# Legislative Assembly.

Tuesday, 26th November, 1940.

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

# MOTION—GOVERNMENT BUSINESS, PRECEDENCE.

Standing Orders Suspension.

THE PREMIER (Hon. J. C. Willcock—Geraldton) [4.34]: I move—

That so much of the Standing Orders be suspended as is necessary to allow a motion for precedence of Government business to be moved.

Question put.

Mr. SPEAKER: I have counted the House, and have assured myself there is an absolute majority of members present, and no dissent. I declare the question duly passed.

Question thus passed.

THE PREMIER (Hon. J. C. Willcock—Geraldton) [4.35]: I move—

That on and after Wednesday, the 27th November, Government business shall take precedence of all motions and orders of the day on Wednesdays as on all other days.

HON. C. G. LATHAM (York) [4.36]: There is a good deal of private members' business still on the notice paper. I would like an assurance from the Premier that opportunity will be afforded for the discussion of that business. The motion is, of course, quite usual at this stage of the session.

THE PREMIER (Hon. J. C. Willcock—Geraldton—in reply) [4.37]: Usually an assurance can be given in the direction desired, but that was only because it had been possible to give consideration to all Govern-

ment business. I do not know that it would be justifiable to keep Parliament sitting. with all the attendant expense, to discuss some private members' business that is not of great importance. Long after I entered this House it used to be the procedure to discharge a great deal of private members' business from the notice paper, this being termed a "slaughter of the innocents." During the last few years, however, we have been able so to arrange the business that almost the whole of private members' business has been discussed. In fact, every opportunity has been given to deal with such business, and to that end the House has often sat late on Wednesdays. the result of more and more business of private members being disposed of was that still more of it was brought forward. Without giving a definite assurance on the subject I may say that I think we shall have the opportunity to deal with all the business of private members that is now on the notice paper; but if we get through the major portion of the business and can suspend this part of the session, I consider that we should do so. It is the aim of the Government to get all the business finished next week. Not much Government business remains to be dealt with, very good progress having been made. I am grateful to the Leader of the Opposition and to the Leader of the National Party for the expeditious manner in which Government business has been treated and sent to the other Chamber, where also it has been given reasonable consideration. In my opinion, when the major portion of the business of Parliament been dealt with, members are entitled to a recess or a suspension of the session, so that they can attend to their private business and visit their constituents. While I have no hesitation in expressing the opinion that there will be time for all the business of private members now on the notice paper to receive consideration. I do not like to be tied by any definite assurance that other private business which may be brought down, or matters not of great importance, will result in Parliament being kept sitting. I do not think that the Government should be bound in a cast-iron way that every motion on the notice paper will be discussed. Some of the motions debated during the session have not been of such a nature as to render it necessary that Parliament should

sit for another week in order to deal with them. The one important Bill of which the Government has given notice to-day is a measure dealing with payment of drought relief and the method by which advances can be made for that purpose. I cannot discuss that Bill at this stage, but it is the only business of importance remaining. If the Leader of the Opposition is satisfied with that assurance, we shall endeavour to live up to it.

# MR. McDONALD (West Perth) [4.40]: Mr. Speaker—

Mr. SPEAKER: The Premier has replied. If the member for West Perth wishes more information, he may ask the Premier for it.

Mr. McDONALD: Surely I am entitled to speak on this matter.

The Premier: I have replied: I did not know that the hon member wished to speak.

Hon. N. Keenan: Ask for further information.

Mr. McDONALD: I would ask the Premier to state that, as far as current private members' business is concerned, it will be adequately dealt with, assuming that members-as I am sure they will not-do not unduly take up the time of the House. I ask this especially in view of the fact that the Government has brought down one Bill, dealing with escheat, which might have come down much earlier in the session. As to the other Bill which the Government proposes to introduce, I cannot say whether or not it could have been brought down earlier. I would not suggest that private members' business brought forward at this stage should unduly delay Parliament, unless it is a matter of urgency. I would like the Premier to give the House a categorical assurance. to which I think Parliament is entitled, that present private members' business will receive adequate and fair consideration.

Question put and passed.

# BILL-MUNICIPAL CORPORATIONS ACT AMENDMENT.

Read a third time and transmitted to the Council.

### BILL—EMPLOYMENT BROKERS ACT AMENDMENT.

Report of Committee adopted.

# BILL—REGISTRATION OF FIRMS ACT AMENDMENT.

Council's Amendments.

Schedule of five amendments made by the Council now considered.

#### In Committee.

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

No. 1. Clause 2:—In proposed new section 4A, Add at the end of paragraph (a) of subsection (1), a provise, as follows:—Provided that nothing in this paragraph shall prevent the continuance of the use by any firm or person or its or his successor in interest of any of the words (other than the word "Commonwealth" or the word "State") the use of which is prohibited by this paragraph, in any firm name under which it or he was registered under this Act prior to the commencement of this section.

The MINISTER FOR JUSTICE: I have no objection to the amendment; it is a reasonable request. I move—

That the amendment be agreed to.

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

No. 2. Clause 2:—In proposed new section 4A.—Insert after paragraph (a) of subsection (1), a paragraph to stand as paragraph (b), as follows:—(b) includes the word "saving" or "savings" or the words "savings bank" or "savings institution" or "savings department" or "savings section" as part of the designation or title, or as a description of the business, or of any department, section, or other part of the business of such firm or person.

No. 3. Clause 2:—In paragraph (b), page 2—Insert after the word "co-operative" in line 16, the words "or the word "trust" or "trustee"."

No. 4. Clause 2:—Insert a new subsection after subsection (4) of proposed new section 4A, to stand as subsection (5), as follows:—(5) Nothing in this section contained shall apply to any person whose christian or surname may include any word or words prohibited from use as aforesaid

nor shall such person be prohibited from continuing to use such name or names: Provided such name or names are not used in combination with any other word or words unless the consent of the Governor by Order in Council be first obtained.

No. 5. Clause 2:—In subsection (6) of proposed new section 4A—Insert after the word "section" in line 20, page 4, the words and parentheses "(the use of which has not been consented to as aforesaid)".

On motions by the Minister for Justice, the foregoing amendments were agreed to.

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

#### BILL-OPTOMETRISTS

Council's Amendments.

Schedule of two amendments made by the Council now considered.

#### In Committee.

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

No. 1. Clause 16:—Subclause (3), page 9:—Delete the words "which are not immediately required for the purposes of the board" in lines 32 and 33, and substitute the following words.—"after making provision for and deducting from moneys in hand such amount as may be estimated by the board to be required to be paid in respect of payments with which the funds of the board are charged as aforesaid covering the period up to the fifteenth day of January following the end of each financial year."

The MINISTER FOR HEALTH: The amendment proposes to allow a sufficient amount to be retained by the board to meet the estimated expenditure for the ensuing period. I have no objection to the amendment. I move—

That the amendment be agreed to.

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

No. 2. Clause 41: Subclause (1), paragraph (b), (iii):—Delete all words after the word "statement" in line 9, page 27, down to and including the word "corporation" in line 13, and substitute the words "that the practice is carried on under the personal supervision of a registered optometrist."

