, whilst in others, where the extent is not in doubt, problems arise through the presence of chemical difficulties, the treatment of which incurs costs which would render a possible industry an economic impossibility.

The Lake Campion alunite deposits have not been without their problems. As early as 1924 samples from the minerals of the lake were produced for examination by the Government Analyst. In 1927 the Government Geological Survey Department undertook certain examinations, the result of which indicated that the deposits contained a potential source of potash and alumina of considerable economic importance. At a later date the existence of the deposits was brought under the notice of the Department of Industrial Development, with the result that potash requirements were the subject of immediate inquiry. Records were obtained of the quantities imported into Australia, and the cost of potash to primary industry, together with everything else connected with the production and use of potash, both muriate and sulphate. As a result of the information obtained and of war developments which had then taken place, the State Government began to display a keen and lively interest in exploiting the Lake Campion alunite resources. At approximately the same time

the Martin Investment Coy., the principals of which are Messrs. M. and E. J. Martin, became interested in the mineral resources of this State and paid particular attention to the Lake Campion deposits. The Department of Industrial Development and the Mines Department gave the company every encouragement and furnished all details which were then available, covering the deposits.

After the Martin Investment Coy. had taken out leases covering 300 acres, a syndicate was formed in the name of The Potash Alumina Development Syndicate, comprising the Martin brothers, Messrs. A. Hardy, D. Brisbane and H. B. Jackson. Their numbers were later added to by the inclusion of Messrs. A. F. B. Norwood and J. F. Thorn, both of Kalgoorlie. This syndicate sought and obtained all the information which was available regarding the alunite deposits at Lake Campion, and despite the knowledge of previous unsuccessful attempts to treat the alunite for the extraction of potash, the syndicate was keen to go ahead with the idea of trying every method of experiment and research in order to overcome past failures and so establish in this State a very valuable, and what was hoped to be, lucrative industry. It is interesting to note that amongst those that failed before were the Broken Hill Pty. Coy., the Western Mining Corporation and Sir Douglas Mawson, the famous explorer who at one time represented in this State overseas interests.

The trials and tribulations which were subsequently encountered in the endeavours made to find a successful method by which to treat the deposits are recounted to some extent in the memorandum, which, however, does not by any means give fully the whole story. It would take volumes to deal with the many disappointments which were met with. The State Government, through the Department of Industrial Development, co-operated to the fullest possible extent. Professor Bayliss, Professor of Chemistry, gave valuable assistance in making available the services of the University so that new experiments and research could be carried out. The C.S.I.R. co-operated also and made available to the University of Western Australia two chemists who were employed on a full-time basis. The syndicate itself employed a number of chemists, while the School of Mines at Kalgoorlie was very helpful indeed. Our Geological Survey De-

partment and Government analysts were untiring in their efforts to assist wherever possible.

The recruiting of Mr. Norwood to the syndicate was the result of a visit to the Eastern States by one of the Martin brothers. The object of that visit was to obtain from the C.S.I.R. a recommendation on the best available chemist for the research and experimental work which so far had failed to produce a successful method of treating the alunite deposits. Two men were recommended, the choice falling on Mr. Norwood, who is a metallurgical chemist of Kalgoorlie. He took charge of the chemical side of the investigations, has given his services without fee and has worked day and night, on the understanding that he would be granted an interest in the industry in the event of success being achieved in overcoming the chemical problems, thus enabling the industry to be started on a commercial basis. Mr. Norwood has designed the treatment plant, which work was completed several months ago. The plant is now being built with all possible speed. The Martin brothers, too, have given their full time and energy in the interests of development. That is just a brief resume of the activity associated with the attempt to succeed with a process for the proper treatment of the deposits. Many heartburnings and discouragements were encountered in the long weary months of research. The success achieved was a triumph for the tenacity of purpose of all those who so readily co-operated.

It is estimated that the Lake Campion deposit is large enough to supply the whole of the Australian potash requirements for many years—in fact, for 100 years, it is stated—but it is now proposed to erect only a one-unit plant at a cost of £110,000 which will be capable of treating one-third of Australia's total potash requirements. By triplicating the plant at a cost of £220,000 it is anticipated that the production of the whole of Australia's potash requirements for its primary industries can be achieved. The one-unit plant will treat 130 tons of alunite a day for the production of 13 tons of potash. A triplicated plant will treat and produce three times that quantity.

