Legislative Assembly.

Tuesday, 26th October, 1948.

CONTENTS.

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

QUESTIONS.

PRICES CONTROL.

As to Hay and Chaff.

Hon. A. R. G. HAWKE asked the Attorney General:

When is the report in connection with hay and chaff prices referred to in my question to the Minister for Lands in the Legislative Assembly on the 23rd September likely to be made available?

The ATTORNEY GENERAL replied:

Any report in connection with prices necessarily contains confidential information. I have received a report in connection with hay and chaff, and the hon. member may see it at my office.

LEGISLATIVE COUNCIL FRANCHISE.

As to Introduction of Legislation.

Hon. A. R. G. HAWKE asked the Premier:

Is he yet in a position to indicate when the Government is likely to introduce legislation for the purpose of trying to liberalise the franchise for the Legislative Council?

The PREMIER replied:

It is intended that legislation dealing with the franchise for the Legislative Council should be introduced during this session.

BLACK DIAMOND COAL LEASES.

As to Agreement with Amalgamated Collieries.

Mr. MARSHALL asked the Minister representing the Minister for Mines:

In view of the fact that the Amalgamated Collieries of W.A., Ltd., is, and has been for some considerable time, mining for coal on what were known as the Black Diamond leases, which are held in fee simple, and having regard to the fact that the company has not complied with the covenants of the Mining Act to mine lawfully upon land held in fee simple, what Act and what section gives the Government the right to come to an agreement with such company to mine unlawfully on such land?

The MINISTER FOR HOUSING replied:

The holdings formerly held by Amalgamated Collieries of W.A., Ltd. are being re-vested in that company and when so vested, authority will be required to mine on private property.

At present the overburden is being removed with a view to mining the coal.

COMMONWEALTH BANK.

As to State Government's Business.

Mr. MARSHALL asked the Treasurer:

(1) Is it a fact that there is an agreement in existence between the State of Western Australia and the Commonwealth which makes it obligatory upon the State to transact all its financial business with the Commonwealth Bank of Australia?

(2) If so, on what date will such an agreement expire?

The TREASURER replied:

(1) There is an agreement between the Government of Western Australia and the Commonwealth Bank under which the latter is the banker for the Government.

(2) The agreement may be cancelled by either party on reasonable notice being given.

FEEDING STUFFS.

As to Analyses, Deficiencies and Prosecutions.

Mr. WILD asked the Minister for Lands:

(1) How many stock foods have been registered for analysis with the Department of Agriculture under the Feeding Stuffs Act, 1928-1946, during the past 12 months?

(2) How many samples of such feeding stuffs have been analysed by the Department of Agriculture during the last 12 months, and on how many occasions were the samples found to be under the analysis registered with the department?

(3) Who were the firms and what was the nature of the feeding stuff found to be not in accordance with the Act as in question No. (2)?

(4) How many prosecutions have been launched during the past 12 months; against whom were they lodged, and what were the results?

The MINISTER replied:

(1) (a) Year ended the 30th June, 1948 —171.

(b) Since the 1st July, 1948—149.

(2) (a) Year ended the 30th June, 1948 —73.

(b) Since the 1st July, 1948—55 (20 of these were results of samples taken during 1947-48).

List laid upon the Table shows results of analysis, those deficient being underlined in red.

(3) Shown on list laid upon the Table and underlined in red.

(4) (a) Three.

(b) Anchorage Butchers Ltd.
David Gray & Co. Pty. Ltd.
J. L. Taylor.

(c) Each party was fined £1 plus £4 14s. 6d. costs.

EDUCATION.

As to Bunbury High School Playing Field.

Mr. MURRAY asked the Minister for Works:

In view of replies to questions regarding the contract between the Municipality of Bunbury and the Government, will he now inform the House:—

(1) Who was responsible for underestimate of cost for the work, i.e., £900?

(2) Does the revised estimate for completion suggest an expenditure of an additional £1,000, or thereabouts?

(3) If the answer to No. (2) is "Yes," will he take steps to ensure that no future contracts are entered into without complete check by departmental officers?

(4) Was there no penalty clause in this contract to ensure completion at amount claimed?

The MINISTER replied:

(1) The offer to carry out the work for £900 came from the municipality and was accepted by the Public Works Department.

(2) The department has not made a revised estimate. The council, however, has stated that approximately a further £1,400 will be required to complete the work.

(3) The checking of details of all contracts and compilation of contractors' tenders would involve a heavy strain on the staff of the Architectural Branch. It suffices to ensure that the department receives full value for expenditure involved.

In this case the department was entitled to assume that the council in undertaking to carry out the work at a low figure was offering to contribute on its own behalf to the improvement of the municipality.

(4) Yes, there was a penalty clause. The rate for liquidated damages for non-completion of work was (and is) 10s. per day.

IRON AND STEEL INDUSTRY.

As to Tabling Papers.

Hon. A. R. G. HAWKE asked the Minister for Industrial Development:

Will he lay upon the Table of the House all papers dealing with the proposals to establish an iron and steel industry in Western Australia?

The MINISTER replied:

No. The agreement signed recently has already been tabled. There is no objection to the hon. member perusing the papers at the offices of the Department of Industrial Development at a time to be arranged.

MINE WORKERS' RELIEF FUND.

As to Aluminium Therapy Treatment Expenses.

Mr. STYANTS asked the Minister representing the Minister for Mines:

(1) Is it correct that the medical and administrative expenses in connection with aluminium therapy treatment in the gold mines of this State are to be paid from the moneys of the Mine Workers' Relief Fund?

(2) If so, what is the annual estimated cost?

The MINISTER FOR HOUSING replied:

(1) The Mine Workers' Relief Board, comprising representatives of all contributors to the fund, has agreed that the fund would bear the cost of medical and administrative expenses in connection with the therapy treatment which it is hoped will ultimately considerably reduce the number of beneficiaries thus saving the fund.

(2) First year £4,400, thereafter £2,500.

HOSPITALS.

As to Improvements at Kalgoorlie.

Mr. STYANTS asked the Minister for Health:

(1) Is he aware that the Government Hospital buildings at Kalgoorlie are in urgent need of repairs and renovations?

(2) Is he aware that estimates for this work were made out some months ago?

(3) Can he inform the House if, and when, tenders are to be called for this work?

The MINISTER replied:

(1), (2) and (3) Tenders for renovations have been called and will close on the 2nd November, 1948.

PRIVILEGE.

As to Member for Canning and Magistrate's Decision.

Mr. GRAHAM (without notice) asked the Premier:

Referring to the case before the Police Court in which the member for Canning is involved, I notice from the Press that the magistrate has stated that, failing the production of a certain document, he will have no alternative but to invoke the provisions of the Justices Act and commit the member for Canning to gaol. Has the Premier any report or remarks he would care to make to the House on the subject, and in any event is it his intention to take steps to protect the position of the member for Canning, who acted as he has done and adopted the attitude he did at the direction of the House?

The PREMIER replied:

I only heard of the matter referred to by the member for East Perth late this afternoon, and I have been giving some consideration to the position that has arisen. I propose to consult with the Acting Leader of the Opposition during the afternoon and suggest, if he is agreeable, that a committee of four members from this House be appointed, two from each side, to discuss the position and make some recommendation as to what suitable steps they consider should be taken.

Mr. Marshall: The magistrate concerned should be brought before the bar of the House for contempt.

The Minister for Housing: He has been doing his duty.

BILL—THE WEST AUSTRALIAN CLUB (PRIVATE).

Read a third time and transmitted to the Council.

BILL—WESTERN AUSTRALIAN MARINE.

Further report of Committee adopted.

BILL—NURSES REGISTRATION ACT AMENDMENT.

Second Reading.

THE MINISTER FOR HEALTH (Hon. A. V. R. Abbott—North Perth) [4.42] in

moving the second reading said: The Bill proposes to amend the Nurses Registration Act with a view, first of all, to providing a new category for which a certificate can be given under the Act, namely, that of a mothercraft nurse, and, secondly, so that nurses training in hospitals mainly devoted to tuberculosis patients may commence their training at the age of 18 instead of 21.

Hon. E. Nulsen: Our chickens are coming home to roost.

The MINISTER FOR HEALTH: I cannot differ from the hon. member in that respect. It is proposed that trainees undergoing the mothercraft course should do 15 months' training at an institution approved by the Governor. I have discussed the matter with some of our leading gynaecologists, and they consider that this would be of material advantage in giving assistance to mothers and their new-born infants, and would meet a large demand. There is in Western Australia a suitable institution where such training could be done—I refer to the Alexandra Home for Women.

This procedure has been adopted in Tasmania, and I am informed it is also likely to be adopted in some of the other States. It is felt that in the 15 months a suitable girl could be trained to have a proper knowledge so that she could do the necessary nursing of maternity cases, which do not require the services of a fully-trained nurse that are now insisted upon. I feel that this will meet with a want in the community. There are many girls who would care to specialise in such nursing, but who do not wish to do the longer and more strenuous course of a general trained nurse and then probably do their maternity course. A mothercraft nurse would not deal with a case before the child was born, but afterwards would nurse the mother and also the new-born babe. That is the first provision in the Bill.

The second deals with nurses who are to do their training, or some portion of it, at Wooroloo and other hospitals specialising in the nursing of tuberculosis patients. I feel that this provision will meet with the approval of the member for Kanowna because he put it forward in 1946. At that time I considered that girls should have greater maturity when doing their training at such institutions. But I have since had the opportunity of carefully considering the position of the nurses, and I have had the advantage, which I did not have then, of the opinion of the Government's leading medical advisers; and not only the opinion of the local members of the medical profession, but, during the recent Medical Congress, I was also able to get that of other leading physicians, in this disease, who are practising in Australia. I am advised that with proper precautions there is no greater probability of a nurse contracting this disease at 18 years of age than there is at 21. Moreover, there is no more probability of her contracting it in such a hospital as Wooroloo, than there is in a general public hospital. It is found that girls who wish to seek training, probably as tuberculosis and other types of nurses, are not prepared to wait until they reach the age of 21 years.

Hon. A. H. Panton: Can they not go into the Royal Perth Hospital at 18 years of age?

The MINISTER FOR HEALTH: Yes, but they cannot go to Wooroloo for their training at that age, nor can they go to Wooroloo as tuberculosis nurses. It is found that girls will not wait until they are 21 to commence their training nor can girls who are in other Government hospitals be sent to Wooroloo before they reach the age of 21 years, and that has been found to be a disadvantage in the administration of the nursing service. As members are aware, the best care and attention are given to the nursing staff at Wooroloo.

Hon. E. Nulsen: Are any of the Balts doing nursing at Wooroloo?

The MINISTER FOR HEALTH: Yes, quite a number are being trained as tuberculosis nurses. As I was about to mention, the greatest care and all precautions are taken of the nurses at Wooroloo. The girls are examined prior to being sent there to see whether they are positive or negative to T.B., and they are also x-rayed before they go there and after that at frequent intervals. I am informed, and I believe, that nursing at Wooroloo provides no greater risk to the trainees or the nurses than elsewhere in that profession.

Mr. Styants: I do not think that statement would be borne out if you got the figures.

The MINISTER FOR HEALTH: I did get the figures.

Mr. Styants: If so, it is contrary to the information supplied to this House.

The MINISTER FOR HEALTH: I think if the hon. member will look at the latest information, he will find that my statement is correct, but I am prepared to show him the information given to me if he will see me afterwards. I have both Dr. Henzell's and Dr. Cook's advice that my information is correct, and I think if the hon. member will compare the figures at Wooroloo with those of the Royal Perth Hospital he will find that they will bear out my contention.

It is proposed to amend the Act so that nurses may commence their training, should they so desire, at Wooroloo as tuberculosis nurses, or nurses being trained in the Government service may also receive training at Wooroloo, before they reach the age of 21.

Hon. E. Nulsen: You have become a convert.

The MINISTER FOR HEALTH: I think every member of this House has the greatest respect for the nursing profession and wants to see that every reasonable care and attention are given to trainees. However, when one finds that there is no greater risk at Wooroloo than there is at the Royal Perth—and I am advised that this is so—or in any other public hospital where nurses are trained, one must accept that position.

Hon. E. Nulsen: If I remember rightly, you opposed that contention when I introduced a similar measure in 1946.

The MINISTER FOR HEALTH: I did, but I have since changed by view, in technical advice. I was not easily convinced, but it was only after careful investigation and on the best authority, which puts the matter beyond any doubt, that I accepted the position. In view of that advice I have introduced the Bill. I move—

That the Bill be now read a second time.

On motion by Hon. E. Nulsen, debate adjourned.

BILL—STIPENDIARY MAGISTRATES ACT AMENDMENT.

Second Reading.

THE ATTORNEY GENERAL (Hon. A. V. R. Abbott—North Perth) [4.55] in moving the second reading said: The reason for the introduction of this measure is to adjust the salaries payable to magistrates appointed under the provisions of the Stipendiary Magistrates Act, 1930. As members are aware, justice in the junior courts is administered by what are known as resident magistrates, who are subject to the Public Service Act and come within the provisions of that Act, and by stipendiary magistrates who are appointed under the Stipendiary Magistrates Act.

Section 3 of the Stipendiary Magistrates Act, 1930, provides that the Governor may fix the salary payable to a magistrate at an annual rate of not less than £636 nor more than £1,020. When the principal Act was proclaimed to come into operation on the 1st December, 1931, 12 officers then acting as magistrates were brought under it, and the salaries then fixed remained static until 1946. In the meantime, through the retirement or transfer of some of the magistrates, the magisterial districts now in operation were limited to Perth, Fremantle and Avon and the number of stipendiary magistrates has been reduced to five, the remainder being under the Public Service Act as resident magistrates. The position of officers under the Public Service Act is subject to review every five years, but there is no similar provision in the Stipendiary Magistrates Act, and consequently for over 15 years the salaries of those holding appointments under that Act have not been increased.

Hon. E. Nulsen: This will affect stipendiary magistrates only.

The ATTORNEY GENERAL: That is so. At the beginning of this year, the Public Service Commissioner took into consideration the salaries being paid to resident magistrates and, as a result, increases were allowed to compensate for the changed conditions that have come to pass over the years. However, under the provisions of the Stipendiary Magistrates Act, it has not been possible to take any action on behalf of stipendiary magistrates. The Bill proposes to allow the maximum salary permit-

ted to be paid to a stipendiary magistrate to be raised from £1,020 to £1,152. In addition, it is proposed to incorporate in the Act power to increase those salaries as the basic wage increases, on lines similar to what is now done with civil servants and resident magistrates who come within the ambit of the Public Service Act.

Hon. E. Nulsen: That would be on the basis of what they are receiving now.

The ATTORNEY GENERAL: Yes. As members are aware, there has been a readjustment of remuneration in all branches of the Public Service. It is a little unfortunate that, when statutory salaries were being considered, for one reason or another this particular branch of the Service was overlooked. This measure will remedy that situation. I move—

That the Bill be now read a second time.

On motion by Hon. E. Nulsen, debate adjourned.

BILL—MATRIMONIAL CAUSES AND PERSONAL STATUS CODE.

Second Reading.

THE MINISTER FOR HOUSING (Hon. R. R. McDonald—West Perth) [5.3] in moving the second reading said: During the time that the member for Kanowna held the portfolio of Minister for Justice, some attention was given to the matter of law reform. That is a subject in which Mr. Justice Wolff has been particularly interested, and the Minister at that time made provision for some clerical assistance to enable the judge to proceed with his inquiries and his recommendations regarding law reform. When I succeeded to the office of Attorney General I took the matter up, and Mr. Justice Wolff, I found, had prepared certain Bills in respect of which he had had opportunity of consultation with a special committee of the Law Society. One of those Bills is that which I am now placing before the House. The learned judge has spent very much time on this question of law reform, bearing in mind that the only opportunity he has for that work is during such periods as would be looked upon normally as the leisure hours in the life of a judge who is well occupied with the normal requirements of his duties.

Hon. E. Nulsen: He is a bullock for work!

