Another clause provides that all the land referred to shall be set apart as a reserve for a public cemetery, and appointed as such under the provisions of the Cemeteries Act; further, that the Toodyay Road Board, or such other trustees as the Government may think fit, may be appointed as trustees. It is desirable to make this clause elastic enough to enable a change of trustees to be made if necessary in the future, and thus obviate an amendment of the Act. The final clause provides for the lodging of records at the Titles Office. I extended to the member for Toodyay (Mr. Thorn) the courtesy of conferring with him upon this Bill, discussing all the facts with him and submitting the plans to him. He is, therefore, in a position to know not only the justification but the entire reasons for the necessity for passing the Bill. I submit the lithograph, and ask that it be laid on the Table of the House. I move—

That the Bill be now read a second time.

On motion by Mr. Thorn, debate adjourned.

House adjourned at 9.42 p.m.

Legislative Council.

Tuesday, 26th September, 1939.

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

NOTICE OF MOTION—STANDING ORDERS SUSPENSION.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [4.34]: I desire to give notice that at the next sitting of the House I shall move for leave to introduce a Bill for "An Act to regulate the raising or collection of money for war funds and to make provision for the administration and control of moneys raised wholly or partly by private subscription for purposes connected with the present war and for purposes incidental thereto or consequent thereon." I also give notice that at the next sitting of the House I shall move "That so much of the Standing Orders be suspended as is necessary to enable the Profiteering Prevention Bill and the War Funds Regulation Bill to pass through all stages at one sitting."

Point of Order.

Hon. J. J. Holmes: On a point of order; is the Chief Secretary in order in moving to suspend Standing Orders to deal with two Bills of the existence of which this House at the present time has no knowledge?

The President: The Chief Secretary is not moving. He is simply giving notice of motion.

Hon. J. J. Holmes: The notice of motion relates to suspend the Standing Orders for the purpose of dealing with a Bill yet to be introduced and a Bill which we understand may come from another place or may not come. The point is whether this House can accept a motion to suspend the Standing Orders for the purpose of dealing with Bills which are not before the House.

The President: I rule that the Chief Secretary is perfectly in order in giving notice of motion on the lines that he has just indicated.

QUESTION—GOLDMINING.

Tailings Treatment, Government Batteries Charges.

Hon. H. SEDDON asked the Chief Secretary: As there has been a considerable increase in the price of gold per ounce, does the Mines Department intend to make an alteration in the charge for tailings treatment at Government Batteries, particularly in the case of refractory ore?

The CHIEF SECRETARY replied: The department will give consideration to battery charges when the position regarding Commonwealth taxation on gold is clarified. At present no increase is being made in crushing charges, which have remained unaltered since 1909, despite increases in wages and

commodities. Very little ore treated at State batteries is classed as refractory, and though costs of treating are greater, the actual charge is the same as for amenable tailings.

MOTION—NATIVE ADMINISTRATION ACT.

To Disallow Regulations.

HON. H. SEDDON (North East) [4.38]: I move—

That Regulations Nos. 85, and 134 to 139A, inclusive, made under the Native Administration Act, 1905-1936, as published in the "Government Gazette" on the 8th September, 1939, and laid on the Table of the House on the 12th September, 1939, be and are hereby disallowed.

In moving the disallowance of the regulations mentioned in the motion, I do not intend to take up the time of the House by reiterating all the arguments adduced during last session when certain regulations received consideration. I shall content myself by referring to some reasons why regulations governing the issue of permits to missionaries should be disallowed, and I shall also advance a few arguments for the disallowance of Regulation 85. May I say that I notice in the amended regulations the Minister has made a number of alterations which appear to me to admit many of the objections raised last session. Therefore I do not propose to extend my remarks beyond the regulations to which I have alluded. I consider that the department may well be allowed an opportunity to try out some of the alterations which have been effected.

The first regulation I have to refer to is No. 85, reading—

The Commissioner may direct that a specified portion of the wages of any native not exceeding 75 per cent. of the total shall be paid to him in trust for such native in any manner he may think fit, and such specified portion of such wages shall be paid by the employer to the Commissioner accordingly.

When dealing with the regulation last session, I pointed out that considerable dissatisfaction existed among the natives, because the department retained portion of their wages. I understand the motive behind the regulation is to protect the native against himself. While that is a laudable object, after all we must realise—and I hope we all have this idea—that the native should be given an opportunity to acquit himself in the same way as any other citizen. If the stand is taken that portion of his wages should be retained, then the native must gather the impression that he is not competent to be trusted with his own money. Any ordinary citizen subjected to such treatment would strongly resent it. My contention is that unless it be definitely shown that a native is incapable of handling his own funds, he should be given the right to use them as he thinks fit. If it is found from experience that a native squanders his money there may be some justification for this regulation. In my opinion, however, the regulation should be framed in a different way. If a native is always to be under this disability he will be looked down upon by the members of his own family. What an outcry there would be if the ordinary citizen were treated in that way! Although, as I have said, there may be justification for such a course in certain cases we have not yet reached the stage when we should adopt that paternal attitude in dealing with the more intelligent natives.

The Chief Secretary: It is done in connection with all wards of the State.

Hon. H. SEDDON: Yes, but an adult person would rightly resent strongly any attempt to interfere with money earned by his own labour. The other regulations with which I shall now deal relate to the question of the issue of permits to missionaries and the licensing of missions. These regulations were debated last session. My objection to them is a fundamental objection. They strike at one of the principles that has always been laid down as a vital principle of administration throughout the British Empire, namely, that there shall be no interference with religious teaching, or even with religious practices, as long as the practices do not conflict with the law. To ask a man who desires to preach any religion—whether Christian or not—to obtain permission to do so is, in my opinion, an infringement of the principle adopted by the British Government in dealing with native races under its control. The regulations of course deal with Christian missions. To demand that any person, before he engages in Christian teaching among the natives or elsewhere, should obtain a permit from the department is going too far. The department is embarking on a serious course of action. It is unnecessary for me to speak of the

conflicts that have taken place throughout English history to obtain religious freedom. I recall to the minds of members the old Five-Mile Act, which remained in force in England for many years and eventually was repealed because the people felt it seriously interfered with religious liberty.

I desire to refer to the Aboriginal Welfare Conference which was held at Canberra in 1937, between Commonwealth and State authorities. At that conference resolutions were passed dealing with the relationship between the departments and the missions. One resolution reads —

That no subsidy be granted to any mission unless the mission body agrees to comply with any instruction of the authority controlling aboriginal affairs in respect of—

(a) the standard of education of natives on the mission,
(b) the measures to be taken for the treatment of sickness and the control of communicable diseases,
(c) the diet of natives fully maintained on the mission,
(d) the measures to be taken to regulate the hygienic housing of natives; and
(e) the maintenance of the mission in a sanitary condition, and that the mission be subject to regular inspection by an officer of the authority.

Another resolution deals with the control of mission activities by the Government. It reads—

That governmental oversight of mission natives is desirable. To that end suitable regulations should be imposed covering such matters as inspection, housing, hygiene, feeding, medical attention and hospitalisation and education and training of inmates, with which missions should be compelled to conform.

Those resolutions for the satisfactory conduct of missions were adopted by the conference. There is nothing in them dealing with the question of granting permits to persons who wish to undertake religious teaching of natives. It is the permit system, rather than the question of the oversight of missions, to which I take exception. The argument may be advanced that the department requires this power in order to prevent unsuitable persons from entering upon mission work. In answer, may I point out such power is provided in the regulation under which the department can prevent undesirable persons from entering upon any native reserve, or having anything to do with natives. As the power is already given why should it be necessary to go still further and require persons wishing to undertake religious teaching or religious work to obtain permits?

The Chief Secretary: Those persons do not all desire to work on reserves or in institutions.

Hon. H SEDDON: Quite so. Some might wish to undertake itinerant work; but so long as they engage in religious teaching, I cannot see any objection. Before a person engages in religious teaching on a reserve, it might be advisable to require him to notify the Government of his intention to do so, but there should be no question of his having to obtain permission. As I have said, the Government has power under other regulations to deal with such persons if considered desirable.

Hon. A. Thomson: What would be the object?

Hon. H. SEDDON: A missionary might be going into the interior and it would be wise for him to advise the department of his intention. Suppose a man were going to Warburton 400 miles from Laverton; in his own interests he should advise the department of his intention.

Hon. C. B. Williams: Does the Government send its inspectors 400 miles out?

Hon. H. SEDDON: I have not heard of an inspector's going out there, but the department should be advised when anyone contemplates going into that part of the State.

Hon. C. B. Williams: Is the department advised?

Hon. H. SEDDON: Not to my knowledge.

Hon. C. B. Williams: Of course not.

Hon. H. SEDDON: I understand that the police have been out there under instructions from the department. However, I simply take exception to the question of requiring a permit. Apart from the resolutions of the conference, I think it is the question of the permit that gives rise to the greatest objection. The regulations provide that a permit must be obtained from the department, and empower the department to cancel such permit if it sees fit to do so. Any person who is refused a permit shall have the right of appeal to the board to be constituted under Regulation 139A. These requirements are really contrary to our principles as free people; there should be no question of permits for people engaged in religious work. I propose to leave

the matter at that. I do not wish to labour the point, but I ask the House to support me by disallowing the regulations.

