

If there is any possibility of redress for their wrongs, that is the point where they can be dealt with. If petrol-driven Government-owned vehicles are removed from the scope of the Act, then the departmental vehicles will be able to invade any bus route and go hither and thither at will. If the Government vehicles remain under the jurisdiction of the State Transport Co-ordination Act, then the private owners will have at least one point of contact for the airing of their grievances. It seems to me entirely wrong that the Government should endeavour to evade the application of its own legislation. I hope the House in its wisdom will reject the Bill and so compel the Government to conduct its new mobile form of transport—that is the rub; it is much more mobile than the trolley bus or the tram car—under the jurisdiction of its own Act. I intend to vote against the second reading of the Bill.

On motion by the Chief Secretary, debate adjourned.

House adjourned at 6.8 p.m.

Legislative Assembly.

Thursday, 18th September, 1941.

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

QUESTION—STATE GOVERNMENT INSURANCE OFFICE.

Government Premiums.

Hon. C. G. LATHAM asked the Treasurer: What amount was paid from revenue

and/or loan funds, respectively, during 1940-41 by the Government to the State (Government Insurance Office as premiums in respect of (a) staff salaries; (b) wages; (c) fire insurance?

The TREASURER replied: (a) and (b) Total £108,995. (c) £531. The State Government Insurance Office does not keep separate figures for loan and revenue or for salaries and wages.

QUESTION—RAILWAYS.

Refreshment Rooms.

Mr. SEWARD asked the Minister for Railways. 1, Is it the intention of the Railway Department to establish refreshment facilities at Koojeddah Siding? 2, If so, in view of the fact that there are already two refreshment rooms between Spencer's Brook and Midland Junction, what reasons exist for establishing a third one? 3, If question No. 1 is answered in the affirmative, what is the estimated cost of erecting the necessary buildings, and is the department or the successful tenderer to erect them? 4, In the latter instance would the tenderer be compensated for such expenditure should he lose his contract by being outbid when fresh tenders are called? 5, If tenders were called has any one been accepted, and for what amount? 6, Was any guarantee given a successful tenderer regarding the number of trains that would stop at Koojeddah?

The MINISTER FOR RAILWAYS replied: 1, Refreshment facilities for troop trains only have been available at Koojeddah since the 31st August. 2, To avoid the stopping of troop trains at the refreshment rooms referred to. 3, The cost of any building which the lessee may consider necessary is borne by him. 4, No. 5, Yes, for £156 per annum. 6, No.

QUESTION—AGRICULTURE.

Muresk College.

Mr. SEWARD asked the Minister for Agriculture: In view of the facts that (a) the paddock on the south side of the road leading from the railway siding to Muresk Agricultural College is so overgrown with weeds, particularly wild radish, as to make it almost impossible to harvest the crop, and (b) the paddock opposite and on the north

side of the same road is so overgrown with Cape weed as to make it almost impossible to see that the paddock has been fallowed, will he state—1, whether the work done in those paddocks this year was carried out for the purpose of illustrating to the students the way farm work should not be done, or 2, whether it was merely the result of bad work?

The MINISTER FOR AGRICULTURE replied: 1 and 2, Muresk Agricultural College farm is not singular in having areas inaccessible to implements and teams by reason of topographical features and weather circumstances. The best use possible is being made of the paddocks referred to and the crops therein.

BILL—SOLDIERS, SAILORS AND AIRMEN'S WILLS.

Introduced by Mr. McDonald and read a first time.

ANNUAL ESTIMATES, 1941-42.

In Committee of Supply.

Debate resumed from the 16th September on the Treasurer's Financial Statement and on the Annual Estimates, Mr. Marshall in the Chair.

Note—Legislative Council, £1710:

HON. C. G. LATHAM (York) [4.36]: When the Treasurer introduced his Budget last year we were unaware of what the future held in store for us. Since then many things have happened, but today, I regret to say, the future is just as doubtful as it was then and it is very difficult to appreciate what might yet happen. Still, we are all hoping that we shall not have to wait much longer before we see the prospect of peace ahead of us. Although we in Australia are far removed from the scene of the actual fighting, a good deal of anxiety is experienced by our people on account of the response that has been made by our young men and women who have gone overseas on our behalf. War dislocates business considerably. People who are engaged in business experience great difficulty because of the fact that so many men have enlisted for active service. Parents, too, feel unsettled for the same reason. The people engaged in secondary industries in this State have a

local market for the goods they produce, and therefore their position is not as bad as that of the primary producers. These are the ones who are suffering and feeling the effects far more than is anyone else.

Luckily for us, pastoralists and agriculturists are this year experiencing a very good season, and everyone hopes that it will be the forerunner of many more that will enable some of the leeway incurred in recent years to be made up. A few dry seasons are a serious setback to those industries and the whole of the people more or less suffer in consequence. When conditions are prosperous everybody derives a benefit, and the community is more or less happy. We in Australia have a fixed price for wool—fixed anyhow till the termination of the war and 12 months thereafter—but the trouble is that when the price was fixed costs were not nearly so high as they are today. On the price at which the wool has been sold, it may be that the growers will find in the near future that it will not cover the cost of production. By no stretch of imagination can the price to the growers be said to be a good one, but it is a reasonable price considering all the circumstances. Many pastoralists and farmers think that the price should be much higher. So do all of us. After all, we are engaged in a war and must make some contribution.

The great advantage of an assured price is that one can budget for the future; but when there is a fluctuating market it is exceedingly difficult to budget with any degree of accuracy. In addition, the farmer has to face the elements from time to time and that increases the difficulty. The wheat-grower is not in such a bad position, because this year he will receive a fixed price for his wheat and will be fairly well off. Whether that fixed price will be continued depends upon the Commonwealth Government. I am not aware whether anything has been done towards determining the price of wheat after this year. It must also be borne in mind that the fixed price is for a limited crop only, so whether the State will derive any benefit from the fixed price is hard to say. The prospects in South Australia are rather good; in Victoria they are reasonable, while in New South Wales they are medium, although recently that State has had more rain.

The Minister for Lands: These heavy rains may cause rust.

Hon. C. G. LATHAM: Not at the present time. I have no fear of that.

The Minister for Lands: Very heavy rain has fallen in the country today.

Hon. C. G. LATHAM: I have not had that information until now. I am not concerned about the present rainfall, because the soil is exceedingly dry. Rust is to be feared in muggy weather with heavy rain just when the seed is forming.

The problem facing us today is not the production of lambs or of butter or eggs. The marketing of those products is the problem. Unfortunately, refrigerated space in ships is very scarce and there is some doubt whether we will be able to export our perishables this year. Dairy farmers have been asked to devote their attention to cheese production, as cheese can be shipped through the tropics without refrigeration. It will serve as a useful food for the troops; it is easily packed and can be distributed without much waste. It is for that reason that dairy farmers have been asked to turn their attention to the production of cheese instead of butter. This year we are sure to have a large number of fat lambs. The lambing season generally has been extremely good. I am not talking about the pastoral areas, although an improvement has taken place there. These remarks apply also to pork. I hope that what Australia might term the North-Western position will ease, as there may be a considerable market for us there that is not available today. We must not sit idly by and allow things to drift as they have been. We must try to assist the people engaged in our industries. I am afraid we have not done enough for them. From a statement made by the Treasurer when introducing the Estimates I hope to hear a glowing story from the Minister for Industrial Development.

The Premier: Encouraging!

Hon. C. G. LATHAM: At present there is very little to encourage anyone engaged in industry in this State. Aside from money expended by the Commonwealth Government—and that is for the destruction of life—our secondary industries are but little developed. We are fortunate in that the Commonwealth Government is expending large sums of money in this State, because we are about to enter upon a mechanical age and therefore we shall probably be in a position to provide employment for many of our young people. Our main object

should be to ensure that the industries established here in wartime are turned to profitable use when the war is over, so that those engaged in them today will have employment in the future. We do not want the unhappy spectacle of large numbers of people out of employment. We hear some growling, but nevertheless we are enjoying a fair amount of prosperity today. That has been brought about by the war. The Premier mentioned that the Commonwealth Government proposed to spend £5,000,000 on war contracts in this State, and the circulation of that large sum will add to the limited prosperity we are experiencing.

The Premier: Some of those contracts have not been let.

Hon. C. G. LATHAM: A fair amount of building is in progress here for the Commonwealth Government. There is a shortage of labour, although I do not so much object to that so long as we can keep the want supplied. That is about all we can expect. We do not desire to have a rush of building work followed by a long idle period in the trade. Although our present prosperity may be largely artificial, the State Treasury ought to benefit and does benefit.

The Premier: That is why we have a surplus.

Hon. C. G. LATHAM: Yes. Our railway earnings are up and so is our revenue from taxation, more particularly since income taxation has been collected at the source. It is on that account that I am disturbed because the Premier is budgeting for a deficit this year. I cannot understand why the Government should do so.

The Premier: You told us the story yourself. Production costs are increasing all round.

Hon. C. G. LATHAM: I am taking all that into consideration, but the Government is obtaining relief in other directions. Expenditure is being met today by money circulated by the Commonwealth Government and from other sources. I therefore cannot understand why the Premier informed the Committee that he had a certain sum of money set aside by the Loan Council to meet a deficit of £250,000.

The Premier: £200,000!

Hon. C. G. LATHAM: Is there justification for it?

The Premier: We could increase taxation.

Hon. C. G. LATHAM: There is no need to do that. I want to see a reduction in

taxation. We have to bear in mind that the people from whom the State Treasurer is collecting taxes are also paying taxes to the Commonwealth Government. They are being taxed to meet the war effort. It is difficult to know how we shall find sufficient money for the purpose. Evidently money is not going to win this war; it will be won by men and equipment. War is a wasting business, and we ought to meet the expenditure on it as much as possible at the time when the expenditure takes place. Consequently, we are justified in imposing high taxation and borrowing as much money as possible. I notice the Federal Treasurer now proposes to use bank credits; whatever he may mean by that I am not in a position to say. The member for Murchison is not in his seat, otherwise I presume he could tell me what bank credits are. The trouble is that there are so many different ideas about bank credits; but if the term means that the Commonwealth Bank will lend the people's money without interest, it does not mean that we shall be able to pay interest on the money taken from the people. I do not know how long that will last.

Mr. Hughes: It will not last two days.

Hon. C. G. LATHAM: It would be very interesting if they withdrew all the money.

Mr. Hughes: It would be a marvellous economic experiment.

Hon. C. G. LATHAM: We saw what happened, in a small way, with the State Savings Bank in 1932. The Government has been relieved, in the last two years, of the very high number of unemployed for whom it had to provide. Unfortunately, this additional money is going into defence work. There are not so many of these men here now. Some are being absorbed in industry and some are enlisting, and as a consequence there is not the claim on the Government there was a year or two ago. There will be an increase in the basic wage; there has already been one. The pay roll tax also represents a considerable increase to be met by the Government. One lucky thing is that the money is circulating here again. That is the only advantage. It is paid to the people who immediately set it circulating again so that the Government gets some benefit. It amounts to no less than half a million.

The Premier: Not from the pay roll tax.

Hon. C. G. LATHAM: No, but from increases in the basic wage, and other things

simultaneous with it, and the reclassification of teachers' salaries. There will be a rise in that direction because of the basic wage. I suppose that this time teachers will ask to be given the basic wage increase, the same as the rest of the civil service. They are entitled to ask for it too. That half million ought to assist in increased earnings by Government utilities and State trading concerns. When the Treasurer was speaking I promised to show him where he could make up a good deal of this money, and at a later stage I propose to set out some means by which he can get additional revenue without additional expenditure.

The Premier: Give us the glad tidings.

Hon. C. G. LATHAM: No, a speech is always finished up well by giving a bit of cheer to the members who are good enough to listen.

Mr. Warner: Roll them up with a bit of finance.

Hon. C. G. LATHAM: The State Government cannot claim very much credit for whatever prosperity exists in this State, because it is money circulated principally from the Commonwealth Government.

The Premier: Try to be generous!

Hon. C. G. LATHAM: It is the duty of the State Treasurer and everyone else to reduce expenditure as much as possible, and the Treasurer has told us that he has attempted to do that in order to make provision for the Federal Treasurer to get as much as possible to meet the war commitments when they occur. We have a responsibility, as well as the Federal Government, to do all we can to see that our defences are put in as good order as possible. We have to equip our men, and while we may not have to find the money directly we have to do our very best to see that whatever we are called upon to do in that direction we do. A very large number of men have joined the colours for the purpose of defending this country, and a great number have gone overseas. Every member of this House will acknowledge, with a great deal of appreciation, the work done by the lads who went overseas, and saw active service in Greece, Crete and on the Mediterranean coast. They built up a wonderful reputation for themselves and for Australia as well. We are very grateful to acknowledge it.

The Estimates obviously differ very little from those of previous years. It is the same old story—we authorise the expenditure of

money and other people spend it. Most of it is spent without any authorisation from us. A great deal is spent under special Acts of Parliament, and Arbitration Court awards; Public Service Commissioners and others of that type spend the balance. I congratulate the Treasurer on finding a surplus for the first time in five years. Although it is only a small amount, it reflects a great deal of care in the exercise of expenditure. At the same time we know that the revenue exceeded considerably the amount estimated, but usually with a rising revenue there is a tendency by departmental officers to exceed their votes. It is one of the difficulties that a Treasurer has from time to time to write "No" across a minute submitted to him asking him to excess the vote passed by this House.

We collected last year a sum of over £3,000,000 in taxation. It is a terrific amount of money considering our population of 469,000. Besides that a very substantial amount has to be found for the Federal authorities. The revenue received by the Treasurer works out at £24/10/ a head for every man, woman, and child of the population. There are services rendered, such as transport and that sort of thing, which are provided by it, but it is a very substantial amount. It also includes quite a number of other concerns besides these utilities—water supplies, sewerage and that sort of thing.