The MINISTER FOR HOUSING: Reform is one of the matters in which Mr. Justice Wolff is deeply interested and in respect of which he has made a very close and intensive study. All Parliaments are occupied to a large extent in meeting the legislative needs from day to day with regard to what I might call, for want of better words, "specific matters." Law reform deals with the improvement of the general law of the land, the kind of law that affects every day and in every way the life, social and economic, of the people, the kind of law in which is expressed the general law such as that relating to the sale of goods, which applies every time someone makes a purchase or a sale in a shop. The law relating to the sale of goods was codified in England by an eminent judge, Mr. Justice Chalmers, a considerable time ago in order that it might be in as logical and convenient a form as possible for the public and the traders. That law relating to the sale of goods is still in force in England and was adopted and is in force in this State.

The present Bill, which has been drawn by Mr. Justice Wolff as part of his interest in law reform, is a measure to codify the existing law regarding matrimonial relations, and it is also designed to simplify that law. The substantive grounds for divorce are not affected; they are left as they are according to the law today. In the application of those grounds of divorce, or in their interpretation, some amendments are suggested in the Bill as being improvements on the law as it stands regarding domestic relations. This particular matter has received attention in Great Britain, where an authoritative committee was set up to report on the law as it stood in England and to make recommendations. Those recommendations have been made, and in some respects they have already been incorporated by the British Parliament in the law applying in England. The report of that committee, known as the Denning report, has been largely followed by the learned judge in his preparation of the Bill now before the House.

It is therefore to be borne in mind that, with respect to the substantive grounds for divorce, they remain as they stand on the statute book today, but the Bill is to codify the laws that are found in a number of statutes and to give them clear and logical expression. It is to simplify the law with

regard to procedure and, in the interpretation of the grounds for divorce, certain recommendations are made which it is considered will make for a more just application of the law. The law with regard to matrimonial relations in the early days was the province of the ecclesiastical courts of Great Britain and in the time of Henry VIII—I do not intend to go too far historically into this matter—Parliament assumed some degree of authority over certain matters such as divorce. I suppose members are familiar with some of the causes why Parliament intervened at that stage.

Mr. Styants: Henry made plenty of use of the divorce law.

The MINISTER FOR HOUSING: Yes.

Mr. Styants: Even to adopting direct action.

The MINISTER FOR HOUSING: He had his own methods.

Mr. Marshall: Were not heads cut off if the parties should disagree?

The MINISTER FOR HOUSING: I would suggest that that method was rather extreme and not really in general use.

Hon. A. H. Panton: At any rate, it applied to the extreme end.

The MINISTER FOR HOUSING: In England the ordinary courts were given practically complete jurisdiction over matrimonial cases under the Matrimonial Causes Act of 1857. The provisions of that Act were extended and applied to Western Australia by our local ordinance, 27 Victoria No. 19. By that ordinance, all the jurisdiction and powers possessed by the English courts under the Matrimonial Causes Act of 1857 became vested in the courts of this State. In those early days the causes for divorce were very limited. In the case of a wife, adultery was a cause for divorce, but in the case of a husband, apart from certain kinds of adultery which were particularly heinous, divorce could not be obtained by the wife from her husband unless the adultery was accompanied by some other ground such as cruelty or desertion. In 1912, by our Statute No. 7 of that year, the grounds for divorce were enlarged and for the first time the adultery of the husband, without any other ground, was made the basis for an order for the dissolution of marriage on the application of the wife. That 1912 statute of this Parliament brought in as grounds for divorce a number of other matters such as desertion for three years, habitual drunkenness, imprisonment for over a certain period, murderous assault and incurable insanity. In some cases, those grounds had to be coupled together to get a foundation upon which a decree for the dissolution of marriage could be obtained.

In 1919, by our Act No. 33 of that year, some amendments were made to the law of divorce in this State. In particular, that Act provided, in effect, that if one party to the marriage obtained a decree for the restitution of conjugal rights—that is to say, a decree that the spouse who had left the other should return to the matrimonial home—then if that decree were not complied with, it would be the equivalent of desertion and would entitle the deserted party to take action for divorce straight away, without waiting for the expiration of the ordinary period of three years that normally is required upon which to base a decree for desertion. As a result of that Act such a large number of persons made use of this speedy way of getting a divorce, that Parliament became concerned and the relevant part of that Act was repealed in the following year, namely, 1920. By a further Act of this Parliament, No. 23 of 1925, provision was made to meet the difficulty of a woman who had obtained a separation order involving maintenance and whose husband habitually made default in the payment of that maintenance, and it was provided by the Act of 1925 that if this default continued systematically over a period of three years, there would be grounds for a dissolution of the marriage on the petition of the wife.

The next step was in 1935 when the whole of the divorce laws of the State were transferred to the Supreme Court Act of that year. It is the view of those who have studied this matter—and it is one of the reasons for introducing the Bill—that the law regarding matrimonial causes should not have been included in the Supreme Court Act. There was some question at the time about the justification for including this branch of law in that Act, but it was so included, and I think it can be said that this was not satisfactory, because the Supreme Court Act is of a procedural nature and deals with the operations of the Supreme Court and its juris-

diction generally. From the point of view of drafting and the expression of our statute law, it was not correct that in such an Act there should have been included a substantive branch of law such as that dealing with matrimonial causes. If this Bill be passed, it will be removed from the Supreme Court Act and will form the subject of a statute entirely devoted to the codification of that particular branch of law.

Still dealing with the historical side, the next step in the development of the law on this subject was an Act that was passed by Parliament in 1945. The member for Kalgoorlie will recollect that law, which provides that five years' actual separation shall be a cause for divorce subject to certain stipulations and reservations set out in the Act. Those, briefly, are the various enactments showing the development of the law on the subject in this State.

I wish now to turn to the Bill. I propose to make some reference to the main provisions and, after I have done so, members will have an opportunity to study them and, in the Committee stage, I shall be pleased to deal more particularly with the various clauses. Members will find that the Bill contains the usual clause dealing with definitions. Under that clause, the desire has been to put the position clearly for the information of all concerned; and, in respect of certain matters as to which there remains a doubt regarding what the law is, that doubt has been resolved so that those who approach the court might have a clearer knowledge of what their rights and liabilities are.

For instance, in the definition of "adultery," it is proposed that the term shall include rape. At present there is some doubt whether rape comes within the definition of "adultery," but there seems to be no very valid reason why any doubt should exist. However, the doubt will be resolved by the definition in the Bill. The definition of the word "child," which is of great importance in matrimonial relations because so often a child becomes the subject of consideration as to custody and maintenance, has been enlarged to include an adopted child for the reason that often nowadays an adopted child has to be considered.

There is also a definition of the word "collusion" which, shortly, is an artificial arrangement between the parties whereby they agree that certain facts that are not necessarily the real facts shall be brought before the court, the parties putting their heads together with a view to getting a dissolution of the marriage. If the parties, one of whom is contemplating divorce, agree between themselves that the husband shall provide a certain income for the wife and children pending the conclusion of the divorce proceedings, the provision of that income shall not be deemed to be collusion and, not being collusion, will not be any bar to a divorce being obtained later.

There is a doubt as to whether an agreement by the husband with the wife to provide an income for her and the children pending the hearing of the divorce suit is or is not collusion and, as it is most desirable that the reasonable needs of the wife and children should be protected pending the hearing, this definition will make it clear that the meeting by the husband of his proper obligations to his wife and children pending the hearing shall not be regarded as collusion. "Collusion," broadly speaking, is reprobated in order that the court shall not be called upon to act on the basis of a spurious case put up as a result of a conspiracy between the parties concerned.

"Desertion" has been defined in order to settle two points that are important in this connection. There has been some doubt as to whether adultery by a spouse who has been deserted should put an end to the desertion. There seems to be no reason why that should be the case, and the definition makes the point clear. Another matter in the case of desertion relating to its application as a substantive ground for divorce is that of refusal of marital intercourse. By this definition the wilful and unreasonable refusal of marital intercourse is to be desertion if it is continued for three years. In Scotland that is the law now. So far it is not the law in England, but it is suggested here—and I think on good grounds—that the wilful and unreasonable refusal of marital intercourse continued over a period of three years should be deemed to be desertion of the spouse. Bearing in mind the basis of marriage, there appears to be no reason why this should not be as much a

matter of desertion as the mere physical withdrawal by one spouse from the society of the other.

At present, if there is such a refusal on the part, say, of the wife and the husband leaves the matrimonial home, the husband is not held to have deserted his wife. The law holds that it was not unreasonable for him to leave the home in such circumstances. Therefore if those circumstances exist, the wife is not able, by reason of the husband's withdrawal from the home, to claim at the expiration of three years that the husband had deserted her. There is at present no right on the part of either spouse to secure relief from the marriage under such conditions where the marriage has in fact ceased substantially to exist. This is a reform that it is suggested would be of advantage in the law of matrimonial relations.

Another clause deals with procedure. The procedure in divorce is a survival from the old days when divorce was a matter for the ecclesiastical courts and the proceedings are initiated by what is termed a petition, while the other documents involved in a suit are special documents differing from those used in ordinary civil proceedings. There seems to be no reason why documents of the same type and proceedings of the same nature should not apply in the case of divorce, because there is a claim by one party and there is an answer or defence by the other party. By this Bill the documentary part as well as the procedure generally in divorce is assimilated with that applying to ordinary civil action. This will tend to simplify the law and reduce, to some extent, the costs that are involved.

Mr. Styants: What would be the general position as regards costs? Would these proposals decrease or increase costs?

The MINISTER FOR HOUSING: They should decrease the costs of divorce. The object of the Bill is to make a clear statement of the existing law in logical form, and it should have the advantage of improving and simplifying the procedure and thereby, I believe, should make for a reduction, rather than otherwise, in the costs.

At present a husband may claim damages against an adulterer, but there is no converse position under which a wife may claim damages from an adultress. Such a case might not arise very often, but there appears to be no reason why, if a wife has been wronged, she also should not be able to obtain damages and compensation from the woman who broke up the home if the woman is able to pay, just as the husband may obtain damages or compensation from a man who has broken up his home by committing adultery with his wife. The Bill proposes to give equal and reciprocal rights to husband and wife against the man or woman who has been the means of breaking up the matrimonial home. At present there is some doubt as to the correct procedure which should be taken where the respondent desires to make a claim against the petitioner. The petitioner may make a claim of adultery against his wife and the proper procedure for the wife to take who desires to make a counter charge against her husband is not clear. This Bill makes it clear that the counter charge can be raised, in the same way as in any other civil case, in the proceedings which are existing and which have been taken at the instance of the first person who initiated the petition for divorce. That will help to minimise expense because it has been thought that in some cases, where a counter charge is desired to be made, it should be done by initiating entirely fresh proceedings; whereas now the counter charge can be raised and dealt with in the proceedings already current.

A further clause provides that in such a case as desertion—as far as I know, the only case where it arises—if, at the time the trial takes place, the claimant or the petitioner has applied too early and it turns out that the three years' desertion has not actually expired, instead of the suit being dismissed, as at present, the judge will have power to adjourn the proceedings until the statutory period of three years has expired. That will again save expense, because it sometimes happens that the date when the desertion commenced cannot be proved to the satisfaction of the judge, although a later date can be proved. At present when the three years' desertion has not been proved at the time of the trial, the judge has to dismiss the suit; and when the three years has expired the petitioner has to bring fresh proceedings, with additional expense. By the provision in this Bill the judge, in such circumstances, seeing that the period is likely to elapse in due course, may adjourn the proceedings until the time the period

has expired, when the case can again be listed and the petitioner given relief.

Mr. Styants: That would only involve a short period, I suppose?

The MINISTER FOR HOUSING: Yes. It would be discretionary on the part of the judge. Again, when there are divorce proceedings pending, property questions sometimes arise. It may be that the husband says he has put a house, or a farm, or something else in his wife's name, property which really belongs to him, and that she is only a trustee for him. The wife denies this and says the property was given to her or that she bought it out of her own money. At all events, she claims that it belongs to her. As the law stands although these questions regarding property arise in consequence of the divorce proceedings and as a direct outcome of the breaking up of the matrimonial home, the court has no power to deal with them. The parties concerned have to initiate and be concerned in a separate action at law at the cost of additional expense and time.

Under this Bill the court is given power to deal with matters of property in the same proceedings as those in which the divorce issues are being considered. That means that a judge will be able to deal not only with the dissolution of marriage, but in the same proceedings will also be able to settle all matters which are outstanding between the parties as to the possession or ownership of property. That again is designed to avoid a multiplicity of law suits and reduce costs to the parties concerned.

There is power in the Bill for the court to grant injunctions in certain cases. That is a procedure which will not very often be adopted. But it may be necessary in some cases, as where, for example, one spouse may threaten to take a child from the custody of the other spouse. This may not be desirable and the judge will be empowered to intervene by injunction and maintain the status quo until the proceedings have been determined. Another important clause relates to domicile. Domicile, in general, means the place where a party has his permanent home as distinct from the place where he may be residing for the time being. Broadly the position is that, internationally, courts consider that the law of the places where parties are domiciled is the law which should be regarded in order to determine what their matrimonial rights are in relation to matters like divorce.

That has been found to be narrow in its application and has been altered in some countries. We altered that law in this State ourselves by our legislation to protect the wife in the case of desertion. Normally the wife's domicile is the same as the husband's. When he changes his domicile, automatically hers changes also and coincides with his. By our existing law we provide that where a wife is deserted and subsequently the husband changes his domicile, the wife shall be deemed to retain her domicile in this State if she remains in this State, for the purpose of obtaining a divorce from our courts on the ground of desertion. It sometimes happens that this narrow view of domicile makes it difficult for parties to obtain what are their legitimate remedies and the procedure is also so expensive as to be prohibitive, if, for example, the husband has gone to some other country.

By this Bill the position regarding domicile has been stated in somewhat broader terms than has been the case before as far as the jurisdiction of our courts is concerned; and into the matter of domicile have been imported certain qualifications regarding residence which will enable the courts to assume jurisdiction. The provisions of this Bill are based substantially upon the Denning report, to which I referred before in connection with British law; and on this point of domicile, when members have had an opportunity of reading what is in the Bill, I will have an opportunity to say more in the Committee stage.

The grounds for the dissolution of marriage have been stated and there are set out the existing substantive grounds for the dissolution of marriage as now contained in our law. In addition to those grounds, other grounds have been inserted. The additional grounds inserted appear at the end of the clause in the Bill which deals with the grounds for dissolution of marriage; and those additional grounds relate to such things as insanity of one party at the time of the marriage, by reason whereof such party was unaware that a contract of marriage was being entered into. The provision deals with the legal incapacity of one or both parties on the ground of lack of age or, as the term is, "nonage." It deals with

duress or fraud brought to bear or practised by one party or the other to bring about marriage, and with one other ground in relation to the consummation of the marriage, which members will find set out in the Bill.

Those grounds to which I referred as having been included in the grounds for a dissolution of marriage in addition to those which already appear in our legislation are now grounds for declaring a marriage void by other proceedings. Those grounds make a marriage voidable. That is to say, if proceedings are taken and any one of those grounds is substantiated, the court has power to declare the marriage void. One of the consequences of the law as it stands is that where marriages are voidable for the reasons I have mentioned, and in fact are subsequently declared void as the result of proceedings taken for that purpose, any children who have been born in the meantime are not legitimate. At least they are not legitimate when the marriage is declared void in the lifetime of the parties to the marriage. The result of the law in that respect is, I should say, in the highest degree unsatisfactory from the viewpoint of the children.

It is considered to be a reform of importance that instead of those marriages which are voidable for the causes I have mentioned being treated in a separate category as voidable marriages, all such marriages should be dissolved in the same way as marriages are for the existing grounds of dissolution. In other words, the marriage in the meantime will be treated as a subsisting marriage and any children born during the period up to the dissolution will be legitimate children, as I think everybody will agree they should be.

There is a provision in the Bill for a party to the marriage to obtain a declaration that the death of the other spouse may be presumed. There is now no such power. It is true that, under the Criminal Code, if one spouse has been missing and not heard of for seven years and the other one marries, the one who goes through the ceremony of marriage will not be held guilty of the crime of bigamy, but the ceremony of marriage will none the less be entirely invalid if the husband is subsequently shown to have been alive at the time. The Bill therefore proposes that it shall be within the power of the court, after hearing all the necessary evidence and on being satisfied beyond all reasonable doubt that the spouse in question is likely to have died, to declare that there is a presumption of death. After such a declaration the other spouse will then be in a position to marry, because the declaration of the presumption of the death will be associated with a decree for the dissolution of the marriage. That means that when one party to the marriage has not been able to hear of the other party perhaps for seven years or more, and may be comparatively young and desire to remarry, that party by taking these steps may undertake re-marriage without the present danger that such a marriage may turn out to be no marriage at all. This is a matter that would be dealt with by the courts with all due care and responsibility. It is considered reasonable to afford protection to a spouse if the other spouse has withdrawn perhaps for seven years or more and has taken no interest at all in the one who has been deserted.