The deposits have been proved to contain 16,000,000 tons of alunite clay which would yield 1,750,000 tons of potassium sulphate, 750,000 tons of sulphur, and

3,250,000 tons of alumina. Potash imports into Australia for the year ended the 30th June, 1939, were 11,155 tons valued at £126,500 c.i.f. Australian ports. The average landed cost of potash for the five years prior to the declaration of war was:—Muriate of potash, £11 per ton; sulphate of potash, £12 15s. per ton. The latter is the type of potash which would be produced at Lake Campion and is the more valuable of the two. The latest shipment of potash to Australia realised £25 per ton.

On the one-unit plant basis it is estimated that the Lake Campion potash will be available at £15 per ton; from a three-unit plant at £12 10s. per ton. It is anticipated therefore that with the three-unit plant in production this State will be able to produce the whole 'of Australia's requirements of potash at a price that will compare favourably with the imported price prior to the war. The research work which has been carried out discloses that a great quantity of chemical products can be extracted from the deposit. The main product is potash, and this is used as a fertiliser for certain important primary undertakings, such as the sugar, tobacco, potato, fruit and vine growing industries. Other main products are the following:—

Alumina—a vital product because it is a basis of aluminium. Double the quantity of alumina will be obtained from the alunite as compared with the potash to be obtained;

Aluminium sulphate—used for water purification, paper making and fire-proofing cloth;

Aluminium chloride—used as a disinfectant and in the refining of petroleum;

Potash alum—used in the textile industry for dyeing, and also as a substitute for cream of tartar;

Hydrochloric acid—used mainly as a source of chlorine, for cleaning metals and as a solvent, and in the manufacture of chlorides of metals. It is required also for the manufacture of transparent paper, which is sometimes known as cellophane; and

Sulphuric acid—used extensively in most chemical industries, e.g., in the manufacture of superphosphate.

That brief explanation of some of the products which can be obtained at Lake Campion will give some idea of the vital importance the industry bears to this State and the whole of Australia. I have already briefly referred to the very valuable work carried out by the C.S.I.R., the University of Western Australia, the syndicate, and by Professor Bayliss and his assistants at the University. A contrast to the zeal and en-

deavour of all of those I have mentioned was the unsympathetic attitude of certain interests in the Eastern States.

In the early part of 1940 the syndicate, with the support of the State Government, applied to the Commonwealth Government for a bounty towards the production of potash from the deposits. The Commonwealth replied that the deposits were too far inland and too remote, and that the time was inopportune for the development of the industry in Australia. That reply was rather difficult to understand, particularly in view of the fact that at that time it was clear that the supply of potash from overseas would be seriously curtailed by reason of the war situation. That request had been made at a stage when the syndicate had succeeded, on a laboratory scale basis, in its tests dealing with the extraction of potash from alunite. It was then desired to enlarge the scope of the syndicate's activities and to try their experiments on a larger dimension.

The State Government was approached for a grant of £600 to enable what is called a pilot plant to be installed at the University. This was approved, as were also certain operating expenses in connection with the plant, which later played a vital part in the success achieved by the chemists in extracting the potash from the alunite. In May, 1941, when finally all doubts had been removed as to success in this connection, the syndicate decided to establish a company with a capital of £150,000. It was suggested by the syndicate that the State Government provide £45,000 and that the Commonwealth be asked to provide a like amount, the balance of £60,000 to be met by the syndicate. The State Government supported the application to the Commonwealth for a grant of £45,000 towards a total of £150,000 which was then estimated as the amount required to establish a plant of sufficient capacity to produce the whole of Australia's potash requirements.

The Commonwealth refused financial assistance but indicated that it would assist in any other way possible to establish the industry. As a result of this refusal by the Commonwealth it was decided to go ahead with the plant to produce one-third of the Australian requirements, and in December, 1941, the State Government agreed to make available £45,000 out of a total required capital of £75,000, on the condition that

it be given a majority representation on the board of management to be appointed. Proposals later developed by which it was suggested that the Government would find £75,000 and the syndicate £35,000.