The MINISTER FOR HEALTH: The effect of the amendment is that, instead of the name of the optometrist being advertised, the advertisement will simply state that optometry is being carried out under the personal supervision of a registered optometrist. I have no objection to the amendment. 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-FISHERIES ACT AMEND-MENT.

Returned from the Council with amendments.

### BILL—COMMONWEALTH OIL RE-FINERIES, LIMITED (PRIVATE).

Message.

Message from the Licut.-Governor received and read notifying that under No. 51 of the standing orders relating to private Bills, he gave his consent, as far as His Majesty's interest or the interest of the Government was concerned, that the House might do therein as it thought fit.

### Report of Select Committee.

Mr. FOX: I move-

That the report of the Select Committee be adopted and the Bill reprinted accordingly.

Hon. N. KEENAN: Will the member for South Fremantle give the House some information?

Mr. SPEAKER: Later on.

Hon. N. KEENAN: At what stage?

Mr. SPEAKER: At the second reading stage.

Hon. N. KEENAN: I mean in regard to the report of the select committee. The report suggests that there shall be a new clause.

Mr. SPEAKER: The Bill will be reprinted and the new clause will be included.

Hon. N. KEENAN: Is it not usual to give such information when presenting the report of the select committee, either when the report is actually read or when its adoption is moved?

Mr. SPEAKER: Not with a private Bill. The Bill will be reprinted in accordance with the recommendation of the select committee.

Question put and passed.

Compliance with Standing Orders.

Mr. MARSHALL: As Chairman of Committees I have to report, under No. 53 of the standing orders relating to private Bills, that this Bill contains the several provisions required by the standing orders.

As to Second Reading.

Mr. FOX: I move-

That in view of the lateness of the session and in accordance with No. 52 of the Standing Orders relating to private Bills, the second reading of the Bill be forthwith proceeded with.

Question put and passed.

## Second Reading.

MR. FOX (South Fremantle) [4.53] in moving the second reading said: This Bill has been the subject of inquiry by select committee which, after a very critical examination, thas given the measure its blessing, except for a small amendment that is not material. The Commonwealth Government holds a controlling interest in the Commonwealth Oil Refineries, Ltd. company is registered under the Companies Act in the State of Victoria. It has acquired about 61/4 acres of land at North Fremantle from the Commonwealth Government and erected on that land fairly extensive plant. This measure will validate the work that has already been done with the permission of all the local authorities affected. Up to the present the company has been utilising the pipelines of the different oil companies in the North Fremantle district for the conveyance of oils from the wharf to its plant. The Shell Co. has two pipelines running from the wharf along Ocean-parade to its works. and under an agreement with the Shell Co. the Commonwealth Oil Refineries, Ltd. bas tapped the line at the junction of Oceanparade and John-street and continued the line along John-street to its works. Similar arrangements have been made with the Vacuum Oil Co. for the conveyance of black oils from the wharf to the works. This Bill will give the company the requisite authority to construct additional works and also to lay pipelines to the harbour. This might be necessary in the event of the connection with the Shell Co. being terminated or of the pipes having to be moved to another site.

This Bill is identical with a private Bill passed by Parliament in 1925 in favour of the British Imperial Oil Co., Ltd. limits of the measure extend to certain lands in North Fremantle, certain lands vested in the Fremantle Harbour Trust. certain lands vested in the Minister administering the Government Railways Act, and any Crown land affected by the work authorised under this legislation. To transfer oil from ships to the works of any oil company in Fremantle, pipes had to be laid under the wharf, the railways and roadways, and sometimes across Crown lands. Provision is made in the Bill that the company must obtain the permission of the local authority concerned before commencing any such work, and the plans must be approved by the Minister. All work must be carried out under the supervision of the Minister or the local authority concerned. The company must give the Minister three days' notice of intention to start work and must deposit plans of the proposed work with him, as well as with the local author-The Bill provides also that the company must take the necessary precautions when work is in progress on any road as to lighting, guarding and repairing, and must also leave the road in proper order after the work has been completed. part opened up must be maintained in good order for six months after the completion of the work.

provided for offences Penalties are against the company such as the illegal laying of pipelines from the company's mains, damaging the company's property, and other things. In certain circumstances the company may recover damages from anyone who has illegally done anything to An agreement has been reached its plant. Fremantle Municipal North the Council whereby the company will pay £35 a year as rates for the use of the land along which the pipeline runs. The only amendment proposed by the select committee is a provision that if the measure, after becoming an Act, is to be amended in any way, it shall be done by introducing a private Bill. It should not be necessary for me to say anything more, as the Bill has been exhaustively examined by a select committee, which has recommended that it be passed. I move—

That the Bill be now read a second time. Hon. C. G. LATHAM: I move— That the debate be adjourned.

Motion put and negatived.

HON. C. G. LATHAM (York) [4.59]; I regret that the House has not agreed to an adjournment of the debate. I have only just received a copy of the select committee's report and of the Bill as amended, and I do not see how we can get good legislation As it is the decision if we act in this way. of the House that the debate be not adjourned, I shall not worry about it and any responsibility will not be mine if the measure is not given due consideration. second reading, I shall certainly ask the House to approve of a postponement of the That is the only protest Committee stage. I make now.

HON. N. KEENAN (Nedlands) [5.0]: The member for South Fremantle (Mr. Fox) is fully entitled to ask that a measure, which is exactly similar in all its principles to one already on our statute book, should not be delayed at this stage of the session. Delay might be fatal. The carrying of the second reading to-day does not, of course, mean the carrying of the Bill through all its stages.

Hon. C. G. Latham: Have you read the report? I have not done so.

Hon. N. KEENAN: Yes, it is so short that it did not take me long to read. Until you, Mr. Speaker, informed me of the fact, I was under the impression that the Chairman of the select committee was obliged to read the report, if he could not get the clerk of the House to do so. Members may recollect the very lengthy report on the bulk handling of wheat. The reading of that report meant that we had to sit and listen to it for nearly two hours.

Mr. Warner: You did not enjoy it.

Hon. N. KEENAN: As I was the author of it, I did not enjoy it. It might have been interesting to those to whom the mat-

ter was strange, but I knew the report by heart and took not the least interest in it. The member for South Fremantle is entitled to ask for expedition in the passing of this Bill. We have been told in unmistakeable terms that the end of the session is close. The measure is one it is desirable to have on the statute book.

MR. FOX (South Fremantle—in reply) [5.2]: I thank the member for Nedlands (Hon. N. Keenan) for his explanation, whilst I also appreciate the point raised by the member for York (Hon. C. G. Latham).

Hon. C. G. Latham: I was not doing that as the member for York

Mr. FOX: As the Leader of the Opposition, then. This Bill is exactly similar to one that was introduced in 1925.

Hon. C. G. Latham: But in different circumstances altogether.

Mr. FOX: The circumstances are identical. A good deal of the work involved has been completed. All the local authorities concerned have discussed the Bill and are quite satisfied with it.