Mr. Styants: And the second marriage would then be valid, even if the other party to the first marriage turned up?

The MINISTER FOR HOUSING: Yes, just as though there had been a divorce. It sometimes happens that proceedings cannot be taken on the ground of desertion because normally, on that ground, there has to be some endeavour to bring the proceedings to the notice of the other party, and if that other party has vanished into the unknown it is difficult to bring the divorce proceedings for desertion to his or her notice.

Mr. Styants: What is the present standing of any children born of that second marriage?

The MINISTER FOR HOUSING: They would be illegitimate.

Mr. Styants: It is most desirable to have that altered.

The MINISTER FOR HOUSING: Right through, going back to ecclesiastical days, there has been a provision for matrimonial relief—short of dissolution of marriage—known as judicial separation. There are two forms in which a spouse may obtain an order for such a separation. One applies to the wife and can be obtained in the police court in summary proceedings. In the other case a decree for judicial separation may be obtained in the Supreme Court. In neither

case does such a decree involve any dissolution of the marriage, but the parties are no longer bound to live with each other. The procedure of judicial separation in the Supreme Court—which I think is hardly ever availed of nowadays—is in fact retained in the Bill, and the causes for judicial separation are categorically stated in it.

Mr. Marshall: Why has a husband to go to the Supreme Court for redress, while a wife can go to the lower court?

The MINISTER FOR HOUSING: That causes a sudden doubt in my mind as to whether he could, but the Married Women's Protection Act deals with the proceedings for separation in the police court, and the husband cannot avail himself of that Act. The question has previously been raised as to whether a husband should be entitled to summary redress in the police court in appropriate cases, just as is the wife——

Mr. Marshall: The husband has no redress under the Married Women's Protection Act?

The MINISTER FOR HOUSING: No, no right to relief at all.

Mr. Marshall: Is it not time he was given some opportunity to obtain redress?

The MINISTER FOR HOUSING: That might be another subject of law reform, but at present we are dealing with the jurisdiction of the Supreme Court and are not able to affect the position under the other Act.

Mr. Marshall: You are on pretty safe ground, but if you look at the divorce lists in the Press you will find some justification for the argument.

The MINISTER FOR HOUSING: That is so, but under this Bill there is no power to deal with the matter referred to by the member for Murchison. The Bill also makes provision to clarify the position with regard to property as between husband and wife, should either die during the period of operation of an order for judicial separation. In addition to the dissolution of a marriage on certain grounds and in addition to the separation of the parties under a decree for judicial separation there is yet another cause for the termination of a marriage, and that is by means of a suit for nullity.

The grounds for a suit for nullity are set out in the Bill and they represent the existing law. Shortly they are that the parties are not entitled to marry under the laws relating to affinity or consanguinity. Another is that the parties merely went through an ostensible form of marriage and the person who performed the ceremony had no authority to do so. The third cause is that the parties who went through the form of marriage were not entitled to marry because one of them was already married to some other person. In those cases the procedure is to declare that the marriage was a nullity from the start, and it is in some cases necessary to take proceedings in order to have that declared in due form of law. The Bill abolishes one procedure that is now in the law and is called jactitation. It arises where a person claims and advertises—in the broad sense of telling people—that he or she is married to some other person, whereas in fact no such marriage exists. In that case the party who claimed to be injured could bring proceedings in order to obtain a declaration that the assertions or claims were unfounded and that no such marriage in fact existed. That form of proceedings has been abolished in the Bill. It is obsolete and has not been used for a long time, so there is no reason why it should now form part of the law.

In addition to that the Bill provides and sets out the machinery for declarations as to personal status. It may happen and does happen that a person's right to property or to inherit property may depend upon something such as the validity of a marriage and, while all the evidence is available, it may be of the utmost importance to that person and his or her children that the grounds upon which he or she might form or base any claim should be determined by the court in order that there might be a declaration as to their validity or otherwise, because those grounds would determine the personal status of the people concerned; that is to say, the relationship by virtue of which they would base their claims. The law with regard to the right of anybody to apply to the court for a declaration of personal status being, as it is, associated in general directly with marriage and the validity of marriage, that law is now stated and clarified in the Bill.

Another clause contains power to enable inferior courts to make a determination as to whether or not a marriage exists. It may happen, in the lower court for example, that a right to property or a liability to pay money may depend upon whether or not a

marriage exists. It is provided that the court may, as incidental to the proceedings before it, come to a conclusion on this point, but power is given in the Bill to have the question removed to the Supreme Court, so that if any person thinks the determination should be made by a superior court that party may call upon the Supreme Court to determine the position. The Bill contains statements of the law as to the various matters which are to be taken into account by a court in hearing an application for the dissolution of a marriage. There are certain circumstances that are absolute bars to an application for a dissolution of marriage. They are circumstances such as collusion and connivance, and there are also certain circumstances that are discretionary bars, such as the adultery of the petitioner. Those discretionary bars are matters that the court may act upon to refuse a petition, according to its judgment. Those matters, as they appear in the law today, are set out clearly in the Bill.

Members will find that, in relation to the measure recently passed, dealing with five years de facto separation as a ground for divorce, that ground has been retained in this Bill, but the arrangement of the various matters has been altered so as to fit in with the general principles of the Bill or, more accurately, to fit in with the general arrangement of the Bill. For example, as one ground for divorce, the five years de facto separation has been set out, and later on, in the bars to divorce, are set out the various matters which under the existing law can be raised to show that a claim for divorce on the ground of five years de facto separation should not be upheld by the court. It is not a matter of altering the law in any way but of putting the different parts of the law in their proper places in the logical arrangement of the Bill.

The measure provides that in general the mode of trial shall be by a judge without a jury. By that means there is a saving of cost and litigants are widely satisfied to leave the matter to determination by a judge, but juries can be and sometimes are called for with the result that the cost of litigation is increased. At present the procedure is to make a provisional order for the dissolution of a marriage. It is known as an order nisi, and at the end of six months application is made to the court for a decree absolute. The decree absolute comes before the Judge in open court as the result of proceedings taken by the parties, in the same way as in the original application for the divorce, except that the decree absolute is nearly always more or less a matter of form. There is no reason why the parties should wait for six months before a decree nisi is made absolute, and the Bill proposes that this period shall be reduced from six months to three months. Indeed, under the Denning report, the recommendation is that the period be reduced to six weeks, but in the Bill the period is stated as three months.

In addition, it will no longer be necessary, under this measure, for proceedings to come before the court for the purpose of obtaining a decree absolute unless there is some intervention after the decree nisi, as there can be if there has been collusion or false evidence. That intervention can be by the Attorney General on behalf of the people. Unless there is some such intervention, under this measure the decree absolute will automatically be recorded by the Registrar of the Supreme Court, and that will mean a material saving to litigants in the cost of divorce. The Bill deals also with the custody of children, which is associated directly with the power to dissolve a marriage. It deals with maintenance or alimony which may be ordered for the wife and children, and empowers the court to review and make equitable adjustments between the parties in relation to property which may have been settled in consequence of the marriage and in which one or both parties have an interest.

There is a new provision, taken from the Denning report, which provides that a marriage cannot be dissolved within three years of its being contracted unless with the consent of the court. It has been considered by many social thinkers that in these days, when marriage is not so carefully contemplated as perhaps it was in the old days, it should not be possible almost immediately after marriage to approach courts and obtain a dissolution of the marriage. It is therefore provided, in certain cases, that unless the judge consents to the proceedings being taken earlier as a result of application being made to him for that purpose, the court will not entertain an application for a dissolution of the marriage until three years have expired from the time the marriage was contracted.

Mr. Styants: Would that apply in the case of adultery?

The MINISTER FOR HOUSING: I meant to check that to see what the situation is, because it is some little time since I prepared for the introduction of the Bill.

Mr. Marshall: There is no doubt about it; it applies there. The parties would have to go to the judge.

The MINISTER FOR HOUSING: Yes, it is in the discretion of the judge. I could not put my finger on the exact clause. The measure then goes on to deal with certain matters, such as evidence, and it has a number of procedural matters, but the points I have covered I think, in outline, are the main principles involved in this measure. It does not seek to alter the substantive grounds for divorce, although in one or two respects it does alter the law as to the application or interpretation of those grounds, in particular, in the case I mentioned, where marital intercourse has been refused unreasonably and persistently for a period of three years and which is now to be recognised, under this measure, as equivalent to desertion in the ordinary way.

Mr. Marshall: Look at paragraph (a) of Clause 15 on page 8 of the Bill.

The MINISTER FOR HOUSING: Yes, that is so. The provision regarding the three years relates to adultery and provides that the limitation may be waived if the judge in his discretion thinks it ought not to apply. That is the Bill, and I feel that if it is passed it will be a codification of a branch of law which is in need of codification, and it will set out the law in systematic form for the information of practitioners and the general public. It will reform procedure, which is now based on archaic provisions of the very early days of English legal history, and it will be a valuable contribution to the progress of law reform in our State. I move—

That the Bill be now read a second time.

On motion by Mr. Styants, debate adjourned.

BILL—GOLD BUYERS ACT AMENDMENT.

Second Reading.

THE MINISTER FOR HOUSING (Hon. R. R. McDonald—West Perth) [6.10] in moving the second reading said: This Bill contains only two or three principles with which I think there can be no reasonable quarrel; but in that respect I look forward to hearing the views of some members who have an intimate knowledge of the mining industry. The measure is designed to amend the Gold Buyers Act of 1921, passed something like 27 years ago. There are certain features of that legislation which experience has shown should be amended in the interests of the law regarding the detection of offences and in the interests of the goldmining industry itself. The main point in the Bill relates to the definition of "gold." The Gold Buyers Act which we seek to amend is, of course, designed to stop or limit gold stealing, and it is basic to the whole Act, its application and its effectiveness, to know what the Act covers under the definition of "gold." The definition of "gold" in the Act is as follows:—

> "Gold" or "unwrought gold" means gold alloys, gold, gold bullion, gold amalgam, retorted gold, smelted gold, but does not include assay beads and cornets or coined or wrought gold.

The definition of "gold matter" in the Act is as follows:—

> "Gold matter" means copper plates, slags, magnetings, battery or assay office sweepings or refuse, concentrates, precipitates, or any other matter containing gold as a result of the treatment of ores, and sand slimes and other residues the product of treatment of ores, and also rich specimens of gold ore.

The first part of the Act deals with the definition of "gold" and it is proposed to delete the words relating to rich specimens.

Mr. May: What do you call a rich specimen?

The MINISTER FOR HOUSING: Whereas the Act in general is concerned with gold as defined in the Act and the various offences in regard to gold, it has been found that the definition is not wide enough to embrace many substances in which gold is contained. Those substances can be of great value and are common as containers of gold, in the practice of the goldmining industry. But, owing to the limitation of the definition of gold in the Act, there are these various substances which contain gold which do not come within the definition, and therefore the Act cannot be enforced when the offence or the action relates to them. The intention of the Bill—and it is

almost the whole intention—is to introduce into those parts of the Act which relate to offences the words "or gold matter," so that the various offences and protections given by the Act to the gold industry will relate not only to gold but also to gold matter. The term "gold matter" is wide enough, if the amendments proposed are carried, to cover the various substances which contain gold and gold of great value but which at present do not come within the terms of the Act.

Mr. Marshall: Can you tell me whether there are regulations to this Act, and, if so, where they are to be found?

The MINISTER FOR HOUSING: There are regulations—

Mr. Marshall: They are repugnant to the Act; I know that before I look at them.

The MINISTER FOR HOUSING: —and they are found in the volume normally sold containing the Act and regulations, and they were made on the 21st of December, 1921. I am prepared to tell the hon. member that I have not examined the regulations and I am not going to pronounce at this stage whether they are valid or not.

Sitting suspended from 6.15 to 7.30 p.m.

The MINISTER FOR HOUSING: Therefore, in order to give reasonable protection to those engaged in the mining industry, this Bill is designed to cover gold in all the forms which it may take as the result of treatment in the course of the operations of the industry. Ancillary to the purpose I have just mentioned, it is provided by the Bill that seizure may be made of plant and appliances which are being utilised for the illicit treatment of gold or gold matter. As it is now under the existing law, there is power to seize plant which is being used for the illicit treatment of gold; but, in view of the limitations of the definition of gold, some forms of plant have not been subject to seizure at all even although engaged in illicit operations. The amendment in that respect proposed by the Bill will, by introducing the term "gold matter," in relation to the uses of such plant, make it possible for a plant which is used for illicit gold treatment to be seized, whatever the form in which the gold may be that is being treated by that plant.

Under the existing law, there are various provisions dealing with persons who are suspected to be in the illegal possession of gold. Under the Police Act, 1892, a person may be brought before a justice and charged with having in his possession anything reasonably suspected of having been stolen or unlawfully obtained; and, unless he gives an account to the satisfaction of the justice of how he came by the property in his possession, he is liable to conviction and to certain penalties. That provision in the Police Act applies to any property. It would include gold, but it would apply to any property at all. In 1902 the Police Act was amended and it provided, shortly, that the owner or occupier, or reputed owner or occupier, of any house, shop, room, building, erection or yard upon which any gold is found in any uncoined or unmanufactured form shall be deemed to have been in possession of such gold until the contrary is proved, and he can be called upon to show to the satisfaction of the magistrate that the gold in his possession was lawfully obtained.

Subsequently, by the Act to which I have referred as the Gold Buyers Act, 1921, in respect of which this Bill is an amendment, it was provided by Section 36 that a person who is in possession of gold which may be suspected to have been unlawfully obtained may be called upon to show that the gold was come by honestly; and if he fails to show that the gold was so acquired, then he may be convicted and he becomes liable to the penalties prescribed by that Act. It has to be borne in mind that, under the provisions of the parent Act, in order to support a conviction it has been held by cases decided at law that the gold must be in the possession of the person concerned at the time he is interrogated as to how he came by it. If a person has had gold in his possession and is interrogated after he has parted with that gold, then the penal provisions of the Act do not apply. In the Legislative Council, where this Bill was introduced, it was proposed to extend the provisions of Section 36 by making it applicable not only when gold was in the possession of the suspected person at the time of interrogation, but also if it could be shown that gold had been on some prior occasion in his possession and might reasonably be suspected to have been stolen.

The Legislative Council deleted that provision which proposed to amend the Act by

providing that the offence could arise if the gold had been previously in the possession of the person concerned. But in the clause in the Bill dealing with this same subject, there is another subclause relating to occasions when gold may have been in the possession of a person suspected to have unlawfully obtained it; and, while the Legislative Council, by an amendment deleted the words "has had," as appearing in the original Bill, it did not delete the subsequent subclause in the same clause which related to matters of that kind. I want to tell the House, and in particular the member for Murchison for his consideration, that it seems to me that, by leaving in the subsequent subclause to which I have referred, it may well be that the retrospective operation of Section 36 may be applied, even though an amendment was made by which, in a prior part of the clause, the words "has had" were deleted. I think that interpretation is possible. As the Bill now stands, it may be possible that it could be construed as having a retrospective effect and relating back to gold which had been in the possession of the person concerned at some date prior to the date on which he was interrogated.

Mr. Marshall: There is no limit to which you can go back.

The MINISTER FOR HOUSING: There are one or two limits. First, there is the legal limit, inasmuch as a prosecution has to be lodged within six months; and, secondly, there is the practical limitation, in that it is, in general, exceedingly difficult to go back very far and procure the necessary evidence to show that gold, suspected to have been unlawfully obtained, had been in somebody's possession a considerable time before. It will be found in actual practice that the evidence would not be likely to be obtained unless the gold had been in the fairly recent possession of the person who is interrogated. The matter obtained some importance from the case of Williams v. McLernon, which was dealt with in the Supreme Court of this State on appeal some years ago. In this case the defendant left Norseman and went to Sydney. It was, in fact, the case that he left the State with 300 oz. of gold in his possession, worth at present-day values, I suppose, about £3,000. He was arrested in Sydney by the gold-stealing staff of this State, or through that staff, for removing gold from the State without permission as required by the Gold Buyers Act. In respect of that offence, there is a very small penalty, and he was convicted of that offence and fined. But he was interrogated in Sydney, or on his return, in relation to gold which he had had in his possession at the time he left the State, and not being able to account for it satisfactorily he was convicted under Section 36 of the Act of not being able to account for gold reasonably suspected of having been unlawfully obtained.