Much negotiation took place on the question of majority representation, but before any agreement could be arrived at the war situation created financial difficulties for certain members of the syndicate, with the result that they were unable to raise the £35,000 required as their share of the capital to be invested, which prior to that time the syndicate was in a position to provide. It is to the syndicate's credit that it immediately offered to the Government the leases of the Lake Campion alunite deposits for the duration of the war and was agreeable to make details of treatment, processes and the like available without any consideration for the syndicate's expenditure and services. The Government in return was to push ahead with all possible speed in developing the industry. The Government accepted the syndicate's offer and asked the Commonwealth Government to issue National Security Regulations to enable the State Government to go ahead for the purpose of developing and operating the industry. The necessary regulations were gazetted in July, 1942.

Towards the end of February, 1942, Mr. Norwood was appointed as superintendent of works and development, Mr. M. Martin as works manager, and Mr. E. J. Martin as secretary to the undertaking. In April, 1942, a board of management consisting of the Director of Industrial Development, Mr. Fernie, as chairman, the Under Treasurer (Mr. Reid), the Government Analyst and Mineralogist (Mr. Bowley) and Mr. E. J. Martin, was set up by the State Government. In May of the same year the syndicate submitted proposals to the Government to take over the industry after the war. The Government submitted counter proposals setting out the financial interest of the Government in the industry to be 75 per cent., that of the syndicate 15 per cent., with a special interest to Messrs. Martin and Norwood of 10 per cent. The members of the syndicate could not agree amongst themselves as to the counter proposals, with the result that Messrs. Jackson, Brisbane and Thorn decided in July of 1942 to retire from the concern, and they offered their entire

interests in the syndicate and the industry to the Government for an amount of £6,000.

The Government accepted the offer and negotiations were then carried on with the remaining members of the syndicate—the Martin brothers and Messrs. Norwood and Hardy—on the basis that 420 shares should constitute the capital of the partnership; the Government to own 342 shares, each of the Martins and Mr. Norwood 23 shares, and Mr. Hardy nine shares. The partnership agreement was signed by all parties concerned on Wednesday, the 21st October, 1942. Since that date the Government has been able to purchase for £2,000 the shares of Mr. Hardy, thus making the shareholding position as follows:—

State Government	..	..	351 shares
E. J. Martin	..	..	23 "
W. M. Martin	..	..	23 "
A. F. B. Norwood	..	..	23 "
Total	..	..	420 shares

The industry will be under the direction of a board of management as provided for in the partnership agreement. A copy of that agreement constitutes the schedule to the Bill.

I have presented as briefly as possible the story behind the negotiations which have led up to the signing of an agreement which constitutes the schedule of the Bill, and which this Parliament is asked to ratify. The agreement sets out that the partners as such shall carry on the business of chemical manufacturers except in the processing of alumina from alunite. Should the partners desire to process alumina, it will be necessary for them to enter into a separate agreement in respect of its production. Clause 1 of the agreement provides that the partnership shall continue for a period of 10 years from the 25th February, 1942, and thereafter shall continue until the expiration of six months' notice given by any one of the parties to the others of an intention to dissolve partnership.

Thus the term of 10 years is a minimum period, and with six months' notice required thereafter means that no partner can dissolve the partnership by notice for a period of at least ten years and six months. If, after 10 years, any one partner gives to the others notice of intention to dissolve the partnership, one of two alternative courses can be taken, namely—

(a) The other partners can allow the partnership to be dissolved, in which case the part-

nership assets will be sold either as a going concern or piecemeal, and the proceeds of the sale and all other ready moneys, after payment of all partnership debts, will be distributed to all partners in accordance with their respective partnership interests; or

(b) the remaining partners can purchase the interest in the partnership of the retiring partner, and continue the business of the partnership.

A further provision in the agreement prescribes the steps which have been taken to acquire the entire interest of the financial members of the syndicate. It further sets out the total amount to be regarded as the capital of the industry, together with the respective shares of the State Government and the Martin brothers and Mr. Norwood. A board of management has been constituted, the representation being based approximately on the percentage of shares held by the Treasurer and the remaining partners. It may be necessary and desirable at some future date to co-opt an additional member to the board of management. A technical man may be considered necessary in an advisory capacity. Such additional member cannot become a member of the board without the approval of the Treasurer.