If we have high taxes we ought to remember that we will not encourage people to come here to invest their money in industry. High taxation is what frightens them most of all. I am anxious, as is everyone else, to encourage new ventures and assist industries that have been started by the expenditure of Commonwealth money, and if we can do that we might establish something for the post-war period.

Mr. J. Hegney: That has been the cry of the Commonwealth as a whole in recent years.

Hon. C. G. LATHAM: Yes. If we make this State attractive enough we ought to get people here with money to engage in industry. No State offers better opportunities! A terrific amount of raw material is here, and looking back over the years we see that very substantial industries have started here and remained, and, I think, are fairly prosperous. One is the condensed milk factory which has a good market oversea. Others

include the cheese factories which have started, and are not yet able completely to supply our own requirements. I am hoping encouragement will be given to them to increase their output because there is also a market oversea for them. In addition, concrete pipes are made here. That concern seems to be doing all right. Hardy's works at Rivervale seem to be doing exceedingly well. Most of the money, I realise, has been spent as the result of Commonwealth funds that were made available. However, the industries that I have mentioned are progressing very favourably and they have come to stay.

The outstanding fact is, however, that industries in this State have to face the competition of those operating in the Eastern States, where the taxation is lower and labour conditions better from the standpoint of the employer. I feel impelled to point out what I believe to be a mistake in connection with our operations here; it is that in the Eastern States manufacturers are allowed to employ juniors in many industries. That practice is not permitted in Western Australia. Whether or not that course is advisable is a topic we often discuss, but I shall not deal with it at this stage. The fact remains that such employment affords young people a chance in life, and at the same time makes available additional work for other people. I shall not go into the reasons for the closing down of a firm at Bassendean a little while ago, but if the statement made at the time was true, that the firm could transfer its undertaking to Victoria, manufacture its goods there and ship them back to this State for sale at a cheaper rate than was possible to charge for the goods if manufactured here, there is something radically wrong somewhere. In this State industrial conditions are governed by Arbitration Court awards. Australia—I refer to the Commonwealth as a whole and not to Western Australia alone—boasts of the standard of living enjoyed by the people. That is all right, but at the same time we in this State should ascertain if much cannot be done to make Western Australia more attractive to people and so encourage them to remain here.

One has but to travel throughout the State to realise what advantages we have at our disposal. A little while ago when I was at Coolgardie I was surprised to note the extent of mineral wealth in that district.

As a matter of fact, we know very little about our own country. I was struck by the vast quantity of felspar that is being mined in the Coolgardie district and shipped away from the State. The same applies to mica, of which we have large quantities. The Minister for Mines knows all about these matters; but many people, even members of this House, have little acquaintance with the mineral wealth we possess, that should be profitably used. There must be a market for our mineral wealth, and we should take steps to find out where that wealth can be disposed of. We should be able to compete in the markets of the world, given reasonable conditions. With that end in view, I trust we shall closely scrutinise the operations under our arbitration laws and under the Workers' Compensation Act. In suggesting that course I have no desire whatever to do an injustice to the worker. The better we look after the worker the more contented he will be, and only if he is contented shall we secure the best results from his labour. The Premier, in his capacity as Treasurer, can assist towards the objective I have pointed to by reducing taxation to the lowest possible point.

Earlier in my remarks I congratulated the Premier on the surplus he was able to record at the end of the last financial year. The Premier remarked that since 1912 only Labour Governments had been able to record surpluses. I agree with the Premier in his statement, but I point out that during the last 30 years Labour has been in office for 20 years. Let me indicate to the Committee what has actually happened in the past. A perusal of the figures embodied in the statistics, supplied by the Premier when he presented the Budget, will disclose the fact that whenever the National-Country Party assumed the reins of office it was generally when deficits were commencing to be disclosed. Immediately the finances were under control the National-Country Party Administration would be turned out of office, and then there would be surpluses for a few years. Then again deficits would be built up, and so the procedure would be repeated. On this occasion, while I congratulate the Premier on his financial achievement for last year, it means that he is going to give us an opportunity to take over the financial control of the State with a balanced Budget.

The Premier: Do not make too sure of that!

Hon. C. G. LATHAM: 'There is only one thing of which I am not certain, but I know it will happen: "Coming events cast their shadows before."'

Mr. Withers: But there will be substance next time!

Hon. C. G. LATHAM: We had some of the substance quite recently.

The Minister for Mines: Then you must be looking forward to quite a number of Independents in this House.

Hon. C. G. LATHAM: You, Mr. Chairman, must have observed that all the Independents sit on the Opposition side of the House.

The Premier: As usual.

Hon. C. G. LATHAM: A perusal of division lists will disclose that we have fairly good supporters in the Independents now holding seats in the House.

Mr. Withers: First you tried to woo them, and now you are putting them on the bottle!

Hon. C. G. LATHAM: I do not know whether the record of increased revenue will persist to the extent that the Premier has benefited during the past few years. I say that because he previously collected the financial emergency tax at the source, and then increased taxation tremendously by adding the financial emergency tax to the income tax. Subsequently he imposed that tax again on taxpayers who had already paid the impost at the source. The Premier will probably say that that is not so, but it is so. People receiving salaries and wages paid at the source and then they were called upon to pay another increased tax on the same amount by way of income tax. They were hit very badly. I do not know if that practice is to continue.

The Premier: No one has been hit very badly in that way.

Hon. C. G. LATHAM: I can tell the Premier what has happened.

The Premier: Not by paying the tax twice over.

Hon. C. G. LATHAM: They have not paid the tax twice over, but have paid tax twice on the same income.

The Premier: That is different; you referred to double taxation.

Hon. C. G. LATHAM: At any rate, these people paid financial emergency tax and then the other taxes, and they will remember their experience for a long time to come. I am fully aware that Governments are frequently shown by their advisers how

they can secure additional revenue. On this occasion the present Government's advisers disclosed how additional revenue could be obtained—not by increasing the tax but by increasing land values. The effect of that was to secure more land tax because of the increased land values. That meant, too, increased water rates and sewerage rates. The Minister for Works may well look up in surprise, but he knows that is a fact. I admit that the water supply service is well covered by the rate paid, provided the people use the supply to the fullest extent, seeing that for all water used over and above the full quantity allowed excess charges have to be paid. The drainage rate has also been increased because of the augmented land values. All these avenues tend to increase the revenue of the State. I do not know whether the Treasurer is aware of that fact.

The Premier: Yes.

Hon. C. G. LATHAM: I thought he would be.

The Premier: But it does not affect the position so very much.

Hon. C. G. LATHAM: I want to put a question to the Premier: Is it a fact that owing to the huge revenue received last year, the Taxation Department held over a number of assessments until July?

The Premier: I do not know.

Hon. C. G. LATHAM: I have been told it was so.

The Premier: It was not done under my instructions.

Hon. C. G. LATHAM: I did not suggest that it was, but I have been told that substantial amounts of taxation were not collected until after June, whereas they could have been procured in June. Perhaps the Minister for Lands would know that.

The Premier: I do not think so.

Hon. C. G. LATHAM: The Minister was Acting Treasurer for a while.

The Premier: That is so.

Hon. C. G. LATHAM: I know what happens at such times, but the departmental officers would not get up to any tricks when the head officials were away from the State.

The Premier: They do not get up to tricks!

Hon. C. G. LATHAM: I will have something to say about the senior officials of the Treasury. I am sorry they are not in the gallery now as they were the other evening.

The Minister for Mines: They may have

been misled by the notice paper into thinking the debate would come on later.

Hon. C. G. LATHAM: If they do not want to show too much revenue in one financial year they carry some into the next year.

The Premier: We have not been in that position.

Hon. C. G. LATHAM: I have been informed that that has been done. The Premier told the Committee that under the system adopted he had brought in a great many more taxpayers, because the money was collected at the source. I do not know why that should be so because the financial emergency tax was collected at the source. However, there should be some means of ascertaining the position. Under the system that has been adopted too much taxation has been deducted, and people have been entitled to refunds. Many in that position have applied for refunds. That has enabled the department to say to some, "You have not put in returns for assessment purposes, and so you cannot secure a refund." By such means the department will be able to contact those who have been neglectful in the past, and will be able to trace back their incomes over the years and collect back taxation. But that will not recur in such instances.

The Premier: We know that such people will continue as taxpayers in the future.

Hon. C. G. LATHAM: That is so. The man who desires to evade the payment of taxation is not as a rule quite so clever as is the tax collector. However, I do not anticipate that there will be very much revenue from this particular phase of collection in future years but, on the other hand, I think that the revenue will be in excess of the amount included in the Estimates.

Departmental revenue is always governed by the success or failure of industry in general. Last year the goldmining industry produced over £12,000,000 worth of gold. That is a very substantial volume of wealth, involving the circulation of much money and providing indirect revenue in the form of railway freight, water charges, gold profit tax, and so on. Wheat, although difficult to market, was worth over £4,000,000. Although that result was not as substantial as in years gone by it represents a large sum as a contribution to the Treasury. Then again, last season's wool clip was worth £3,865,000. Therefore when we consider the

three items I have enumerated—gold, wheat and wool—members will realise what a vast amount they added to the national income, and they will appreciate that upon that fund every citizen draws, more or less. The national income of the State amounted last year to about £53,500,000 net, which, considering our small population, difficulties of marketing and the dry seasons experienced by those engaged in rural industries, must be regarded as highly gratifying. In my view Western Australia did exceedingly well last year. On top of the national income I have mentioned, we have an additional £5,500,000 which will be distributed as a result of the contracts let in this State by the Federal Government, together with the money circulated because of the presence of the personnel of the Defence Forces.

I want to say something about the Premier's misjudging the amount of revenue to be collected last year, and to demonstrate to him that he was wrong, and Parliament right. Not very often is the Premier disposed to agree that Parliament was right and that he was wrong, but in this instance he has proved it so. The Premier asked Parliament to agree to £75,000 being paid into Consolidated Revenue from the traffic fees. Parliament retorted that the Premier did not require it.

The Premier: Did I not?

Hon. C. G. LATHAM: No, because the Premier has shown that he already had a surplus of £11,111 and had Parliament agreed to £75,000 being taken from traffic fees and paid into Consolidated Revenue, the surplus would merely have been increased correspondingly. That would have been done at the expense of the local authorities who would have been deprived of £75,000. Under the prevailing system that money is spent among the local authorities throughout the State, particularly in the outer areas. I became a little suspicious the other evening when he told us there was a sum of money accumulated in the Main Roads Trust Account.

The Premier: Not very much accumulated.

Hon. C. G. LATHAM: There was enough to allow of a little steal from the local authorities. I am afraid, therefore, that perhaps the money was not spent as it might have been.

The Premier: Men instead of doing road jobs were employed on other work.

Hon. C. G. LATHAM: I hope the Premier

will admit that we knew he had enough money without taking those funds. Now I want to deal with the traffic fees, of which we are told not one penny goes into revenue. The Treasurer when introducing his Budget made that statement. Turning to the report of the Public Works Department for the year 1939-40, which has just been presented to the Chamber, we find that the Metropolitan Traffic Fees Fund amounted to £207,555, from which £23,205 was paid to the Commissioner of Police. The Commissioner of Police does not handle that money; it goes straight into the Treasury. And at the Treasury it is not paid into a trust account, but into Consolidated Revenue. Perhaps the Minister for Works, when dealing with his Estimates, will tell us what is the basis of charges for these collections of traffic fees. To me it seems just a case of "Put in your hand and take what you want."

The Minister for Works: You are referring to the 10 per cent. for the cost of collection?

Hon. C. G. LATHAM: No. I do not know what the Minister means by that 10 per cent. The Act provides that fees shall be chargeable with costs of collection as certified by the Minister. I do not know, and I firmly believe neither does anyone else, how the amount is made up. I cannot believe for a moment that the additional cost to the Police Department of collecting the fees amounts to either £23,205 for the past financial year, or to £22,691 for the year 1938-39. Those amounts are far in excess of the actual expenditure.

The Minister for Works: How do you arrive at that conclusion?

Hon. C. G. LATHAM: I have not had a chance to find out the actual cost. I have found out, however, that the collection of fees here represents about a month's work at the present time. There is a certain amount of printing to be done, and I presume also that a certain amount of policing is needed to ensure that a license is taken out for every vehicle. But those things are merely complementary to the work done on the intersections.

The Minister for Works: You think the money falls into the Police Department's lap, do you?

Hon. C. G. LATHAM: No. And then there are fines. If one drives down the street in an unlicensed vehicle one is sure to be caught and fined. Nowadays, of course,

one cannot obtain any petrol without a vehicle license; and so the work of the police is less this year. No checking-up is required now, because there is no chance of getting a petrol allowance unless one has a license for a vehicle. If one drove without a license one would, as I have said, certainly be caught and certainly be fined. Surely it is only reasonable to set off the costs of the case against the fine. I have never objected to the charge for collection, but when the Treasurer tells the Committee that none of the amount is paid into Consolidated Revenue I want to show him that the contrary is the case.

The Premier: Very little!

Hon. C. G. LATHAM: Some £23,000 last year.

The Premier: That is not much. It only pays for the services rendered.

Hon. C. G. LATHAM: Why, it nearly pays for the whole of the Police Force!

The Premier: Oh!

Hon. C. G. LATHAM: Taking into account starting price fines, very little money has to be found for the Police Department from other sources.

The Premier: Just £150,000!

Hon. C. G. LATHAM: Let the Premier add up these amounts and see.

Mr. Doney: What is the percentage of collection?

Hon. C. G. LATHAM: There is no definite percentage at all. It is just a sort of guess-work.

The Premier: The Police Department costs over £300,000 annually.

The Minister for Works: The Police Department works very hard for its 10 per cent.

Hon. C. G. LATHAM: I shall ask the Auditor General to enlighten the Committee on this matter. He should know something about the method by which the charges are made up, and he is a parliamentary official. I know the Minister has to certify that the cost of collection is correctly put forward.