On appeal, however, the conviction was set aside, the court holding that under the provisions of the Act it must be shown that the accused person had the gold in his possession at the time he was interrogated, and that it was not an offence to show that he had the gold in his possession at some time prior to the time at which he was interrogated. It is thought that, to an appreciable extent, people may get away with gold stealing by reason of that omission in the terms of Section 36 of the Act, and that where it can be shown that a person had been in possession of gold suspected of being stolen, then it should be possible to interrogate him, and if he cannot supply some reasonable explanation of how the gold came into his possession, then he should be liable to the penalties in the Act in the same way as applies if the man has the gold in his possession at the time he is questioned. It has to be remembered that gold is a peculiar substance and that the people entitled to deal with it are set out in the Act. They are certain people who operate under license. Gold is not like other property. If a man has gold-bearing substances in his possession, then there is prima facie a conclusion to be drawn that, as he had no license to have that substance in his possession, it must have been illicitly obtained.

Hon. E. Nulsen: Does that mean that he cannot be caught red-handed now?

The MINISTER FOR HOUSING: It means, as the law now stands, to use the phrase of the member for Kanowna, that he has to be caught red-handed. The amendment which had been sought was that he should not escape because he previously had had gold in his possession and had managed to dispose of it somewhere else in the meantime. The only other provisions of any consequence in the Bill are certain amendments to reduce the penalties which can be imposed. Under the parent Act, penalties in a number of cases are fairly

substantial and it is thought that they are in excess of the gravity of the offence. Therefore, in respect of a number of those offences, members will find that the penalties have been reduced in size, but have been retained to a degree which is thought to be reasonably sufficient to act as a deterrent to such breaches of the Act.

That is the Bill. It is of importance that those who put their money and effort into goldmining should have reasonable protection. I do not think there would be anyone who would defend those who illicitly deal in gold to the prejudice of people who are bona fide producers by their capital and their work. The amendment seeks to make the Act operate in a way that will not be unfair to any honest person, but will enable more effective means to be brought to bear to check the activities of those who attempt to deal dishonestly in gold. At the present time that is a particularly lucrative form of wrongdoing. Certain countries outside of Australia will pay very high prices for gold. There is, therefore, a big temptation to deal illicitly in it. On the advice of those best able to express an opinion on these matters, the amendment has been brought down for the consideration of Parliament so that adequate protection may be given to those who are bona fide operators in the gold industry. I move—

That the Bill be now read a second time.

On motion by Mr. Marshall, debate adjourned.

ANNUAL ESTIMATES, 1948-49.

In Committee of Supply.

Debate resumed from the 19th October on the Treasurer's Financial Statement and on the Annual Estimates, Mr. Perkins in the Chair.

Vote—Legislative Council, £3,454.

HON. A. R. G. HAWKE (Northam) [7.47]: The task of delivering a Budget speech is a difficult one for any Treasurer, mainly because the person delivering it has to be extremely careful, in the interests of accuracy, to ensure that no mistakes occur. In fact, it is the practice of most Treasurers to stick very closely to the typewritten copy of the speech for the special purpose of preserving 100 per cent. accuracy, if that be possible. Therefore, I offer my congratulations to the Treasurer on the manner in which he delivered his Budget speech slightly more than a week ago. That speech, from the point of view of presenting a clear picture of the last financial year, and a reasonable estimate, financially, of the current year, was very informative, and it was appreciated on that ground by every member. On the basis of the extravagant preelection promises made by the present Premier and his supporters, the speech was a very colourless document. In fact, it did not contain anything that was at all encouraging to the people of the State, and there was nothing in it that was, by any stretch of the imagination, inspiring to those whose hopes had been so greatly raised by the preelection promises of some 18 to 20 months ago. Indeed, the Premier in the first portion of his remarks was extremely pessimistic about the future. He said—

I am afraid there is no indication that the inflationary spiral has ceased, or even eased, and, despite the control of prices which will now be exercised by the States, we must anticipate a further rise in costs during 1948-49.

The prophecy of the Premier on that point is, I think, well founded. It would be fairly well founded in the general course of events, but it is even more so because of the fact that the control of prices is now in the hands of six separate State authorities, whereas, previously, it was in those of the one Commonwealth authority. There is no doubt that the control of prices under State authorities will not be nearly as strict or effective as it was under the Commonwealth method. Therefore, the Treasurer is quite correct in believing that costs and prices will continue to increase, with the result that the spiral of inflation will continue to move upwards with serious results to the people generally and grave financial results to the State Government. The actual deficit in the State's accounts last year was £352,000. That was reached after the Commonwealth Government had made a special grant of £1,000,000 to Western Australia towards the end of the financial year to help the State to get more nearly towards the balancing of the Budget. The net deterioration in our finances during the last financial year, as compared with the previous one, reached the very high figure of £1,831,000.

Members will have no difficulty in arriving at the belief that the financial deterioration was severe indeed, but I am not criticising the Treasurer particularly in that re-

spect. Any member of Parliament, or for that matter any person who takes a keen interest in public affairs, will know that the post-war period associated with any war is one in which the accumulated costs of wartime are incorporated into the production structure, as costs of production, either by taxation, or some other form, and then through the costs of production find their place in rising wages and increasing prices. It was inevitable, therefore, in my opinion, that there should be in this post-war period a substantial rise in costs, and consequently a difficult period for the Treasurers of Governments, State and Commonwealth alike.

The total amount received by this State last year, by way of Commonwealth grants, was £2,977,000. That amount was in addition to the taxation reimbursements handed to Western Australia by the Commonwealth from the proceeds of Commonwealth income taxation. However, the fact that this State did last year receive nearly £3,000,000 by way of straight-out grants from the Commonwealth, indicates that the burden of Government in Western Australia in these days is extremely heavy. I doubt whether there are many people in the State today who think that Western Australia would be better off if we could revert to the position that existed immediately before the Commonwealth Government introduced the uniform tax system. If anyone cares to work out how much income tax Western Australia raised in the years immediately before the war, and how much the rates of tax then imposed would have to be increased to enable this State to carry its many heavy burdens today, he would find that they would be so high as to be incapable of being carried successfully by the people of Western Australia.

The Premier: The national income, of course, greatly increased.

Hon. A. R. G. HAWKE: That is true. It has increased considerably. But I think the more important fact is that even with a grant of £3,000,000 last year, our finances were still, to the extent of £352,000, on the wrong side, which goes to show that if we as a State were depending entirely upon our own taxation resources, we would in these days be in an extremely difficult situation. There can be no denial of the fact that the Commonwealth uniform income tax system does raise from the taxation resources of the Eastern States—especially New South Wales and Victoria—substantial sums of money, portions of which come to Western Australia by way of grants from the Commonwealth.

I do not want to enter into a discussion at this stage on the question of what will be the final outcome of the Commonwealth-State's financial relationships. However, it is clear to every public man in Australia that the present situation cannot go on indefinitely. This State and other States cannot for all time be left in a position of having to depend year after year upon Commonwealth generosity, beneficence or whatever else one may like to call it, to enable the States to function. It does appear to me that this State, South Australia and Tasmania depend today upon the Commonwealth for their successful functioning in regard to their development. This State must have money with which to carry on its normal activities and all those normal activities have to be financed from Consolidated Revenue.

If for any reason, at any time, the Commonwealth authorities find themselves hard held financially it is difficult to visualise how a State like Western Australia is going to carry on successfully with its many vital State activities. It is not inconceivable that within the next five years, or after the next five years, there might develop in countries oversea a financial and trade situation that would tend to bring about a decrease in the high prices which the people in those countries are paying today for the wheat, wool, meat, butter and other primary products which we send to them from our surplus production. Western Australia, depending as it does very largely upon its income from exports oversea, would probably be the first State to be hit in such a situation and would certainly be the State hardest hit.

Logically enough, therefore, it is necessary that those concerned in this State should give increasing attention to the best steps that might be taken to ensure that the finances of Western Australia, in the governmental sphere, shall be placed upon a safer basis than they appear to be at present. I know it has been suggested over a period of many years that a convention of Commonwealth and State representatives should be held for the special purpose of debating frankly this problem in the hope that a

permanent solution might be found. The problem of Commonwealth-State financial relationships is not by any means a new one, but it has been very severely aggravated because of the war and particularly because of the increasing costs upon Governments and industries in the present post-war period.

As I have said, the total amount of grants received by this State last year from the Commonwealth was nearly £3,000,000. In his Budget speech the other evening the Treasurer told us that he expects to obtain from the same source £3,600,000 during the current financial year. That will mean that Western Australia will, during the present financial year, be even more dependent upon Commonwealth grants than it was last year although the percentage of dependence in respect to the total revenue and the total expenditure might not be very much greater. In this regard I think it can be said that the Grants Commission has not treated Western Australia unfairly. Members of the Commission have shown a much better appreciation of this State's difficulties and needs. From my point of view as a public man, I express appreciation to them for the fact that they have from year to year investigated our needs and the merits of our claims much more closely, and have come to understand more fully the requirements of the State with the result that their recommendations in favour of the State have been fairer, if not more generous, and on that account I think they deserve the thanks and appreciation of all of us.

Reference should be made to the fact that Hon. J. J. Kenneally is a member of the Commission and has been for a fairly long period. I think every member of this Committee knows Mr. Kenneally personally and it is quite easy to visualise the shrewdness —and I use that word in its best sense— and the strength with which he puts forward the claims of this State. It might not be overstating the position to say that Mr. Kenneally has played a not unimportant part in the better treatment given by the Grants Commission to Western Australia over the last two or three years.

I know also that it is a very popular form of sport or amusement among opponents of the present Commonwealth Government to abuse that Government and especially its Treasurer, Mr. Chifley, in regard to the taxation which he and his Government have levied upon the people of Australia. On the one hand we have the States or most of them demanding additional payment from the Commonwealth or by the Commonwealth to the States. To the credit of our own Treasurer it can be said that he is constantly making requests to the Commonwealth Government to make additional money available to the Government of this State, or to the industries of this State, for the purpose of enabling Western Australia to speed up its progress. I think the Treasurer of every other State does much the same kind of thing, although big wealthy States like New South Wales and Victoria and, to a lesser extent, Queensland, have not the same justification for constantly seeking additional payments from the Commonwealth as have Western Australia, Tasmania and possibly, to some extent, South Australia.

These requests to the Prime Minister leave him in an extremely difficult situation because if he accedes to them then to that extent must taxation be kept upon the people of Australia or to that extent must it be increased. State Treasurers, as such, are not very concerned as to how much taxation the Prime Minister places upon the people of Australia, although, if they are Treasurers in other than Labour Governments they lose no opportunity of heaping condemnation, and in some instances abuse, upon the Federal Treasurer and his Government for the fact that Federal taxation is high and, in their own words, is higher than industry can bear. I suggest in all seriousness that State Treasurers cannot expect the Treasurer of the Commonwealth to keep on increasing Commonwealth payments to the States, and at the same time be able to reduce taxation upon the industries and people of Australia to the degree which some of these State Treasurers and their supporters claim should be done.

As a matter of fact, in one portion of his Budget speech, our State Treasurer rather complained of the fact that the Federal Treasurer had told the State Treasurers at a recent Premiers' Conference that each of them would have to increase State charges wherever it was possible and reasonably fair for them so to do. I think the Federal Treasurer was justified in the attitude he

then adopted. If the State Treasurers were prepared to continue leaving all the State charges at their pre-war level, that would automatically mean that State deficits would increase enormously. Then our State Treasurer would go along to the Federal Treasurer and request that he make available all the millions required to enable him to balance his Budget or nearly to balance it. Any Federal Treasurer could only do that sort of thing by increasing Commonwealth taxation far above what it was even at its highest level some time after the war.

In this regard, I would ask members of the Committee to take a realistic view of the situation, not of this State or any of the States but of that of the Commonwealth and especially that of the Commonwealth Treasurer. The Treasurer also told us in his speech that he had tried to convene a conference to be held in this State of all the Treasurers or the Premiers of Australia. The only Premiers who were able to accept his invitation, or who did accept it, were the Premiers of South Australia and Victoria. The Premier told us the conferences between himself and those two Premiers were successful. If that were so, it is a pity that members of this Committee and of the general public have been left completely in the dark as to the measure of success, if any, that was achieved. It is a very easy matter and a fairly popular practice in Australia to call conferences of one kind or another and for the convener to say after the conference has finished that it was a success.

The Premier: I think you will agree that it is advisable for the Premiers to confer before they meet the Prime Minister.

Hon. A. R. G. HAWKE: I do, Mr. Chairman. I also understand that the Premiers usually meet in Canberra, Melbourne or Sydney, or wherever a Premiers' Conference is being held, before they actually meet in the Premiers' Conference with the Prime Minister present.

The Premier: They are very rushed meetings.

Hon. A. R. G. HAWKE: I think it is rather a reflection on the Premiers and the different States for our Treasurer to tell us this evening that these pre-Premiers' Conference meetings are very rushed.

The Premier: They only arrive in Canberra the day before the Premiers' Conference, so you can see they have not very much time.

Hon. A. R. G. HAWKE: There is nothing to prevent the Premiers arriving in Canberra two days or a week before the Premiers' Conference begins.

The Premier: But they do not.

Hon. A. R. G. HAWKE: There is nothing to prevent them getting there days before, thus enabling the Premiers to have the utmost discussion.

The Premier: Your suggestion is a good one but it does not happen.

Hon. A. R. G. HAWKE: It could happen and I offer the suggestion to the Premier and trust that he will do his best, prior to the next Premiers' Conference, to have the Premiers meet for a full and frank discussion amongst themselves before they confer with the Prime Minister at the Premiers' Conference. However, I am still waiting to hear from the Premier by way of interjection regarding the measure of success which this conference between himself, the Premier of South Australia, Mr. Playford, and the Premier of Victoria, Mr. Hollway, achieved some months ago when it was held in Perth and a sort of sub-conference was subsequently held down in the salubrious climate of Harvey.

The Premier: Unanimity was achieved for one thing and we knew what our objective was. If the other Premiers had arrived, we would have gone still further.

Hon. A. R. G. HAWKE: The Premier assures me that unanimity was achieved. I have no doubt that about the only point on which unanimity was achieved was that to the effect that Mr. Chifley and his Government should be dismissed from office at the earliest possible opportunity.

The Premier: There were no Party politics in it.

Hon. A. R. G. HAWKE: I should not have needed the Premier's assurance that no party politics were discussed at the conference. One had only to read the many flamboyant statements issued to the Press by the Premier of Victoria, Mr. Hollway, to realise that party politics were not discussed at all. To my mind the only purpose served by the holding of the con-

ference was to give a very big opportunity to the new Premier of Victoria to show the people of Western Australia what a great chap he was. Apart from that, the conference appeared to me to achieve nothing at all.

There is another important point in connection with Commonwealth and State financial relationships, particularly as regards the ability of the Commonwealth to hand out large sums from its many sources of revenue to all the States and special grants to some of them. In 1914, before the start of World War I., the Commonwealth public debt was nil. This is a significant fact and one that should always be kept in mind by public men, especially by members of Parliament, when discussing the subject. Loans from 1914 to 1918 for World War I. amounted to £373,000,000. That money was used for war purposes alone and thus the Commonwealth debt grew from nil in the early part of 1914 to £373,000,000 by the end of 1918.

From the time the first war loan was raised in 1914 until the 30th June, 1948, the taxpayers of Australia had provided £389,000,000 for the servicing of the Commonwealth debt for World War I. In other words, from the early part of World War I. until June of this year, the people of Australia provided £16,000,000 more for the servicing of the debt and for the redemption of portion of it than the actual debt itself. Today Australia still owes £164,000,000 of that first war debt of £373,000,000. In payment of the debt contracted by Australia for World War I amounting to £373,000,000, the people of Australia have already provided £389,000,000 and still owe £164,000,000, and the balance due is still carrying an interest burden of £6,000,000 per annum.