Hon. C. G. Latham: They have not the same responsibility that Parliament has.

Yes, they have. Mr. FOX: The Fremantle Harbour Trust, which is a semi-Government concern, and controls the wharves at Fremantle, undoubtedly has a responsibility. The Bill will give the company authority to lay pipe lines under the wharves, and the Harbour Trust has given consideration to all the points involved. When the Harbour Trust was invited to give evidence before the select committee it expressed its satisfaction with the Bill, and did not desire to raise any objection to it. The same thing applies to the North Fremantle municipality, as well as to the Minister controls Crown lands.

Mr. SPEAKER: Order! The hon, member is raising new matter in the course of his reply.

Hon. C. G. Latham: I am sure he is.

Mr. FOX: I did not expect any objection would be raised to the passing of the Bill.

Mr. SPEAKER: The hon, member is not in order in raising new matter in the course of his reply.

Mr. FOX: We are near the end of the session and the company is anxious to have this Bill put through. I hope the second reading will be carried to-day, and that the

measure will be dealt with expeditiously so that the company may go on with the additional work it has in view and that the work already completed may be validated. I trust the Leader of the Opposition will not persist in his endeavour to prevent the Bill from passing through all its stages to-day.

Question put and passed.

Bill read a second time.

#### In Committee.

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

Clause 1-agreed to.

Clause 2-

Hon, C. G. LATHAM: I move-

That progress be reported and leave asked to sit again.

Motion put and a division taken with the following result:--

Ayes			 20
Noes			 12
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Majority	for	• •	 14

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AYES.				
Mr. Berry Mr. Coverley Mr. Gross Mr. Doney Mr. Hawke Mr. Hill Mr. Hughes Mr. Latham Mr. Leahy Mr. McLarty Mr. Millington Mr. Nulsen	ES. Mr. Patrick Mr. Patrick Mr. Sampson Mr. Seward Mr. Shearn Mr. J. H. Smith Mr. Thorn Mr. Triat Mr. Watts Mr. Willcock Mr. Willcock Mr. Wilters Mr. Wilson (Teller.)			
	(2000,,,			

	(Teller.)
Ne	DES.
Mr. Abbott Mr. Boyle Mrs. Cardell-Oliver Mr. Fox Mr. J. Hegney Mr. W. Hegney	Mr. Keenan Mr. McDonald Mr. Rodoreda Mr. F. C. L. Smith Mr. Warner Mr. Holman (Teller.)

Motion thus passed; progress reported.

#### BILL-COMPANIES.

Second Reading.

THE MINISTER FOR JUSTICE (Hon. E. Nulsen—Kanowna) [5.11] in moving the second reading, said: I intend to be as brief as possible in moving the second reading of this Bill, because the intention is to send it to a committee representative of both Houses. Apart from the Criminal code, I

doubt whether a more comprehensive measure than this Bill, or one which so materially affects all sections of the community. has ever previously been introduced into this House. The present Companies Act of this State consists of the main Companies Act which was passed in 1893, and which, with the exception of the provisions therein relating to foreign companies and no-liability companies, was virtually a copy of the Imperial Companies Act of 1862 with the addition of some of the provisions of the Imperial Companies Acts of 1867, 1877 The Companies Act, 1893, has and 1880. since been amended by numerous amending Acts, but those amendments were not of a substantial nature and were intended rather to correct weaknesses in the Act of 1893' than bring the company laws up to date.

Since the introduction of the Imperial Acts between 1862 and 1880 company formation has developed very considerably in England, and although amendments to the Act were made from time to time and radical changes were effected in 1900 and 1908, it became increasingly evident that some comprehensive measure was necessary for the better control of companies and, so far as possible, the protection of the public from that small section who, although keeping within the law, unfortunately enrich themselves by the exploitation of others. Some of the best men available in England applied themselves to the drafting of new laws for the management of companies and the protection of the public, and in 1929 the present Imperial Act relating to companies was passed. Happenings in this State during recent years, particularly in connection with the operation of so-called investment companies and the flotation of mining ventures, have definitely indicated that the present State laws are inadequate to deal with the new conditions, and that some form of controlling legislation is long over-

The provisions of the Imperial Companies Act of 1929 have already been generally adopted by other self-governing dominions of the British Empire, and by other States of the Commonwealth. The Bill now before the House is intended to bring the law of this State as nearly as possible into uniformity, not only with the corresponding laws of Great Britain, but also with those of the various States of Australia, having due regard for certain matters which are peculiar to this State and also, so far as

possible, to give effect to the recommendations of the select committee as submitted by Hon. C. G. Latham, M.L.A., on the 30th November, 1939. The more immediate precedent followed is the Companies Act, 1934-1935, of South Australia, which in form, arrangement and subject matter, closely satisfies the requirements of this State.

Members will agree that it is very desirable that companies legislation throughout the Commonwealth shall be as uniform as possible, and should the present Bill become law, this State will, so far as the fundamental law relating to companies is concerned, be much in line with Victoria, South Australia, New South Wales and Queensland. It is not claimed that the provisions contained in this Bill will meet our requirements for all time, for it is recognised that this legislation should keep pace with the growth of commercial and business prac-Thus, from time to time amending legislation will be necessary in the future. but if this Bill becomes law, such future legislation should not occasion any serious difficulties.

The views of responsible sections of the community such as the Chamber of Commerce, the Chamber of Manufacturers and various accountants' institutes have been very carefully considered and a number of suggestions made by those closely connected with the operations of the Companies Act have been adopted. Suitable provisions to give effect thereto have been incorporated in the Bill, which has been designed to cover all the companies legislative defects so far discovered. It must be realised that legislation of this nature is extremely technical and this is recognised in England to the extent that no legislation affecting the companies is introduced except upon the reports of select committees of the House of Lords. This State is indeed fortunate in being able to take advantage of the labours of some of the leading judges and lawyers of England, and there is the added advantage of the knowledge that the Imperial Companies Act passed in 1929 has proved its effectiveness for a period of over ten years.

With a very few exceptions, all the provisions of the present Companies Act. 1893-1938, have been incorporated in the Bill, necessarily in some cases in a modified or

amended form. In addition, 210 new clauses have been introduced, the more important of which deal with investment companies, share dealers, method of issuing prospectus, the handling of application moneys paid prior to allotment of shares, holding companies, payment of commission and discount on flotation, the registration and qualifications of auditors and liquidators and the registration of mortgages and other charges given by companies.

For convenience, the Bill has been subdivided into 16 parts which, in some cases, are subdivided into divisions. It would, of course, be quite impossible to survey in detail all the provisions of such a comprehensive measure. It is not my intention, therefore, to deal in any way with those which already exist in our State Companies Act and have been imported into this Bill, but I will endeavour to explain as briefly as possible the most important alterations and additions to the existing legislation.