The Minister for Works: It is made up by competent officials.

Hon. C. G. LATHAM: The Minister has not persuaded me that it is right to take the money even now. I would have liked the Treasury officials to be present while I say that they, like the Commissioner of Taxation, used to be more or less revenue collectors, and that they have always been highly

envious of our local authorities receiving all that money while the Eastern States pooled their funds. Many years before the present Treasurer's term of office the Treasury officials disliked the idea of fees very easily collected going into the hands of the local authorities, whereas the officials themselves could have the amount for distribution. At any rate, my advice to the local authorities is to make sure now and at all times that that money does not reach any Treasurer or Treasury official. The local authorities should zealously watch their interests in that respect.

From this morning's newspaper it almost appears that the Grants Commissioners anticipated that the Leader of the Opposition in Western Australia was about to make a speech today, and were desirous of anticipating him. Those Commissioners have carried out the threat of which mention was made by the Treasurer the other evening, to reduce the amount of Western Australia's grant. This is the eighth report of the Commission, and they have just found out the position with regard to traffic fees. They should be told that over £23,000 is paid into Western Australia's Consolidated Revenue from these fees. In the early years of their public career the Commissioners stated that Western Australia and Victoria were very low-taxed States, and that they ought to increase their taxation, as otherwise it could not be expected that the other States would help them. Accordingly the Commissioners imposed on Western Australia a penalty of £400,000. At that time we imposed a tax which brought in a little more than £400,000 annually. Now it has reached the stage of yielding £1,200,000. But the Commissioners have found something else. Although I have tried to do so I cannot persuade the Government that the Grants Commission's idea was that, when Western Australia produced a surplus, this State should be fined an additional amount. In those circumstances the Commissioners would say to us, "We have got you where we want you; you are balancing the budget."

The Premier: But the Commissioners are always a year or two behind with their comments.

Hon. C. G. LATHAM: A year behind! I admit that I am referring to the 1939-40 figures. We have never asked for anything more than assistance to balance our budget.

In my opinion that aspect has more to do with the question than have the traffic fees. It has to be remembered that the traffic fees are paid to a semi-governmental body, a body with powers delegated from this Government and having to carry out works. If that body is deprived of its revenue it must be supplied with funds from some other source. It comes to the same thing whether we tax it or the Federal Government does. I liken the attempt to deprive the local authorities of their revenue to an attempt by the Federal people to take from us revenue which we had received for years. The reason given by the Grants Commissioners does not appeal to me as highly forcible, and I should feel inclined to tell them pretty quickly that if such is the quality of their reasoning the quality is extremely weak.

Mr. Tonkin: Tell them!

Hon. C. G. LATHAM: I will. I would say to them that last year we paid into Consolidated Revenue more than £23,000 from this very fund of traffic fees. I can imagine the calm and meekness with which we would submit to the Federal Treasurer usurping some of the rights of this State!

There has been a custom for many years to purchase from loan funds and, when a re-sale of such a purchase is effected, to pay the proceeds into revenue. For quite a long time this State used to take money out of loan funds and re-advance it at the end of the Estimates, out of the Sale of Government Property Fund. Such property was, of course, usually property purchased from loan funds. When the property was sold the proceeds were paid into the Treasury. I have known repurchased estates needing to be dealt with by the Treasurer when he had the debentures falling due, and no special sinking fund was provided, except the usual sinking fund provided for all loans.

The Premier: The rents from repurchased estates did not go into a trust fund, as they ought to have done.

Hon. C. G. LATHAM: Sinking fund was provided for them in the ordinary way, but I agree that that is not enough. I have known Government properties to be sold for cash—properties originally forming portions of a repurchased estate—and the proceeds to go into Consolidated Revenue. That principle is entirely wrong. The money ought to have been paid into a trust account. Unquestionably the Treasury officials should see that in future that course is followed.

The Premier: In that connection I have been paying £30,000 annually for a long time.

Hon. C. G. LATHAM: But why not do the thing properly?

The Premier: Every amount of money derived from repurchased estates goes into a trust account.

Hon. C. G. LATHAM: Take railway rails: They get worn and used, and then are taken out and sold and the proceeds are paid into Consolidated Revenue. They have some value, and loan funds ought to be recouped the amount of that value.

The Premier: That money is spent in effecting betterment year by year.

Hon. C. G. LATHAM: I want to say a few words about our industries. Time after time we have discussed the perilous position of the agricultural industry and I hope something will eventuate, that we shall be able to devise a policy for the future. At present there is no policy. The farmer does not know where he stands today. He has no idea what the future will bring. He has received help from the Federal Government, and a word or two of encouragement from the State Government which has also rendered him some slight assistance from time to time, but not sufficient for him to be assured of a secure future. We must do something. Every other country in the world situated as is Australia, remote from the scene of war, is preparing to avail itself of the markets that will be open to it when the war is over. People overseas will have to be fed and clothed. They are not sufficiently fed and clothed today. That much is certain. Their needs will increase and we should take every opportunity to build up industry so that we can step in immediately the war is over and send goods to them. A country's greatest prosperity is generally in the period following a war, though unfortunately that prosperous period is usually succeeded by a time of depression. If the new order works out as many of us desire, depression will be obviated. In the meantime we must keep pace with other parts of Australia which are doing a great deal to build up primary and secondary industries. We must do likewise. New Zealand is doing everything it can to assist the primary producer, and industry is being built up in a manner that will enable the Dominion to take advantage of the markets offering when the war ends.

Mr. Triat: And New Zealand has a Labour Government!

Hon. C. G. LATHAM: I suppose the Minister for Lands is aware that a tremendous number of people are leaving the land and coming to the city looking for positions associated with munitions manufacture or seeking service in the militia and elsewhere. They are entering walks of life into which they should not be going. They should stay on their farms producing goods. We do not know how long the war will last. At any time there may be a sudden cessation of hostilities, but we are not prepared for eventualities of that sort. As in the past, I offer the Premier the services of anyone on this side of the House to assist him to do something to put industry on a sound footing, enabling us to keep people on the land and to open up avenues of employment for men who will return from the war and who should have an opportunity to obtain reasonably decent wages.

Reference by the Premier to the increased expenditure necessitated by the pay-roll tax leads me to express my pleasure that some acknowledgement has been made of the value of a man with a family, and that some provision is being made for those with more than two children. A very serious side of the economic life of this country is the slow way in which our population is being built up. Taxation has increased, but the population has not proportionately increased. For a long time the fixation of the basic wage has been made on the basis of the needs of a man with a wife and two children, and a family consisting of a man and his wife and six children has had more or less to starve. If the figure fixed has been deemed sufficient to enable a man, his wife and two children to live in some sort of decency, in what condition is it expected that a family containing an additional four children should live? Now, however, there has been some recognition—admittedly small—of the position of men with larger families, and the allowance of 5s. for all children after the first must prove a great benefit. I am pleased that some admission has been made that the man with a family is a better citizen—

The Premier: Usually!

Hon. C. G. LATHAM: The children in such families are certainly better than are those in smaller families. They are less spoilt. I went into a house the other day

where there was a family of 10 children and I was surprised to find how neat and tidy they were. Assistance was rendered by the bigger children to those a little younger. One does not see that co-operation in a family of only two or three. To see a tiny mother with a large family flocking round her gives one better heart than to go into empty homes. It is discouraging to see small families because all we have fought for will be lost if we have not the people to defend it.

Mr. J. Hegney: How are you going to remedy that?

Hon. C. G. LATHAM: I am glad that there has been some recognition of the fact that the person with a large family is worthy of some assistance.

In his speech the Premier in reply to an interjection I made declared that he would be glad to have any suggestion from me as to how the deficiency in the State finances could be made up. I have made statements previously that have been twisted for political purposes, but I suppose that is permissible in politics. However, I will deal with that later. I remember the Premier being very pleased on one occasion when there was an increase of 5s. in the basic wage just before the last election. He said that it would result in an increased purchasing power for the people, but it did not.

The Premier: Yes, it did!

Hon. C. G. LATHAM: The cost of living immediately increased.

The Premier: Not to a great extent.

Hon. C. G. LATHAM: Considerably! While the present system continues to operate the same results will occur. It cannot be avoided.

Mr. Cross: It is the increased taxation charges that causes the basic wage to increase.

Hon. C. G. LATHAM: Looking back over a period, I know, the Premier knows, and even the interjector knows, that when wages were less and purchasing value was high the workers were as well off as they are today.

Mr. Cross: But the country did not owe so much then. Taxation was less.

Hon. C. G. LATHAM: The trouble is that we misled our people. Unfortunately, a lot of people are easily misled.

The Minister for Mines: The cost of living immediately after the last war increased so fast that the workers were unable to overtake it owing to the fact that there was no quarterly adjustment.

Hon. C. G. LATHAM: In 1931 it was suggested that there should be a quarterly adjustment; there was considerable opposition to it. I remember the Minister interjecting on that occasion. I can picture him sitting there and objecting to a quarterly adjustment, but it was a sound and sensible suggestion; and I am sure that the worker appreciates the fact today. It is not a question of pounds, shillings and pence but of what the money will buy. We must always remember that and educate our people along that line of thought. We must not persuade them that because they receive 10s. a week extra they will get 10s. a week extra value for their money.

It is the single man who benefits from basic wage increases. The single man who boards has not had to pay an increased amount for that board. The married man with a family is the one who always pays. The single man and the single girl escape. During the last 12 months the cost of board at hotels in town has been just the same as it was 12 months ago. I am not speaking about first-class hotels, but those at which single men might be expected to stay. The single man derives benefit from the increase in the basic wage, but the family man has not had any benefit. He pays all the time.

Mr. Cross: He must pay extra taxation now.

Hon. C. G. LATHAM: Who?

Mr. Cross: The single man who boards at an hotel.

Hon. C. G. LATHAM: Is the hon. member sure?

Mr. Cross: You look through the Federal taxation rates!

Hon. C. G. LATHAM: Oh, the hon. member is referring to taxation! A little while ago the single man received a good deal more relief than he should have obtained.

Mr. J. Hegney: The single man is an important person in the community today.

Hon. C. G. LATHAM: He is not nearly as important as is a family man. Fancy a single man between 60 and 65 years of age being important! I am surprised at the hon. member suggesting it.

Mr. J. Hegney: Single men are most important to the country today. They are our first line of defence.

Hon. C. G. LATHAM: The hon. member is doing equally as well as any single man. A man came to me the other day and wanted me to sign a certain paper. I said to him "You are surely not enlisting!" He replied

that he was. I said to him, "As a married man with a family of seven youngsters you should be ashamed of yourself. Your place is here." He asked my why and I replied, "You have your youngsters to look after here" and he answered, "I have more to fight for than you would have if you went away." I do not mind admitting that I believe in conscription, but I think we should send away people who can afford to go and not men whose children will be deprived of their fathers.

The Minister for Mines: You will get into trouble if you announce that you discouraged a man from enlisting.

Hon. C. G. LATHAM: I could not.

The Minister for Mines: I thought you said you did.

[Mr. J. Hegney took the Chair.]

Hon. C. G. LATHAM: I suggested that I thought his place was here. I considered that I ought to go before he did. The Government has no right to take away men like that. If that man is killed his wife will be left with seven children to look after and members know how difficult it is for a mother to handle such a family.

I now come to the stage at which I proposed to help the Premier to make money. At present transport is an important problem. Because of the petrol restrictions, a good deal of private transport has left the road. Now is the time for the Government to come into its own. It has a monopoly of the railways and practically a monopoly of city transport, at any rate of more than 50 per cent. of it. Here is its chance. For the last five years the Railway Department has had an aggregate deficiency of £2,250,567. That deficiency can now be made good, but the Commissioner of Railways and his officials will have to get busy. It is no good their travelling along on low gear; they must get into top gear. They must get moving. It is useless sending trains out on country lines—as has been done from time to time—without a drop of water in them. They must put an end to slow mixed trains. I admit that the Diesel engines have been of considerable assistance. They have been of especial value on branch lines and their use should be restricted to such lines. However, the department has been attempting to use these cars on main lines. They have not been able to cope with the traffic offering and

the result is that the public are becoming disgusted.

It is about time the Minister for Railways took a trip in some of his trains and he ought to take the Commissioner of Railways with him. He should not travel in one of the coaches he usually travels in, with a special engine. Let him get into an ordinary train and investigate the long delays that occur at sidings, and the tremendous time it takes to convey people from point to point. If he does that he will have a full appreciation of what the public is up against, and will probably have a desire to remedy the situation. I do not know how many Diesel coaches are in operation, whether there are seven or eight, but those coaches were a good investment, one of the best investments that have been made for some time. I know that at present some difficulty is experienced in augmenting the supply. I do not know whether the parts could be made at Midland Junction, but I suppose that even if they could the workshops are extremely busy and it would be impossible for the work to be done there.

The interests of the travelling public must be considered better than has been the case in the past. Our railwaymen started off as boys, and in time have become seniors. They have the railway atmosphere, and have failed to acquire the public atmosphere. Some of them—only some of them—think that the railways exist for them instead of for the benefit of the public. That is not so in the case of all of them by a long way. There are many courteous, obliging and decent men in the railways. Some of the officials at the head office, however, do not appreciate what it means to accelerate a time-table. Fancy averaging eight miles an hour for a train! Who would care on a hot summer's day to sit in a train when the journey could be made comfortably in a motor car? The railway officials should look into these matters.

The question of the transport of goods is also an important one. A little while ago, in the electorate represented by the Premier, a truck caught fire through sparks from an engine, and the goods in the truck were burnt. The owner of some of the goods, who could ill afford to lose them, made a claim for them on the ground that they were being transported by the railways. The usual reply was given that they were being transported at owner's risk. That is another thing

we shall have to alter. Goods of that description should be conveyed on the journey at the Commissioner's risk.