Members will thus obtain a clear idea of how financial burdens are imposed on the Commonwealth when a war occurs and subsequently are placed on the people and the industries of the country by way of the taxation that has to be extracted from them to enable war debts to be serviced. World War I was a relatively minor affair financially compared with World War II. For World War II the Commonwealth raised loans amounting to £1,356,000,000, and these loans carry an interest burden of £40,000,000 per annum. The total Commonwealth debt in 1945 was £1,729,000,000, most of it consisting of debts contracted and still owing for the two world wars.

So it is easy to understand that the Commonwealth has its financial problems. True, in recent years, the national income has increased enormously. The Commonwealth, having first claim by way of taxation upon that increased income, has been able to raise sufficient for all its needs and even to expand its items of expenditure, especially in the field of social services and, in addition, it has recently reduced taxation to a substantial extent. Nevertheless, these very heavy financial burdens on the Commonwealth, especially in relation to war debts, are permanent and will remain as burdens on Commonwealth finance for many years.

I doubt whether the Commonwealth authority would be in a much better position than any State authority to finance the whole of its liabilities in full in the event of a trade slump of even minor proportions developing in Australia in five or six years' time as a result of a drop in prices oversea for our exportable primary products. I do not know whether at this stage we should necessarily worry our heads unduly as to the probable financial position of the Commonwealth and States in six or seven years' time in the event of a slump developing, but if we are true to our responsibilities as public men, we ought not to lose sight of the problem entirely. We saw, in 1931 and in the years immediately after, just what a terrible situation did develop in Australia because nobody had taken any steps to prepare the country financially for the trade slump and financial depression.

I have my own views as to the best method of trying to guard against such a problem in the future, but I doubt whether my views would find acceptance by the majority of the members of this Committee. I have explained them before; all I need say about them now is that they have a very close relationship to the problem expounded in Australia's experience of the comparatively small amount of loan money, namely, £373,000,000, raised by it in connection with World War I. It is impossible for a community and its industries to progress steadily while the members of that community and those industries have had to pay back £16,000,000 more than was actually borrowed and, after paying that sum back,

still find themselves owing £164,000,000 of the original indebtedness, upon which they still have to pay each year £6,000,000 by way of interest. I leave that matter at this point in the hope that what I have said upon it will have the effect of causing other members of the Committee to consider it and then give the benefit of their views to this Committee.

The total amount of interest payable by the Governments of the Commonwealth and the States per annum is today £81,000,000, or well over £1,500,000 per week. When I hear and read of people abusing the Commonwealth Government because of the taxation it imposes upon the people and upon industries, I wonder whether any of them has ever given the slightest consideration to this problem. I wonder whether any of them has ever given a thought to the question of how much taxation is imposed each year upon industry by virtue of the fact that all the Governments of Australia together have to pay away each year £81,000,000 in interest. That amount can only be obtained by the Government by taxation in some form or other; and industry can only pay that taxation after those who control it have recovered the amount from the general public in the prices of the goods that are sold to the public.

Mr. Marshall: And they wonder why the cost of living is going up!

Hon. A. R. G. HAWKE: To those who are inclined to wail about the cost of the 40-hour week and of other benefits given to industrial workers, I would say they might better spend their time in giving consideration to this problem. After all is said and done, the industrial workers do work. By and large, they are responsible for the production of industry, especially the production of the secondary and tertiary industries. They also assist very materially in making it possible for the farmers to produce great quantities of primary products from season to season or from year to year.

The Treasurer gave us his Estimates of the revenue and expenditure for the current financial year in such a way as to indicate that there would be a deficit in the accounts at the end of June next amounting to £164,723. The total revenue expected is £20,327,257 and the total expenditure, £20,491,980. These are very big figures for Western Australia. It seems no time since our total Budget was less than £10,000,000. Yet here we are, in the financial year 1948-49, with a total budget of £20,000,000. This is not all due to the fact that costs have increased. Portion of it is due to the fact that the State itself has developed new fields of activity, and is naturally anxious in this period to make up as much as possible the leeway that was created unavoidably during the war and, to a great extent, unavoidably in the post-war years.

I make no complaint at all about the fact that our total budgetary figure today is £20,000,000. It might very well be that several of the items making up this estimated expenditure of £20,000,000 are unnecessary or unwise. It is not possible in the papers that we have had made available to us to check each single item of expenditure. We naturally have to trust to the good sense of the Treasurer of the day to ensure that no expenditure is made for wasteful purposes and that as little as possible is made for unwise purposes. I am not unsophisticated enough financially to think that there are not occasions when every Treasurer finds it necessary to pay State money for purposes that are not altogether wise. Every Government comes up against problems of that kind and, in the very scheme of things, is largely compelled to make the expenditure. I was interested in the main items of increases in revenue expected to be received during the current financial year as against the last financial year.

It appears that the Crown Law Department is to receive a very substantial recoup, I think £66,000, from the Commonwealth Government for the work which this State will do in controlling prices of goods and land and in controlling other activities which recently, as a result of the referendum, were handed by the Commonwealth to the States. I should think that the system of controlling prices by the States in these days would be a much less expensive procedure than was the case when the Commonwealth had control. I say that mainly because the States, for reasons best known to themselves, decided automatically to decontrol thousands of commodities. Apparently, as time goes by, they will decontrol other commodities. As the system for controlling prices is well established it is difficult for me to believe that the State will be entitled to a recoup of £66,000 if that is the amount; but if the State is able to receive that sum

from the Commonwealth, so much the better.

The Railway Department is expected to provide increased revenue this year of nearly £1,000,000. That seems to be a tremendous increase in revenue in one year. However, it is doubtless explained by the fact that the full 20 per cent. increase in freights and fares will operate during the current year, and evidently the Treasurer does not expect the railways to lose much freight or passenger traffic because of the fact that freights and fares are now approximately 20 per cent. higher. The Treasurer might base his reasoning upon the fact that if people do not send their goods by the railways, and if they do not travel on the trains, there is no alternative method of transport available to them. If that is his reasoning, he is about right.

[*Mr. Hill took the Chair.*]

The Minister for Railways: There is a lot lost to air transport.

Hon. A. R. G. HAWKE: Yes; but most of the passenger traffic lost by the railways to aeroplanes is interstate traffic, and I think the interstate trains are still as full as they can be. I understand they are packed out on every occasion.

Hon. A. H. Panton: You have to give 28 days' notice to obtain accommodation.

Hon. A. R. G. HAWKE: Leaving interstate trains out of consideration, I say quite frankly that thousands of people in Western Australia would not travel on trains if they had some alternative method of transport. The Minister for Railways will know that I have been trying to obtain a railway road bus for operation between Perth and Northam, which so far the Minister has not been able to provide, or has refused to provide. I want to say to the Minister for Railways and to the Treasurer that the passenger trains between Northam and Perth are getting worse and worse, with the result that conditions for persons using them are little short of shocking.

The Premier: Due to the locomotive position.

Hon. A. R. G. HAWKE: I am not sure whether it is entirely due to that or to some other position. The fact is that conditions seem to be getting worse every week.

The Premier: So are the engines.

Hon. A. R. G. HAWKE: They might be.

Mr. Marshall: There have been 70 new engines placed in commission since the Government took office.

Hon. A. R. G. HAWKE: A passenger train left Northam on Sunday night at 6 o'clock. It arrived in Perth at 20 minutes to midnight, with the result that many of the adults and children on the train had no transport available to them in the city when they arrived. Many had to go to Fremantle and others to quite distant parts of the metropolitan area. Because this train arrived in Perth at that unearthly hour on Sunday night, many people were left absolutely stranded. Those who could afford to get taxis were able to do so.

The Premier: Probably a faulty engine! That seems to be the trouble.

Hon. A. R. G. HAWKE: The Premier cannot logically advance faulty engines as the reason for the bad running of trains on a Sunday. I am prepared to accept that reason in connection with the running of trains on week days. On Sundays, however, there are very few trains running; and surely it is within the capacity of the management of the railways to provide reliable engines for passenger trains each Sunday! I refuse to believe—I absolutely refuse to believe—that the Railway Department does not possess a sufficient number of reliable engines to ensure that passenger trains run on time on Sundays, or at least somewhere near it. I want the Minister for Railways to give special consideration to this matter. I know he will, because it is a problem capable of solution immediately.

When the Treasurer visited the Northam show recently, some of the local citizens, including the mayor, discussed with him the question of putting a railway motorbus on the road between Perth and Northam. I appeal again to the Minister for Railways to reconsider this matter. I assure him that businessmen and others have their schedule of appointments in Perth thrown completely out of gear, completely into confusion, when they come down by train; because, instead of the train arriving in Perth at 10 o'clock, if that is the scheduled time, and these people being able to take up their list of appointments from 10.15 a.m. onwards, the train arrives at 11.30, or noon, or 12.30, with the result that appointments made by businessmen and others from Northam are

incapable of being kept, and the people in that locality are becoming increasingly incensed at the fact that the situation is deteriorating rapidly. It seems to me there is no word other than "shocking" with which to describe the situation. I am not suggesting that Northam is the only place affected.

The Premier: Unfortunately, it is not.

Mr. Reynolds: Pinjarra?

The Premier: Yes.

Mr. Styants: Kalgoorlie?

The Premier: Yes.

Mr. Marshall: Meekatharra and Wiluna, and every station from there down to here! The trains are five, six and eight hours late. There is nothing wrong with the engines or with the coal, but the trains are hours late.

Mr. Reynolds: The member for Pingelly was going to put everything right.

The DEPUTY CHAIRMAN: Order!

Hon. A. R. G. HAWKE: I was interested in the increased items of expenditure this year, compared with last, as set out in the speech, and if time permitted I would discuss some of them, but I propose not to do so. I was, however, particularly interested in the estimated expenditure of the Mines Department. For several months now the Treasurer and some of his Ministers have been condemning the Commonwealth Government because it has not made a large sum of money available to assist our goldmining industry. The criticism has been framed in such a way as to make it appear that the Commonwealth is not interested in trying to preserve the goldmining industry of Western Australia, whereas the State Government is tremendously concerned about the problem. Because of all the criticism, I was looking forward to the present Budget speech, thinking that the Treasurer would have included in the figures for the current year a substantial amount for the assistance of the industry. However, the estimate of expenditure for this department has risen from £185,000 to £205,000, an increase of only £20,000. Of that sum, £16,000 is to meet increases in salaries. Practically none of the additional amount is to assist the industry in any shape or form.

Mr. Styants: The Government has just raised railway freights by about £30,000 a year to the goldmining industry.

Hon. A. R. G. HAWKE: When I think of the substantial increases provided for several other departments, I am moved to the conclusion that the Premier and his Ministers are not as earnest in their requests to the Commonwealth, and certainly not as genuine in their criticism of it, as they would lead the public to believe. If the goldmining industry is as valuable as the Premier would have the public believe —and I think it is—then the least he could have done was to include in the Budget a much greater increase in the expenditure of the Mines Department.

The Treasurer and his Ministers have talked a great deal about housing since they have been in power, although not in the same extravagant terms as they used just prior to assuming office. I think it is true to say that it was those promises made during the last State election campaign that were almost entirely responsible for the fact that the present Government was elected. People at that time who were urgently in need of houses were prepared to grasp at any straw for the purpose of getting homes more quickly than they otherwise would, and so they clutched at the very flimsy straw of the extravagant promises which the Premier made at that time, which promises were echoed by all of his supporters, including those in his Party and those in the Country and Democratic League.

The increase in the Budget, under the Department of Housing, this year as compared with last, is a mere £3,000. I know quite well that houses are not built out of Consolidated Revenue, and that the Government in the actual building of houses will probably expend during the present financial year much more than was expended in the previous one, but, nevertheless, we might justifiably claim that the problem of housing is so acute and urgent as to require much more administrative attention than it is receiving. To give it closer and more effective consideration would justify, I think, an increase of more than this miserly £3,000 provided in the Estimates. For instance, the Minister for Housing earlier this year told us that the outstanding applications for rental homes had increased by 3,525 from the 1st January, 1947, to July, 1948, indicating that the demand for rental homes is great in number, acute in

urgency, and requiring the very closest and most skilled attention possible.

I hope the Treasurer and the Minister for Housing are not content with the existing set-up, or that they have reached the stage where they consider everything possible is being done.

Mr. Brady: The position is getting worse.

The Premier: That is not so.

Mr. Brady: Come to Midland Junction and see.

Mr. Fox: You want to look at Fremantle.

Mr. Marshall: You want to look everywhere.

Hon. A. R. G. HAWKE: I am not at the moment concerned with the question of whether the position is getting better or worse. I am satisfied that today it is extremely acute. If there has been any improvement, I think it is very small, although it might be the maximum achievable under the conditions that have existed. What I am asking the Treasurer and the Minister for Housing to do is to consider much more seriously and deeply the possibility of fashioning the State Housing Commission into a more effective instrument in the building of houses. When the Minister for Housing spoke in this Chamber a few weeks ago on a Bill dealing with the control of building materials, he gave us a set of figures showing how the production of building materials had increased over the years 1946 and 1947, and up to July, 1948. He did not say so, but most of the improvement had been effected before the present Government took office, and most of the improvement which took place after the present Government came into power occurred because of the policy laid down by the previous Government and what it did in setting in motion a course of action to increase the production of building materials.

I understood from a statement made publicly some time ago by the Minister for Housing that cement was no longer under control. I am not sure whether that is so, but at any rate we have been given to understand, and so has the public, that supplies of cement are fairly plentiful.

Hon. J. B. Sleeman: You cannot use it without a permit.

Hon. A. R. G. HAWKE: Today I received a letter from an agent in Cunderdin who handles a considerable amount of building materials. His communication deals specifically with cement, and it reads—

> I thought you might like to know the muddle there is in connection with cement supplies and we are wondering if there is anything going to be done. You are probably aware that we are large suppliers of building materials and at the present time have contracts for the supply of materials for five dwellings, all of which are of cement brick, requiring about 30 tons per house. In the last month we have managed to receive an allocation of 8 tons altogether and there is no cement at all available to farmers for water conservation work, sheep troughing, etc. Cement has never been so short at any period so far as the country is concerned and it appears that the people holding permits to complete is of no value to them as they cannot obtain the materials. We have been advised that the Mundaring water scheme is absorbing a large and undue proportion.

The Premier: Not an undue proportion.

Hon. A. R. G. HAWKE: That letter is signed by the agents.

The Minister for Housing: There was a recent shortage of supplies, but I think it has been rectified.

Hon. A. R. G. HAWKE: The Minister for Housing says there was a recent shortage of cement but he thinks the position is being rectified. I would like him carefully to check the present situation in order to ascertain whether the shortage has been overcome, as I wish to speak to him tomorrow in an indeavour to get some cement forwarded to these agents in order that farmers in the Cunderdin district, who are wanting to build cement brick houses, may go ahead with the work. They are already in possession of the necessary permits to build and the only thing holding them up at the moment is their inability to obtain any cement at all.

The Minister for Housing: I am glad to be able to tell the hon. member that I have been into the question and think the position has eased.

Hon. A. R. G. HAWKE: I hope that what the Minister says is correct. The Premier made reference to water supplies and referred also to the proposed comprehensive water scheme for country districts.

The Premier: That will take a lot of cement.

Hon. A. R. G. HAWKE: Yes, and I think it will take more than cement from the Premier to explain away the weak attitude

adopted by his Government in regard to this matter. I will quote now from "The West Australian" of the 28th of July last. The heading is "Low Water Storages" and the subheading "Position Causing Anxiety." It is a statement by the Minister for Works and Water Supply and amongst other things it says—

> At a conference of departmental officers held in his office it was revealed that the position was comparable with that of the driest years yet experienced.

It is true that since the Minister for Works and Water Supply gave that statement to the Press a fairly substantial rain has fallen. However, although that rain was extremely helpful to crops, I do not think it was very beneficial as regards the conservation of water on individual farms. It may therefore be correct to say that the water position on farms not connected to any public water scheme is extremely serious. I have no doubt that the Railway Department will have to make available many engines and a great deal of rollingstock in an endeavour to cart as much water as possible to the drier farming areas not served by public water schemes. That will be unfortunate for the Railway Department, and troublesome and costly to the farmers concerned. Strangely enough, the water position with reference to dams appears to be worse in the Great Southern areas and the districts east of the Great Southern than in most other places.