Part II .- Incorporation of Companies .deals with all matters incidental to the incorporation and the registration of companies, the outstanding new provisions being those which will control "proprietary" and "private" companies which may be formed by any two or more persons subscribing their names to a memorandum of association and complying with the requirements of the Act in respect of registration. All other companies must have at least five subscribers to the memorandum of association. prietary company" is one which, by its meniorandum or articles, restricts the right to transfer its shares, limits the number of its members to fifty (with the exception of shares held by employees), prohibits any invitation to the public to subscribe for shares. debentures, etc., and prohibits the receiving of deposits except from its members. "private company" is one limited by shares but whose memorandum of association prohibits any invitation to the public to subscribe for shares, debentures, etc., and prohibits the receiving of deposits from nonmembers, except on condition that balance sheets shall be made available to depositors. In each case the word "proprietary" or "private" must form part of the name of the company. The advantage of these companies is that they are free from many of the restrictions on public companies.

Provision is made for proprietary companies to change to private or public companies and vice versa, should such be desired. Further provisions deal expressly with companies limited by guarantee. A revised set of articles, as per Table "A" in the Second Schedule, has been incorporated for companies limited by shares, and new articles have been included in Tables "B" and "C" for the use of no-liability and guarantee companies respectively.

An important feature is that covered by Clause 39, which, read in conjunction with the Third Schedule, provides a set of powers which every company will be deemed to have unless modified by the memorandum or articles. The inclusion of this schedule will make it unnecessary for all the powers of a company to be recited at length in its memorandum.

Part III.—Share Capital and Debentures -is obviously of paramount importance to the investing public, and particular attention has been paid to the preparation and issue of prospectuses, which are often the only guide for the investors. The present law does not enable any control to be exercised in this regard, but Part "A" of Clause 55 of the Bill sets out in detail the information which must appear on every prospectus and Part "B" of the same clause stipulates the reports that are to accompany the prospectus. Part "A" also makes provision for determining the manner in which the minimum subscription is to be ascertained. This should enable investors to avoid being misled into subscribing to under-capitalised ventures.

Another important feature is that Clause 57 prevents the variation of any contract appearing in a prospectus except with the approval of a statutory meeting. Every prospectus, properly signed by every person named therein, must now be filed with the Registrar before the date of its publication. Provision is also made for all application moneys paid in respect of shares or debentures offered to the public and paid prior to allotment, to be held by the company, or, in the case of an intended company, by the persons named in the prospectus, upon trust for the applicant until allotment. This provision will protect the public in the event of a company going into liquidation prior to allotment, as until an allotment is made the application moneys will remain the property of the applicants.

Provision is made in Clause 65 for controlling the payment of commissions and discounts as consideration for subscribing, or agreeing to subscribe, for any shares in a company, or procuring subscriptions for shares. Any sums paid by way of commission, or allowed by way of discount, or so much thereof as has not been written off, must be stated in every balance sheet until the whole amount has been written off. The object is, of course, to prevent bribery and secret commissions being taken. provides that any charge which includes mortgages, debentures, etc., created by a company by which any security on the company's property or undertaking is conferred, must be filed with the Registrar within 30 days of the creation of such charge. charge created by a company before the commencement of this Act must be filed within 90 days of its commencement, provision is new and is necessary to correct a very unsatisfactory and uncertain position that has existed for some time regarding the necessity for, and the effect of, registration of company debentures under the Bills of Sale Act.

Regarding Part IV-Management and Administration-Lack of proper management and control of the internal affairs of a company can, and often does, prove detrimental to the shareholders. An effort has been made, therefore, to include some provision which will result in better management and administration generally and enable the shareholders to be more readily apprised of the manner in which the undertaking is being conducted. A new provision which does not occur in any other Act is that embodied in Clause 121 under which the directors of a company must appoint a secretary of the company and the Governor may make regulations prescribing the qualifications to be held by persons before they shall be eligible for appointment as secretary to a company.

The Bill provides that no company with a share capital and having issued a prospectus, shall commence business or exercise any borrowing powers unless:—

- (a) shares held subject to the payment of the whole amount thereof in each have been allotted to an amount not less in the whole than the minimum subscription;
- (b) every director of the company has paid to the company out of his own moneys on each of the shares taken

or contracted to be taken by him, and for which he is liable to pay in cash, a proportion equal to the proportion payable on application and allotment on the shares offered for public subscription.

(c) a statutory declaration that the above has been complied with has been filed with the Registrar.

A certified copy of the balance sheet must now accompany every annual return filed with the Registrar and such copy must have attached thereto such returns as are required by the Bill to be attached to a balance sheet. The information to be contained in each balance sheet is set out in Clause 149.

Provision is made for every company limited by shares or guarantee to hold its statutory meeting within four months from the date at which the company is entitled to commence business. At least seven days before the statutory meeting, the directors must furnish each member of the company with a report of the preliminary activities of the company. It has often been found in practice that company accounts are not properly kept and often do not disclose the true financial position of the concern. Clause 147 makes it obligatory for a director to provide for the keeping of proper accounts, and Clause 148 provides for the presentation of a profit and loss account to the company in general meeting not later than 15 months after the incorporation of the company and annually thereafter.

The Bill also provides that "holding companies" must attach to their balance sheets a statement showing the profits and losses of any subsidiary company, and to what extent provision has been made to cover losses. There is provision in Clause 155 for members of a company to be furnished with a copy of the balance sheet, together with a copy of the auditors' report, not less than seven days before the general meeting. Members of proprietary and private companies may have such returns upon request.

Regarding audits, at present there is no statutory obligation for any company to have its accounts audited, the only provision in regard thereto being such as is contained in the articles. The Bill will make compulsory an annual audit by properly qualified auditors who, under Clause 423, have been approved by the court for registration and, if thought desirable, the court may order a

bond to be entered into before registration is effected. An auditor, secure in the know-ledge that any new appointee must be also a registered auditor, will be less likely to be influenced by directors and more likely to submit a fearless report to the shareholders. Moreover, under Clause 427 registered auditors will be subject to supervision by the court and may have their registration cancelled if found to be acting improperly.

South Australia company auditors must possess a license issued by what is termed the Companies Auditors and Liquidators' Board and the South Australian Act provides that two members of the Board shall have had actual experience in accountancy and business practice and shall not be members of the Public Service. Under this Bill the creation of another statutory board is avoided. Auditors will not require to be licensed but must satisfy the court that they are properly qualified and are in every way suitable persons for registration and obtain from the court an order authorising their registration. In this respect the provisions of the Commonwealth Bankruptcy Act which provide for the registration of Trustees under the Act have been adopted in preference to the provisions for the licensing of auditors in the South Australian

The Bill provides that every company not being a private or proprietary company shall have at least two directors and that before any person can be a director of a company he must hold shares to the number specified in the Articles as necessary to qualify him for election or appointment as a director. Any member of a company can, upon demand, obtain a statement signed by the auditors, showing the remuneration or other emolument paid to directors during each of the preceding three years. The demand shall be of no effect, however, if the company within one month resolves that the information be not supplied. No director as a shareholder is permitted to vote on this question. Any director interested directly or indirectly in any contract with the company must, under the Bill, declare nature of his interest at a meeting of the directors and the declaration must be recorded in the minutes.