On motion by the Chief Secretary, debate adjourned.

BILL—PROFITEERING PREVENTION.

Received from the Assembly and read a first time.

MOTION—WORKERS' COMPENSATION ACT.

To Disallow Regulation.

Debate resumed from the 21st September on the following motion by Hon. C. F. Baxter (East):—

That Regulation 19 made under the Workers' Compensation Act, 1912-1938, as published in the "Government Gazette" on the 12th May, 1939, and laid on the Table of the House on the 8th August, 1939, be and is hereby disallowed.

HON. L. B. BOLTON (Metropolitan) [4.56]: I support the motion, particularly because an almost identical regulation was disallowed by this House last session. For the life of me I cannot see any justification for the Government's re-introducing a regulation that this House definitely rejected by a large majority. As I have stated on previous occasions, we have altogether too much government by regulation. My experience in this House indicates that many legislative measures are mere shells which from time to time are built up by regulations. We have altogether too many regulations, and many of them are gazetted when Parliament is not in session and there is no opportunity for this House or another place to review them until they have been in operation, sometimes for weeks and even months. Though perhaps I should not mention this point, we have had other instances of similar occurrences, and against that practice I enter my protest. I consider that regulations should be reviewed by Parliament before they receive the force of law. More ample opportunity should be given to both Houses to scrutinise regulations, instead of their being given effect as soon as they have been gazetted.

The regulation in question is only another instance of the imposition of an unnecessary burden on the industries of the State. Almost daily we have evidence that our industries have quite sufficient to contend with without their having additional burdens placed upon them, such as is being done under this regulation. The effect of the regulation will be to retard the progress of our industries, add to the cost of production, assist in keeping capital out of the State, and prevent new industries from being established. Instead, we should develop and encourage industries in every possible way. We can never expect that expansion we are hoping for if we go on in the manner that we have been doing. The sooner the Government realises that it must encourage industries, the better it will be for all concerned. The Government should not go on imposing irritating restrictions and regulations in the way that is being attempted. The regulation referred to provides that failure to pay a civil debt is an offence punishable by fine or imprisonment. It is unusual in these days to make a person liable to imprisonment for failure to pay a civil debt. I thought those days were passed. Under the regulation, it is still the employer who is guilty of an offence in the event of the failure of the insurance company to make payment. To my mind that is most unfair and unwarranted. Without the regulation an employee has plenty of redress, and he would not be subjected to any hardship even if payment were temporarily suspended as is sometimes necessary. On the other hand, the employer would have very little chance, if any, of recovering if payment were made in error, or if for a certain time it were found that the payment was unjustified. In my opinion the obligation on the employer to secure a medical certificate within 24 hours, is entirely wrong, and is very harsh indeed.

Hon. C. B. Williams: How can you stop payment if the man has not a certificate?

Hon. L. B. BOLTON: It is difficult sometimes to get a medical certificate within 24 hours. Before I resume my seat, I propose to refer to a case that I mentioned in the course of the debate for the disallowance of a similar regulation during last session of Parliament. It is quite possible that an employee or worker would fail to present himself so that it would be impossible for the employer to secure such a certificate. The case I quoted last year will probably prove that to the satisfaction of the majority of the members of this House. Notwithstanding that, the employer would still be guilty of an offence under this regulation and liable

to a penalty. Speaking to the motion for the disallowance of a similar regulation last year, I quoted this instance.

I know of one instance which an employee reported that he had suffered an accident. The employer was not satisfied that the accident had occurred in connection with the man's employment and refused to make any compensation payment. What would be the position then? In one instance brought under my notice, about three weeks elapsed before the employer was satisfied that the accident had not arisen in the course of the employee's work, and payment was refused.

During that time every effort was made to get the employee to go to the employer's medical officer, but it was two weeks before that was done. Under this regulation the result would have been that the employer would have been liable during the whole of that time.

The Chief Secretary: This regulation would not apply in a case of that kind.

Hon. L. B. BOLTON: I consider it would apply in a case of that nature. It is quite likely that it would be impossible for the worker to submit himself, not only within 24 hours, but within 48 or 72 hours. Such a case might occur in a country town where it would be difficult to get the worker to attend a medical officer and secure the required certificate. Suppose the employer was satisfied that the worker was being unjustly paid, and the worker refused to get a certificate, what would then be the position of the employer?

Member: The employer would not know

Hon. L. B. BOLTON: Definitely the employer would know that the injury had not occurred in the employer's time.

Hon. L. Craig: In a case such as that you mention, payment would not have started.

Hon. L. B. BOLTON: Yes, it would.

Hon. L. Craig: You did not say so.

Hon. L. B. BOLTON: I omitted to mention that. From information received the employer would stop payment and ask the worker to visit his—the employer's—medical officer. The employee would say, "I have a certificate here which declares that I am not fit for work for another three weeks, and that is enough for me." He would wait for three weeks, but the moment he went to the employer's medical officer it would probably be proved that the injury was not caused in the course of the worker's employment. In such a case it would be difficult for the employer to get back any of the money that he had paid, and the employee would not have been harshly treated by having had to work. Benefits under our workers' compensation greatly exceed at the present time those granted in the Eastern States. That is the reason for the high premiums we have to pay. If we are continually bringing in regulations of the type now being discussed, it will mean that our premiums will go higher still, and our chance of competing with Eastern States manufacturers will be reduced.

Hon. C. B. Williams: Which industry is it that pays weekly under the law as it is today?

Hon. L. B. BOLTON: I know of one and I understand that most of the industries pay weekly.

Hon. C. B. Williams: The mining industry for one, does not.

Hon. L. B. BOLTON: My own industry pays compensation weekly. My contention is that this regulation is quite unnecessary, and I intend to support Mr. Baxter's motion for its disallowance.

HON. C. B. WILLIAMS (South) [5.11]: Some members like to talk on subjects about which they know nothing. The mining industry, which is the biggest industry in the State, does not pay weekly. The miners are paid twice a month, and those on compensation are paid the day after pay day. I agree that 24 hours' notice is not sufficient, because in that time it is not possible for an employer to obtain the necessary certificate. We know that according to the law a man has to submit his certificate weekly, and therefore should be paid weekly. I do not propose to support the regulation, but I am turning it down for another purpose, and that is because of the unscrupulous employer. I deal with such cases week in and week out and I know that there are medical men who will say that a man is fit for work, and it is only after a case is taken to court that satisfaction is obtained.

Hon. C. F. Baxter: Under this regulation the employer, not the insurance company, is responsible.

Hon. C. B. WILLIAMS: The Workers' Compensation Act does not recognise anyone but the employer, and the worker is not concerned with the insurance company. He will apply to the employer for his compensation and he expects the employer to pay

it. If Mr Bolton, as an employer, is insured and he wants to hold up compensation from a worker for two or three weeks, he should not be permitted to do so because he should know everything in one day. The law provides that the worker must make a report of the accident and state by whom it was witnessed. All this is simple enough for any employer, though not the unscrupulous employer. I repeat that the period of 24 hours in which to give notice is not sufficient. Probably a lawyer or a member of Parliament who usually knows something about this work will be approached and several weeks may follow without any redress being obtained. The men employed in the mining industry in Kalgoorlie receive their pay bi-monthly, at the beginning and in the middle of the month, despite the fact that the law says they shall be paid weekly. I do not know of any employee in Kalgoorlie receiving weekly payments. Of course I can only speak for the district with which I am familiar, but I have knowledge of other industries such as those that employ butchers and bakers and also shop assistants, and none, as far as I know, is paid weekly. It is my intention to vote against the regulation, hoping that if it is disallowed the Minister will substitute something more reasonable. I object to the latter portion of paragraph (b), under which an unscrupulous employer is able to hold up matters by requiring certificates and so on. The State Government Insurance Office is resorting to that procedure, and is seeking legal backing for its intended course of action. Most decidedly I object to that course.

On motion by Hon C. F. Baxter, debate adjourned.

BILL—METROPOLITAN MILK ACT AMENDMENT.

Second Reading.

THE HONORARY MINISTER (Hon. E. H. Gray—West) [5.16]: in moving the second reading said: The purpose of this short measure is to continue the operations of the Metropolitan Milk Act for a further period of five years. Originally passed in 1932, the legislation provides for the regulation and organisation of the production, purchase, treatment, sale, and distribution of milk for use by consumers within the metropolitan area, by a board constituted under Section 6. The board consists of five members. Two represent the consumers; two are elected by the producers, while the chairman is an independent member appointed by the Governor. The original Act limited the life of the board to three years. In 1935, the period was extended for one year, and in 1936 for a further three years. When that body was appointed in 1932 to stabilise the whole-milk supply, the industry was in a most parlous condition. The board, early in its existence, decided to limit the number of licenses to those persons who were in the industry at the time of its inauguration, and to their immediate successors. This policy has been varied in the case of shopkeepers, the growth of the metropolitan area rendering necessary the granting of licenses to additional shopkeepers.