The Minister for Works: Except away out on the North-eastern fringe.

Hon. A. R. G. HAWKE: The comprehensive water scheme that the previous Government proposed and in connection with which it was negotiating with the Commonwealth Government was one that aimed to serve 12 million acres of agricultural land in the Great Southern and North-eastern agricultural areas. A Bill to legalise that proposed scheme—so far as Western Australia is concerned—passed through the Legislative Assembly, was amended severely in the Legislative Council and was finally lost at a conference between managers of the two Houses. It is not too much to say that it was lost owing to the self-centredness and innate selfishness of one of the managers at that conference. I think it might also fairly be said that it was lost, to some extent, because the political representatives of Great Southern districts were not prepared to risk coming out against what to them appeared to be the strongly hostile opinion of many farmers in those districts.

In other words, the Parliamentary representatives of those districts lost a great opportunity on that occasion to stand up for what they believed to be the right policy regarding water supplies and to look ahead far enough to realise that, although in the previous year the water situation was good, it might not be many years before it was all wrong again. I know that many farmers in the Great Southern areas, and some in the North-eastern areas, argued that they were able always to conserve sufficient water in their dams to carry them through, and that consequently they did not wish to have to pay the rates that the Government would impose on their land if the water scheme were put through. They appeared absolutely to overlook the fact that dams cannot be filled unless the necessary rain falls and falls heavily.

The Minister for Railways: There has been a large number of bores put down in that country in the last few years.

Hon. A. R. G. HAWKE: As this summer progresses we will see how many individual farmers in the Great Southern and North-eastern agricultural areas have to call on the Government to provide them with water and with the transport to carry it from its source to the places where it is needed. I have no doubt that many of them will have substantially to lessen their holdings of sheep owing to their inability to obtain or conserve the water necessary to enable them to carry on their properties all the sheep that their feed supplies would allow them to hold if plenty of water were available.

The Minister for Works: That is likely to happen to a small degree only.

Hon. A. R. G. HAWKE: I think the action of the present Government in abandoning any attempt to try to get the original comprehensive water scheme accepted by Parliament indicated a very weak attitude, because it means that the scheme which is now to be put in will be less than half the size of the one which our Government proposed to establish. It will cover less than half the agricultural country that was to have been covered and to that extent will deny to that country, and to the

people working it in an agricultural sense, the opportunity to obtain a permanent, assured water supply that would have come to them from a scheme such as the one I have been discussing.

The Minister for Works: What would you have done? Contested the decision of the Commonwealth Government in the matter?

Hon. A. R. G. HAWKE: I am satisfied that if the Parliament of this State could have been convinced of the necessity of accepting the original comprehensive scheme, the Commonwealth Government could have been prevailed upon to meet half the cost, just as it has agreed to meet half the cost of the present scheme. We had preliminary negotiations with the Prime Minister, Mr. Chifley, in connection with the original scheme and we knew of his interest in the matter and of his anxiety to develop water conservation throughout Australia. We knew also of his anxiety especially to help a large State like Western Australia, with its small population, to develop something on a large scale in connection with water supplies and also, where possible, in connection with other matters.

The Minister for Works: That attitude of the Commonwealth Government would have been before its committee reported back to it, and not afterwards.

Hon. A. R. G. HAWKE: Committees might recommend all kind of things, but does the Minister for Works suggest that it would have been beyond the capabilities of the Premier of this State to have negotiated with the Prime Minister on the basis of the original scheme, even though the Commonwealth committee had reported to the Prime Minister in favour of something less than the original scheme?

The Minister for Works: I would say "Entirely unlikely."

Hon. A. R. G. HAWKE: I am afraid the Minister for Works does not know the Prime Minister. I think, too, the Minister for Works does not even appreciate the capabilities of his own Treasurer as a negotiator.

The DEPUTY CHAIRMAN: Order!

Mr. Ackland: What about the attitude of the Prime Minister? He did not want it.

Hon. A. R. G. HAWKE: If the Commonwealth committee were to be brought to Western Australia early next year for the purpose of re-visiting all the areas it visited previously, and for the purpose of seeing first hand the situation which will exist in many of these districts early next year, most of its members would quickly change their minds.

The Minister for Works: It happened of course that they did not come then. They came on another occasion, and they saw what the conditions were like, and made up their minds after that.

Hon. A. R. G. HAWKE: There would be no difficulty in prevailing upon the Prime Minister to send the members of that committee to this State early next year. I am sure the Prime Minister would agree and I suggest to the Treasurer—

The Minister for Works: You say you are sure he would agree. You are not sure he would agree at all.

Hon. A. R. G. HAWKE: Yes I am. I know the Prime Minister very well indeed and I feel sure he would agree. I suggest to the Treasurer, even at this late stage, that he and the members of his Government give further consideration to the matter. I am particularly concerned about it because under the proposed scheme which this Government intends to proceed with, the Commonwealth will make available slightly over £2,000,000 only out of an estimated cost of £4,250,000. Under the original scheme proposed by the previous Government, the estimated total cost was £10,000,000 and the Commonwealth was being asked to make available £5,000,000. I know it is intended, under the present scheme, to lay down between the Wellington Dam and Katanning a main pipe-line large enough to enable subsidiary pipe-lines to be run off into rural areas. The Minister for Works might be inclined to argue that the farmers will, if they desire, be able to connect up with this comprehensive water scheme in the future.

The Minister for Works: That is quite right.

[*Mr. Perkins resumed the Chair.*]

Hon. A. R. G. HAWKE: But there are two very powerful arguments against it. One is that the extensions will be granted one by one and we will get the rotten, in-

efficient, higgledy-piggledy extensions that we have seen established in the Eastern wheatbelt districts where the individual extensions have come one by one from the Goldfields Water Supply main.

The Minister for Works: That is a mere guess on your part.

Hon. A. R. G. HAWKE: It is not a guess at all because there is no other method by which it can be done.

The Minister for Works: Yes there is.

Hon. A. R. G. HAWKE: No there is not. The Minister for Works will find that a farmer who is reasonably close to the main will want an extension, and the department will give him one.

The Minister for Works: No, the department will not give him one.

Hon. A. R. G. HAWKE: Then the department will sell him one.

The Minister for Works: No, not even that. You know that the conditions of the Act provide that a certain number in any given big district must apply otherwise, of course, the extension is not granted and it would be an absurdity for it to be granted to one man.

Hon. A. R. G. HAWKE: I think if the Minister for Works studies the Act he will find that it gives a certain number of farmers the opportunity to contract out.

The Minister for Works: You said originally "a farmer." I said "a certain number of farmers."

The CHAIRMAN: Order! I think the member for Northam had better address the Chair.

Hon. A. R. G. HAWKE: Yes, Mr. Chairman, I think that might prevent an argument from developing. I am quite sure, however, that the extensions from the main in the Great Southern will develop in this way and it will be most unfortunate for the farmers further out from the main when those closer in are drawing water from the extension to the fullest degree possible. This will always happen during the hottest weather and the farmers further out will be able to get a trickle of water only. That state of affairs exists in the Eastern agricultural areas during the summer months and it will be the same sort of rotten system that will develop in the Great Southern.

The Minister for Works: You are imagining the very worst that can happen.

Hon. A. R. G. HAWKE: I am stating what must unavoidably happen. It cannot be otherwise—

The Minister for Works: You are wrong.

Hon. A. R. G. HAWKE: —as the Minister will find out from practical experience. We will argue this thing out in three or five years time because we will then have the facts before us, but I am sure the Minister will find that one farmer closer to the main will ask for the extension and get it.

The Minister for Works: No, he will not.

Hon. A. R. G. HAWKE: The farmer next door will see the benefits that accrue from a permanent water supply, and he will apply and get an extension. The farmer next door to him will see the same thing and so on. The water will go out by way of a small pipe which will be incapable of supplying all requirements in the hottest part of the weather. The pipe will be incapable of supplying the needs of a quarter or even a tenth of the farmers on that extension. A second very powerful argument against the idea of making extensions from the main after it is laid, is that the capital cost of all the extensions will have to be paid for in full by the State.

The Minister for Works: Pure assumption again; pure assumption!

Hon. A. R. G. HAWKE: It is not pure assumption at all.

The Minister for Works: What you just said was pure assumption.

Hon. A. R. G. HAWKE: I do not know whether the Minister for Works thinks he is being profound by repeating "pure assumption," "pure assumption," "pure assumption." It is not pure assumption at all.

The Minister for Works: I am saying that it is.

Hon. A. R. G. HAWKE: The State Government put this up to the Commonwealth Government and the Commonwealth Government said, "We will make £2,000,000 available on the basis of a £4,000,000 scheme," and that is all the State Government will get from the Commonwealth Government.

The Minister for Works: You said a moment ago that it was open to persuasion as to a change of view.

Hon. A. R. G. HAWKE: I have always found the Minister for Works difficult, but tonight I find him impossible.

The Minister for Works: But factual.

Hon. A. R. G. HAWKE: As a matter of fact, if the Minister for Works had listened to what I have said tonight all through, he would know that we will have in Australia, within six or seven years, a trade slump to some extent. He would know also, if he had listened to what I had to say about the financial burden upon the Commonwealth, that the Commonwealth Government, when that time comes, will itself be in financial difficulties.

The Minister for Works: We are not disputing that.

Hon. A. R. G. HAWKE: The present year and the last two or three years have been a period of easy money and plenty of it. It has been a vital and crucial period from the point of view of the States getting the most possible from the Commonwealth by way of financial assistance for this, that, or some other reason. It is not pure assumption on my part at all to say that if the State Government waits for six or seven years until these extensions are put in to approach the Commonwealth in this matter it will not get a penny, because the Commonwealth Government at that time will not have a penny to spare. Therefore, I am particularly concerned in this matter, because I feel that time is running out. Unless the State Government approaches the Commonwealth Government during the next 12 months at the very outside, the State will have lost every possible chance for many years to come of obtaining Commonwealth financial assistance for a proposition of this kind.

The Premier: We have certain extensions in view, and I promise you I will make early representations to the Prime Minister.

Hon. A. R. G. HAWKE: I do not know what extensions the Treasurer is talking about. I am saying that the State Government would have a good claim upon the Commonwealth for financial assistance if it based it upon a larger scheme than the one it proposes to put in hand, or perhaps has already commenced to put in hand.

Mr. Mann: Can the Minister for Works advise the Committee the extension that will be made?

The CHAIRMAN: Order!

Mr. Marshall: The Deputy Leader of the Opposition will not let him.

The CHAIRMAN: Order!

Hon. A. R. G. HAWKE: I want to say a few words about migration, agricultural development and land settlement. I want to say only a few things about these matters because I am by no means expert in any one of them, but I think each of them is of vital importance to this State and especially to its future progress. It is becoming generally recognised now that the Commonwealth-State migration scheme is producing better results than anyone thought possible a year ago. The flow of migrants to Australia is building up substantially and indications are that it will increase very considerably over the next year or two. I am not going to enter into a nasty discussion as to whether all of the migrants are desirable. I think it is unavoidable that some of them would not be desirable.

The Minister for Lands: A small percentage; that is all.

Hon. A. R. G. HAWKE: All we can hope for is that the big majority of them are suitable and that most of them, when they become citizens of Australia, will play an important part in the production of wealth in one or other of the States. I am inclined to think that most of those coming to Australia from other countries will be found to be good workers, anxious to establish themselves in this new country and to take advantage of the very many good opportunities offered, especially when compared with the lack of opportunities in the countries from which they are migrating. Land settlement is, I know, a difficult matter. It is not easy to develop new land quickly in these days. I am not saying that it ever was. In these times it is a very costly business and therefore reasonable care has to be taken in choosing the land to be developed and settled, and perhaps even more reasonable care has to be taken in choosing the people who are becoming the farmers on that land.

I still have a strong belief that we have a great amount of undeveloped land, or nowhere near fully developed land, within rea-

sonable distance of Perth. I might be wrong in that, but I travel frequently by road from Perth to Northam. I have travelled by road from Perth to Bunbury and beyond fairly often, especially in years gone by, and it seemed to me that wherever one looked there was land almost entirely undeveloped, or developed to only a minor extent, which was capable of great development; capable of providing farms for a large number of people. I was impressed too, by the fact that all the facilities necessary for successful settlement had already been established through these areas. There were schools, post offices, telegraphic facilities, roads and hospitals; almost everything one could mention as being necessary for settlement.

Hon. A. H. Panton: And irrigation.

Hon. A. R. G. HAWKE: And yet we find that when land settlement is talked about there are suggestions made that some sand plain 500 miles from anywhere might be tested, and some other land 300 miles from somewhere else might be looked at and experiments carried out in connection with it. Wherever land in more or less isolated areas is taken up for new settlement, all the cost of providing facilities has to be incurred, in addition, of course, to the cost of testing and developing the land itself. Much closer attention might be given to the land in the areas that have already been partly developed, more especially as they are in districts where rainfall is assured and where the rainfall is every year sufficient to meet the needs of farmers operating there.

Another point that might be considered by those charged with the responsibility of land settlement and the further development of agriculture in this State is the attitude of mind of the person going on the land. In these days of high prices, there is, in the minds of many people desirous of going on the land, an idea that they can take up a farm this year and in five years or less can have made a lot of money and be in a position to sell out well and retire to the city. This was an idea that prevailed before the last depression. It was an idea that prevailed very generally in South Australia where improved wheat farms sold to as high as £25 or £26 per acre.

My belief is that if people can be encouraged to go on the land with the idea of producing as much as possible of their living from the land, they will be better settlers and will stay longer than those who go there with the object of making a fortune. In districts of good rainfall, farmers on reasonably small holdings can raise a great variety of products. They can produce a great deal of what they actually need to make and have a good living. I should like to see efforts made to develop a type of settler who would go on the land because of his love of the land and with the idea of remaining there for many years.

I am not suggesting that any man should go on the land with the idea of slaving on it permanently and dying on it, but if we could encourage older farmers in a position financially to retire, it would be a good thing if they retired to the largest country town nearest to their farms. Some farmers do that, but unfortunately the amenities available in most country towns are not sufficient in number or attractive enough, and so many of those people come to the city and swell the already over-populated metropolitan area and give a Government such as the present one an argument in favour of granting additional members of Parliament to that area to the detriment of country districts and country people.

I wish to say a few words about the ex-Servicemen's land settlement scheme only for the purpose of quoting from a letter sent by the department to a would-be soldier settler. During the last election campaign and prior to it, a great deal of abuse was heaped on the previous Government and on the then Minister for Lands, the member for Leederville, because of the slow development of the scheme.

Hon. A. H. Panton: It took all the curl out of my hair.

The Premier: The member for Leederville can take it.

Hon. A. R. G. HAWKE: Since the election, various statements have been made by the Minister for Lands, who would lead us to believe that everything in the garden was more or less lovely, that progress was rapid and that soldier settlers are being gratified in their desire to be placed on the land in considerable numbers and at a quick

rate. I have a letter from the Lands Department dated the 30th September, 1948, and signed by the secretary of the Classification and Allotment Board. I am not able to make out his signature, though it might be Robertson.

The Minister for Lands: It is Robertson.

Hon. A. R. G. HAWKE: Here is the vital paragraph—

> The salient fact to remember is that, although some 150 applicants have been settled on wheat and sheep farms since the scheme was put into operation three years ago, each farm costing up to £10,000, still the demand for these farms far exceeds the meagre supply, and there are over 1,000 qualified applicants waiting for this type of farm, most of them with the apparent prospect of having to wait for some years if they are to get farms under this scheme.

The Minister for Lands: I want to make sure of the date of that letter.

Hon. A. R. G. HAWKE: The date is the 30th September, 1948. I am not asking the Minister for Lands to assure me that he will see that the addressee is not victimised.

The Minister for Lands: Of course he will not be victimised.

Hon. A. R. G. HAWKE: I am prepared to make the letter available to the Minister.

The Minister for Lands: Those figures do not appear to be right.

Hon. A. H. Panton: The writer was referring to wheat and sheep farms.