The Premier: That is done now.

Hon. C. G. LATHAM: Only when increased charges are paid. The railways should be placed in the same category as would be an ordinary carrier. It would be better that people should pay a little extra and thus reap the benefit. I do not like complaining, and do not usually complain, but I wish to refer to an incident at the West Perth goods shed. I have seen furniture there in an open truck together with heavy goods, and in the process of shunting the heavy goods have moved. It was found when the furniture arrived at its destination that it was badly smashed in that the legs were off the chairs and tables, and mirrors, etc., were broken.

The Minister for Railways: Does that sort of thing often occur?

Hon. C. G. LATHAM: Yes, too often, but it is the same old story—owner's risk. If the Commissioner were responsible for goods reaching their destination in good order he would see that the packages were placed in a different position, not merely thrown into an open truck with a cover over it. I was shown such a truck on one occasion. The owner of the furniture in it could ill-afford to lose the money it had cost, and he found ultimately that he had to pay freight on goods that were not worth tuppence at the other end. The railways must change their policy in such a matter as this. The old policy that used to exist on railways a hundred years ago is no good today. People demand something better. Whoever occupies the Treasury bench must tell the Commissioner of Railway to cater for business. He has an opportunity to get business today that is unequalled because of the petrol restrictions. Let him show the public that the railways can deliver the goods. The same thing applies to the trams.

Mr. Cross: My word, it does!

Hon. C. G. LATHAM: What has happened that I should have the hon. member behind me?

The Minister for Railways: The conditions are no worse than they are anywhere else.

Hon. C. G. LATHAM: It does not matter how good or bad they are elsewhere; our job is to see that things are well done here.

The Minister for Railways: The railways are doing a good job; you can say what you like.

Hon. C. G. LATHAM: I wish I was able to take over the trams for a little while. I would not have one tram that was packed with people who were hanging on to the straps, while a little way behind was another tram containing hardly any passengers. There is something wrong with that system, something wrong with the timetable. The trams ought to run more frequently.

The Minister for Railways: The tramway officials are doing their best. Perhaps you have more brains than they have.

Hon. C. G. LATHAM: It is not a question of brains. Some men are doing a good job. I must say I like to see the Minister stand by his officers, but it is no use sticking up for them all the time for that does not encourage them to go out for new business. Ministers should not stand so much behind their officers as to suggest that they never make mistakes. When the member for Boulder (Hon. P. Collier) was sitting on this side of the Chamber he used to complain about these things, but no progress has been made since then. The old ways must be given up and we must adopt new and improved ones. People will not be satisfied to travel by tram under present conditions.

Mr. Cross: And at two miles per hour!

Hon. C. G. LATHAM: The trams stop too often. Let me instance the service in Victoria Park.

Mr. Cross: The South Perth service is a good example.

Hon. C. G. LATHAM: Let the Minister travel on a tram to the Victoria Park terminus. When it reaches that suburb, he will find that he could walk to the terminus almost as fast as the tram travels.

The Minister for Railways: Do you suggest that many of the stops should be cut out?

Hon. C. G. LATHAM: Some of the stops should be cut out. Trams should not always stop at intersections. That is an unwise plan. It would be better that they should stop in the middle of intersections and make people walk either way according to their destination. The officials should be encouraged to go out and get business. It is no use their sitting in their offices. They must get out. Many of the officers were inspectors years ago and they are still inspectors, and have not changed. They do not realise that

the views of the public have changed, and in turn are dissatisfied with old methods. I said long ago that the department has trams at its disposal. Trams were taken off the Claremont and Wembley runs, and they must be available. They cannot be worn out.

The Premier: They are in use.

Hon. C. G. LATHAM: I make another suggestion, namely, that fares should be reduced between 10 a.m. and 4 p.m., as has been done in the Eastern States. That would encourage people to do their shopping between those hours. The general public has very little thought for those who are standing at counters all day, and on their way home have to hang on to a strap. If people would shop during the hours I have indicated a good deal of that congestion and inconvenience would be avoided.

The Minister for Railways: There will always be congestion at peak periods.

Hon. C. G. LATHAM: But it can be relieved. The Government could say that between 10 a.m. and 4 p.m. people can travel a given distance at a cost of 4d. return, but that before and after those hours the cost will be 8d. I have seen people watching the conductors. When they have been able to leave the trams and avoid paying a penny fare, they have been as pleased as possible. If my suggestion were adopted it would be a big inducement to people to travel during the slack periods. I put it to the Minister that if the railway officials would get out and look for business they could get in revenue of £250,000 more than they are getting today.

People are compelled in these days to make use of the railways. I wish to pay this compliment to the people of this State, that they have accepted petrol rationing remarkably well. They have acknowledged and admitted that they must put their quota into the war effort. They are doing this right royally, and with very little complaint. The restrictions have cut down the use of petrol by at least two-thirds. The figure is an amazing one. We must give the public the service they require, and the Minister must see to it that they are catered for. We must offer them something to take the place of the motor cars that are laid up owing to the petrol restrictions. We have in use today one two-decker bus.

Mr. Cross: We should not have any in use.

Hon. C. G. LATHAM: We should have 40 such vehicles, for they would enable us to deal with the traffic as they do in the Eastern States. People who board such a bus always want to climb to the top. When the Minister for Mines was in London he always went to the top. He told me that he did so in order that he might see the city.

The Minister for Mines: The girl used to come up and talk to me.

Hon. C. G. LATHAM: At that time there was no top on the double-deckers. It was a mistake to prevent people from having double-decker buses. They are quite as safe as are other kinds. The Railway Department in New South Wales has adopted them.

The Premier: They have been adopted in Melbourne, too, for I rode in one the other day.

Hon. C. G. LATHAM: I like to be at the top. I am not too old to appreciate a ride on the top of a bus; it is worth while. The use of more of these buses would help the Government in meeting the situation, and it would be worth while for the companies to launch out in this direction. The Minister should not tell the Committee that his officers are doing all they can.

The Minister for Railways: But they are!

Hon. C. G. LATHAM: That sort of thing discourages them from trying to do more.

The Minister for Railways: I am not discouraging them.

Hon. C. G. LATHAM: He discourages them by those very words.

The Minister for Railways: No Minister has been more critical than I have.

Hon. C. G. LATHAM: Let the Minister get hold of the Commissioner and say to him, "Come out with me and I will show you where your mistakes are." He can show the Commissioner some of the things I have been talking about. The other day a man told me of a trip from Geraldton to Yuna and the complaint he had to make on that occasion. I advised him to see the railway officials and to tell them they must give a better service on that line, and that we would endeavour to see that he was given petrol if they could not improve the service. I think a better service was arranged. I do not like that sort of thing. The railway people can effect improvements if they

want to. Some seven years ago I stated that the run from York to Quairading by train averaged eight miles an hour. How can people be expected to travel by train under such conditions? The officer responsible for that state of affairs apparently persuaded himself that the timetable could not be altered; but it was altered. The railway timetables are worse today than they used to be. I remember what they were some 24 years ago. That was the time when the Premier used to ride on the footplate, as did also the member for Bunbury (Mr. Withers) now sitting behind him. In those days the trains ran all right, but we have advanced since then, and better running hours are required.

It is no use saying that we are doing a hundred per cent. of what is necessary when that is not so. We are doing barely 50 per cent. Traffic is available today if the department will go out for it, and, with the slightest encouragement from it, that increased traffic can be held. The Commissioner must see that it is made safe for people to send their goods by train and that those goods are carried at his risk. He must be told that Parliament expects this of him. When he does that he will get more business than he now receives. The other day I travelled in a first-class compartment. I admit that the train did not stay long at sidings, but I do think some official should have been available to clean out the filth in the compartment. Two women also got into the carriage, and we had to open the windows because of the smell.

Mr. Marshall: I know of one case when that was done, and the people in the compartment had to get out of it.

Hon. C. G. LATHAM: I find that the Tramway Department showed a surplus of £16,055.

Mr. Cross: The trolley buses enabled it to show that profit.

Hon. C. G. LATHAM: By pushing off other transport.

Mr. Marshall: In order to satisfy the hon. member.

Hon. C. G. LATHAM: There was a loss of £9,659 in the previous year. I feel sure a greater profit could be made. That could be done if the officials turned their attention to the service and brightened it up. Instead of travelling in low gear, they should get into top gear.

The Minister for Railways: Considerable improvement has been effected already.

Hon. C. G. LATHAM: I should like to take the Minister into Hay-street and show him what the tram service is like at certain hours. Take the case of people going home to Victoria Park at noon on Saturday!

Mr. Cross: Every day!

Hon. C. G. LATHAM: Particularly on Saturday. I said to the Department, "Can you not put on more cars and get these people off on their journey home?" Terrific congestion is evident at that time. Instead of anything being done, the department has to bring its trams out from Subiaco and along Murray-street, all in low gear. It ought to have trams running in increasing numbers straight from the car barn into the city, and back again on the Victoria Park route. It should have trams available to take people where they want to go.

I compliment the Minister on the results achieved by the Electricity Supply Department. It is living up to its reputation of providing a surplus. What we want now is to have the current extended to the outer areas. We should encourage people to make their homes in the outer suburbs and hills country.

The Minister for Railways: We are doing our best.

Hon. C. G. LATHAM: That is not enough, and I do not want to hear that remark again. I want the Government to do something at once. I want to see decent trams running in the Canning electorate, so that the hon. member representing that district will not have occasion to complain and will have less to say in the Chamber.

Mr. Wilson: You could not prevent him from talking.

Hon. C. G. LATHAM: I want to see men living on blocks where they could produce some foodstuffs for their own requirements—men on the basic wage taking interest in flower gardens, keeping a few fowls and so forth.

The Minister for Lands: Instead of flat life.

Hon. C. G. LATHAM: I agree with the Minister. We should give people opportunities to get out of the city so that they will have an inducement to learn to love their country.

The Minister for Railways: The Government agrees with you.

Hon. C. G. LATHAM: But I want the Government to do something.

The Minister for Works: I should like to drive the flats out of Wembley.

Hon. C. G. LATHAM: The Water Supply, Sewerage, and Drainage Department shows an increase. As I have had occasion to observe before, I regret that this is one of the indirect means of increasing taxation. During the last five years the department has shown a surplus of £176,000.

The Minister for Works: No.

Hon. C. G. LATHAM: I am quoting the figures submitted to us by the Treasurer. To make a profit of £176,000 in five years is not quite fair.

The Minister for Works: How much do you think is invested in those works?

Hon. C. G. LATHAM: That does not matter because interest and sinking fund charges have already been provided.

The Minister for Works: It is not a small concern.

Hon. C. G. LATHAM: I know that this department has been of great value to the Government. This is a service that should be provided at a rate covering very little more than the actual cost. The extension of the sewerage system in recent years has involved the people in the payment of further rates in addition to the heavy expenditure entailed in linking up with the system. To sewer premises is an expensive item, ranging in most instances from £40 to £60 and even up to £80 per house. This money has to be found by the householder.

The Minister for Works: It does not pay.

Hon. C. G. LATHAM: Then the Minister should ask the Treasurer to put up returns that we can understand. We have been told quite clearly that the profit during five years has been £176,000. The Goldfields Water Supply is also showing a substantial surplus, but for a long time interest and sinking fund have been provided by Consolidated Revenue.

Mr. Doney: There was an over-payment of dues in that year.

The Minister for Works: It is of no use forgetting the 1¼ millions of capital.

Hon. C. G. LATHAM: That is the capital expended on the scheme.

The Minister for Works: That is what you might term "frozen."

Hon. C. G. LATHAM: The public should be able to ascertain the exact position from the public accounts. The returns indicate

that last year there was a substantial profit. Return No. 19 deals with miscellaneous utilities such as the Fremantle Harbour Trust, Bunbury Harbour Board, State Batteries, etc. The accounts of those utilities just about balance. There are some items, however, to which I must refer. According to the return Cave House last year incurred a loss of £935. As the name implies Cave House provides accommodation for the public, and it has a bar attached. The Government has no right to call upon the taxpayers to find £900 to make good a loss incurred in providing conveniences for tourists. Surely there must be something wrong with the management!

Mr. Withers: No.

Hon. C. G. LATHAM: Well, why should there be a loss? When I say there must be something wrong with the management, I mean that probably the charges are not high enough for the services provided. I am not saying that the place is run badly. Every time I have been there I have found it to be well run.

The Premier: It is run at a charge of £4 4s. a week whereas the charge should be £7 7s.

Hon. C. G. LATHAM: The point I am making is that when people go there for pleasure, any loss incurred on the year's operations should not have to be made good by the ordinary taxpayer.

Mr. Sampson: A charge of £4 4s. a week is fairly high for this State.

Hon. C. G. LATHAM: There must be something radically wrong. Are the charges too low or is something else wrong?

Mr. Sampson: Four guineas a week should be enough.

Hon. C. G. LATHAM: Investigations should be made by an officer of the Government and the position remedied. My next remark will probably rouse the ire of the member for Canning (Mr. Cross). I observe that he is sitting up and taking notice. His constituents have the convenience of ferries to take them across the river and that service last year showed a loss of £15.

Mr. Cross: A new boat would make a difference.

Hon. C. G. LATHAM: Evidently the fares are too low.

Mr. Cross: That is not so.

Hon. C. G. LATHAM: Some consideration should be given to the finances of that utility. People do not get tram rides, rail-

way rides or trolley-bus rides for nothing, and users of the ferries should be prepared to pay the cost of the service.

State Batteries, according to the Treasurer's statement, showed a substantial loss last year, the figures being £15,873. Surely something must be wrong there!

The Premier: We will get a good deal of it back.