In order to give dairymen some measure of security, the board, in 1934, inaugurated the contract system, which required all milk to be sold by dairymen to milk vendors under the provision of contracts approved by the board. The board also fixed the maximum daily quantity of milk of their own production that dairymen might sell. Without a contract system and a quota, or maximum daily quantity system, there would be no means of ensuring to a dairyman, who supplied his milk to milk vendors during the costly period of production, a market during the flush period, and there would be great difficulty in preventing the unloading of milk on to the market during the flush season. Production and consumption fluctuate in Western Australia. The period of the highest production is when consumption is lowest, and the time of the highest consumption is the period of the lowest production. In 1933 the board fixed 1s. 1d. per gallon as the minimum price to be paid to producers for their milk.

Hon. C. F. Baxter: Where did that apply? In the city?

The HONORARY MINISTER: Yes.

Hon. L. Craig: The producers did not receive 1s. 1d. per gallon.

Hon. C. F. Baxter: This refers to the city.

Hon. L. Craig: They received that price less costs.

The HONORARY MINISTER: I will explain the whole position. In 1936 the board decided that all milk sold to milk vendors by dairymen should be brine-cooled in the metropolitan area, and fixed the price at 1s. 2d. per gallon for brine-cooled milk but

allowed 1d. deduction for this service, which virtually left the price to the dairymen at the original amount. In April, 1936, the board increased the minimum price to producers by 1d. and, in 1938, a further advance of 1d. was granted. The minimum price to be paid producers now for brine-cooled milk is 1s. 4d. per gallon in the metropolitan area, which price, however, is subject to the deduction permitted of 1d. per gallon for brine-cooling, so that the nett price to dairymen for milk delivered in the metropolitan area is 1s. 3d. per gallon.

In 1933, the board fixed 2s. 4d. per gallon as the maximum price to be paid by consumers for bulk milk, and 2s. 8d. per gallon for milk supplied in bottles or other containers provided by the vendor. These prices represent 3½d. per pint bulk and 4d. per pint for bottled milk. The prices for cream have also been fixed by the board. In 1933, the minimum price for cream supplied by dairymen to milk vendors was fixed at 8s. 6d. per gallon; in May, 1936, it was raised to 9s. 4d. and, in July, 1938, the rate was fixed at 10s. 2d. per gallon. These increases corresponded with the increased prices fixed for milk. The board's duty does not end with the fixing of prices, but it has to ensure that those prices are maintained. It must see that the producer is not underpaid, and that the consumer is not exploited by being overcharged. The policing of the payment of the minimum price to the producer is naturally very difficult, and instances have been revealed where the dairymen have not been paid the minimum price fixed by the board. Constant vigilance is necessary to detect and prevent breaches of the price fixing regulations.

For some time past the board has been conducting, with the co-operation of the Department of Agriculture, a survey into the incidence of tuberculosis in dairy cattle from which milk is supplied to the metropolitan market. The board exercises close supervision over the quality of milk not only in respect of its butter-fat and solids-not-fat content but its bacterial condition. A check is also kept over the sediment content. Samples are also taken to detect the presence of mastitis. Where animals are found to be suffering from that ailment, the milk from the cows is prohibited from being disposed of in the metropolitan market. Where a sample reveals a high bacterial content, the dairyman is advised immediately and instructed to take steps to remedy the defects. At the first opportunity an inspector visits the dairy, with a view to detecting and eliminating the cause, or causes, of the unsatisfactory condition of the milk. Much has been done in this direction to improve the quality of the milk and to ensure milk of better keeping quality. A great measure of success can be claimed in this direction.

Any member who has travelled through the South-West in particular, must have noted the improvement in the dairies during recent years. That effect has been due to the constant supervision and advice tendered by the board's officers. In fact, since the inauguration of the board there has been a marked advancement in the buildings, plant and facilities of milk vendors, and conditions on the dairy farms on which milk is produced for the metropolitan market have also been improved considerably. All of these alterations tend towards improving the milk supply by ensuring to consumers a cleaner and therefore a purer milk. The keeping qualities of our milk have increased considerably in consequence. The board's licensing powers have enabled it to better the conditions under which milk is handled and distributed. The vehicles at present being used represent a considerable advance on the type previously used in the distribution of milk. At one time dilapidated tourer and roadster motor cars, bicycles and motor bicycles were availed of. All such vehicles are now prohibited by the board. Continued progress in the manner in which milk is handled and distributed can be anticipated.

As part of the policy for the organisation and distribution of milk, regulations were recently introduced to limit the hours during which milk may be distributed. Just recently a keen debate in this Chamber centred on the regulations dealing with that phase. This reform was long overdue, and represents a marked improvement on the haphazard system of delivery previously existing. The board at present has under consideration the introduction of the zoning system for the delivery of milk. A recent check of vehicles from which milk is served in certain streets revealed that in three separate typical streets, there were 26, 25 and 34 conveyances engaged in the distribution. This certainly suggests that a further re-organisation in the distribution of milk is essential, and zoning appears the logical method.

The board, for some time past, has conducted a publicity campaign with a view to stimulating the sale of milk, and the results achieved so far are encouraging. It is regretted that even the board's constant vigilance does not prevent the sale of illicit milk. Recently an instance was reported in which approximately 8,000 gallons of milk had been purchased by a milk vendor under the price fixed by the board. Another case showed that a man according to his returns to the board, was selling not more than 37 gallons of milk daily, whereas when his business was sold, the purchasers acquired trade amounting, approximately, to 49 gallons. However, the vigilance exercised by the board in recent years, particularly over the records and activities of buyers and sellers of milk, has tightened up considerably the various avenues by which illicit milk has been sold.

Since its inception in February, 1938, the cost of administering the Act to the 30th June, 1939, including publicity, amounted to £42,494. At the 30th June, 1939, the accumulations account had been reduced to £3,530, approximately, so that the total cost of the board, plus the amount which has accumulated since its inception until the end of the last financial year, was approximately £46,000. This represents a period of over six years. The amounts in the Compensation Funds total £13,581 17s. 6d., made up of: Vendors' Compensation, £7,821 14s. 3d.; dairymen's compensation, £5,760 3s. 3d. The amounts in the compensation funds have accumulated under the express charge set out in the Act. They are being held for the benefit of the industry, and will be used to compensate any person who may be delicensed.

In view of the excellent work that has been done by the board in recent years, I feel sure that this measure, which will extend its life for another five years, will have the full support of the House. That affords members a brief explanation of the provisions of the Bill. As one who has taken a keen interest in the dairying industry, I have no hesitation in asking members to approve of the measure, which will enable the Act to operate for a further period. From actual experience, personal knowledge and information gained, I can vouch for the fact that the Metropolitan Milk Board has carried out work of major importance to those engaged in the milk industry and to the public generally. I move—

That the Bill be now read a second time.

On motion by Hon. L. Craig, debate adjourned.

BILL—LIFE ASSURANCE COMPANIES ACT AMENDMENT.

Second Reading.

Debate resumed from the 20th September

HON. H. V. PIESSE (South-East) [5.30]: First of all I would like to congratulate the Government on its wisdom in exempting ordinary life assurance policies from the proposed amendments under the Bill. The Bill is in every respect identical with the Victorian legislation.

Hon. J. Nicholson: Not in every respect.

Hon. H. V. PIESSE: No, not in every respect, but in most respects. I wish to impress upon the Chief Secretary that the first point to be considered is uniformity of procedure all over Australia. The majority of companies operating in Australia to-day are associated, and have branches in capital cities and all principal towns. Uniform legislation would be welcomed by companies as in the main most of them already comply with the conditions of the Bill. In 193[illegible] a committee of experts in Victoria was appointed a Royal Commission to report on the various aspects of industrial life assurance. The Commission consisted of a barrister-at-law, a Fellow of the Institute of Actuaries, and two qualified accountants. The Chief Secretary referred to this Commission. Its deliberations were lengthy, and evidence was taken over approximately seven months. No fewer than 31 public sittings were held and 125 witnesses examined. The result of the inquiry was the introduction of the Victorian measure that was passed in December, 1938. The leading life assurance companies in this State are acting on the clauses of this Bill.

Hon. J. Nicholson: Not of this Bill, but the provisions of the Victorian Act.

Hon. H. V. PIESSE: Yes, the Victorian Act. I agree with the Chief Secretary's contention that if it were not for a few of the smaller companies, this legislation would not be necessary. I have been informed that the Federal Government has prepared a Bill that will override all State measures. Owing

to the declaration of war, that measure has not yet been introduced in the Federal Parliament.

I wish now to refer to the matter of war risk, because I have had many letters of inquiry from people in my electorate regarding policies during the war period. For the information of members and those who read "Hansard," I shall quote from a letter written by one of our leading companies which, I think, clarifies the position. It is a reply to an inquiry I made a few weeks ago. I pointed out that during the last war, 1914-18, policies were issued on the back of which was an intimation that an extra premium was being charged for war risk. The letter, which is dated the 12th September, 1939, reads—

In reply to your letter of the 7th instant, I have to advise that all war risk provisions and all war restrictions on existing policies have been suspended by this society for persons serving in any arm with Britain or the Allies. No extra war premiums are being charged on existing policies, and existing war extras have been suspended.

Referring to the procuration of new business, I desire to point out that the society finds it necessary in the interests of its members to introduce into new policies certain restrictive conditions relating to war hazards.