Hon. A. R. G. HAWKE: If the Minister studies the letter, I think he will find it to be correct. When the Estimates for the Department of Lands come before us for discussion, I hope the Minister will tell us the exact position regarding the soldier settlement scheme.

The Minister for Lands: I shall be pleased to do so.

Hon. A. R. G. HAWKE: I now wish to pass quickly to a discussion of matters associated with industrial development. I have before me a copy of the report of the Council of Industrial Development for the month of August of this year. I read the report with very great interest and found that almost every major item referred to deals with an industry that the previous Government had started, had completed negotiations to start, or for which it had carried negotiations to a fairly substantial extent. I refer particularly to the potash industry, charcoal-iron and wood distillation industry, Welshpool industrial centre, fuel technology and gasification of Collie coal, Rheem (Aus.) Ltd., wooltops industry, plywood and fishing. The report goes much further. It quotes a lot of factory statistics for the purpose of suitably impressing those who may read the document. The statistics are particularly interesting because they cover the years 1938-39, 1945-46 and 1946-47, all of which years, as members will quickly realise, came around and passed before the present Government took office.

It is not my desire to quote all of these statistics, as it would take too long, but they cover the production of bacon and ham, beer and stout, cheese, cigarettes, confectionery, hosiery, jams and jellies, leather, canned meat, pickles, salt, slippers, tweed cloth and preserved fish. They indicate the very great increase in quantities which took place between 1938-39 and 1946-47. There are figures in the report dealing with increases in the value of factory production over the same period; but everyone knows that figures in relation to values can be misleading, especially when they cover a period of stability, such as we had in 1938-39, and then run through a period of rising costs and rising prices, such as we have had from 1938-39 to the present time, but especially since the end of the war.

The production figures cover chemicals, engineering, textiles (not dress) leather, clothing, food, drink, tobacco, furniture and bedding. Here, again, I have to thank the Minister for Industrial Development for having issued a publication that justifies completely the work of the previous Government in the field of industrial development and that exposes the members of the present Government for the propaganda which they issued during the last election campaign, especially the cobwebs section of that propaganda. I desire especially to say something about the proposed steel industry, because I consider more should be said about it than the Minister for Industrial Development has so far seen fit to say publicly.

The Minister for Education: I was reserving myself for my Estimates.

Hon. A. R. G. HAWKE: No, the Minister for Industrial Development was not doing so at all.

The Minister for Education: How do you know?

Hon. A. R. G. HAWKE: I do know and will prove it. I will prove that the Minister for Industrial Development was not reserving himself for any time, because a statement made by him which I shall quote is a public statement which he made a few days ago.

The Minister for Education: As I said, I was reserving myself for later on.

Hon. A. R. G. HAWKE: But the Minister for Industrial Development, in his constant state of political shrewdness,—

Hon. A. H. Panton: Astuteness.

Hon. A. R. G. HAWKE: —said much for which I can compliment him, but left unsaid a very vital thing and in doing so misled the public He stated some of the truth, but not the whole truth. The Minister may, if he cares, tell me afterwards whether he did so out of his political shrewdness or whether it was a mere oversight on his part. If he says it was a mere oversight, I will say it is the only oversight of which I have known him to be guilty. In "The West Australian" of the 20th October, 1948—just a few days ago—a long statement was published dealing with the steel industry plan for Western Australia. A small portion of the statement came from the Minister for Industrial Development himself, but the newspaper writers built it up to a full two-column article. The part of the Minister's own statement to which I wish to refer reads—

> "This is a red-letter day in Western Australia," Mr. Watts said after he had signed the agreement on behalf of the State Government. "At last we are making some progress towards the provision of some of our steel requirements in W.A., with a prospect of the future establishment of a full-scale industry."

The public, in reading that report, would be justified in reaching the conclusion that only at last, only now, were we making any progress towards establishing a steel industry in this State. The public would be thoroughly justified in concluding that never before had anything been done or attempted to enable Western Australia to make some progress towards the provision of some of its own steel requirements. It was because of that part of the Minister's statement that I asked him, by way of question on the notice paper today, whether he would lay upon the Table of the House all papers dealing with the proposals to establish an iron and steel industry in Western Australia. The Minister's reply to that question was, no; he was not prepared to lay all the papers upon the Table, but he was prepared to make them available to me for my perusal at the office of the Department of Industrial Development.

The only purpose I had in view in asking that the papers be laid upon the Table was to make public all the steps of the negotiations between representatives of the Government of this State and Mr. Conrow in relation to the action to be taken to make some progress towards the stage when the State would roll its own steel requirements and ultimately establish a fully integrated iron and steel industry.

The Minister for Education: Have you forgotten my remarks on the Iron and Steel Industry Bill last year?

Hon. A. R. G. HAWKE: I have not forgotten anything. I am rather like the Minister in that regard. I remember very well the things I think I should remember, but I do feel that the Minister was most unfair.

The Minister for Education: I thought I had fairly covered past history then, and I do not think you can fairly deny it.

Hon. A. R. G. HAWKE: I think, Mr. Chairman, that the Minister was most unfair in issuing the statement which he did to "The West Australian" and which was published in the columns of that newspaper on the 20th of this month, because the previous Government was the Government first to make contact with Mr. Conrow. We did so, if I remember rightly, about the middle of 1946; and Mr. Fernie, the Director of Industrial Development—and this can be said to his credit—was responsible for making the first contact. We, as a Government, with Mr. Fernie, subsequently were able to interest Mr. Conrow intensely in the possibility of doing something about steel in this State.

I should think it was in September or October of 1946 that we presented Mr. Conrow with a typewritten document signed by the then Premier, Hon. F. J. S. Wise, and containing a suggested agreement which our Government would consider entering into with any big steel concerns that might be interested. We authorised Mr. Conrow to

use that document in Canada particularly, and also in America, as he was due to leave shortly afterwards for a trip to those countries. We gave him a mission to carry out on behalf of our Government in the hope that he would be able to bring about a state of affairs as between himself and some of the big steel interests of Canada or America which would ultimately enable Western Australia, through its Government, to establish first of all steel rolling mills and later a fully integrated iron and steel industry

Mr. Conrow went to America and Canada and arrived back in Western Australia in, I think, about late April or early May of 1947. By that time, of course, our Government was no longer in existence as it had been defeated at the general State election in March, 1947. So it is not correct to say, as the Minister said in the statement he gave to "The West Australian" a few days ago, words to the effect that at last we are making some progress towards the provision of some of our steel requirements in Western Australia; because, as I have said, the previous Government had done a considerable amount of work in this matter; and I think the Minister for Industrial Development would not be above admitting in this Chamber that at least one member of the previous Government assisted him materially at a certain stage of the negotiations since the present Government came into office and during the period he has been Minister.

Evidently the editor of "The West Australian" clearly noticed the omission in the Minister's statement published in his newspaper on the 20th October, because a subleading article on the following day, in which the proposed steel rolling industry was discussed by the leader writer, concluded with these words—

> Both the Wise Government—

and he could have added "the Willcock Government"—

> —and the McLarty-Watts Government are to be congratulated on the parts they have played in helping to give concrete expression to a bold conception.

I want it to be understood that the bold conception was one that developed entirely as a result of the work of the previous Government, and many of the negotiations in connection with the matter between the State Government and Mr. Conrow were carried on by members of that Government. I compliment the present Minister very sincerely upon the fact that he has continued the negotiations to such a successful point, inasmuch as the agreement between the State Government and the parties concerned has now been signed, and it is up to the company to raise the necessary capital and then go forward with the laying down of the steel rolling mills, which I understand are to be established somewhere between Perth and Armadale, the spot likely to be chosen being Maddington. I certainly wish this proposed industry every success, because it will be of great importance to Western Australia of itself and even of more importance for what it will enable to be built upon it in later years.

There were several other matters I intended to discuss, but I will be content to leave most of them for consideration when the Estimates of the departments are being dealt with. I want to have something to say, however, about the transport policy of the present Government. My remarks thereon will be very short. I would refer to "The West Australian" of the 13th July of this year. At that time a meeting of the W.A. division of the Liberal Party, or the State Council of the party, was being held in Perth. The President, Mr. F. Downing, said—

> The weight of the transport burden which was passed on by the Labour Government has, I am afraid, been a little heavy for the Government to assimilate completely. While the Government has realised that something had to be done to improve the transport facilities of the State, it has rather clutched at straws in an effort to make the system work during the transition period and until it is able to reorganise the railways effectively. As a result we have seen fairly large extensions of Government road transport services and we feel that the Government, in instituting and operating these services, is invading a field which would be better left to private enterprise.

In the "Daily News" of the same date there is a report of the visit to the State Council of the Liberal Party by the Premier, the Hon. Ross McLarty. He said to Mr. Downing and the persons present at this meeting of the State Council that—

> the field for private enterprise in transport would soon be expanded.

Which goes to prove how quickly the Premier lines up when Mr. Downing says that something must be done!

Mr. Graham: Mr. Watson probably prepared both of those statements.

Hon. A. R. G. HAWKE: In the final portion of his speech, the Premier stressed the need for increased production and claimed that this was one method by which everybody concerned—employers and employees—could help to stave off any inflation of a serious kind. It is strange how many people in Australia are inclined to lay the blame on the industrial workers for the fact that prices are rising and that inflation is threatening Australia. As I pointed out in the early portion of my speech, there are other items pressing much more heavily upon the price structure and the costs-of-industry structure than the shorter working week or any increase in wage which the workers might receive. The Premier made one statement I was not quite able to follow clearly. He said—

> I am afraid the years of war during which there was not the need to see that all effort was productive of gain have created in the minds of some people the idea that efficiency and profit earning are things of the past.

I can understand what the Premier meant in regard to efficiency, but I am not at all able clearly to follow what he meant in regard to profit earning being a thing of the past.

The Premier: Well, we had to have the goods or whatever was required in those days irrespective of what it cost.

Hon. A. R. G. HAWKE: Yes.

The Premier: It was not a matter of business.

Hon. A. R. G. HAWKE: That is so; but I do not know of any employer or businessman who has had created in his mind the idea that profit earning is a thing of the past. When we were discussing the Prices Control Bill a few weeks ago, I quoted the increased profits being made by a number of companies in Australia. I think they are hard at work building up profits and by that method, of course, increasing prices and intensifying the danger of inflation. I know that during the war—

The Premier: Costs did not matter then, but they do today.

Hon. A. R. G. HAWKE: As the Premier suggests, during the war many employers did not bother much about costs of production. Numbers of them worked on the cost plus system, and they knew that the Commonwealth was paying. As a result, they did not bother too much about costs, as the Premier says. It might well be that because employers did not concern themselves with costs in those years, there has developed in the minds of workers the idea that these things do not much matter. There might be some hangover from those times.

I know, too, that during the war, and even since, many employers went slow in regard to production because of taxation. They slowed down and in some instances completely stopped production towards the end of a taxation year in order that their incomes should not be as high as they would otherwise be. Their sole purpose was to keep their taxation payments down. One would not think they were the same employers who, during the war, waved flags and pledged themselves 100 per cent. to the war effort by saying that we should not leave undone anything we could possibly do, physically or financially, to make sure that the war was won as quickly as possible. I am inclined to think that that type of employer was, during the war, more concerned about saving his assets and safeguarding his personal existence than about winning the war for Australia and the other allied nations.

If men of that type had been genuinely interested in winning the war for the sake of the allied cause, they would have realised that the cost was tremendous, and would have further realised that when the war was over, some one would have to meet the terrific cost incurred by the Australian nation in waging the war, or Australia's part of it, to a successful issue. It might well be, as the Premier now suggests and as he intended to convey in his speech, that there has developed in Australia a tendency in the minds of many people, including some workers, to carry on the easy-going methods that were encouraged and initiated by employers during the war in connection with cost plus contracts, and since the cessation of hostilities for the purpose of paying less taxation. However, I join quite heartily and sincerely with the Treasurer in trusting that in Western Australia at any rate, which is our particular part of the Commonwealth, the employers and workers gen-

erally will do the fair and reasonable thing by each other, as I am sure 99 per cent. of them will do. We can, in this State, have very few complaints against employers or workers in connection with the efforts they have made, especially in recent years, to increase production for the purpose of overcoming, as quickly as possible, the shortages, especially in respect to essential goods.

Progress reported.

BILL—HEALTH ACT AMENDMENT.

Council's Amendments.

Schedule of three amendments made by the Council now considered.

In Committee.

Mr. Perkins in the Chair; the Minister for Health in charge of the Bill.

No. 1. Clause 3—Insert after the word "may" in line 20, the words "by regulations."

The MINISTER FOR HEALTH: The effect of this amendment is that instead of any additional insect being brought under the Act by proclamation following Executive Council action, it will be done by regulation.

Hon. A. H. Panton: Would such regulation be laid on the table of the House?

The MINISTER FOR HEALTH: Yes. I have no objection to the amendment, and therefore move—

That the amendment be agreed to.

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

No. 2. Clause 3—Delete the word "proclaimed" in line 20, and substitute the word "prescribed."

The MINISTER FOR HEALTH: I move—

That the amendment be agreed to.

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

No. 3. Title—The Title was amended by deleting the figures "1948" and substituting the figures "1944."

The MINISTER FOR HEALTH: This amendment seeks to correct a mistake that was made in setting out the Title of the principal Act. I move—

That the amendment be agreed to.

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

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

BILL—GOVERNMENT RAILWAYS ACT AMENDMENT.

Second Reading.

Debate resumed from the 12th October.

MR. MARSHALL (Murchison) [10.10]: This Bill purports to alter the method of control of the railways of Western Australia. Its presentation would appear to be the outcome of a determination on the part of the Government to give effect to an undertaking it gave the electors prior to its coming into office. To the extent that the Government has remained loyal to that undertaking, I have no complaint about the Bill, nor would I go so far as to say I have any serious objection to the contents of the measure that has been presented to the House. Any hostility I may feel towards the Bill is because of what it does not contain. Without wishing to be offensive I must say that the Bill, as presented, indicates clearly that the Government has no policy at all with regard to transport.

Mr. Graham: Or with regard to lots of other things

Mr. MARSHALL: I could excuse the Minister or the Government for introducing a skeleton measure such as this, had pressure of time brought about the invidious position where that would be necessary. Hence it was that my remarks on a Bill of similar nature last session did not include the comments that I now propose to offer. When dealing with a similar measure last session, reference was made to the fact that the parent Act of 1904 had been the subject of no less than five amending measures. Those five amending Acts still remain. Consideration of a Bill of this kind offers one of the most difficult problems that members can tackle in trying to ascertain exactly what its contents mean and where it repeals or amends given sections.

The Government has had ample time in which to give consideration to consolidating legislation and could therefore have introduced a Bill that would have made it possible for us to have one statute dealing

with railways instead of having—as will be the case if this Bill becomes law—six or seven, which will only complicate the position further. Having given the electors an undertaking to make some alteration in the method of control of our railways, surely the Government could have been armed with sufficient foresight, vision and understanding to take advantage of the opportunity presented to it. Since the Government assumed office it has enjoyed more months of recess than of sessions and should therefore have had ample time to give consideration to a consolidating measure, rather than piecemeal legislation such as is now proposed. In saying that the presentation of this Bill indicates clearly that the Government has no transport policy, I would point out that, the world over, other Governments are co-ordinating their various types of transport instead of splitting them up into sections. In the various countries of the world the almost universal tendency is to grapple with the situation that exists and co-ordinate transport, but this measure does not give effect to that policy.

The Deputy Leader of the Opposition referred to a type of transport where vested interests will, if they can succeed in coercing the Government into yielding, place their own good before the best interests of the State. I refer to road transport. We have also competing against our railways the aviation services running from Perth to the various terminals of our railway system. Then there is sea transport, in competition to a lesser degree, but still in competition with the railways. The Government is not taking cognisance of these facts at all but is, on the other hand, splitting into still smaller units our State-owned transport. That is a policy that will merely aggravate the position. In almost every country in the world Governments today are fitting the various types of transport into the most economical positions in their transport systems, by that means avoiding overlapping and expensive competition, and cutting out waste and extravagance.