Part V refers to no-liability companies, and the provisions are practically the same as those in the present Companies Act, the chief additions being:-

- (a) Every company must, within twentyone days after the 31st March in each year, file with the Registrar, a return containing the information in regard to shares issued, share capital, forfeited shares, commission paid or discount allowed in respect of shares or debentures, indebtedness of the company in respect of mortgages, charges, etc., and such other information as is detailed in Clause 181.
- (b) Share certificates must be indorsed with—
  - (1) the name of the company and the authority under which the company is constituted.

(2) the amount of authorised capital with full particulars regarding share issue.

(3) address of registered com-

pany.

- (4) particulars relating to the amount paid up or deemed to be paid up on shares comprised in the certificate.
- (c) Wages due up to a period of four weeks may be recovered from the directors who are personally jointly and severally liable therefor. Such payments made by directors may be recovered from the company.

Part VI deals with co-operative companies for which no new provisions have been made in the Bill. It merely preserves certain provisions in the present Act which require to be preserved and which otherwise would cease to operate by reason of the repeal of the present Act.

The present Act provides for the windingnp of companies under an order of the court and for voluntary winding-up of companies without recourse to the court. In addition, the Bill provides for winding-up of companies under the supervision of the court. Also in the Bill voluntary winding-up may occur at the instance of the members of a company or at the instance of the creditors of the company. In the one case it is called "a members' voluntary winding-up" and in the other "a creditors' voluntary windingup."

Perhaps the most important new provision under this section and one which will largely protect the interests of creditors is contained in Clause 256 which requires a \*declaration of solvency" to be filed by the directors before a members' voluntary winding-up can be proceeded with. The declaration must be to the effect that a full inquiry

has been made into the affairs of the company as a result of which the directors are of the opinion that the company will be able to pay its debts in full within a period of twelve months from the commencement of the winding-up. In the event of the debts not being payable in full, the onus is on the persons making the declaration to satisfy the court that there was proper justification for the opinion formed.

The Bill provides that no person other than a registered liquidator shall be appointed liquidator of a company whether such company is wound up by the court or voluntarily, except (a) in the case of a members' voluntary winding up for reconstruction; (b) where the court is satisfied that it is expedient or desirable to appoint some other person. Liquidators must be registered in the same manner as auditors, viz., by an order of the Court, and in regard to their conduct as liquidators will be under the supervision of the Court and liable to have their registration cancelled for misconduct. There is provision on application being made by the liquidator, for the Court to order all property of whatsoever description belonging to the company, to be vested in the liquidator by his official name.

An important provision is that which compels a liquidator to lodge with the Registrar not less than once a year an account in triplicate of his receipts and payments. The Registrar may cause such account to be audited by an authorised auditor and a copy of every account so audited or a summary thereof must be forwarded by post to every creditor and contributory.

Provision is made in clause 308 for any money representing unclaimed or undistributed assets of the company which remain unclaimed or undistributed for six months, to be paid by the liquidator to the Registrar to be held to the credit of a "companies" Liquidation Account." Where moneys have remained in such account for 6 years they must be transferred to consolidated revenue. Cases have occurred where liquidators have unduly prolonged the liquidations to such an extent that although creditors have received 20s. in the £ shareholders have received nothing. The amounts which would otherwise have been available for distribution have been absorbed by the liquidator's remuneration. It is hoped that the present provisions will place the shareholders in a better position by enabling them to obtain periodical reports respecting the progress of the liquidations, and to insure a reasonably expeditious distribution of the surplus assets among them.

Part VIII deals with the winding-up of unregistered companies on the same basis as now provided in the present Companies Act. Part IX definies the application of the Act to companies registered under former Acts. Part X authorises the registration of companies not formed under this Act. The provisions are the same as those now contained in the present Companies Act. Part XI deals with "foreign companies." Generally the provisions are the same as those contained in the present Companies Act.

Under Part XII no person other than an authorised liquidator or auditor can be appointed a receiver or manager unless the Court or the Registrar considers the appointment of some other person expedient or desirable. Provision is also made for the filing of accounts.

Part XIII deals with restrictions on sale of shares and offers of shares for sale. is common knowledge that the practice of selling shares in this State by companies not registered in the State has worked very much to the disadvantage of many local residents. Generally the sellers are agents working on a commission basis whose only desire is to obtain a signature to a contract for the sale of shares and although the buyer may discover later that the company is one of straw, court action can and has been taken for the recovery of the balance due under the contract, plus costs of the case. persons approached are often those of small means with little, if any, business experience, who are easily gulled by misrepresentation and fall a ready prey to the wily salesman. Under the Bill (Clause 388) it will be illegal for any "foreign company" to issue, advertise, circulate or distribute in Western Australia any prospectus offering for subscription shares in a company incorporated or to be incorporated outside Western Australia unless a copy of the prospectus certified by the chairman and two other directors of the company has been first filed with the Registrar and certain other provisions have been complied with.

It will also be unlawful for a form of application to be issued to any person in this State unless it is accompanied by a prospectus which complies with the require-

ments of the Act. The only exception is where a form of application is issued in connection with a bona fide invitation to a person to enter into an underwriting agreement with respect to shares. Share hawking from house to house or from place to place was prohibited by the Companies Act Amendment Act, 1938, assented to on the 31st January, 1939. The provisions of that Act in an amended and more definite form are incorporated in this Bill.

An important new provision is that which makes it unlawful for any person to make an offer in writing to any member of the public (not being a person whose ordinary business is to deal in shares) of any shares for purchase unless the offer is made by or through an authorised share dealer, i.e., (a) members of Perth or other recognised stock exchanges, or their authorised representatives; (b) exempted share dealers or their authorised representatives; (c) any other person obtaining an order of the court authorising registration.

Persons referred to in paragraph (c) may be required by the court to deposit with the Treasurer £300 or equivalent security. Any such deposits will be transferred to the Official Receiver in the event of bankruptcy of the share dealer.

These provisions are intended to render possible the exercise of a proper control of the persons who shall engage in the sale of shares and so insure that only reputable and reliable persons shall engage in that business.

At the same time the provisions which enable persons to be exempted from the restrictive provisions of the Bill will enable those restrictive provisions to be relaxed in the case of persons not entitled to registration as a matter of form but whose reputability justifies their being allowed to carry on the sale of shares.

Part XIV deals with investment companies. I do not consider it necessary to explain at length the reason for the introduction of this part of the Bill. The activities of a certain investment company operating in Western Australia formed the subject of an investigation by a select committee of the Legislative Assembly in 1939 and the report of that committee gave some indication of the manner in which the unsuspecting public can be misguided and persuaded to invest money in unsound ventures.

Cases have occurred where investors have disposed of holdings in sound propositions and even gilt edge securities for the sole purpose of placing their money in an investment company which might hold out prospects of a greater return on the investment but which has left them sadly lamenting. It is not possible to legislate, nor would it be wise to attempt to legislate to restrict individuals from exercising their own discretion as to the manner in which they shall deal with their own property, and many people who would be the first to complain when their savings disappear, would be the first to oppose such legisla-It is, however, desirable to legislate with a view to restricting the operations of unscrupulous persons whose only aim in life is to enrich themselves at the expense of others who by the exercise of thrift have managed to accumulate some little reserve.