With regard to lapsed policies, these will be reinstated subject to the restrictions referred to.

At the present time I am unable to inform you of the nature of the war clause to be imposed, but as soon as this information comes to hand from head office, I shall be only too pleased to advise you.

I thought I would mention that, because I have been requested on several occasions to clarify the position.

Referring to statistical returns, the Chief Secretary mentioned the value of lapsed policies under the heading of industrial insurance. He stated that over 75 per cent of the total amount of discontinuance was due to forfeiture. While I realise that the Chief Secretary does not wish to mislead the House, his statement is open to question, the figures quoted being so confusing. The sums assured of forfeiture, which are not cash values, are compared with a total which includes death and maturity, which are definitely cash values; but these are not quoted at the actual amount paid for bonuses, which are also paid with the death and maturity claims. The Minister entirely omitted these from his figures. Consequently his statement is really not a true reflection of the position, and is open to criticism. If members will bear with me a few moments, I will give them an illustration. Suppose an industrial policy is written, the payment on which is 1s. per week. Suppose that after the initial payment, no further payments are made. In that event the policy lapses; and while the holder spent 1s. for the cover afforded, statistically £50 would be written off as lapsed, that being the amount of the cover. If a policy-holder paid the premiums for five years on a 20-year term policy, the cover of which was, say, £50, and then decided to discontinue payment, he would receive, for example, a fully paid-up policy for approximately five-twentieths of the sum or, let us suppose, £12 10s.; but the difference between the fully paid-up policy of £12 10s. and the original amount of £50 would be written-off and shown on the statistical returns as a lapsed policy, as mentioned by the Minister. It must not be forgotten, however, that the policy-holder had the full cover for five years and subsequent cover of £12 10s. for 15 years, or until the maturing date when the sum became payable with bonuses. I estimate the premiums paid by the policy-holder to be £13 over a period of five years; therefore the insured person lost nothing financially, because he had the cover for varying amounts over the 20 years, and the full cover while he paid 1s. per week; moreover the bonuses paid at the date of maturity would more than compensate him. I wish to impress upon members that in this instance a further £37 10s. would be shown statistically as written off under the heading of industrial policies. Can this for one moment be regarded as a loss of £37 10s.? If a man took out a fire insurance cover on his house for, say, £1,000, paid the premium for one year and then discontinued the payment, it could with equal logic be said that he had suffered a loss of £1,000: but would members consider that he had suffered such a loss?

The Chief Secretary: I do not think I claimed that it was a loss.

Hon. H. V. PIESSE: The Chief Secretary said that over 75 per cent. of the total amount of discontinuance was due to forfeiture of policies that had been written-off.

The Chief Secretary: I said "lapsed."

Hon. H. V. PIESSE: Yes: but 75 per cent. of the whole did not lapse, because I have given an instance in which £37 10s. out of £50 was written off. The man insured,

however, had cover and still received at maturity £13 plus bonuses.

Hon. L. Craig: The Minister's figures were very misleading. They gave one a wrong impression.

The Chief Secretary: I am sorry. When I reply I will probably make matters a little worse.

Hon. H. V. PIESSE: According to Clause 3 of the Bill it is apparently intended that the days of grace in future shall be as follows:—Four weeks for a policy less than one year old; eight weeks for a policy one year and less than two years old: and 12 weeks for a policy of age two years and more. These days of grace are actually being granted at present by most of the companies. The clause contains a condition that, besides these extended periods, a notice shall be sent to the policy-holder under the terms of Clause 4 of the Bill. To understand the position one must go back to the conditions existing before the sittings of the Victorian Commission. Practices in different companies vary, but to cite one prominent company, the days of grace were as follows:—Four weeks for policies less than four years old; three months for policies of age four years and over. The Victorian Commission considered this question, and at the same time went into the matter of notices. I quote the following from page 28 of its report:—

> It is at least questionable whether an obligation to give a notice before exercising a right of forfeiture should be imposed upon the companies. Such an obligation would undoubtedly cast a severe burden upon the companies without a corresponding advantage to policy-holders because in our opinion the policy-holders who are not aware of the conditions relating to the forfeiture of their policies are comparatively few.
>
> We consider that the provisions of the Insurance Act passed by the Parliament of the Irish Free State relating to forfeiture are preferable to those contained in the English Act of 1823, and constitute a reasonable and fair method of regulating the right of forfeiture now contained in the contracts of the companies.

The report goes on to say—

> We therefore think that the provisions relating to forfeiture contained in the Irish Act should, subject to modification, be adopted in the State of Victoria, and we accordingly recommend that—
>
> (a) Where a policy has been in force less than one year the policy-holder should not incur a forfeiture of the policy on account of the non-payment of premiums unless a premium payable in respect of such policy has been unpaid for not less than four weeks after it became due.
>
> (b) Where a policy has been in force one year and under two years the policy-holder should not incur a forfeiture of the policy on account of the non-payment of premiums unless a premium payable in respect of such policy has been unpaid for not less than eight weeks after it became due and where a policy has been in force for two years and upwards the policy-holder should not incur a forfeiture of the policy on account of the non-payment of premiums unless a premium payable in respect of such policy is unpaid for not less than twelve weeks after it became due.

The commission then recommended that the days of grace be extended four weeks, eight weeks and 12 weeks without obligation to send notices. The Government in this State, however, has decided not only to provide for an extension of the days of grace but also to insist on notices being sent. This will mean added work for the companies, and more expense for paper and printing. The notices will apply only to payments that are in force for less than three years. After three years the policy has a fully paid-up value, and is available according to the Act.

Clause 4 goes further, and provides that another two weeks must elapse during which the company must take the full risk under the policy without payment of premiums. In Committee I shall move for the deletion of the provision for the sending-out notices, referred to in Clause 3, and vote against Clause 4 in its entirety. In summarised form the Bill provides for six, ten, and fourteen weeks of grace for policies of under one, under two, and of two or more years, plus the obligation to send notices. With respect to the suggested amendments to Section 33B, paragraph (a) I shall in Committee move for the deletion of all words after "payable" in line 22, and in line 31 of paragraph (b) for the deletion of all words after "payable." The same remark applies to paragraph (c), line 40.

We have the assurance of the Chief Secretary that it is not intended to include ordinary policies in the Bill, but in my opinion Clause 4 does include such policies. It is well known that companies transacting ordinary insurance business have an extensive follow-up system, involving the sending of many notices. I sincerely trust members will agree to the striking out of this clause. Firstly it is desirable to maintain uniformity throughout Australia, and secondly consideration should be given in this time of inter-

national stress to anything that will obviate additional expense to the companies and avoid the printing of additional notices. That is a very important point. Uniform legislation will be in operation in the other States of Australia. Companies that are carrying on business in this State also operate throughout Australia. It is essential that a uniform procedure should be adopted by all companies; otherwise extra expense and work would be involved. Economy must be practised, as the majority of the companies are mutual and the profits help to strengthen the financial position and security of the policy-holders. If in Committee Clause 4 is deleted Clause 5 will go consequentially.

The only other point I have to discuss refers to the fidelity guarantee, dealt with in Clause 6. I hope members will give the utmost consideration to that phase. When a similar measure was being discussed in the dying hours of last session, references were made to this point by Mr. Nicholson and Mr. Parker. Their remarks on that occasion are worthy of the attention of the House. One member asked whether the guarantee was similar to that required by such firms as Rawlings and other travelling companies. There is no comparison between the two cases. The only guarantee asked for in connection with assurance companies is in the event of defalcation, and a reserve is always built up by the agent, this being called upon before the guarantor is asked to make payment. I should like to quote an interesting paragraph, bearing on the question of fidelity guarantees, appearing on page 18 of the report of the Victorian Royal Commission. It reads—

> Some of the smaller companies deduct the sum of either 3d. or 6d. per week from the agent's earnings as a guarantee premium. The agent has no claim for the return of the amounts so deducted, whether during the continuance or after the termination of the agreement. The companies making this deduction did not justify the practice. These payments, although small in amount, are a cause of irritation to the agents of these companies and this practice should be discontinued.

If the Royal Commission, after taking full evidence on this matter, recommends the discontinuance of the practice of charging guarantee premiums, surely this House can accept the recommendation. I have discussed the Bill with several officers of leading assurance companies in Perth. The companies will welcome this legislation. Last session members had not the opportunity to study the clauses of the Bill then introduced. With a desire to assist the Government in getting through the greater proportion of that measure, I studied it hastily, as did other members. Generally speaking, we found it impossible to get hold of the points contained in it. I have sad thoughts of that occasion, and am glad the Bill was then laid aside. The Government in its wisdom has, from this measure, dropped the contentious matter relating to ordinary life assurance policies. More time is available to us now than was available last session, and I feel that the contentious points are not so serious as those we had to face last year.

Hon. H. Seddon: Have you more amendments to move besides those appearing on the notice paper?

Hon. H. V. PIESSE: My amendments relating to Clause 3 are on the notice paper, but I hope Clauses 3 and 4 will be deleted.

Hon. H. Seddon: What are you doing about Clause 6?