The board of management has full powers in respect of the working and development of the leases, subject to the approval of the Treasurer. All decisions of the board in matters requiring approval bind the partners. The agreement provides that mineral leases and other assets of a registrable nature are to be registered in the name of the Under Treasurer who will hold them pursuant to a declaration of trust, in trust for the partners in their respective shares. Proper books and accounts are to be kept at the Treasury. As soon as practicable after the 30th June of each year, accounts are to be prepared showing the profit and loss and a complete balance sheet. These are subject to the Auditor General's report, which will be laid on the Table of the House in the usual way.

In the last paragraph of the agreement it will be noted there is a prohibition against the partners, which provides that no partner whilst a member of the partnership or for a period of three years after he ceases to be a member shall, without the consent of the other partners, engage directly or indirectly within the State of Western Australia in any other business of a like nature, except in the production of alumina. This is essential because, in the very near future,

the Government may find it necessary to go ahead and produce alumina to meet the requirements of the Commonwealth Government. Care has been taken, therefore, to provide the necessary prohibitory paragraph to cover this product, thus enabling the Government to go right ahead and produce whatever alumina is required by the Federal authorities as a basic material for the production of aluminium.

This is an outline of all that occurred before the stage was reached where progress was made with the establishment of the works and where it was possible to arrive at an agreement satisfactory to all concerned. Members will realise that this is an unusual arrangement for a Government to enter into, but I hope they will agree that it is the fairest arrangement that could be made in the circumstances. These men were so keen in the desire to prove that the alunite deposits at Lake Champion would be very valuable to the State and the Commonwealth, that they were prepared to spend considerable sums of money and give the whole of their time—valuable time, too—to investigations which, with the assistance of the Commonwealth Government, the State Government and others, have at last proved successful.

Potash is a very valuable commodity at this stage, and I am advised that the investigations which have been conducted have definitely proved that potash can be produced from these deposits by an economical process on the scale I have stated. The other products which I have mentioned and which are of such great importance to the country will add to the value of the industry when it is in operation. It will be some months before the deposits can be exploited properly, but the work is proceeding as fast as possible. Certain difficulties have been experienced with regard to the supply of machinery, but all those difficulties have been or are being overcome. The association of the Government with the remaining members of the syndicate should prove to be of the greatest possible value to the State.

May I say a word about what I might describe as the very public-spirited attitude of those associated with the venture. At one stage they asked the Government to take over the industry in the interests of Australia. They required for themselves nothing more than a guarantee that, after the war was over, their interests would be

conserved. During the whole of the years these investigations have been proceeding, they have given all their time and, with the assistance of technical advisers, have worked arduously, and I am glad to say successfully, with a view to establishing in Western Australia an industry which can, if necessary, supply the whole of Australia with a mineral of great value.

This is all I need say at the present juncture. The memorandum that has been circulated will perhaps give members a more comprehensive view of what led to the necessity for introducing the Bill. When members have examined the particulars supplied, I feel sure they will agree that the Government has done the right thing in entering into a partnership with these individuals, and that the industry bids fair not only to commence, but also to continue operations in a way that will be of great advantage to Western Australia. I move—

That the Bill be now read a second time.

On motion by Hon. H. Seddon, debate adjourned.

BILL—WEST AUSTRALIAN MEAT EXPORT WORKS.

Second Reading.

THE CHIEF SECRETARY [4.22] in moving the second read said: This Bill provides for the ratification of the purchase by the State Government of the West Australian Meat Export Co. Ltd. and to establish the works as a State trading concern. It arises out of the decision by the State Government to obtain control of this industry in the interests of the State and of all sections, rather than let it fall into the hands of outside interests to the possible detriment of the State.

The West Australian Meat Export Co. was formed in 1920, being registered with a nominal capital of £250,000 in one pound shares, the promoters being very prominent primary producers. In the flotation of the company, which was intended to establish a meat treatment works to deal mainly with export mutton, great difficulty was found in placing shares with the public and only 74,064 shares at £1 each were allotted, a great number of which had to be taken up by the promoters of the project. Of this allotted capital the prime movers carried the bulk of the shares. Forty of them held

60,000 shares, and of the balance 307 shareholders took only 4,935 shares.