Hon. C. G. LATHAM: I do not mind if the money is being spent on prospecting, and there is a chance of getting it back. I do not object to subsidising prospectors. Perhaps it would be better to subsidise them than to have the State Batteries operating at a loss. There is something to be said for this loss if it means that we have been assisting the industry. We have to bear in mind that State Batteries are located in remote places where private individuals would not provide the facilities. However, there must be some explanation of the loss of £15,000, and I hope the Minister for Mines, when introducing his departmental estimates, will give us the information. There has been a substantial increase in the price of gold.

The Minister for Mines: And our charges have not increased with that rise.

Hon. C. G. LATHAM: I do not know what the treatment charges are. Would the batteries use cyanide?

Mr. Marshall: Zinc and quicksilver.

The Minister for Mines: The price of quicksilver has increased greatly.

Hon. C. G. LATHAM: Cannot a substitute be found for quicksilver?

The Minister for Mines: There has been a tremendous rise in mining costs generally.

The Minister for Works: Anyhow, that much has been lost on half-a-dozen farms.

Hon. C. G. LATHAM: But neither the farmers nor the flour mills have lost the money. I am dealing with the produce of mines, not of farms.

The Minister for Mines: This is a big industry.

Hon. C. G. LATHAM: I hope the Minister will give us the information in due course. No doubt he will explain the position effectively.

Next I want to deal with the Trading Concerns—another quarter in which we might be able to make up some leeway. The State Brick Works has consistently shown a loss during the past six years—with one exception, when a profit of £113 was made—totalling £9,933, a loss which has to be made

good by the taxpayer. It must be remembered that the State Brick Works enters into competition with private concerns whose businesses, if conducted on the same lines, would soon put a company into liquidation or an individual into the Bankruptcy Court.

[Mr. Marshall resumed the Chair.]

Mr. Cross: There is no comparison between the State bricks and those produced by private enterprise.

Hon. C. G. LATHAM: If the State produces better bricks it should receive a better price for them. Why should I, for instance, be permitted to build a house with bricks sold to me by the State while the ordinary taxpayer makes up the loss?

Mr. Cross: We make up plenty of losses for the farmers. The State is always writing off farmers' debts.

Hon. C. G. LATHAM: If I might make the member for Canning a little less cross, I would say to him, "If the ordinary individual or a private company made losses year after year, what would be the result? The company would have to go into liquidation and the ordinary individual would have to go through the Bankruptcy Court." Those would be the only alternatives. But when a State Trading concern makes a loss the Government comes along and supplies the amount from the Treasury. These concerns had better be put on a footing where they will at least be able to recover cost price. That would materially assist the Treasurer.

Mr. Warner: It would surprise everybody.

Hon. C. G. LATHAM: "State Implement Works" to my mind is a misnomer. It is a general engineering works. We get a profit-and-loss balance sheet from it. Why does not the plant engineer in East Perth furnished a balance sheet? The State Implement Works does very little work outside Government work.

Mr. Tonkin: Your Government is responsible for that.

Hon. C. G. LATHAM: We have not been in office for nine years. The Act that we passed in 1932 was never proclaimed.

Mr. Tonkin: It was not the Act you passed, but what you took away from the State Implement Works.

Hon. C. G. LATHAM: We took nothing away from the works, but we tried to close it down because it was unprofitable. Now it produces a balance sheet every year show-

ing a loss. If the works was closed down in all probability a great deal of money would be saved. During the nine years which have elapsed since the passing of that Act we have held office for only one year. Because our Government did the right thing and this Government does the wrong thing, why should we be upbraided?

Mr. Tonkin: You did so much damage to the works at the time that it could not operate profitably.

Hon. C. G. LATHAM: The works was continually losing money on everything it produced. We had no right to say to an individual, "Here is a machine at about half cost price, and the taxpayer must make up the balance." That is bad business. If we must provide work let us do it in a reasonable way. Let us not enter into such competition with private people as enables them to expose our bad business methods. This is an exposure.

Mr. Tonkin: I will give you some facts about that later.

Hon. C. G. LATHAM: I shall be glad to have them. Nevertheless, it will be found that the State Treasury has had to supply a great deal of money for the State Implement Works ever since the start of the works.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. C. G. LATHAM: I think the State Implement Works should be struck off the list. The State Quarries are another concern where a considerable sum of money might either be saved or earned. For the past six years they have made a loss totalling £14,405, which is greater than interest and sinking fund. If these quarries were a private concern they would be expected to pay dividends, otherwise they would not be long in existence. They pay no rates or taxes. They are, I understand, producing gravel for roads; probably most of it is for the Public Works Department. Yet year after year they are losing money.

The Premier: They are doing very little now.

Hon. C. G. LATHAM: The proprietors of the White Rock Quarries must be making a considerable amount of money, judging by some of the private properties held by them. I should say they are doing exceptionally well, yet the State enterprise is losing money. The State Shipping Service has always shown a substantial loss. I do

not complain seriously of that, as the service may be regarded in the light of a subsidy to the North-West industries, which are now experiencing bad times. It is extraordinary, however, that private shipping companies are run at a profit.

Mr. Withers: With black labour!

Hon. C. G. LATHAM: Some are, others are not. Apparently neither the Commonwealth nor the State Governments can run businesses in competition with private enterprise, for what reason I do not know.

Mr. Withers: What about the State Sawmills?

Hon. C. G. LATHAM: I shall deal with them later. We have seven State hotels which made a profit last year of £5,193. They pay no road board rates.

Mr. Thorn: Or license fees!

Mr. Doney: Or income tax!

Hon. C. G. LATHAM: That is so.

The Premier: Would you like to buy the State hotel at Kwoiyin?

Hon. C. G. LATHAM: I would not mind; there would be a good living in it. Probably the Bolgart hotel would be better. The Dwellingup hotel does a good business and if put up for sale would probably fetch a big price. The Wongan Hills hotel has been at a disadvantage, but has been rebuilt. The Bruce Rock and Corrigin hotels are doing good business. The Gwalia hotel must be a goldmine.

The Premier: There was a strike at Gwalia.

Hon. C. G. LATHAM: That was during the winter and did not last long. I admit that the State hotels have always shown a profit, and that in the aggregate they have repaid their capital cost to the people.

The State Sawmills are a profitable concern. They certainly made a loss in 1939-40, but that was explained by the Treasurer, who said business was held up because it was not possible to export timber. During last year, however, business was extraordinarily good owing to the fact that it was possible to ship timber. In addition, the local demand has been great.

Hon. W. D. Johnson: The State Sawmills are up against big competition.

Hon. C. G. LATHAM: I remind the hon. member interjecting that the State Sawmills pay neither rates nor taxes.

Mr. J. Hegney: They are in the combine.

Hon. C. G. LATHAM: There is no doubt about that; they charge the same prices as

do the other timber merchants. It may be that the State Sawmills have a better area to cut over. The Treasurer should peruse these returns, and appoint one or two Treasury officials in order to ascertain whether some improvement cannot be made. The Treasurer would in this way be materially assisted in reducing expenditure from revenue. He might perhaps show a profit.

I draw attention to the fact that taxation is increasing considerably. Last year the increase was 6s. 2d. per head of population, a substantial sum. In the previous year the tax amounted to £8 0s. 1d. per head of population; this year it amounted to £8 6s. 3d. The cost of social services in the previous year was £4 5s. 5d.; this year it is £4 6s. 5d., an increase of 1s. per head of population.

I stress a point that I mentioned previously. It is that while Commonwealth money is being spent here we should do all we possibly can to maintain the new industries being opened up and if possible extend those already established. Last Saturday morning I had an opportunity to meet a member of a Commonwealth Board who was doing some inspection work. He was a fine type of man and pointed out to the people concerned how they could improve their packs. He also pointed out all the defects. I have not seen a State officer doing that. It would be a good idea if we could secure the services of such a man, who would be a friend to the people engaged in our industries while in their initial stages. He would be able to put the people on the right track.

Apparently there is a big market for tinned vegetables. This State has a surplus of vegetables and I believe we could profitably tin them. I had a letter recently from people in Singapore who told me that, owing to the difficult situation in their territory, they would be looking a great deal more to Australia to supply their requirements. Usually the great bulk of the tinned vegetables they consume is purchased from America. They referred to a number of articles which we should be able to supply from this State. It would be necessary, however, to put up an attractive line and to maintain the quality of the goods, which is very important. If these conditions are observed there is no doubt that our goods will be worth-while purchasing and will find

a ready market. That applies to celery grown at York. I may later have a private talk to the Minister for Works about the water supply at York. What I have said also applies to beans. In this respect considerable assistance should be available from Carnarvon and Geraldton. Those districts produce beans of good quality and should be able to maintain a supply all the year round. Good prices are being realised.

The Minister for Lands: Growers have been getting 11d. wholesale.

Hon. C. G. LATHAM: Prices are very good. It would pay the Minister for Industrial Development to look into the question with a view to discovering whether it is possible to obtain the services of a man who would be a friend to these manufacturers. We do not want somebody to go to them and say gruffly, "That label is wrong. You will be prosecuted!" That is not the way to help.

The Premier: We do not do that!

Hon. C. G. LATHAM: No; the Premier does not, but some of the departmental officers do.

The Premier: No!

Hon. C. G. LATHAM: I have known of prosecutions being launched because the type on the labels has not been of the right size. Of course, people should comply with the law but we should try to educate them. Mr. Fernie is an excellent man, but he is the head of the concern and cannot be expected to do what I am asking should be done. I hope to have an opportunity to talk to him some day. The late Mr. Macartney was a very good officer. Before he passed away I sent to him a man who proposed to tin potatoes for consignment to Singapore. For that class of work, however, the assistance of a bacteriologist is necessary. It is important to ascertain whether bacteria are present and what action would be set up from them. In this and other ways we can render material assistance to manufacturers today. Certainly we should do something. I assure the Government that we on this side of the House will do all we can to help.

The Minister for Lands: Tons of vegetables are being exported from this State to the Eastern States at present.

Hon. C. G. LATHAM: The Minister knows why! So many people have been diverted to the manufacture of munitions. It is essential that our population should be built up. Judging from the figures it is

difficult to maintain the existing level. I hope we shall be able to enlarge our population by building up permanent industries. That is the only way we can solve unemployment problems. Those problems will recur unless permanent industries are established.

Without attempting to condemn the Treasurer's Budget speech I would again point out that taxation has increased in this State by 130 per cent during the last twenty years, and our national debt has increased from £141 16s. 2d. to £207 5s. 9d. per head of population. Those figures illustrate how necessary it is for us to build up our population so that we can spread the amount over a greater number of people. Our debts must otherwise become too heavy and we shall find ourselves overwhelmed.

I join the Premier in the hope that this year will bring peace to the people of our country and the whole world. Countries must trade with each other. There is no better way to create good feeling between the people of different nations than by folk travelling from one country to another and making friends wherever they go. The action of one or two men in Europe has prevented this taking place. There are times when things look bright; at others, they look very bad indeed. But, as the Premier has already stated, we know the calibre of the British people of whom we are a part, and we are sure that they will not be easily beaten.

It is the duty of us all to do what we can to assist. We must get behind the State Government and help it in every possible way, if it is doing the work it has been called upon by the people to do. Likewise we must assist the National Government and all parts of the Empire. We appreciate the great work achieved by that wonderful man, the Prime Minister of Great Britain. I think everybody belonging to the nation appreciates the John Bull type of individual we see on the screen at the picture theatres from time to time, and the splendid work he is doing.

We are also grateful for the excellent service rendered by that other great Democracy—the only one that speaks the same language as we do. I refer to the United States of America. President Roosevelt is materially helping to bring the war to a successful conclusion. What I have said applies also to the leaders in various parts of the British Empire, including our present and past Prime Ministers. To all the govern-

ments of the British Empire we express our great appreciation of the efforts they have made. I am sure their hearty co-operation will ensure peace in the near future.

Progress reported.

BILL—PUBLIC TRUSTEE.

Second Reading.

Debate resumed from the 9th September.

HON. N. KEENAN (Nedlands) [7.49]: I do not intend to offer any opposition to the Bill but I hope I may be allowed to make one or two observations. We have had the assurance of the Minister introducing the measure that Acts for the same purpose exist in all the other States of Australia today. I have not attempted to verify that statement because I naturally assume—and I know I properly assume—that the Minister's assurance was quite sufficient. He must also be aware of this fact that in all these other States where a public trustee today exists by statute there are also public companies carrying on the business of trustees and executors and agents for, not only deceased persons, but all those who give the handling of their affairs to them. In almost every State there is not only one, but two or three.

Mr. Seward: There are eleven in Victoria.

Hon. N. KEENAN: My statement was very much under the figure. They are all carrying on with a considerable measure of success. The business they do, as a whole, is far in excess of the business of the Public Trustee in the same State. The reason I mention that is because it might be assumed that some particular reason exists here for bringing in the present Bill. I do not for one moment imagine that the Minister means to reflect on the conduct of the two public companies carrying on the business of executors and trustees in this State at present.

The Minister for Justice: By no means!

Hon. N. KEENAN: It would have been far more opportune, and far more justifiable to have brought this Bill forward when only one company was in existence and carrying on that business than today when there are two, and when those two, as is well known, are very keen competitors. The Minister in giving certain reasons for bringing the Bill before the House at present considers it particularly appropriate because it would cater for the business of those of our fellow citi-

zens who have gone oversea, and would enable their business to be transacted in an economical and efficient manner. It must be said, however, in justice to the public companies carrying on business in this State that they have offered, and were, I understand, the first to offer, to carry out the necessary formalities regarding the estate of any soldier unfortunately killed at the front, which did not exceed £500, absolutely free of cost. Moreover, where the estate is between £500 and £1,000, they will discharge the duties of executors, if appointed by the soldier, at half their statutory rates. It has to be remembered that the rates have been fixed by statute. It is not a case of those companies charging rates and agreeing, as the State Sawmills did with the other suppliers of timber, to hit the public to leg for anything they could get out of them.

The Premier: The oversea buyers!

Hon. N. KEENAN: They were not forgotten.

Mr. SPEAKER: Order! We are not discussing State Sawmills now.