In submitting a comprehensive report on the activities of investment companies in Western Australia the select committee made recommendations regarding suitable amendments to our State law and those recommendations have, so far as possible, been given effect to in the present Bill.

All of the provisions of the Victorian Investment Companies Act, 1938, have been incorporated in the Bill as being most suitable for the said purpose.

Briefly these are as follows:-

(a) Borrowing restricted to 50 per cent. of the paid up share capital of the company.

Of the amount so borrowed, any amount exceeding 25 per cent. of the paid up capital must be covered by a debenture issue which cannot be redeemed (except at the option of the borrower) within five years, and cannot be issued as security for bank overdraft.

(b) The investment of more than 10 per cent. of paid up capital in any one company and the holding of more than 5 per cent. of the prescribed ordinary capital in any one company is prohibited.

(c) Shares cannot be held in any other similar company.

(d) Every balance sheet of an investment company must show separately the investments of the company (other than Government, municipal or other public debentures, stock or bonds, etc.,) and the manner in which such investments have been valued. (e) Every balance sheet must be accompanied by (a) a complete list of purchases and sales of securities during the trading period and (b) a complete list of all investments as at the date of the balance sheet.

Three years is allowed for existing companies to comply with the

above provision.

Regarding Part XV-Registrar's Office Administration—the new provisions make the registrar responsible for taking all practical steps to see that the requirements of the Act are complied with and to that end he is empowered to appoint inspectors. Finally, the provisions in Part IV relating to inspections, the provisions of Clause 417 enabling the registrar and his inspectors and officers to inspect the books and registers of a company, the power under Clause 420 which enables the registrar to refuse registration in certain cases, and the provisions of Clause 421 which enable the registrar to apply to the court for the winding up of a company in certain cases, offer practical means whereby the formation of a company for an illegal purpose or the carrying on of any illegal business or object by a company formed for a legal object may be prevented or dealt with for the protection of the public.

Because companies legislation is of such paramount importance to all sections of the community, it is the aim of the Government to produce an Act which, in addition to making new provisions, will, so far as is humanly possible, remove all existing anomalies and imperfections. Some of these may be known only to those in close touch with the operation of the present Act and notwithstanding the care exercised by the Parliamentary Draftsman it is possible that weaknesses now existing have been continued in the clauses imported into the Bill from the Companies Act, 1893-1938.

To achieve the desired object it is hoped that opportunity will be afforded any interested organisation or individual to draw attention to difficulties which may have been experienced in the application of the present law.

This Bill has a very solid foundation, as members will realise. Company legislation was very fully considered in England, and the best brains of lawyers and judges were availed of in the compilation of what we know as the Imperial Act of 1929. It has been the endeavour in Australia to secure uniformity in our company legislation. From what I have been able to gather from the files, it was considered likely at one time that a Federal Companies Act might be Seemingly, however, that was not possible under the Constitution. Hence the attempt on the part of all the States of Australia as well as New Zealand to pass uniform legislation. South Australia was the first State to introduce legislation and it took no less than six years to put the measure on the statute-book. The Bill was introduced in that State in four successive years and several select committees gave it consideration. It was also the subject of scrutiny on the part of the leading organisations in the commercial world in that State, bodies such as the Chamber of Commerce, the Stock Exchange, the Chamber of Manufacturers, the Associated Banks, the Chartered Institution of Accountants, the Federal Institution of the Accountants, the Australian Institute of Secretaries, the Insurance Underwriters and the Law Society. All thoroughly investigated the Bill, and we have had the opportunity of availing ourselves of the results of those investigations. So I do not suppose that the joint committee, when it is appointed, will have any difficulty in carrying on its inquiries, because the Bill already rests on a sound foundation. The draftsman put in a lot of work on this Bill after having thoroughly considered the Imperial Act, the New Zealand Act, and the other Acts already passed in He deserves commendation for his work though, of course, he does not profess that the Bill is thorough in every respect. He realises that some alterations will be inevitable.

A few of the advantages that must follow from the passing of legislation of this type are these—

- 1. The protection of the investing public against fraud.
- 2, The protection of members of companies against fraud and dishonesty on the part of directors.
- Simplification of company administration and procedure.
- 4. Simplification of winding-up and further recognition of the rights of creditors and shareholders in winding-up.
- 5, Reduction in the cost of forming companies including the shortening of forms, of memoranda and articles.

I have read the South Australian Act and I have read some of the files dealing with this legislation as well as a portion of the evidence taken by the select committee, but I do not think at this stage it is necessary to waste the time of the Chamber in quoting from that evidence or the files. I have here quite a lot of notes, but seeing that the Bill is to be referred to a select committee there is no need to give any further details at this stage. Moreover, the Bill is more for the committee than the second reading stage. I have put up my notes in as concise a form as possible, and though I could occupy the time of the House at much greater length, there is no need for me to I sincerely trust that the second reading will be agreed to without much delay.

Hon. C. G. Latham: You do not intend to put it through to-night, do you?

The MINISTER FOR JUSTICE: No. It is my intention, when the second reading is agreed to, to move for the appointment of a joint select committee so that we might eventually have a measure that will be as nearly perfect as possible. I move—

That the Bill be now read a second time.

On motion by Mr. Watts, debate adjourned,

# BILL—PROFITEERING PREVENTION ACT AMENDMENT (No. 2).

Second Reading.

Debate resumed from the 19th November.

MR. WATTS (Katanning) [5.58]: I do not intend to oppose the second reading of the Bill or to take up much time in debating There are, however, one or two matters that will have to be considered when the Bill reaches the Committee stage. There would be substantial objection to the Bill if were not for the fact that the foundation of the parent Act is that charges for commodities which were in operation on 31st August, 1939, are the basis for prescribing the prevailing prices for those commodities at the present time. The Bill does not make it at all clear that the Commissioner will not be empowered to reduce the charges made on the 31st August for services covered by the Bill. I do not imagine that it is the intention of the Minister that those charges should be reduced below the figure ruling on that date. While it may be practicable to reduce the charges for or cost of commodities that are dealt with in the ordinary way of trade because the wholesale price or the manufacturing cost of such articles has been substantially reduced owing to one cause or another, I presumeand indeed I gathered that much from the Ministers' speech in moving the second reading—that the charges prevailing on the 31st August, 1939, for services proposed to be covered by the Bill shall be let alone, and that what the hon, gentleman desires is to prevent unwarranted increases in those charges in the future. With the desire to prevent any increase in cost or charges over and above those ruling on the date in question I have no quarrel; and that is why I propose to support the second reading of the measure, so that the Committee stage may enable us to discuss the problems that I have referred to in some detail.