Hon. H. V. PIESSE: I shall urge its deletion also. I adopted the procedure of requesting the Clerk to put all my amendments on the notice paper, and, I stated that I wished to delete Clauses 4, 5, and 6, though not Clause 3. The Clerk advised me that the effect would be the same if I voted against the clauses to which I have referred. From my point of view only two matters require to be discussed, namely the notices and the guarantees. I sincerely hope members will give the utmost consideration to them in Committee. The remaining parts of the Bill will be of assistance not only to companies but to people who are insured. My congratulations are offered to the Government for having brought down the measure in an amended form, and I have pleasure in supporting the second reading.

On motion by Hon. J. Nicholson, debate adjourned.

BILL—INSPECTION OF MACHINERY ACT AMENDMENT.

Second Reading.

Debate resumed from the 21st September.

HON. C. F. BAXTER (East) [5.55]: In view of all the circumstances it is alarming to find a Bill of this nature brought before

Parliament. Since the declaration of war different sections of the political world agreed amongst themselves that Bills of a contentious nature would be laid aside. If members can find a more contentious measure than this I shall be glad to know of it. When the world is in dire distress through war is not the time in which to bring down measures of this description, particularly as up to the present everything has gone along well under the parent Act. Surely in these days we can look to members of the Legislature to show themselves more as Statesmen than as mechanised politicians. That is the only conclusion at which I can arrive after examining this Bill.

Hon. J. Cornell: Where do they leave their tags?

Hon. J. J. Holmes: What is a mechanised politician?

Hon. C. F. BAXTER: Defeat of the measure will make practically no difference to industries or to the employees concerned, and that is the only reasonable course to adopt in the circumstances.

Hon. H. Seddon: Can you not see any good in it?

Hon. C. F. BAXTER: It does contain a certain amount of good.

Hon. J. Cornell: It contains very little that is necessary.

Hon. C. F. BAXTER: It seeks to amend a highly important Act. I agree that strict inspection of machinery is necessary to safeguard persons from injuries that may be caused through faulty gear. Whilst some of the amendments proposed are necessary, many other provisions are unnecessary and should be excluded. Although the latter proposals may appear innocent enough, I do not hesitate to say they will inflict further burdens on industries without any compensating advantages. They will also create additional expensive Government departments. Mr. Seddon appears to look upon this as a Committee measure.

Hon. H. Seddon: I thought you did not see any good in it.

Hon. C. F. BAXTER: If it reaches the Committee stage we can give consideration to every clause. In the belief that the second reading may be carried, I will not now deal with the clauses in detail. Nevertheless I intend to outline the reasons why I think the measure should be closely scrutinised in Committee.

The deletion of paragraph (a) from Section 2 of the Act, and the substitution of additional definitions, will have the effect of legalising the inspection of all steam generators, including those used for heating purposes in clubs, hotels, and even hospitals. I feel that those associated with different concerns, as well as members of the Legislature cannot view that provision with any degree of favour. The proposed amendment to paragraph (b) of Section 2 of the principal Act will rope in hundreds of motor garages now supplying free air. It is not at present possible to make internal inspections of air receivers in use in those establishments, and the proposed amendment will not improve that position. Members will agree it is not possible for anyone to inspect one of these containers. No one can crawl inside such a plant. Undoubtedly the power unit itself must be inspected. If the entire unit is inspected, the whole of the plant connected with the unit also comes under inspection. It is therefore not possible to make any internal examination of those containers. Even so, the department now has power to order the provision of safety valves on containers. Furthermore a garage proprietor is hardly likely, in the interests of his own safety and that of his employees, to exceed the safe working pressure declared by the manufacturer or his agent.

Hon. L. Craig: One blew up in the country last year.

Hon. C. F. BAXTER: Yes. There was also a case cited by the Honorary Minister I think, but that was under inspection; and so, I believe, was the case at Bunbury. Now regarding Clause 5, paragraphs (a) and (b). The proposals of the Bill will need overhauling, as it may be difficult and expensive to prepare or locate documents for secondhand engines or secondhand refrigerating machinery. Hon. members will see the difficulties that would result from their agreeing to these admendments. Throughout Western Australia local governing authorities have entered into contracts covering terms of years to supply their towns with electric power and electric light. Frequently a small refrigerating plant is run in connection therewith. The passing of the amendment would mean that some of those municipal plants would have to go out of existence.

Clause 10 creates two grades of engineers' certificates. Legislation of this type in critical times like the present is to be deplored. Surely these are not times for the infliction of further expense and loading on industry. The proposed amendment would affect two of our main industries, namely timber and gold.

Hon. J. Cornell: And we have got on for 40 years without the amendment.

Hon. C. F. BAXTER: That is so. In many cases these proposals would mean dispensing with the services of certificated engine-drivers, who of course would have to be replaced by certificated engineers; or, worse still, they would mean the employment of an extra worker in order to meet the requirements of the Bill.

Hon. J. Cornell: Certainly a marine engineer should not be put on a winding engine.

Hon. C. F. BAXTER: Assuredly not.

Hon. J. Cornell: They are admitted under the existing law if they are residents of this State.

Hon. C. F. BAXTER: At a later stage it will be necessary to place amendments on the Notice Paper. The result of passing Clause 10 would be to foist another body of employees on industry, with special conditions and special rates of pay; and this would eventually lead to job control, and, in addition, to the restriction of the right of employers to select their own labour.

Hon. G. Fraser: These certificated engineers would take the place of the certificated engine-drivers.

Hon. C. F. BAXTER: In some instances the employer would need to have both. Possibly a number of small power plants for electric light installed in country towns would be seriously affected by paragraph (f) of Clause 10, which seeks to reduce the present area of cylinder, or combined area of cylinders, from 200 square inches to 114 square inches. The parent Act has existed for a long period of years, and has never given rise to any trouble. On the contrary, it has worked smoothly. Why are amendments proposed at this juncture? More than half the amendments contained in the Bill are covered by the Act as it stands.

Hon. J. Cornell: Yes, only a few words being transposed.

Hon. C. F. BAXTER: Quite so. Clause 11 seeks to enlarge the board of examiners from three to five. Undoubtedly the board is necessary, but there is no warrant for increasing its present membership. But no doubt the Government has supporters ready to fill the positions proposed to be created. If the reason behind the increase in the membership of the board is a political reason, the House should unhesitatingly reject the amendment. It is the avowed policy of Labour Governments to fill vacancies in the various departments with their own friends. Without going back into the past—

Hon. G. Fraser: Do not go back too far, or we might—

Hon. C. F. BAXTER: Only recently Mr. P. Mooney was rewarded for his services to political Labour by being appointed to the Licensing Bench. Later still, the controller of a State trading concern was over-ridden by the Government in that the Government cancelled the appointment of an employee engaged by him and appointed a good union official to occupy the position.

Hon. G. Fraser: Yes, after—

Hon. C. F. BAXTER: I have it in mind that this may happen in connection with further appointments to the board of examiners. The proposed increase in membership may be a political move to find jobs for friends of the Government. Apart from that aspect, there is another factor—the increased expense involved. And that is a highly important factor. These are not times for increasing costs in any direction. Most other boards of examiners consist of not more than three members and, where employers are concerned, an employers' representative is usually found on such boards. The present board of examiners, despite the fact that employers are concerned, consists of two departmental and one union representative, and notwithstanding the absence of an employers' representative on the board it has functioned satisfactorily for many years. Why seek to alter a smoothly working arrangement? Why seek to interfere with an entirely satisfactory state of things by appointing two more members to the board? The Bill makes provision to enable departmental representatives to delegate their authority on the board to subordinates. To my way of thinking, this would reduce efficiency and impair continuity of the work. In a small department such delegation of authority is not warranted. If the Bill gets into Committee, Clause 11 should therefore be wholly deleted.

Turning now to Clause 14, I am astounded at the proposal to grant engineers' certificates ad libitum to persons possessed of first, second or third class marine engine certificates. Surely this should be a matter for consideration by the board of examiners. The extraordinary feature of the proposal is that an engineer can land in this State from a ship and immediately procure a certificate and fill any position that may be available, thus depriving our own people of jobs to which they, as permanent residents of the State, are entitled. I am quoting the opinions of the highest authorities in the State when I say this. Marine engineers are lacking in experience of plants established ashore, and the probabilities are that industry would have to carry them during the period it would take them to learn the shore job.

Many of the proposed amendments, innocent as they may look or are claimed to be, can only have the effect of building up the department at the expense of industry. The lowering of exemption on air and gas savours of going to extremes, and it would be far better to have no exemptions than to tinker with the matter. The provision for engineers' and refrigerating machinery engine-drivers' certificates means new associations of employees or additions of members to existing bodies, with the development of special concessions and wage rates. Much confusion would result to employers in deciding between the former certificates and the various classes of engine-drivers' certificates.

Sitting suspended from 6.15 to 7.30 p.m.