Hon. N. KEENAN: I am discussing the illustration, that those companies cannot combine as was the case in the sawmilling industry because their rates are fixed. It is also perfectly true that the Curator of Intestate Estates has offered exactly the same terms. The comparison between the Curator of Intestate Estates and the public companies carrying on the executor and trustee business does not, however, end there. Those public companies have lost a number of members from their staffs by voluntary enlistment for the A.I.F., and who have left Australia. In every case the two companies are paying the soldier the whole difference between his pay as a soldier and the pay he receives on their staff. Moreover, they have guaranteed to every man who volunteered and was accepted, and who left Australia, or where the possibility existed of his being sent oversea, that on his return—as we all hope and pray they will all return—he will get his job back again. That applies to everyone. These undertakings have been given in writing to Colonel Hoad of the Administration Staff for the Western Command, as binding on these companies.

It would be absurd to suppose anything of a like character can be shown by the Minister in favour of the Curator of Intestate Estates. I do not know whether his department is responsible for any member

going oversea, but I do not think so. I would not for a moment suggest that the Minister, in observing that this Bill was particularly opportune because of the fact of many of our citizens having gone oversea, was looking forward to making any profit out of soldiers. I am sure that was far from his thoughts. Nevertheless it might unfortunately appear on the surface as if that were so. The two principal grounds, as I understood them, urged by the Minister for the appointment of a public trustee were, cheap administration and, secondly, that the revenue would benefit.

The Minister for Justice: I said that the revenue would slightly benefit.

Hon. N. KEENAN: If it slightly benefits, it still benefits. If the two companies carrying on business today in Western Australia of public executors and public trustees were making a large profit, that would be a very strong argument for the immediate appointment of a public trustee, because it could then well be said that a considerable saving could be effected in the expense of the administration of the estates of deceased people. But the fact is that neither of these companies is making a large profit, or any profit at all beyond a small profit considering the money they have invested in their businesses. They actually pay a dividend of a most moderate character, and a very large part of these dividends is derived, not from carrying out their duties as executors and trustees, but from the rents of premises they have bought. The Perpetual Trustee Company bought a large building, which was once owned by Forrest Emanuel. It occupies portion of the building and derives a large rental from the portion not occupied by it.

The Minister for Justice: It bought that building out of profits.

Hon. N. KEENAN: No, it was bought out of subscribed capital, and nothing else. The company bought that building before it had a single client. It bought the building before the Bill giving the company the right to exist was passed by Parliament, and it was nearly dished because Sir Edward Wittenoom, who was a member of the Legislative Council and a director of the West Australian Trustee, Executor and Agency Co., Ltd., objected. We need not mind very much what else happened. The fact remains that the company had bought the building with money subscribed by the shareholders before

it had a single client. So I think we can take the experience of the existing companies as an example of what may be the career of a future public trustee from the point of view of cost of administration.

In an estate—obviously I do not wish to use names—that was sworn just over six months ago for the purpose of probate at £1,648 and probate duty paid on that amount, the estate under the management of the Curator of Intestate Estates realised in the first instance only £268 and, by a subsequent correction of an outstanding asset, the amount was increased by £222. The charges made in respect of the estate by the curator were 2½ per cent. on the £1,648—the estimated figure at which it was unfortunately submitted for probate—and 5 per cent. on the £222, a total charge of £50. There is nothing cheap about that. Had either of the public trustee companies handled that estate and had the same experience, it would have charged only 2½ per cent.

Mr. F. C. L. Smith: On what amount?

Hon. N. KEENAN: On the gross amount of £1,648. It will be interesting to note—because we are sometimes amused by the disappointments of other people—how much the beneficiaries received from that estate after paying State and Federal duties. The amount received by them was £103. Of course it was an exceptional case because unfortunately a large portion of the estate which was valued at £1,648 did not bring anything like that figure when it came to realisation. The final result was that only £103 became available to the beneficiaries. It is absurd to talk of any new era of cheap administration from the passing of the Bill.

The Minister for Justice: The Curator of Intestate Estates and a public trustee are not comparable.

Hon. N. KEENAN: Unfortunately this Chamber has very bad acoustic properties and I could not catch the interjection of the Minister.

The Minister for Justice: The Curator of Intestate Estates and a public trustee are not comparable.

Hon. N. KEENAN: Under a public trustee the charges might be higher.

The Minister for Justice: They might be lower.

Hon. N. KEENAN: We cannot as reasonable men look forward to anything in the nature of a big reduction in the cost of the administration of deceased estates by

reason of passing this Bill, if we take any account of what we know has happened in the past. Indeed, I have no hesitation in saying what I think was said by the Leader of the Opposition tonight in addressing himself to the Annual Estimates that, all things else being equal, and not loaded as in the case of the trams and trolley buses against private buses which have to bear a very heavy burden of taxation and still compete, there is no comparison and never will be a comparison in efficiency or in lowness of cost between what is carried on by private enterprise and what is carried on by the Government—not this Government, but any Government.

The Minister for Justice: That is not borne out by experience in the Eastern States.

Hon. N. KEENAN: I hope to have an opportunity of analysing the figures and discovering how they have been arrived at. Although there is nothing to recommend the measure from that point of view, nevertheless I am in favour of it. The reason for my favouring it is that I do not think we can have too much competition in the rendering of services to the public. Competition is the soul of efficiency and it is also the secret of keeping costs down to the lowest possible level. I have humbly to confess that I am not at all a converted disciple to the gospel of organised marketing in any of its forms. I am unfortunately, and I suppose I shall remain for the rest of my life in that unfortunate position—

Hon. W. D. Johnson: A jolly old Conservative.

Hon. N. KEENAN: If I was a Conservative, I would at least have the pleasure of the association of the member for Guildford-Midland (Hon. W. D. Johnson).

Hon. W. D. Johnson: If you and I could get together there would be a new order.

Mr. Thorn: A pretty rotten order!

Hon. N. KEENAN: I am not addressing the member for Guildford-Midland. I favour the Bill, notwithstanding that I do not think the high hopes held out for it have any real justification. I favour the appointment of a public trustee because, as I have already said, there cannot be too much competition in services which the public require and which certain corporations or Governments or individuals supply. It may be, of course, that there will be an over supply, but that will adjust itself. In the process

of time the supply will become reduced automatically to the proportion required. We see that most clearly perhaps in Australia in the case of natural foods. When by reason of one season being exceptionally favourable and Nature proving exceptionally bounteous there is far and away a greater supply than the market can consume, prices slump. No organisation can interfere with Nature. No one has discovered such an organisation yet.

Hon. W. D. Johnson: But cold storage helped.

Hon. N. KEENAN: I know that is the opinion of the hon. member interjecting, but I doubt very much if it does. I am quite certain that in the long run the supply must come down to the level of the demand. And so it would be in the case of services rendered by public executors and trustees. But let it come down then, supplying competition until the level has been reached; and for that reason I support the Bill, and am quite prepared to vote for the second reading.

Hon. W. D. Johnson: That would apply to all State enterprises.

Hon. N. KEENAN: Yes, if State enterprises could be conducted at anything like reasonable cost with anything like reasonable efficiency! There are, however, certain considerations in regard to particular proposals of the measure to which I intend to call the attention of the House and the Minister, and to which I would ask the hon. gentleman to give further consideration. As regards this competition with public companies which are carrying on exactly the same business, if it is to be at all fair both the public companies and the Public Trustee should be armed with exactly the same powers and authorities. That is not so under the Bill. The Public Trustee, under the terms of the measure, will have an enormous advantage in some respects, particularly in connection with small estates of under £500 in respect of which the person who owns the estate dies intestate and where the Public Trustee will be absolutely without any need for application to the court but will ipso facto be appointed administrator.

I am pointing out the advantages the public trustee would have. There is a further feature of the Bill, to which, when we reach it, I shall have special attention given—the feature of a common pool. The idea

of the Bill is that the public trustee will collect in money the assets of different estates and put them all into a common pool, and then all the estates will share like and like out of that common pool; whereas, of course, in the case of public companies carrying on the business of executors and trustees every estate is on its own basis. If the Minister died tomorrow and left one of those public companies appointed in his will as executor, then what his beneficiaries would get would be the full value of his assets.

For instance, he might have some asset of extraordinarily high earning capacity, and his beneficiaries would get that. There would be no common pool, no sharing, no carrying some other estates that had very poor earning capacities. However, that is a matter for the Committee stage. There are various other smaller matters in Committee to which I shall ask the Minister to give consideration; but on the whole I welcome the Bill for the reason I have given. I am prepared at any time, in respect of any service that is offered to the public, to invite the highest degree possible of competition, to let it work itself out, and let the most efficient and most capable, and of course most reasonable in respect of charges, survive.

MR. BOYLE (Avon) [8.15]: I intend to support the Bill introduced by the Minister for Justice. To my mind the measure is rather belated. Western Australia happens to be the only State of the Commonwealth—in this term I will for the moment include the Dominion of New Zealand—in which there is not appointed a public trustee. It has been mentioned by the member for Nedlands (Hon. N. Keenan) that there is competition in Western Australia now between the two trustee companies operating here. I am always suspicious of competition between two businesses. I do not say there is any agreement between them, but I do know that their charges for services are precisely the same. And that is also the type of competition existing between insurance companies in Western Australia. They number more than two; but theirs is the type of competition that I hope this Bill will accentuate, and will convert into a real competition. I am no great believer in public enterprises of many sorts, but I hold that there are in our economy certain functions which only a Government can carry out successfully and satisfactorily; and this is one of them.

I have had occasion to examine the legislation of the Eastern States in this respect. Victoria has certainly taken the lead in the matter. In 1938 the Victorian Government passed its Act entitled the Trustee Companies Act. The Victorian measure I consider the finest in Australia today. There were operating in the State of Victoria no less than 11 trustee companies. By the Victorian Act—and I am sorry that the Minister for Justice did not include a provision of that type in his Bill—every private trustee company Act was repealed, and all the companies were placed in Schedule 2 of the Victorian Public Trustee Act, Section 17 of which prescribes maximum fees. Consequently all the trustee companies operating in Victoria, to the number of 11, have been placed under control as regards fees by a maximum provision. I know the fees charged in Western Australia, having unfortunately had an experience of a private character that I do not wish to obtrude upon members. I have here a booklet issued by the Victorian Government entitled "The Public Trustee." The Victorian fees are certainly highly reasonable in regard to the trusts undertaken. On any sum up to £5,000, the fee is 2½ per cent.; on all in excess of £5,000 up to £10,000, 2 per cent.; on all in excess of £10,000, 1 per cent.

Mr. Hughes: There is nothing very cheap about that; 2½ per cent. on up to £5,000 is not cheap.

Mr. BOYLE: I suppose personal experience is worth a good deal, like other types of experience; and my own experience is that in Western Australia that sort of treatment is not obtainable. I do not think that the trustee companies operating in Western Australia object to the Bill. In a private conversation I had with a director of one of those companies he expressed an opinion very much on the lines of that indicated by the member for Nedlands (Hon. N. Keenan). Apparently that director's company does not object to the Bill. If those companies do not object to the Bill I suppose we should not have occasion to do so. I welcome it for other reasons, because this calm acceptance of a soon-to-be-accomplished fact is more philosophic than real. It is a new thing in business to welcome competition.

Mr. Raphael: It is all right as long as it is election time.

Mr. BOYLE: Competition between such companies usually ends in a merger. The booklet to which I have referred contains all the information that could be desired in regard to the administration of estates. Incidentally, the Public Trustee of New Zealand is administering estates valued at sixty million pounds.

The Minister for Justice: Nearly 64½ million pounds!

Mr. BOYLE: The Public Trustee of South Australia is working on a commission as low as 1¼ per cent. A weakness in the Bill is the fact that it does not prescribe the fees to be charged. In Victoria, as I have pointed out, the maximum fees chargeable by companies are prescribed by the Act, the companies being brought under the Act in a schedule to it. The Minister would have been well advised to adopt the Victorian Act in toto. It is a tried piece of legislation and has been in force, with success, for three years. The business of our local trustee companies is by no means small. The W.A. Trustee Company is today handling estates to the value of 8½ million pounds. I do not know the value of the estates controlled by the Perpetual Trustees Company, but it must run into several millions.

A feature of this matter that appeals to me is that the business is carried on in perpetuity. That is a reason why deceased persons' estates should be under the care of the Government of a country. I am not in any way impugning our local trustee companies. These are fortunate in their chairmen of directors, who are two of the most able and upright men in Western Australia. We have no guarantee, however, that with the passage of time an entirely different directorate might not take charge of those companies. They may have a different type of chairman. Companies are not infallible, nor is the Government, but at least the Government is responsible to the people and a public trustee in turn is responsible to the Government that appoints him. That the Government should have the care of deceased persons' estates is in the interests of living persons who benefit from the estates. Recently I have had experience of grave departures from the lines upon which I consider the affairs of an estate should be conducted. On that account I have devoted a considerable amount of attention to legislation of this character, and I was amazed when I learned how far Western Australia was behind the

Eastern States, from Queensland to South Australia, and also New Zealand, in this matter.

The measure is a belated one. As the member for Nedlands (Hon. N. Keenan) has pointed out, there are deficiencies in it; for example, no provision is made for the fees to be charged. Not only does the Victorian Government set out the fees, but it issues a booklet in which they are plainly set forth. The Bill varies somewhat from the legislation of the other States, particularly New South Wales. In my opinion, the Minister was unfortunate in that he did not adopt the legislation passed by one of the best Governments in Australia, namely, the Country Party Government of Victoria. I am sure he would have received much instruction from that Government. The Country Party Government of Victoria is not afraid to tackle vested interests. It is tackling problems from which we seem to shrink, and it is solving them. It had the courage to include in its Act creating a public trustee every trustee company in Victoria, and there are eleven of them. It had the courage to repeal legislation that vested in private companies in Victoria control of their particular concerns by means of separate Acts, which is what we have done in this State. Those companies were all brought within the scope of the Act and are now under the control of the Government so far as their fees are concerned. I commend this suggestion to the Minister and support the second reading.