During the existence of the company no shareholder has received any interest on his capital invested. The company quickly found itself in financial difficulties. For the first 14 years it carried on its operations at a loss, and from time to time had to approach the Government for loans so that it could continue and alter its works to include other activities that promised some profit. Up to the 30th June, 1941, the Government had supported these works to the extent of £167,000, or 70 per cent. of the capital. With vigorous activity in the promotion of the export lamb industry, the tide turned in regard to the whole future of the works and those associated with them. The number of lambs treated and the amount of profit made since 1935 have been as follows:—

Year.	Lambs treated.	Profit. £
1935	142,000	9,075
1936	171,000	10,265
1937	116,000	6,661
1938	246,000	20,064
1939	338,000	19,749
1940	225,000	10,436
1941	186,000	7,875

In the last few years the industry, in common with all other industries, has experienced difficulties through war conditions and in the matter of shipping, but for these difficulties the company cannot be held responsible.

Hon. G. W. Miles: Are those the profits after paying interest on the capital?

THE CHIEF SECRETARY: The profits are arrived at after deducting the interest due to the Treasury each year. Just prior to the outbreak of the war, the works had to be extended to cope with the lamb trade and additional refrigeration space had to be made available. The company was unable to raise the necessary capital for the additional refrigeration storage. This cost £21,000 and was provided by the Government, thus making the total of the Government's holding in the works £188,000.

The directors of the company have carried it through some very troublous years, and at times have been very hard pressed to make ends meet and to conduct it in any way in the interests of the shareholders. In recent years a total of £42,396 has been written off for depreciation, which amount has been met from the profits. Unfortun-

ately, in spite of the company being an excellent undertaking, when it began to make some headway almost all of the profits were absorbed in taxation. The directors, therefore, have been as far off as ever in their attempts to secure a return to the shareholders as interest on their capital.

Hon. L. B. Bolton: That is one advantage the State Government will have in running the works; it will have no taxation to pay.

The CHIEF SECRETARY: That might not be strictly correct. The directors originally approached the Government about 18 months ago with the suggestion that it should either purchase outright the shareholders' interest, or permit the directors to sell to a foreign company or other treatment works operating in Australia. They were very reluctant to take that course, but were quite prepared to do so. It was known that certain firms would have been interested had the project been offered to them. After considerable thought had been given to the matter and after the Government had made every inquiry, it decided to agree to the directors' request, and said that, if a majority of the shareholders agreed to the action of the directors, it would take the works over after a valuation had been made of the assets. This was done.

By a very large majority of the shareholders, authority was given to the directors to negotiate, and in order to fix an equitable price, the Government appointed a committee of three to value the works and report on the whole project. The committee consisted of Mr. W. L. Brine, managing director of A. T. Brine & Sons, Mr. J. J. Farrell, manager of the Wyndham Meatworks, and Mr. Byfield, Assistant Under Treasurer. Mr. Brine made an actual valuation of building, plant, equipment, yards and other appurtenances. Mr. Farrell considered the earning capacity, the prospect of the works coping with the demands of the future, and the provision for the production of fertiliser, there being a fertiliser establishment attached to the works. Mr. Byfield dealt with the project from the financial side. The committee advised the Government that the capital value of the assets was sufficient to return to shareholders the money they had invested in it, and that as the shareholders had invested their capital for 22 years without any return, the Government should purchase the interest of shareholders on a pro rata basis of the written capital value of the shares.

Hon. G. W. Miles: It is a godsend to the shareholders at the expense of the taxpayers.

Hon. L. B. Bolton: It is to be hoped it will not be a second Wyndham Meat Works.

The CHIEF SECRETARY: I do not agree with the hon. member. If he has any comment to make I shall be very pleased to hear it at the proper time. I hope the hon. member will not allow his prejudice against State trading concerns to influence him in regard to this particular Bill, because as a primary producer he, I think, understands the value of these works and the great disability under which this State would labour if they were not available to us as a State trading concern.