Hon C. F. BAXTER: If a refrigeration certificate is desirable, it should be limited to one grade, instead of two, so as to avoid the growing multiplicity of certificates. The existing certificates cover refrigerating machinery if driven by steam or internal combustion engines. Only the electrically-driven unit is not covered by a certificate; and units of large size are few. The equivalent of an electric motor driver's certificate is being attempted in the privileges of certificates in Subclauses 10 and 13 of Clause 13. The provision for better inspection of refrigerating machinery may be advisable, but it shows a tendency to create a specialised branch; and in this connection what would be the official stand if it were suggested that a boilermaker and not a fitter should inspect a steam generator? The occurrence of a few accidents over the years, due to carelessness of the individual or operator, is no strong recommendation for the introduction of innovations in a period when the world's freedom is being challenged by countries opposed to democracy. Accidents will happen even with most protective safeguards. As more than half of the Bill is contained in the present Act, and a portion of the remainder is unjustified, it would be wise and reasonable of members to reject it, especially now that war conditions are prevailing.

On motion by Hon. A. Thomson, debate adjourned.

BILL—RIGHTS IN WATER AND IRRIGATION ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. G. B. WOOD (East) [7.34]: I do not intend to refer to all the provisions of the Bill. That has already been done by the Minister. Much of the debate in another place centred around settlers on the Canning River. I intend to confine my remarks almost entirely to those settlers, apart from general principles and the rights of people who have been settled on rivers for a number of years. Actually, the Canning River to-day is not a river, because it is dammed by the Canning Weir. The river now comprises a series of soaks and one or two small streams which form a watercourse running into salt water. I suppose it could not be declared an irrigation area on account of lack of water. There are some small irrigation schemes on the river, but not a general scheme; and there is practically no conservation of water for a defined irrigation scheme. I have investigated the so-called dissension among the settlers on the river and find there has been very little. We have heard some talk about complaints made by settlers on the lower reaches of the river, but I learnt of only one, that against the Kent-street weir, which forces salt water up the river and spoils the fresh water. So far as I can gather, there is very little shortage of water up to date in any part of the Canning River. The Minister said there had been endless trouble and litigation during the past 20 years, but I can find only one law case, and

that related to a stream below Pinjarra. I venture the opinion that very little dissension exists between the settlers all the way down the Canning River. Meetings have been held, and I shall refer to them. Settlers attending those meetings were almost unanimous in their opposition to this amending Bill. One meeting held at the Cannington Hall dealt almost entirely with the Kent-street weir; the subject of shortage of water was not discussed. They spoke of bad water, but not of shortage of water. For the information of members, I desire to read the following, which I know is correct:—

A meeting of settlers in the Canning-Armadale-Gosnells road districts was held on the 1st October, 1937, at which 150 settlers were present. They passed this resolution with two dissentients:—"That this meeting does not agree to the formation of a commission or a board under the Rights in Water and Irrigation Act for the purpose of controlling the existing normal river supply in the Canning River."

That contradicts the statement that trouble exists among the settlers on the Canning River. Because there is trouble in other districts, why penalise these people who have been living in amity for almost a hundred years?

Hon. J. Cornell: Who raised the question?

Hon. G. B. WOOD: I do not know.

Hon. J. Cornell: The department.

Hon. G. B. WOOD: The land was selected by settlers 50 or 60 years ago when it was virgin bush. The present settlers think they have a right to the water in the river and I maintain they are justified in so thinking.

Member: They bought and paid for the right.

Hon. J. J. Holmes: If they have the right, it must not be taken away now.

Hon. G. B. WOOD: No. I hope the right will not be taken from them. A statement was made in another place that a man was sitting with a gun on his property warning people who wished to destroy a dam that he had made. I inquired into the allegation, and found it did not relate to the people in the Gosnells and Armadale districts on the Canning River. Another meeting of settlers was held recently, which was attended by about 60 persons. They passed the following resolution:—

That the Armadale-Kelmscott-Gosnells Road Boards and the Gosnells Irrigation River Committee be requested to co-operate in placing the full facts before the members of the Legislative Council and request them to oppose this Bill.

That is what I am doing. I would like the whole matter to be referred to a select committee. If members are opposed to that course I intend to move in Committee that the Canning River be exempted from the provisions of the measure. If that is done, the settlers on that river will be happy and satisfied. If settlers in the South-West and other portions of the State desire this Bill to be enacted, let them have it; but on behalf of the settlers I represent I will, as I said just now, move in Committee the amendment I have suggested.

HON. L. CRAIG (South-West) [7.40]: At the present time the Government has control over streams and so forth in declared irrigation areas. In order to obtain control, where necessary, over other streams, which are not within irrigation areas, the Government has to declare that particular portion of the country an irrigation district under the Act. I understand that is a very complicated process. The Government has to constitute a definite part of the State an irrigation district for the purpose of the Act. It has to specify the boundaries of such district, assign a name to it, state the particulars of the scheme of local works for the service of the district, the estimated cost of the scheme and so on. Many more provisions must be complied with before the Government can obtain the control that may be required over certain streams. This Bill provides that on the advice of the commissioners, the Government can declare streams to be under its control. In other words, the Government may not necessarily declare districts to be irrigation districts. Dissension has occurred in some parts of the South-West over the control of waters. Some small streams that have been serving a large number of settlers are the subject of such dissension. The settlers on the upper reaches have gradually been demanding and acquiring more water and have dammed the streams to the detriment of the people on the lower reaches. The Government rightly said, "We cannot allow this dissension to continue; some power must be given to the Government to settle the disputes." Settlers on streams have certain riparian rights which permit them to use all the water they require from the stream, provided they do not interfere with the rights of other settlers. If

a man on the upper reaches of a stream takes more than his share of water, I think it but right that some authority should be constituted to settle any dispute that might arise. This is what the Bill proposes to do. How the discussion came to be centred around the settlers on the Canning River I do not know. I presume it is because two members representing those settlers took an active part in the debate in another place. The Canning River, however, does not come under this Bill any more than does any other stream. I understand the department is not concerned about that river at all; the department does not propose to take any action in regard to it.

Hon A. Thomson: But it may take action.

Hon. L. CRAIG: That is only assumed by the settlers on the Canning River. The Government might not declare the Canning River to be an irrigation district.

Hon. J. J. Holmes: They might.

Hon. L. CRAIG: They might, but at present the Canning River has ceased to be a river. The only water that runs down the Canning River is that which passes over the weir or is released through the valves. If there is any legitimate ground for complaint, it should be directed against the authorities for damming the river. The department could close the weir to-morrow and leave the people without any water at all.

Hon. A. Thomson: I do not think you are right.

Hon. L. CRAIG: I think I am. Even to-day the settlers along the river are not getting the benefit of the natural flow. They are getting only the water that runs over the weir or through the valves.

Hon. G. B. Wood: Or the water from any stream running into the Canning.

Hon. L. CRAIG: Very little water enters the Canning except what goes over the weir or through the valves.

Hon. J. M. Macfarlane That increases the anxiety of the settlers there.

Hon. L. CRAIG: Amongst the settlers along some of the rivers, dissension exists, but Mr. Wood has said there is no dissension amongst the settlers along the Canning River.

Hon. G. Fraser: That is not to say there will be none.

Hon. L. CRAIG: Then the stream can be declared on the advice of the Irrigation Commission.

Hon. G. Fraser: The Canning River settlers might desire control, the same as other people do.

Hon. L. CRAIG: Yes, but the Canning settlers are assuming that, whether they like it or not, the river is to be declared subject to the provisions of this measure. That is not right.

Hon. A. Thomson: But it could be so declared.

Hon. L. CRAIG: Yes, though the intention is not to declare it unless that is desired. To declare it an irrigation area would be of no advantage. However, control is needed further south over such streams as the Wungong, Drakesbrook and others. There is a useful stream at Wokalup, and one of the settlers erected a concrete wall right across it and, in the summer, took the whole of the water for the irrigation of two paddocks of considerable size.

Hon. J. J. Holmes: Has not the Government done that at the Canning River?

Hon. L. CRAIG: Yes.

Hon. J. J. Holmes: And could not prevent other people from doing the same thing.

Hon. L. CRAIG: But that man is preventing settlers lower down from getting any water.

Hon. G. B. Wood: Why do not they take action at common law?

Hon. L. CRAIG: Legal proceedings are too expensive; people would have to go to law from time to time to get their rights. The object of the Bill is to obviate that sort of thing. We have heard about a gentleman armed with a gun sitting on sandbags placed across the stream. In some instances, it is necessary to protect the rights of people along the lower reaches of a river against people higher up who take more than their share of the water. That is all this Bill proposes to do. I agree with Mr. Wood that, if necessary, the Canning River should be exempted from the provisions of the measure. If he will move an amendment to that effect in Committee, I shall support it.

The Chief Secretary interjected.

Hon. L. CRAIG: I do not think there is any intention of bringing the Canning River under the scheme, and I do not think the Canning settlers want that done.

Hon. G. Fraser: There is more likely to be argument amongst the Canning settlers than amongst settlers elsewhere.

Hon. L. CRAIG: Arguments have arisen regarding the water rights on other rivers.

Hon. J. Cornell: What about the Phillips River?

Hon. L. CRAIG: There is no argument, I understand, amongst the settlers along the Canning River.

Hon. G. Fraser: But it is likely to come.

Hon. L. CRAIG: It might. At present the people concerned seem to exert a strong influence on the members who represent them, and this Bill might be lost on that account. I would prefer to see the Canning River exempted from the measure so that the settlers along small rivers and streams, desirous of having control, might get it. I do not think that much fault can be found with the Bill.