MR. ABBOTT (North Perth) [8.27]: I have some doubt as to whether today is the time to establish a new Government department. My general views are well known to members. They are that the sphere of Government is to regulate, and that it should be left to private enterprise to conduct business.

Mr. Tonkin: What about the railways?

MR. ABBOTT: I question whether they would not be better under a trust. As to one point, my friend the member for Avon (Mr. Boyle) is probably under a misapprehension. He seems to imagine that the fees chargeable by private companies are not now under control. His impression is wrong. The private Acts of our two local trustee companies merely prescribe the maximum fee they may charge. The charges can always be reviewed by a judge of our

Supreme Court. I suggest there is no more proper person in the State to review such charges than the judges of our Supreme Court.

Mr. Needham: That is what they are there for.

Mr. ABBOTT: Yes. A beneficiary who feels that the statutory maximum charge is too high can apply very cheaply to the court to have it reviewed; and the court will, if it thinks fit, reduce the amount. Probably the functions of a public trustee are different from those of an ordinary business enterprise. That being so, I have not the objection to this Bill that I otherwise would have if it were sought to establish a Government department of a trading character. It is doubtful whether the department will not be a charge on the Treasury for some years, for although from the accounts submitted to this House it may not appear so, there may be indirect charges such as those that would be made for rent.

Apart from the general principle, there are one or two faults I have to find with the Bill. The public trustee is given the right to take out administration or apply for probate in the event of no application being made by a party within three months. I think that period is a little too short, because persons interested may be oversea. I do not think there should be a right to interfere within such a short period, and I suggest that six months should be stipulated. If no one takes action within six months the public trustee should have the right to apply for administration or probate, as the case may be.

Another point is that the public trustee may fix the charges of the experts he employs. I suggest that that is not correct, because there are other Acts fixing the charges that are to be paid to experts usually employed by trustees, such as land agents, who already have their own scale of charges. I suggest it would be more suitable for a public trustee to have to pay the ordinary charges that would be paid by a private trustee to experts in similar circumstances.

Again, there is provision as to what legal professional assistance should be obtained. In this connection I suggest that the provisions in the Victorian Act are more suitable than those the Minister has had drafted. I suggest that it should be provided that the solicitor who is nominated in the will should be employed. If no solicitor is nomi-

inated, then the solicitor employed should be the one who drew up the will. The portion of the Bill dealing with this matter could perhaps be deleted and another clause inserted in lieu, and I refer the Minister to the provisions of the Victorian Act.

Under the Bill the public trustee is given certain considerable advantages not enjoyed by private trustees at present. For instance, he may carry on the business of the deceased, even though no provision is made in the will for him to do so. A private trustee cannot do this without the estate being put to the expense of an application to the court. I ask the Minister whether he will consider amending the private Acts to give similar powers to private trustees.

Hon. C. G. Latham: The Minister cannot amend them; they are private Acts.

Mr. ABBOTT: I stand corrected. I ask the Minister, then, whether a move for such an amendment would have his support. Power has been given in the Bill to the public trustee to pay out sums up to £100 to any beneficiary without the sanction of the court. That is a good provision and the power should be given also to private trustees. I wonder if the Minister would give his support to an amendment of the private Acts along those lines?

Apart from the fact that I am doubtful whether this is the time for the establishment of another Government department, I consider that the measure will probably furnish a convenience to many people in circumstances where possibly private trustees would not be prepared to act. There are some estates that have large assets but such heavy liabilities that no private trustee would be willing to undertake the responsibility. If the public trustee were prepared to accept that responsibility, a service would be done to the community which is not at present available to it.

MR. McDONALD (West Perth) [8.36]: Before the Minister replies, and without specifically covering the provisions of this Bill which have already been dealt with by previous speakers, I urge the Minister to give consideration to a new Trustees Act. The foundation of the powers and duties of trustees—whether they are public trustees, public companies or private individuals—is the trustee law of a country. Our Trustees Act of 1900 is based on the English Act of 1893, and is nearing its fiftieth birthday.

Long ago England overhauled its Trustees Act and brought it up to date to meet modern conditions, and numbers of the Eastern States of Australia have also reviewed and re-enacted their trustee law to bring it up to date. The Minister would be rendering a great service to the community if he would undertake to present a new Trustee Act to this House, not so much with the object of assisting or easing the duties of trustees—although that is important—but for the purpose of simplifying procedure and saving a great deal of expense occasioned to estates and beneficiaries.

There are many instances in which a trustee has no discretionary powers and is compelled to go to the court for direction. That is inevitably an expensive process, and if we adopted the up-to-date provisions contained in Eastern States Acts we would clothe our trustees with much wider powers and discretions than they now possess, relying on their experience—I think with justification—to ensure their using their powers properly. In any event they would always be under the control of the court. If the Minister would give consideration to a new Trustee Act meeting the development of modern conditions, he would render a service to the people and to the estates of those whose affairs have to be administered by trustees.

MR. WATTS (Katanning) [8.40]: I was rather surprised when the Minister introduced this Bill that he did not supply us with more information as to the results of the operations of the Curator of Intestate Estates; as to what success, for example, had been met with regarding trust estates within the limited jurisdiction of that officer, and information of that kind which, I have no doubt, is readily available to him, and which he would have been justified in giving to this House in order that members might know as much about an important matter of this kind as the Minister and those under his control. However, he did not see fit to do it, not to any extent anyway, and there is nothing as far as I am concerned to show me that there is any substantial need for a public trustee as contemplated by this Bill.

We have only been told broadly speaking that there have been, and are, public trustees in various other places, including the other Australian States and New Zealand, and that the operations of those officials there

have been alleged to have been useful and satisfactory. For the sake of uniformity, presumably, we are to follow in their footsteps and have the same type of official here. I suppose there is some substance in those reasons for an official trustee, and I am prepared to concede that the Act which governed the affairs of the Curator of Intestate Estates was one limited in its capacity and justified some amendment or extension of the authority conferred on the curator.

This Bill abolishes the Curator of Intestate Estates, as we know him, and substitutes in his place the public trustee. This trustee is to be clothed with all the powers which would be given to a trustee appointed by a testator in a case where the testator's will had been carefully drawn to allow that trustee or executor to have fairly extensive powers in the management of the estate. These powers are all to be conferred on the official officer when handling an estate, simply because he is an official appointed by the Crown, and therefore, presumably, unable to make any of the errors which the Trustee Act assumes could be made by trustees and executors appointed by testators. In a number of cases they have not that authority unless conferred on them by the person making the will.

Without going into details, I refer to one or two items mentioned by previous speakers. I see no justification for the public trustee having any wider authority than any other trustee. I am, therefore, in agreement with the member for West Perth (Mr. McDonald) that there should have been, in precedence to this Bill, an amendment to the Trustee Act for reconstruction of that Act so that the whole of the duties and obligations of trustees could be made to include the public trustee and be the subject of consideration by the legislature before we indulge in new practices as proposed in this measure. We are not, of course, in that happy position. We have no Bill to amend, or consolidate, or reconstruct the Trustees Act. We have this Bill before us.

It is doubtful, and I will ask the Minister to clear these points up, whether under this Bill the public trustee, acting in the capacity of administrator in an intestate estate, is going to be subject to the same type of control as is found in Section 18, I think it is, of the consolidated Administration Act. An ordinary administrator cannot sell or mortgage the property he holds from the testator

without either an order of the court or the consent of all persons beneficially entitled to the estate. As I read this Bill the public trustee will be able, without any such order, of his own volition, to deal, by way of mortgaging or selling, with such property without the consent of the beneficiaries or an order of the Court. That is entirely unjustified. If it is good for a public trustee to have such authority then it is equally good for the private administrator. I argue that it is good for neither. Section 18 of the Administration Act, which I previously mentioned, should be retained, and should apply fully and effectually against the public trustee.

The public trustee will be an official sitting in Perth with a knowledge of country matters which will probably be very slight. He will, no doubt, be dealing in many cases with the affairs of farmers and others concerning whose operations he knows little or nothing, and about which he has little means of acquiring information. It seems to me for that, and other reasons, that he should not be in any better position than a private administrator in a similar case. I ask the Minister, when he is dealing with this matter in his reply, or when he comes to that clause in Committee, to explain to us what justification he finds, for I find very little, if any, for enabling the public trustee to have better opportunities for dealing with trust estates, not only than private administrators and private executors, but also those companies for whom I hold no brief, and with whom at times I have been very dissatisfied. They have been appointed by acts of Parliament; their fees have been regulated, and they have been carrying on for a number of years. There is another part of the Bill to which I wish to make some reference, and that is in regard to the public trustee being able to obtain the right of administrator or executor in an estate of under £500 by simply lodging notice of his election so to do.

The Minister for Justice: That is given to the Curator of Intestate Estates.

Mr. WATTS: Perhaps the Minister will allow me to proceed as I wish to do. In the olden days, before the Federal bankruptcy law came into operation, local courts were able to deal with bankrupt estates when the liability did not exceed £200. I do not know how many applications were made under the Local Courts Act in that regard, but

I do know that in recent years there have been a large number of people, the assets of whose departed dear ones have been less than £500, who have had to come to Perth, make personal application, hang around for a period of days in order to have the application put through, and finally go home with letters of administration. If it is reasonable and proper for the public trustee to be able to elect in those circumstances, surely it is equally reasonable in all small estates of this kind. I can assure the Minister it would be a considerable convenience to the public if local courts were given some jurisdiction in regard to the granting of probate or letters of administration in very small estates. If that were done, it would be better to empower the public trustee to make application to such a court in the normal and ordinary way rather than have the somewhat cumbersome provision of this Bill.

The Bill first authorises the public trustee to make his election and if, after he has made the election, he discovers that the estate is worth more than £500, he has to inform the court and proceed to apply for administration in the ordinary way. If subsequently he discovers that the person died not intestate, but testate, he has to start all over again. It seems to me that the proper way to deal with these small estates, both for the public trustee and others concerned, would be the way that would not deprive the Supreme Court of the slightest bit of its jurisdiction, but would give jurisdiction to responsible magistrates of the local court to deal with them inexpensively and for the public benefit. The method outlined in the Bill may possibly have been adopted from some other State or from some other Act in this State, but it is definitely capable of improvement. I commend my suggestion to the Minister because I tell him frankly he would be giving quite a service to poor people in country districts. We cannot confine the service we are anxious to render to people who reside within easy distance of the metropolitan area. Western Australia is a large State, and as long as we have responsible officers to deal with these problems, I cannot see any reason why they should not be given authority in a limited way to deal with them.

The last point I wish to mention is the common fund to which the member for Nedlands made reference. I say quite definitely that I agree with him. I cannot for the life

of me understand why the whole of the investments from a number of estates should be pooled in a common fund and, so far as their income-earning capacity is concerned, lose their identity.

The Minister for Justice: They need not be pooled if the testator desired otherwise.

Mr. WATTS: That in itself is cumbersome. I have heard no reason advanced and I wonder what reason can be advanced to show the necessity for establishing this common fund, and then require any particular testator to dig himself out.

The Minister for Justice: The provision is similar to one operating in New Zealand and New South Wales.

Mr. WATTS. That might be so, and as I said at the beginning of my remarks, it might be desirable to have uniformity provided it is suitable, but I think this is most unsuitable. We know perfectly well that there are investments of various kinds, some of which return a fair income, some of which return practically nothing and some of which return far too much, but we do not want to bring all down to the same level by the common fund. If we are going to retain this provision in the Bill, the public trustee is likely to get the unprofitable estates, because the people whose property is likely to earn any large income will not have it in this common fund. Even though the people may have the right to pull out, they would rather not be in a scheme which is likely by error, inadvertence or accident, to deprive their beneficiaries from obtaining the income they expected from years of hard work. The whole thing needs to be reconsidered.

A good deal of the Bill should be reconsidered in the light of the conditions prevailing in this State. For instance, people in Victoria do not have to travel many miles to reach their capital city. Many of the most important people in this State do have to travel long distances. That is one way in which we cannot get uniformity with a State like Victoria or even a Dominion like New Zealand, which is not a very large country. While uniformity is desirable so long as it is not unsuitable to our own conditions, I contend that we ought to be able to legislate for the convenience of our own State and in the light of our own circumstances. I shall support the second reading because I realise there is justification for the Bill. I appreciate that the Curator of Intestate Estates Act has perhaps not been as com-

prehensive as it could usefully have been. However, when we reach the Committee stage, as I have already indicated, there will be some controversy on details of the Bill.

THE MINISTER FOR JUSTICE (Hon. E. Nulsen—Kanowna—in reply) [8.58]: I thank members for the reception accorded the Bill. I assure them that when the measure was being drafted all such Acts of countries of the British Commonwealth of Nations were consulted, and the draftsman considered what would be the most suitable provisions for Western Australia. I fully appreciate that there may be differences of opinion. Speaking as a layman, I think the proposed common fund a very good idea, because it will really give everyone an opportunity of having his estate invested in security. There will be a guarantee not only by the Government, but by the Parliament of this State, and the business will be scrutinised by the Auditor-General.

There is little that calls for reply on the second reading because most of the points advanced can be dealt with in Committee. The Bill is essentially one for consideration in Committee. I ask members to have their proposed amendments placed on the notice paper so that due consideration may be given them. I feel that in some respects we can compromise, though as to others we may not agree. However, upon the whole we should arrive at a reasonable measure, one that will assist the people of this State in general and be of special advantage to beneficiaries.

Question put and passed.

Bill read a second time.

BILL—TRAFFIC ACT AMENDMENT.

In Committee.

Resumed from the 16th September. Mr. Marshall in the Chair; the Minister for Works in charge of the Bill.