Hon. L. B. Bolton: Do you refer to Mr. Miles or to me?

The CHIEF SECRETARY: I refer to Mr. Miles and to the hon. member who has just interjected. At present the activities carried on at the meatworks are not confined to the treatment and storage of lambs for local consumption and export. They include wool-scouring, fruit storage during the off-season—last year we had 330,000 cases of apples stored there awaiting export—the storage of butter, potatoes and other lines of produce, and the manufacture of fertiliser from the offal. For many years the Government has rented from the company, part of the premises for abattoirs purposes, at a cost of £6,000 a year. Owing to the various types of commodities being dealt with by the works, the Department of Agriculture is considered to be the suitable department under which this State trading concern should operate. The Under Secretary for Agriculture, as administrative head, is to be chairman of a committee consisting of Mr. Farrell, general manager of the Wyndham Meatworks, Mr. J. J. Dunbar who supervises the whole of the killing for local consumption and Mr. Byfield, Assistant Under Treasurer.

That briefly explains the circumstances leading up to the acquisition by the State of the works, which are necessary in the best interests of our primary producers. The appendix in the Bill covers fully the terms of the agreement. I hope the House will agree that on this occasion at any rate the State has done the right thing and has acted in the best interests of all our primary producers in purchasing from the company the whole of its assets under the conditions set out in the agreement. I

know that some members do not like the idea of any extension of state trading in any circumstances, but I think this is one of the instances in which members who have so frequently expressed opposition to State trading will realise that the State Government was justified in purchasing these works in the interests of the primary producers of Western Australia. I move—

That the Bill be now read a second time.

HON. H. V. PIESSE (South-East): I consider that the action taken by the Government was necessary, particularly in view of the reports we had from those controlling these works. Remarks like those of Mr. Miles about the return of the capital of those who invested in the company are most uncalled for. For 20 years the people who took such a great interest in these works have had their money invested and have not received one single penny by way of return. Admittedly they are very fortunate at this stage to have their money returned. That is being done in order to enable work to be carried on that is most essential to Western Australia. There does not appear at the present moment to be any other avenue through which this work could be done by private enterprise or by the primary producers themselves. Consequently I must congratulate the Government on its action in this matter. I have read in the Press lately of the difficulties experienced in finding butchers to slaughter lambs available at these works.

I congratulate the committee, under the chairmanship of the Minister for Agriculture, for the manner in which it has set about obtaining labour rendered scarce by manpower difficulties. Without that labour, quite a number of lambs could not have been put on the market. We have other works near Albany and what has been done there this year has drawn upon the manpower of many farmers. However, the quota sent to that end of the State has been dealt with. All members will understand the reason for the Government's taking over the works. I would have liked to see at least two members of the previous company available to assist the new directors, who are nearly all civil servants. Mr. Farrell is a civil servant but I suppose he is one of the most practical men in the meat trade in Western Australia. I would have liked to see the producers represented and some of those who have been so long

associated with the previous company invited to remain with the new committee for 12 months at least in order that their useful knowledge might be available to it. I support the Bill.

HON. G. B. WOOD (East): I support the Bill. Like Mr. Piesse, the only fault I have to find with it is in regard to the committee of management. I am not so much concerned about members of the previous company being on the board but would like to see the producers represented. So long as the producers were represented I would be quite satisfied.

On motion by Hon. Sir Hal Colebatch, debate adjourned.

House adjourned at 4.36 p.m.

Legislative Assembly.

Wednesday, 25th November, 1942.

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The SPEAKER took the Chair at 2.15 p.m., and read prayers.

QUESTIONS (4).

RAILWAY FREIGHTS AND FARES.

Hon. N. KEENAN asked the Minister for Railways: 1, Is the statement correct which was made by Mr. P. C. Raynor, the Deputy Secretary of the W.A. Government Railways, on the 6th November last before the Commonwealth Grants Commission, namely, that an all-round increase of 12½ per cent. in railway charges was proposed? 2, If so, is he aware that such increase would seriously affect the people living on the Eastern Gold-fields who are paying and always have paid rates for all services rendered by the railways of an amount highly payable to the Railways? 3, Is he aware that in addition