I have one other observation to make which also can be given consideration in Committee. The Minister pointed out that in many cases it takes a good deal of time for the Commissioner's officers to ascertain when an offence has taken place. It is quite conceivable that a merchant may charge a price well above that allowed by law and that the proof that he has done so may not be available to the Commissioner for a long time. The ordinary provision is therefore superseded, that proceedings shall be taken within six months of the offence, and the Bill proposes that proceedings can be taken within six months after the Commissioner has satisfied himself that an offence has been committed. That period is somewhat too long, and the Minister will probably agree that it should be reduced considerably. When the Commissioner has proof that an offence has been committed and has all his facts together, he should be in a position to take action against the defendant more quickly than six months after that time. Therefore in Committee I shall propose an amendment to that particular clause. With those observations and those reservations I support the second reading.

Question put and passed.

Bill read a second time.

In Committee.

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

Clause 1—agreed to.

Clause 2—Amendment of Section 5 of the principal Act:

Hon. N. KEENAN: I do not quite understand the full scope of the Bill. Is it intended to bring within the definition of "commodity" all services that the Commissioner may in his discretion consider essential?

The Minister for Labour: No.

Hon. N. KEENAN: The proposed definition would cover every profession so long as the Commissioner thought it was essential to the life of the community. It would cover, for instance, the dental profession: in fact, the Minister mentioned that profession in his second-reading speech. Everyone knows there are certain firms which carry on dentistry at very low cost because they do it in bulk. You are in to the chair and out of the chair in five minutes' time and, according to the poster, thanking the dentist for what he has done. For the same operation, pulling out a tooth, if one goes to a dental practitioner who is no more efficient but certainly proceeds in a more careful manner, one pays a much higher fee. It is a matter of choice. Should a patient desire what he considers better or more scientific attention, he is prepared to pay a professional dentist a much higher fee for the same service. What is the Commissioner going to do in those circumstances? Will he say to the dentist of higher standing and higher charges, "You must come down to the level of the gentleman whose poster we see"? Or will the Commissioner ask that dentist to agree to a happy medium? I do not suggest that there are not services in respect of which the Commissioner could possibly interfere legitimately; but as regards the particular service mentioned by the Minister competition has settled the matter, and settled it most efficiently. There is not the least danger of the public being overcharged, because all these firms are struggling with each other. If the Commissioner interferes and, as suggested, orders a dentist practising under entirely different conditions to come down to the level of the factory price. it would be a grave dis-service to the public.

Yet that would be possible under the clause, which enters on highly dangerous ground.

The MINISTER FOR LABOUR. The clause aims at extending the definition of the term "commodity" as it appears in the parent Act. Section 6 of the Act provides that no commodity can be regarded as a commodity for the purposes of the Act until it is first proclaimed as being a commodity under that Act. The passing of the parent Act was followed by a proclamation which included as many as a hundred different classes of commodities. Not until the proclamation was issued were those commodities brought within the scope of the Act. The same process would have to be carried out in regard to the contemplated services. The Commissioner would have power to recommend that a certain service should be declared a commodity. His recommendation would go to the Minister, who would give it consideration; and if the service in question was a highly important service, the Minister would no doubt discuss the matter with his colleagues in Cabinet, and if it was then considered that the service should be declared a commodity under the Act, the necessary proclamation would be issued. I admit that a first reading would indicate that the Commissioner is to be given power himself, without reference to anyone else, to declare a service to be a commodity under the measure. That was the view I first took of it, and I questioned the Crown Law Department on the subject. Then Section 6 of the parent Act was mentioned, making it clear beyond any doubt that the only power possessed by the Commissioner would be as I have stated. In the case of certain services there would be no end of difficulties with regard to control and fixation of costs. This morning I had a discussion with representatives of the dental profession, and they mentioned some of the difficulties which stated this afternoon; and have been after discussion the members of the deputation were quite satisfied that the position which would develop on the passing of the Bill would be a position capable of fair and practical operation. First of all they were inclined to offer opposition to the measure. but after having had it explained to them they were quite satisfied to withdraw any opposition which had developed in their minds, because they said they were not opposed in any way to a reasonable control

of their activities and provided such control did not impose upon them regulation or control that would have the effect of dislocating their business so as to make it unpayable. They are now prepared to accept the Bill.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. N. KEENAN: The explanation given by the Minister amounts to this, that the Executive Council can declare a profession to be a commodity. If that were done, the whole question of governing the fees to be charged would fall entirely on the Commissioner.. Suppose, as was suggested by the Minister when introducing the measure, that the dental profession was declared to be a commodity, the Price Fixing Commissioner could then deal with that profession without any control whatever. How on earth would he be able to approach the problem? I am afraid the difficulty applies not only to the dental, but to the other professions, including my own.

The Minister for Labour: Your profession is already covered.

Hon. N. KEENAN: Yes, by its own Act and its own rules, but that would not prevent it from being declared a commodity. I cannot understand how it is possible to make professions subject to regulation by the Price Fixing Commissioner. I hope the Minister will be able to explain to the House the need for this proposal.

The MINISTER FOR LABOUR: I have already explained that we have not named any particular profession or any particular service in this clause. We did not do so because of the difficulties that have been mentioned by the member for Nedlands. We realise that it is impossible to bring some professions under the control of this legislation. We are seeking power by this clause to declare any service which we think should be declared, and in connection with which we consider that a system of price control could be effectively operated.

Hon. N. Keenan: Will you name one of such services?

The MINISTER FOR LABOUR: The parking of cars and trucks, services rendered to the public by laundries and certain services provided by the dental profession.

For instance, if a dentist charged 2s. 6d. to extract a tooth on the 31st August, 1939, he could be called upon to justify an increase in price to 3s. 6d. on the 30th November, 1940. I am not suggesting for a moment that all services rendered to the public by dentists could be effectively controlled, but I do seriously suggest some of the services could be. Some services rendered by the legal profession might be capable of control, whereas other services could not be controlled. The clause is worded in such a way as to make it possible for the legal profession to be covered, but whether it is covered or not is unim-The most careful investigation portant. will be made into any service before it is brought under control. For instance, representatives of the dental profession saw me to-day and requested that favourable consideration should be given to the formation of an advisory committee from among the members of the profession if it were to be brought under the control of this legislation. There would be no objection to the setting up of such a committee, which would be of material assistance to the Commissioner in any investigation he might make from time to time into one or more of the classes of services provided to the public by the dental profession. easy to raise a multitude of difficulties that might beset the Commissioner should it be decided to bring some profession under control; but where those difficulties cannot be overcome in a reasonable and effective way, the profession would not be declared under the Act. With regard to the dental profession, one dentist charges £10 10s. for upper and lower dentures, another charges £5 5s.

Hon. N. Keenan: In some cases, 5s.

The MINISTER FOR LABOUR: I have not heard of such a charge. The honmember must have in mind a deposit of 5s., the balance to be paid in easy instalments. I frankly admit that some professions and some services cannot be controlled, and that it would be futile to attempt to bring them under this legislation. The clause has been specially drafted to meet the position and to avoid bringing under control any services for which the regulation of prices would be impossible.

\* Clause put and passed.