Clause 3—Amendment of Section 9: Periods for which licenses may be issued:

The CHAIRMAN: Progress was reported on the clause, which was partly considered.

The MINISTER FOR WORKS: I move an amendment—

That in line 2 of Subparagraph (ii) of paragraph (a) of Subsection 4 of proposed new Section 9, after the word "year" the word "or" be inserted.

This is merely a consequential amendment.

Amendment put and passed.

The MINISTER FOR WORKS: I move an amendment—

That in paragraph (a) of Subsection 4 of proposed new Section 9 immediately below Subparagraph (ii), a new subparagraph be inserted as follows:—“(iii) for the fourth quarter of the preceding year.”

This also is a consequential amendment. The words were omitted from the original draft.

Amendment put and passed.

The MINISTER FOR WORKS: I move an amendment—

That in line 7 of Subparagraph (ii) of paragraph (a) of Subsection 4 of proposed new Section 9, after the words “half year” the words “or fourth quarter” be inserted.

This amendment completes the paragraph.

Amendment put and passed.

Mr. DONEY: I move an amendment—

That at the end of paragraph (f) of Subsection 4 of proposed new Section 9, the following words be added:—“But in no case shall the minimum penalty be increased beyond the amount applicable to the case under Subsection 2 of Section 5 of the principal Act.”

The penalty in question relates to the omission of an owner to return his number plates on the due date. My complaint against the paragraph is that it is altogether too indefinite. I want to know what the words “any other penalty” refer to.

The MINISTER FOR WORKS: The reason for the paragraph is that fees not paid must be paid, plus any additional penalty the court may impose; otherwise the man who did not register would be under no greater expense than the man who did register. There must be some means of compelling people to return the number plates. With respect to penalties, the measure provides that where the annual license fee is less than £1 the penalty shall not be less than the annual license fee, and that where the annual license fee is greater than £1 the penalty shall be £1 or not less than one-half of the annual license fee, whichever is the greater. I see no great objection to the amendment of the member for Williams-Narrogin.

Amendment put and passed.

Mr. DONEY: I move an amendment—

That in line 11 of paragraph (b) of Subsection 6 of proposed new Section 9 the words “one-half” be struck out and the words “one-fourth” inserted in lieu.

Apparently, the words in lines 11 and 12 have been accidentally transposed. It can

be taken for granted that if a license is granted in the second quarter, the rebate will be the amount pertaining to the expired quarter.

The MINISTER FOR WORKS: I offer no objection to the amendment.

Amendment put and passed.

Mr. DONEY: I move an amendment—

That in line 12 of paragraph (b) of Subsection 6 of proposed new Section 9 of the words “one-fourth” be struck out and the words “one-half” inserted in lieu.

This amendment is consequential upon the previous amendment.

Amendment put and passed.

Mr. DONEY: I move an amendment—

That the following new subsection, to stand as Subsection 7, be added:—“When a license is granted for a trailer pursuant to paragraph (f) of Subsection 2 of this section, the fee for such license shall be that proportion of the prescribed annual license fee for a trailer that the period for which the license is applied for bears to a full year.”

It would therefore follow that the fee for one month would be one-twelfth of the annual fee; for two months, one-sixth, and for a quarter, one-fourth. This amendment is consequential upon a previous amendment dealing with trailers.

The MINISTER FOR WORKS: The amendment is necessary since the Committee has agreed to the previous amendment dealing with trailers.

Amendment put and passed; the clause, as amended, agreed to.

Clause 4—Amendment of Section 10.

Mr. DONEY: I propose to move an amendment which aims at putting forward the date upon which the reduced fee would operate from July to the 1st January, 1942. Had it been possible to broadcast such amendment to local authorities they would probably have found it a suitable way out of the difficulty facing them. Local governing bodies throughout the State are now becoming aware what these reductions mean and consequently are hardening against the retrospective clause, which would mean an end to any reasonable road maintenance programme. The position is a precarious one and even worse than was expected by those authorities. Assuming that all license fee rebates of 25 per cent. are credited to the next annual license fee due, that is, by the 1st July, 1942, the reduced revenue to be received on that date would be further

reduced by 25 per cent. and the rebate would be due in cash; therefore, the collections of local governing bodies from this source as on the 1st July, 1942, would be only 45 per cent. of their normal revenue. In those circumstances it is very plain that essentially there must be this advancing of the due date. I move an amendment—

That in line 4 of paragraph (ii) of proposed new Subsection 1a the word “any” be struck out and the word “the” inserted in lieu, and that after the word “period” the words “of any license” be inserted.

[*Mr. Withers took the Chair.*]

The MINISTER FOR WORKS: I take it the idea is that the Bill should take effect from the 1st January?

Mr. DONEY: That is correct.

The MINISTER FOR WORKS: Then if the hon. member will move to strike out the word “July” with the object of inserting “January” and afterwards to strike out the word “one” with the object of inserting “two,” I propose to report progress so that we can see how the amendment will affect the Bill. I have no objection to making it operative from the 1st January, 1942, instead of July last.

Mr. DONEY: I am very pleased to know that the Minister will accommodate himself to my wishes in this connection. How does he feel with respect to the change that would be effected by the other two alterations I referred to? Does he agree as to their need? As I see it now, after altering the date to 1942, under the Bill a man who took out a full year's license in 1941 would not be entitled to his 25 per cent. in respect of that portion of his license operating in the second half year from the 1st January, 1942, onwards.

The MINISTER FOR WORKS: We can adjust all that once we have determined when the measure shall become operative.

Mr. DONEY: I am prepared to withdraw my amendment and recommit the Bill later, if necessary.

Amendment, by leave, withdrawn.

Mr. DONEY: I move an amendment—

That in line 6 of paragraph (ii) of proposed new Subsection (1a) the word “July” be struck out and the word “January” inserted in lieu.

Amendment put and passed.

Mr. DONEY: I move an amendment—

That in line 7 of paragraph (ii) of proposed new Subsection (1a) the word “one”

be struck out with a view to inserting the word “two.”

Amendment (to strike out word) put and passed.

Mr. DONEY: I move an amendment—

That the word “two” be inserted in lieu of the word struck out.

Mr. F. C. L. SMITH: When these amendments were first mooted, and the member for Williams-Narrogin proposed to strike out the word “any,” the Minister asked him not to proceed with the amendment but to alter the word “July” to “January” and he would then ask the Committee to report progress. That has not been done and I consider the Committee has been misled.

The MINISTER FOR WORKS: Let us be quite clear. The amendment is to insert the word “two.” The measure would then be operative from the first day of January, 1942. At that stage I would report progress.

Mr. F. C. L. SMITH: I appreciate that if we alter the Bill so that the refunds operate after January, 1942, there will be refunds for only half a year. But when the Minister said he was going to report progress I thought he was going to do so in order to ascertain what would be the effect of the change of date.

Mr. Watts: So he is!

Mr. F. C. L. SMITH: If we pass this amendment we change the date. What possible alteration can subsequently be made?

The MINISTER FOR WORKS: Instead of the retrospective part of the Bill being operative from the 1st July this year, it is proposed to make it operative from the 1st January next year. We put the date forward six months. There would be no refund for any license taken out to the end of this year. The licensing period is from the 1st July to the 30th June next year. Instead of penalising the local authorities to the extent of having to pay back the whole of the license fees levied for the full financial year, the proposal now is to make it operative from the 1st January next year. Those paying for the full financial year will be entitled to such refund as would operate from the 1st January to the end of June. Take the case of an £8 license. The man who has paid £4 up to the end of this year is all right; he can apply after the reduced license takes place next year to pay only £3 to the end of June. The man who has paid £8 for the full year to the end of June next

would either have to get a refund of £1, or a credit for that amount. If this is agreed to, the local authorities would not be penalised to the extent of paying back for the whole of the year but only for the half-year from the 1st January to the end of June.

Mr. Doney: Where they have spent the money.

The MINISTER FOR WORKS: The Perth City Council has written to that effect, as have also country municipal councils. They are all just waking up. They desire that this Bill shall operate as from the 1st January.

Mr. Doney: I think it will suit every one of them.

The MINISTER FOR WORKS: The Bill is the property of the House and every member should understand what is being done. The local authorities have informed us that they will be in an impossible position. The Kalgoorlie Road Board said it would have to refund £800, and has not got it. It is working on overdraft and is in desperate straits because of that. It would be able, and would have to manage the refund for the balance of the year. A great many licenses have been taken out for a lesser period—a half year. If the Bill passes, a quarterly licensing period will come in. At present many licenses have been taken out to the end of this present year and on them there will be no refund.

Mr. Doney: To the end of the half year.

The MINISTER FOR WORKS: Those who have taken licenses out for the full year must not be penalised as against those who take them out from January to June. This means that road boards will be allowed to have rebates to the extent of half a year. The new Act would come into force on the 1st January. If the desire is that it should have retrospective force regarding licenses from the 1st July, say so now.

The DEPUTY CHAIRMAN: It is too late now.

The MINISTER FOR WORKS: "Two" is not in yet.

Mr. Doney: At present it is retrospective to January, 1941.

The MINISTER FOR WORKS: "One" has been struck out. The insertion of "two" would make it operative from the 1st January, 1942. I propose to report progress to ascertain what the Bill provides in respect of licenses taken out.

Mr. F. C. L. SMITH: The Minister's explanation is clear enough. Apparently we

have proceeded too far with amending the clause for it to be altered.

The Minister for Works: It can be re-committed.

Mr. F. C. L. SMITH: I protest against the time being advanced to January. Apparently this is a Bill in the interests of the road boards. The Minister is agreeable to alter it because some road boards are in financial difficulties. They can extend to motorists rebates rather than give them cash for the extra charges. The whole purpose of the Bill was to relieve motorists, not road boards. It was brought in to give justice to motorists whose mileage will be reduced because of petrol rationing, which started from July of this year if not before that.

Mr Cross: It did.

Mr. F. C. L. SMITH: Justice should be done by motorists from the time when petrol rationing started, and the rebate should be extended to that time. I protest against the alteration.

Mr. THORN: I agree with this amendment. It would be most unfair to local governing bodies if the Chamber agreed to this retrospective legislation. Local authorities have budgeted for their works programmes for the year, and their difficulties will be great if they have to refund license fees for this half year. The possibility exists for them to postpone their obligations to the next half year because the large majority of motorists have only licensed for the current half year. When the licenses for the next half year come in, the road boards will have some funds to meet their obligations. The member for Brown Hill-Ivanhoe mentioned that this measure is to benefit the motorist because of his reduced petrol ration. A lot of consideration has been given to the motorist by the Liquid Fuel Control Board. It is only the private motorist today who is severely penalised.

Mr. Cross: He should get more relief from this measure.

Mr. THORN: This Bill is giving him equitable relief. Other sections of the motoring community—those engaged in the mining industry and my own producing section—have received 85 per cent. of the 50 per cent. cut back and their running today is not so severely restricted. I hope this amendment will be agreed to. We must show our local authorities some consideration.

Mr. Cross: Cannot they be given assistance in some other way?

Mr. Doney: What other way?

The DEPUTY CHAIRMAN: Order!

Mr. THORN: Local bodies operate in an honorary capacity. They budget for certain work and that has put them in difficulties. We should give them relief to whatever extent possible. I hope the Minister will be allowed to report progress to consider the effects on the remainder of the clauses.

Mr. TRIAT: I support the amendment proposed by the member for Williams-Narrogin. During my last trip to the gold-fields members of various road boards in my electorate were very perturbed about the retrospective operations of the Bill. They realised that some relief should be given to men whose motor spirit supply had been extensively reduced, but they pointed out that, owing to the enormous amount of work done over a large area, most of their money was absorbed at the moment the license fee was paid. Many of the boards would not have the money to make the payments, and next year there will probably be very little revenue from motor licenses. I cannot see that any hardship would be inflicted if a motorist paid the full license fee for the current half-year and obtained a reduction from the 1st January next. If that were done the road boards, which have probably spent more than they have received in motor fees, would be given a chance to balance their budgets. Should this legislation be made retrospective, hardship will be caused. Many people in the back areas are doing the same mileage and making as much money as they did before, and a 25 per cent. retrospective reduction would be a windfall for them.

Mr. WATTS: The member for Brown Hill-Ivanhoe has apparently lost sight of another point. He objects to the amendment which will defer the benefit to motorists till after the 31st December next. We do not know when the petrol rationing restriction is likely to be lifted in whole or in part. If the Bill is passed, the benefit to the motorist will continue until the measure is amended or repealed, thus restoring the former conditions. After the restriction has been lifted Parliament could delay the return to the former charges, and no injustice would be done.

Mr. CROSS: I cannot support the amendment, which savours of unfairness. The private motorist has been cut down to four or five gallons a month and is entitled to some relief. Is it fair to give the same 25 per cent. reduction to proprietors of business vehicles doing nearly their previous mileage as to private motorists who can travel only 15 or 20 miles a week? Greater relief should be given to those whose petrol supply has been cut so rigorously. On the second reading I indicated a source from which relief could be granted. Bitumen is not available for road-making and the money obtained from the petrol tax must be spent on roads. The Premier proposes to try to get the local authorities to hand over the traffic fees, when he will make good the money from the petrol tax. Why not make from the same funds an allowance for road construction equal to the amount lost by reduction of fees? There could be a stipulation that the money must be spent on road construction.

The DEPUTY CHAIRMAN: The hon. member must discuss the amendment.

Mr. CROSS: I am giving a reason why the amendment should not be agreed to. Many private motorists consider that the 25 per cent. reduction would not be a fair thing even if made retrospective. My suggestion would do equal justice to the travelling public and the road boards and would occasion no hardship to anyone. The need for providing this relief would not recur. Provision might be made that if the rationing restriction was lifted after the close of the session the former fees could be automatically restored.

Amendment put and passed.

Progress reported.

House adjourned at 9.48 p.m.