The measure now before us tends further to split up State-owned transport. It makes no endeavour to co-ordinate the various forms of transport and bring them under one heading, fitting them into the economy of the State in such a way as to give satisfaction not only to the users of transport, but also to the owners. After all, it is unsatisfactory even for private owners of various types of transport not to have some idea of what the Government proposes to do. Therefore, we do not get efficiency from privately-owned transport because there is no indication of any sound or solid policy by the Government on transportation. No-one under those circumstances can feel satisfied, and I do not think the present Minister for Transport has been blind to the waste and extravagance that exist in this city so far as privately-owned transport is concerned. Some of the greatest difficulties confront those who control traffic within the metropolitan area, because of the many ownerships and the limited gazetted road mileage to which licensed transport vehicles are restricted.

Instead of having an economical mode of transport, where buses would run from one terminal to another, we find that, coming from the west into the city, they unload and turn round, much to the inconvenience of other traffic and travellers. During given periods of the day, they are idling their time away being parked—again making another problem—in Mounts Bay-road. We have a similar experience of traffic coming from the east into the city. Under a proper transportation system, these buses would run from terminal to terminal, from east to west, with no stops other than to load and unload passengers in the city and along the route. These are problems which should have long since been grappled with and would have been tackled if there had been no change of Government.

I want to sympathise with the Minister to the extent that he must be mighty cautious in what he recommends or what recommendations he may accept from his experts. The time is not far distant when there will be a revolution in regard to transport, or the propulsion of various modes of transport. Some care should be exercised in regard to expenditure, even with the petrol bus. There is no doubt that very shortly we will have a type of internal combustion engine which will replace the petrol engine and will be more economical because it is worked on the diesel principle. I know, too, that in the not far-distant future there will be another internal combustion engine on the market which will be a combined type, using oil fuel as well as petrol, one working on the diesel

system and the other on what is now known as the petrol system.

If scientists are permitted to carry on with their research for a year or two longer, the development of generating power may be completely revolutionised. It may be some years before such does occur, but on the other hand it may not be very long, and we must be watchful that we do not spend too many millions in replacing our rolling-stock, only to find that in a few years the whole of it is out of date, cumbersome and uneconomical. We might also find ourselves under the obligation of going in for something more modern. We have had that experience from rail to road transport, and also from rail to road plus air transport, and both road and air transport are merely in their infancy. It is doubtful exactly what experience with these modes of transport will reveal. I sympathise with the Minister and he will have to be particularly careful in the way he goes about the job which confronts him. However, I do believe that the Government could have done much better if it had introduced a measure which had for its purpose the co-ordinating of transport rather than to split it up in this way, and allow the position to become gradually worse until a point is reached where it will be almost impossible to correct it. That will be the position.

I take this opportunity of referring to the report of the Royal Commissioners. The report came as no great surprise to me. Not one thing is mentioned in it that was not already well known to me. I think the present Minister for Railways will confess that there was nothing in any one of the phases of the report that was not known to him also. I listened to the hon. gentleman when he was on this side of the House, and any member can check back in "Hansard" and read the speeches he made. On many occasions he complained about each and every matter referred to in the report of the Royal Commissioners. However, the report did bear out that the whole system was discontented, more particularly on the industrial side and, as there seemed to be no alternative than to have a searching investigation by a Royal Commission, to that extent it was satisfactory. The report showed that the complaints and allegations made by the industrial section of the railway system were 100 per cent correct.

I agree entirely with the Minister when he says that most of the recommendations can be given effect to by administrative act. I also agree with the present Commissioner of Railways and the comment he made upon the Royal Commissioners' report. Each and every one of us interested in the railway service knew very well that the system was in a deplorable state. We also knew the deplorable circumstances and conditions under which employees were compelled to work in the system, and the poor and inefficient service that it was giving. We knew the cause or the causes of these things. There were several. The principal cause was, without any doubt, the chronic shortage of money and consequently and perpetually each successive Government endeavoured to supply the whole of the needs of the State which left each and every State asset in a deplorable condition.

This policy did not affect some of our departmental assets to the same extent as it did the railways. But why I make reference to that is because of the contents of this measure. In the report of the Royal Commission a recommendation to create a Commission will be found a recommendation to create a railway fund entirely divorced from the Treasury. However, it is difficult to follow whether the Royal Commissioners desired this fund to be controlled by the authority which they recommended, or whether that authority was to have borrowing powers and work out its own financial salvation. I do not think there will be any possibility of a complete and thorough re-orientation of our railway system while the finances of our railways are left in the Treasury, because it was from that avenue they were starved in years gone by.

This evening, we heard the Deputy Leader of the Opposition referring to the possibility of a depression. I do not know whether there will be a depression or not. All I can say is that if the people permit a wealthy country like Australia to enter into another depression they deserve to get it in full; but I do not think they will. However, it is no use any Minister for Railways, or any Treasurer talking about spending millions of money in rejuvenating or re-orientating the railways or any other departmental assets until they are assured that the finance necessary for so doing is available; and that assurance cannot be given. Two or three times a year the

Treasurer has to go to the Commonwealth Government and beg for alms; beg for money to run the State.

The fiscal policy of the Commonwealth is such that until there is a complete break from it or a complete change in it I can see very little hope of any material improvement being experienced so far as any of our State-owned assets are concerned. We will struggle along, adding there, taking from here, giving a little this way and taking a little more from somewhere else. In this way we will carry on for years, but ultimately that system must collapse because we are almost on the verge of collapse now. I do not know that there is any guarantee from any State Treasurer or from the Commonwealth Treasurer that money will be made available for the overtaking of arrears in the maintenance of State assets, including our State-owned transport. I have not seen it made available anywhere.

I know that each and every Treasurer, including the Commonwealth Treasurer, is talking about restricting expenditure so that we can meet our annual interest bill, of which the Deputy Leader of the Opposition spoke tonight and because of which this little State has to find £4,000,000 annually in interest payments. What a glorious position the Treasurer would be in if he could save that £4,000,000 and spend it on re-orientating and rejuvenating our railway system; but no, that money has to go in interest payments. That annual liability is growing every year. In the course of a few weeks we will have a Loan Bill for anything up to £3,000,000 or £4,000,000 and the interest upon that will be at three or four per cent. which will be added to our annual liability.

The reason we are down to £4,000,000, or approximately that, in our annual liability in servicing our State is because the Commonwealth Government has been pegging interest rates. If we had continued paying the same loan rates as were paid on the first loan our interest bill would be up approximately another £1,000,000, but by economising in the servicing of our State as each conversion came round we arrived at a lower rate of interest and in consequence, we have brought our loan commitments down accordingly. I feel confident that the progress the Minister proposes to make with the rejuvenation, rehabilitation and the re-orientation that are necessary at the Midland Junction workshops in order to provide sufficient space for economic and efficient results will still be needed under the present financial arrangements, even though the Auditor General has the right —or will under this Bill—to audit all the financial transactions, including a running audit. This may be all to the benefit and advantage of the railway system and the Treasurer, but it will offer nothing in the way of increasing the amounts that will be made available to the railway system for the purpose of re-orientating or rejuvenating it.

Personally, I feel that the proposals in the Bill so far as the altered method of control is concerned, are somewhat elaborate having regard to the circumstances. However, I am not going to display any great hostility to the measure. The Government seems determined to give this method of control a trial and it is quite within its lawful rights in so doing. But I want to draw the Minister's attention to this fact. Many years ago when we on this side of the House—and we still believe in a change so far as the control of our railway system is concerned—advocated that the system was beyond the capacity of one man to run efficiently, it has to be remembered that the whole of the electricity supply of the metropolitan area was then under the jurisdiction of the Commissioner of Railways.

It has also to be recognised that we have before us a cognate Bill to separate the control of the tramways from the railways, which means that all the Commissioner of Railways will have to manage now will be the railways. This will make a material difference. What we are actually doing is taking away a great deal of work and responsibility associated with the railway system and adding to the administration. I do not agree with the Minister on that. Nor can I agree with his statement that the work of controlling the railways is beyond the capacity of one man. Let us consider other railway systems comparable with ours. They are controlled by one man. Queensland has only one Commissioner and so has South Australia, and I believe that Victoria has only one.

The Minister for Railways: Victoria has two.

Mr. MARSHALL: Now, however, when we are splitting up the work and responsibility at one time shouldered by the Commissioner of Railways, I cannot see that the proposed elaborate method of control is warranted. However, I do not intend to adopt an attitude of hostility. Let the Government try it out and see what the result will be.

As to the advisory board, I am with the Minister 100 per cent. in his departure from the recommendation of the Royal Commission to give such a body the responsibility of advising the Minister on matters of policy. I cannot understand why the commission ever made that recommendation. Policy is purely a matter for the Government. No board and no individual should have a right to advise the Minister on such a matter.

That is the Government's responsibility, a responsibility that should not be yielded up to anyone. Nor should anyone be allowed to interfere in it. For matters of policy, the Government is answerable to Parliament. If an advisory board is to be of any value at all, it must act in the matter of the maintenance and management of the railways. To the extent that the Bill makes provision for this, I support it.

We were told by the Minister that, if we had not had the report of the Royal Commission, we might have experienced a major breakdown of the railway system. I cannot agree with that statement. Had there been no Royal Commission, the position could have been no worse and no better. We are fully aware of the causes of the trouble, and I cannot believe that the report of the Royal Commission has had any effect because the present Government is in no better position than we were to deal with the position. When we left office most of the key men of the railways were in the Forces or were only just being discharged. To that extent the present Government is in a better position than we were but, as regards manpower and material supplies, I doubt whether it is any better off. Those are the factors that are holding up speedy recovery and the report of the Royal Commission could not influence them. Certainly the Royal Commission could not supply material in greater quantities or provide the requisite labour, which were the requirements necessary to enable us to overcome our chief difficulties. So I say that the report of the Royal Commission did not save any breakdown, major or minor. The situation is well known and the causes leading up to it are equally well known.

When we received the Stead report in 1921, that was the commencement of our troubles in the railway system. That Royal Commissioner recommended us to start pooling engines and economising in various directions, and Governments readily grasped the opportunity to do so. From then on the railway system was practically starved for money. Following that came the depression and the war to aggravate the position. However, it is idle to complain at this stage. What we have to do is to face up to the trouble.

I do not know what the experience of the present Minister has been and I certainly do not want to start voicing complaints about the administration of the system. I have plenty of material to use at the appropriate time, namely, when the Railway Estimates are under discussion. On that occasion I propose to enter into detail and to endeavour to find out why the efficiency of the system, instead of improving, is without doubt deteriorating, this notwithstanding that a considerable number of new locomotives has been made available since the present Government took office. When we consider the number of Garratts in traffic and allow for their greater tractive power as against that of other engines, there are the equivalent of 70 new engines compared with the number when we left office, and the system is worse instead of better. However, I shall deal further with that matter on the Estimates.

I should like the Minister to appreciate that during the 1945-46 season when the Commonwealth, in agreement with the Imperial Government, desired to get wheat away from this State within a given period, a conference was held to ascertain whether it would be possible for the railways to haul a given quantity of wheat to the ports in a given time, or up to and including a certain date. The Commissioner of Railways held that he could, and this was during the war period when the number of engines was very limited indeed. Only a few were being made each year at the Midland Junction workshops. He claimed that

he could haul the wheat and the super and bitterly resented the introduction of road transport. If the Commissioner of Railways could do all that at that time and under those conditions, it is remarkable that with approximately the same number of engines, including 70 practically new—I have the figures—the position should be worse. This only goes to show that there is something wrong with the administration and I agree wholeheartedly with the report of the Royal Commissioners in that respect. I desire to quote from page 104 of the report of the Royal Commissioners, as follows:—

(16) Throughout our inquiry the attitude of senior railway officers has, with few exceptions, been defensive and this negative approach to the problem, this reluctance to take action to retrieve the position by adopting a more forceful attitude has, in our opinion, been a contributory factor in bringing about the present state of inefficiency on the railways.

(17) The rank and file of the staff, taking their cue from the senior officers, have become apathetic and in consequence efficiency and discipline have reached a low ebb. The team spirit and mutual confidence between the management and the personnel has been undermined and the feeling of pride which comes of the knowledge that the public was being well and efficiently served by the railways, has been destroyed.

On page 109, the Commissioners have this to say—

(58) The relationship between staff and management must receive much more meticulous and sympathetic attention than has been the case in the past. We consider it necessary, therefore, to create a post of staff superintendent who should come under the control of the chief commercial and staff manager and the industrial agent would come under his control.

The point I wish to make in particular is that the inefficiency is due not so much to lack of maintenance or rollingstock, but to the fact that the staff and the management have not for years been reconciled one with the other. Apathy and indifference have prevailed and thus we have the present sorry state of affairs. Unless there is a change in the attitude of the new management to the rank and file, we will not have improved efficiency.

As I said, I do not find myself hostile to the Bill. I say quite frankly it indicates that the Government has no policy whatever in regard to transportation generally, but I can see no harm in giving the measure a trial. I am in agreement with the Minister in regard to what he says about ministerial control. I cannot conceive of so invidious a position as that of a Minister for Railways being answerable to Parliament for all the omissions and misdemeanours of the management of the Railway Department, and having no power or authority to remedy the situation. The Minister is placed in the position of having to defend the department, but without the means or the authority to rectify what is wrong. That is the deplorable position in which the Minister finds himself.

Mr. Fox: What does the Minister know about railway management? He has had no practical experience. He would not know anything about it.

Mr. MARSHALL: It would not require much practical experience.

Mr. Fox: How would he acquire his knowledge?

Mr. MARSHALL: The industrial organisations would acquaint him of anything that was wrong. They would not let him forget anything, but would keep him informed. I have had as many as four deputations in one day in my office and have listened to their complaints about trying to get matters straightened out. But I had no jurisdiction to interfere and I admitted it. I told them I could do nothing to relieve the situation. On one occasion, I said to the Commissioner, "This request is justified." He replied, "It might be. They are determined to get it and I am determined they will not." They did not. That was a nice state of affairs! I felt confident that the union was right in making its request, and I feel more confident now, in view of the fact that I had the same trouble at the same place on a couple of occasions during recent months. How invidious it is to make a figure-head of a Minister of the Crown, who has to accept all responsibility in Parliament, but has no authority over the department! When trouble arises, however, the Government must step in and take the responsibility.

Mr. Fox: But Liberal leaders would not take the same notice of unions as you would.

Mr. MARSHALL: Whether they would or not does not concern me; but it is an absolute waste of time, it is ridiculous and stupid, to place a Minister in such a hopeless position.

Mr. Hegney: Did not the Commissioner do what you told him?

Mr. MARSHALL: I am afraid he has had too easy a run. He had the power and used it. I have nothing further to say on that point. I will, however, go so far as to state that if the Minister for Railways is not to have direct control of the railways, then those in control of them should answer personally in Parliament for their actions. I find myself in accord with the measure in the main and am prepared to support it.

On motion by Mr. Hegney, debate adjourned.

House adjourned at 10.59 p.m.

Legislative Council.

Wednesday, 27th October, 1948.

CONTENTS.

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

QUESTIONS.

VERMIN.

(a) As to Combating Grasshopper Menace.

Hon. C. F. BAXTER asked the Honorary Minister for Agriculture:

(1) Has he received the report of a special conference on the grasshopper menace held at Mukinbudin on the 13th of this month, at which five road boards were represented? If so, will he implement their recommendations?

(2) Will he arrange some measure of preferential treatment in regard to the allocation of funds and plant for the suppression of grasshoppers in the outer or stock areas?

(3) Will he arrange for poison and bran to be sent to every vermin area, which is troubled with the grasshopper menace, not later than the 1st May each year?

The HONORARY MINISTER replied:

(1) Yes.

(2) The matter will be given consideration in conjunction with other infested areas.

(3) Poison bait is available to road boards on application to the Department of Agriculture. If necessary it will be forwarded prior to the 1st May.

(b) As to Grant for Destruction of Emus.

Hon. C. F. BAXTER asked the Honorary Minister for Agriculture:

Will the Government extend the grant for the destruction of emus for a further 12 months after the present grant expires on the 31st December next?

The HONORARY MINISTER replied:

A request will be made by the Treasurer for another grant to extend the present special bonus now being paid.

I would like to state further that £2,000 was granted, and up to the end of this year only £1,200 will have been expended. The present £2,000 will therefore probably be extended to June and the matter of providing more money will be given consideration.