Hon. J. Cornell: Would not that, by inference, be conferring a right on the Canning settlers?

Hon. L. CRAIG: No, it is a controlled river today, and the only water that runs down it is that which passes over the weir or through the valves.

Hon. G. Fraser: That is why there is likely to be trouble from a shortage of water.

Hon. L. CRAIG: No shortage of water is expected.

Hon. G. Fraser: There was not much water last summer.

Hon. L. CRAIG: There might be as much water this summer as there has been in previous years. The Canning River is not a big stream in summer.

Hon. G. Fraser: I am aware of that.

Hon. L. CRAIG: There are many settlers along the Canning River and, judging by the expression of opinion at public meetings, nobody wants the river controlled. I believe that the Government has no intention of controlling it. I cannot speak for the Government, but I have discussed the matter with one or two officers of the department and gathered that the Canning River had never entered into consideration.

Hon. G. Fraser: The conditions on the Canning River have prevailed for only two years.

Hon. L. CRAIG: The hon. member is referring to the construction of the weir?

Hon. G. Fraser: Yes.

Hon. L. CRAIG: That is so. Suppose the population of the metropolitan area trebled, I am not sure that the settlers along the Canning River would get any water. The flow is controlled by the dam, and the only water that flows down the river in summer is that released from the reservoir. I hope members will not become confused and reject the Bill because of the arguments advanced about the Canning River. I am quite willing that it should be exempted. Settlement is proceeding rapidly in my province, and there are many small streams which settlers who get there first might claim to own, together with all the water in the streams. Control should be exercised before too much settlement takes place along those streams, so that settlers may know that they can use what water is available so long as they do not interfere with the rights of other people. I hope the second reading will be passed, and in Committee I shall be prepared to consider any amendment that might be submitted.

HON. V. HAMERSLEY (East) [7.53]: I appeal to members not to get confused, though I am afraid that Mr. Craig is already confused. He spoke of passing the Bill and exempting the settlers along the Canning River. Those settlers are much concerned, and yet we are asked to overcome the difficulties that the Bill presents by exempting those settlers. Why not deal with the few streams about which Mr. Craig is concerned, and exempt the rest of the State from the operation of the measure?

Hon. L. Craig: There are many streams.

Hon. V. HAMERSLEY: Quite so. In my province there are streams other than the Canning River, and many people have been using the water from those streams for years. They purchased the right, and I do not think that we should, willy-nilly, in the few minutes in which the Government desires us to rush this legislation through, agree to put the rest of the State under tribute and exempt the Canning River.

Hon. L. Craig: You would not be putting any of the State under tribute.

Hon. V. HAMERSLEY: If we pass this Bill, we shall be committing a dreadful act. We shall be taking away rights that people have bought and paid for. I am averse to legislation of that kind. This measure will deliberately take from settlers rights that were conserved in their early contracts and were further conserved by this House in 1912.

Hon. L. Craig: They have not a right to all the water.

Hon. A. Thomson: They have a right to the water they want.

Hon. L. Craig: Provided they do not interfere with their neighbours. That is the point.

Hon. V. HAMERSLEY: This measure will allow settlers sufficient water for household purposes, and for five acres of irrigation. Arrangements to irrigate the land must be made by the settlers themselves. They have to instal their own plant; the Government will spend nothing, and the community will pay nothing for that work. The settlers are to have the right to water for five acres of land, provided they do not use the land for commercial purposes. What is the definition of "commercial purposes"? Perhaps, under the wording of the Bill, it would include the growing of vegetables or oranges.

Hon. J. J. Holmes: What about dairying?

Hon. V. HAMERSLEY: That would come under the heading of commercial purpose. They will not be entitled to irrigate with their own machinery unless they pay for the water, though they paid well for the right in the early days and have been paying ever since. Much of the water running in small streams today has come from the work of those settlers in clearing and developing the land. Such improvements have resulted in the streams' carrying far more water than they did before. There are more springs rising on settlers' blocks and feeding the streams than there were before, and surely the settlers should be entitled to pump back on to their land some of the water. They have not asked the Government to provide anything towards the cost of pumping plants. This Bill will apply to Carnarvon.

Hon. E. H. Angelo: I wish you could make our river run.

Hon. V. HAMERSLEY: It will apply to Gingin Brook, where the settlers themselves have installed excellent irrigation plants to grow fodder for stock, and the stock is marketed. I suppose they will be prevented from using the water because the stock is raised for commercial purposes. Why did those settlers acquire the land? Surely their intention was to make use of it. They paid a higher price for their land because it was situated on a watercourse, and other settlers later came along and said, "We want a supply of water equal to that which you are getting." Those people are now coming in to take full advantage of what the earlier settlers, through work and energy, have proved worth while, something that would give them a living. But for the work of the earlier settlers, nobody would be bothering about taking up the land today. We would not be justified in reversing the decision of this House in 1912 when we recognised the rights of people to the properties they had purchased and worked. I ask members not to pass legislation that will take away the rights of people throughout the State. The measure will apply to settlers at Gingin and along the Moore River.

Hon. L. Craig: Only if so declared.

Hon. V. HAMERSLEY: The settlers are not to be considered or consulted. The Government will simply walk in and proclaim that the area is under its control. Once we hand over power to a department or a board, there is an immediate growth of whichever it may be—the department or the board—and in this case the rights will be applied, not only to the scheme to which I have referred, but to the Wanneroo area whence a great amount of produce is sent to the Perth market. All the people out there will be brought under the scheme and I presume the growers at Spearwood will also be similarly treated. I am convinced that this legislation will be made to apply to a great number of rivers and watercourses. If it is necessary to appease the desires of Mr. Craig and the people in the particular area in the South-West to which he referred, let those settlers ask for the work to be done, or for the district to be proclaimed an area where the water is to come under control. I certainly consider we are going too far if we take control over the whole State and give a board the power, on the recommendation of the Minister, to proclaim area after area against the wishes of the people who have vested interests in those particular places.

Hon. G. Fraser: What advantage would it be to the board to do that?

Hon. V. HAMERSLEY: I have received a letter from Gingin which states that a public meeting of all Gingin settlers interested in the water question was called to consider

the Bill that is now before us. The meeting decided that the measure would be of no benefit to the district and would definitely decrease the capital security of the land. The meeting also asks that members of the Upper House should do all in their power to defeat the measure. A motion to that effect was carried unanimously. The meeting was the outcome of one of the settlers happening to hear that this legislation was proposed. Quite a number were not aware that the subject was before Parliament. All those people are hard at work and if we pass a Bill such as this without giving them the opportunity to express their opinion on it, we shall be doing them a wrong. The Government should have notified the whole State of its intention to introduce this legislation, and I protest that longer notice was not given to all the settlers through whose properties water is running and where, moreover, the Government has not done anything to assist us. Wherever irrigation has taken place or water has been diverted, the work has been done entirely at the expense of the settlers themselves, and they should not be interfered with. As the resolution carried at the Gingin meeting to which I referred declared, interference by the Government would decrease the capital security of the properties. I shall vote against the second reading of the Bill.

HON. W. J. MANN (South-West) [8.6]: I support the second reading of the Bill for the reason given by Mr. Hamersley for opposing it.

Hon. V. Hamersley: I am on the land; you are not.

Hon. W. J. MANN: I am not very much concerned about the Canning River; to tell the truth, I do not know very much about the conditions existing there, but I do know that there are many small streams in the South-West and that there are many estimable people who, for many years, have lived on the banks of those streams and utilised the available water. They are some of the best people we have in that part of the State and they have made good use of the natural advantages existing there. I am supporting the Bill because I want to see those people get a fair deal, for, if action is not taken they may find themselves without water. In past years most of the land that has been irrigated from small schemes has been the flats, generally at the foot of hills. There has been sufficient water for the settlers there, but I am concerned about those who are further down the stream. Most of that land has been acquired over the years that have passed, but later, settlers have taken up areas back in the hills. It is very evident that if from a brook a few settlers only have been drawing water, they have not suffered disadvantage; but if other settlers come along and help themselves to a supply from the same watercourse, it will not be long before the man who has spent his money will wake up to find that those who are above him are getting all the supply and leaving nothing for him. I consider that the Bill, if it does anything at all, will be the means of everyone getting a fair proportion of the available supply of water. That is my main point. In May, 1936, I was told of a case where a man was going to take up land in a certain locality. His idea was to go further up the stream where he proposed to carry out certain work, but the result would have been to deprive the people further down of the use of a great deal of the water upon which they had been relying.

Hon. G. B. Wood: Were they new settlers altogether?

Hon. W. J. MANN: Yes.

Hon. G. B. Wood: The land could not have been much good or it would not have remained idle for so long.

Hon. W. J. MANN: There are thousands of acres of land in the South-West yet to be settled, heavily timbered land, and settlement will be continuing for a long time after we have passed away. That, however, does not affect my argument; I am out to protect the people as Mr. Hamersley desires to do, but I intend to support the second reading.

HON. G. FRASER (West) [8.10:] I intend to support the second reading of the Bill and I cannot understand the opposition that has been offered to it. Under the Bill the people who are on the banks of streams will have protection that has not been afforded to them up to date. Of course they could have recourse to law, but we do not want to force people into costly litigation to enable them to get that to which they are entitled. It appears to me that it resolves itself into a question as to whether we shall allow the watercourses to be controlled by a board or by individuals. In the course of the debate it has been suggested that the Canning River should be exempted from the

provisions of the Bill. Whilst I am diffident about crossing swords with Mr. Wood in whose district the affected part of the Canning River runs, I would not be surprised if the people along the Canning were the first to seek the protection of the Bill. The people along the Canning have up to the last few years, enjoyed a full supply of water from that river, and it has to be remembered that latterly that river has changed entirely from the point of view of the service it rendered the settlers between the Canning Dam and the Kent-street weir. What has happened up to now as far as that river is concerned may be entirely different from what will happen in the future. Up to a year or two ago the people along the Canning had ample water, but now, getting the water that comes only from the Canning Dam, they may find themselves short of supplies in the near future. I have heard some moanings from settlers in that area about the possibility of their not getting a sufficient supply, but I do not know that there has so far been any actual shortage.

Hon. V. Hamersley: Has that not been the position right throughout the State?

Hon. G. FRASER: It is not on account of a dry season that the settlers to whom I have referred have suffered, but because of the river being banked up. All were relying on that stream. I draw Mr. Wood's attention that along the Canning River in the past the people have not had to face the problem that they are likely to experience in the future. Because of that this legislation is very desirable. I am interested in a property on the Canning River, and I know something about the position, because it was not possible to get anywhere near the quantity of water last year that had been obtained in the year before. The position is likely to become worse, and it is because of that likelihood that this legislation is required. The area above Kelmscott could easily be banked up and all below it would have to run short. I would not be surprised if settlers there were the first to ask for this legislation in the years to come. I hope members will take a more generous view than they have done up to date in respect of this subject. I shall support the second reading because such legislation is desirable, and I trust that the position will not be left so that an individual may cut off the supply from other people.

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

BILL—GOVERNMENT RAILWAYS ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [8.15] in moving the second reading said: The Bill provides for two amendments to the Government Railways Act. The first relates to Section 58, which empowers the Commissioner to lease any railway land or buildings not required for railway purposes, for periods not exceeding seven years. The leasing of sites for factories, warehouses, etc., with rail access, is a very valuable adjunct to railway business that is largely exploited by most railway systems. In this State, the Railway Department, however, has been unduly hampered by being unable to offer more than a lease extending over a period of seven years. Naturally prospective lessees have been averse to any considerable capital expenditure on land with so short a period of tenure, and in many cases they have gone elsewhere. This has meant a loss of revenue to the department both in freights on goods and rent. Then again, the existing provision is contrary to the department's interests, particularly in the case of railway land located in townships where town planning schemes have been inaugurated. To furnish a recent instance, at Manjimup, where a town planning scheme has been introduced, the railway reserve has been excluded from the business area, thereby depriving the Railway Department of the opportunity to lease sites for business purposes. Explaining the reason for the exclusion, the local authority quoted the lease limitation of seven years. This, it was stated, would preclude a lessee from erecting a building in keeping with those on private property. The amendment included in the Bill provides for leases up to twenty-one years. This provision will place the department on a better footing when negotiating the leasing of land for business purposes.

Hon. W. J. Mann: People on the other side of the road who are engaged in business may be placed at a disadvantage.

The CHIEF SECRETARY: I do not see any reason why the inclusion of business areas on the railway land referred to should result in losses to those engaged in business on the other side of the road. Members will agree that the fact that the Commissioner of Railways has no power to grant leases for a period longer than seven years, must have had a detrimental effect.

Hon. H. V. Piesse: Road boards do not collect rates from such properties.

The CHIEF SECRETARY: No, not at present. There may be an opportunity to secure rates in other circumstances.

Hon. J. Nicholson: But cottages erected on such land would be exempt from rating.

The CHIEF SECRETARY: All Crown land is exempt from rating. I do not think that provision would cause local authorities to wish to exclude railway land from business sites declared under any town planning scheme.

Hon. J. Nicholson: No, but does not that furnish justification for an amendment to make such areas subject to rating?

The CHIEF SECRETARY: I do not know that exceptions could be provided to meet such a position. Generally speaking, railway land is in an advantageous situation, and its development would be in the best interests of any district so affected, more especially if such land could be occupied and used for purposes beneficial to the district. That would apply particularly if we could induce concerns requiring a fair amount of capital, to utilise railway land in the manner I suggest.

Hon. H. V. Piesse: That would be quite all right for manufacturers, but not for shops.

The CHIEF SECRETARY: At present we are endeavouring to induce people to establish themselves in various parts of the State. We are anxious to offer as much inducement as possible to such people to establish industries in Western Australia. If we can offer facilities on railway land close to a railway station and induce people to establish themselves on such areas, the State in general and the district concerned in particular must benefit. We know that firms have decided to establish warehouses, shops or factories on sites simply because of close proximity to railway facilities. If the Commissioner is able to offer a lease of such property for seven years only, people will not be prepared to invest a large amount of capital. In those circumstances the time has arrived when we should extend the period to 21 years, which is the provision in the Bill.

Hon. H. V. Piesse: That would be all right for a manufacturer, but what about shops?

The CHIEF SECRETARY: When a business area is created in the township, there should be no suggestion of exceptions.

Hon. W. J. Mann: You might have people on one side of the street paying rates, and those established on the other side not paying rates.

Hon. J. Nicholson: That is so.

The CHIEF SECRETARY: That position will always arise.

Hon. L. B. Bolton: But that does not make it right.

Hon. J. Nicholson: The difficulty could be overcome if the Government would agree to a simple amendment setting out that the properties on railway land so leased, would become subject to rating if the premises were let.

The CHIEF SECRETARY: I do not know that such an amendment would be within the scope of the Bill. The point is one that affects the Crown generally. We could not very well apply the principle to people occupying land that is vested in the Commissioner of Railways, unless we were prepared to apply it generally.

Hon. J. J. Holmes: If the land were exempt from rates, the Commissioner of Railways would secure a better rental.

The CHIEF SECRETARY: That might be so.

Hon. J. Nicholson: To the prejudice of people on the other side of the road.

The CHIEF SECRETARY: Members may argue the point, but I think we need not consider it in relation to the Bill before the House. There are many areas of railway land that are unoccupied and not used for railway purposes or for any other purpose. The main obstacle to the use of such land is that the Commissioner is not in a position to lease the areas for a period longer than seven years. Consequently the Bill contains a provision to extend that period to 21 years, and the Government believes that such a provision will have the effect of inducing people to lease railway land for business purposes. The second amendment seeks to insert a new section in the principal Act. The purpose of the proposed provision is to give the Commissioner power to control the placing of lights in any position, either inside or outside a railway reserve, which might conflict with, or adversely interfere with, the effectiveness of any railway light. Members know that in recent years there has been a tremendous

increase in the number of lights used for advertising purposes.

Hon. L. Craig: Who will decide whether such lights cause interference? Who will be the authority?

The CHIEF SECRETARY: In this instance, the Commissioner of Railways. The interference that takes place arises out of the use of lights of the same colour as those availed of by the Railway Department for safety purposes. Many are red or green, and those are the two principal colours used in connection with railway operations. With the increasing introduction throughout the State of lights, particularly coloured lights for advertising purposes, etc., the necessity for some means of control has become very evident, and at the present time co-operation with the owners of such lights is possible only by mutual consent. Unfortunately the colours most favoured, viz., red and green, are those which have been universally applied on railway systems since their commencement. The erection of such lights in positions where they may conflict with railway signal lights, is a potential danger that should be avoided in the interests of the safety of the travelling public as well as the railway employees themselves. Already there are instances of lights having been placed in positions where they have interfered with existing signal lights. In such instances it has been necessary either to mask the lights concerned, or to move the railway signals, at considerable cost and inconvenience to the department. The power now sought will obviate this by enabling the department to exercise control over the positioning of such lights. The new section is almost identical with the provision in the Lights (Navigation Protection) Act, 1933. Parliament accepted the provision with respect to the control of lights likely to be a danger to navigation, and a similar provision is equally necessary regarding lights constituting a possible danger to railway traffic.

That, briefly, traverses the contents of the Bill. The first portion will extend the power of the Commissioner of Railways to lease land for a period of 21 years, and the second will give the Commissioner the right to control coloured lights, particularly those that may be a danger to railway traffic. I hope members will appreciate the reasonableness of these provisions, and that the Bill will be agreed to with little trouble. I move—

That the Bill be now read a second time.

On motion by Hon. A. Thomson, debate adjourned.

House adjourned at 8.28 p.m.

Legislative Assembly,

Tuesday, 26th September, 1939.

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

BILL—STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT

Introduced by the Minister for Labour and read a first time.

BILL—PROFITEERING PREVENTION.

Third Reading.

THE MINISTER FOR LABOUR (Hon. A. R. G. Hawke—Northam) [4.33]: I move—

That the Bill be now read a third time.

MR. McDONALD (West Perth) [4.34]: The main principles of the Bill deal with the prevention of exploitation of the public by traders arising out of war conditions and that phase was discussed to some extent at the second-reading stage. Since