Clause 3-Amendment of Section 11:

Mr. WATTS: I move an amendment— That the following proviso be added to paragraph (vii):—"Provided that the maximum price shall not, in the case of any person or body of persons, corporate or unincorporate, be less than the prevailing price on the prescribed date charged for such service by such person or body of persons."

I agree that there is room for control of the charges for services such as we have been discussing to prevent any possibility of any improper increases over and above the charges prevailing on the 31st August, 1939, which is the prescribed date referred to in the Act. The price of commodities, other than services, which prevailed on the 31st August of that year is, in the Act, described as the prevailing price. Now it is proposed to extend the powers of the commissioner to recommend maximum prices for services. Clearly it would be improper to allow any increases on the prices ruling on the 31st August, 1939, but the Minister has admitted that the prices prevailing at that date, such as professional charges, would hardly be a subject for interference. prime cost to a trader for trade commodities might easily fall substantially and he could get his usual margin of profit with a substantial reduction of price to the consumer. The commissioner is able to take notice of such reduction and is at liberty to declare a maximum price accordingly, but there is nothing to say that he shall not take similar action to reduce the fees for services below the figures prevailing on the 31st August. 1939, to clients or patients of the professional or other service-giver. There is no need or desire on the part of the Minister to interfere with the various charges made by the dental profession. I understand the Minister is quite prepared to leave those charges as they stand. Without any disrespect to the people controlling the operation of the Act, had I been told a year ago that opportunity would be taken to affect the prices of livestock sold at public auction, I would have thought it most unlikely. It might be most unlikely that any attempt will be made by the commissioner to reduce the prices for services below those that operated on the 31st August, 1939, but it is our duty to put into the measure exactly what is intended. Because I feel it is not the desire of the Committee to reduce the various charges for services rendered below the figures prevailing last year, I have moved the amendment.

The MINISTER FOR LABOUR: The hon, member has not followed the desirable practice of placing his amendment on the notice paper.

Hon. C. G. Latham: He has caught the disease from some of the Ministers.

The MINISTER FOR LABOUR: I hardly think it is a disease,

Mr. Sampson: A habit.

Mr. Watts: Mine is a cure.

The CHAIRMAN: Order! There is no mention of disease in this amendment.

The MINISTER FOR LABOUR: The amendment has been sprung upon me, but I am of opinion that what the hon, member seeks to achieve is already provided for in The amendment would only the Act. make doubly sure what at present is reasonably certain. It is in accordance with the underlying principle of the Act, which is that the prevailing or basic price shall be the price that existed at the 31st August, Only when increases are made in the prices ruling at that date has the commissioner any power to deal with them. If the hon, member does not press his amendment, I will arrange for him to discass it with me and the Crown Law officers, and if they have the slightest doubt as to the position being already covered, I shall have no objection to getting the amendment included in the Legislative Council.

Mr. WATTS: Because I had some doubt whether the amendment was necessary, the Minister did not find it on the notice paper. Some amount of consideration in my own mind was needed to determine whether the amendment was necessary, and I am satisfied that there is nothing in the Act to prevent the commissioner from doing what the amendment would prevent his doing. I accept the Minister's suggestion to take part in the discussion with the Crown Law officers, and if the amendment is shown to be unnecessary. I may be permitted to change my mind. I ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause put and passed.

Clause 4—agreed to.

Clause 5-Amendment of Section 28:

Mr. WATTS: I move an amendment-

That in line 3 of the proviso the word "six" be struck out and the word "two" inserted in lieu.

This would reduce from six months to two months the time allowed the commissioner for taking proceedings after the completion of investigations.

The MINISTER FOR LABOUR: I have no objection to the amendment.

Mr. Sampson: What does the Justices Act provide?

The MINISTER FOR LABOUR: A limitation of six months within which a prosecution may be launched. When a complaint is made, investigations may occupy as long as nine months, so that a limitation of six months as contained in the Justices Act would be altogether too short. The clause proposes that the commissioner shall not be limited in the time allowed to complete any inquiry or investigation into an alleged breach of the Act. After the inquiry has been completed, a further period of months is proposed in which to commence proceedings, and the amendment seeks to reduce that period to two months. So long as the commissioner has unlimited time in which to investigate an alleged breach, that is the main consideration. The suggested period of two months for the commencement of proceedings after the investigations have been completed, will not detrimentally affect the right of the Commissioner to take action. I will not, therefore, oppose the amendment.

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

Clause 6-agreed to.

Bill reported with an amendment.

## BILL—FARMERS' DEBTS ADJUST-MENT ACT AMENDMENT.

In Committee.

Bill passed through Committee without debate, reported without amendment, and the report adopted.

#### LOAN ESTIMATES, 1940-41.

In Committee.

Resumed from the 13th November. Mr. Marshall in the Chair.

Vote-Departmental, £106,750:

HON. C. G. LATHAM (York) [8.4]: I do not propose to deal extensively with the Loan Estimates, although I wish to make

one or two observations concerning them. We dealt fairly extensively with the finances of the State on the general Estimates, but certain items connected with the Loan Estimates demand some consideration at the hands of the Committee. I was somewhat surprised to see under the Loan expenditure such a large increase in connection with the railways this year. Whilst I accept the explanation of the Treasurer, it seems to me that the expenditure is undaly high. not know to what extent it is intended to increase the activities of the Railway Department during the current year. Apparently, a good deal of money will be spent on new rolling stock. Unfortunately there will not be the same need for rolling stock this vear as has existed in previous years. It is, however, just as well to prepare for the future. The expenditure must be carefully watched from every point of view so that money is not spent unnecessarily. I notice that a large amount has been put down for extensions of electric current from the East Perth Power Station, presumably to the outer suburban areas. If that is the case I offer no objection to the expenditure. ought to supply current as cheaply as possible to those engaged in farming.

The Premier: Some of the new rolling stock is for the carriage of fat lambs.

Hon. C. G. LATHAM: Unfortunately the supply of fat lambs has fallen off considerably in recent months compared with what it was some two years ago. It is, however, wise to provide the necessary facilities for the handling of stock, especially those that are required for export. I hope it is proposed to extend the electric current services to the outer suburban areas, where small market gardeners require water for irrigation purposes and in other cases for I have always advodomestic purposes. cated the settlement of as many people as possible in the outer areas. They live there under healthier conditions, and the cost of living is reduced if the worker can find some place where he can provide himself with part of his keep. I hope that railway carefully expenditure will be watched by the Minister. We should conserve our loan funds to the utmost extent. no objection to the expenditure on water supplies. I hope it is proposed to spend as much money as possible in providing water for the agricultural areas. The Premier has just returned from a conference in the Eastern States. That was probably a more important meeting than some people realise, for it had to do with reducing the wheat production of Western Australia. That was the plan discussed.

The Premier: It is to be subject to licensing.

Hon. C. G. LATHAM: We shall have to find some other avenue for income earning on the part of those who go out of wheat production. It is, therefore, advisable to increase stock raising in our agricultural areas to the utmost extent. This cannot be done without permanent water supplies. Whilst I thought at first it was a waste of money to make the connection between the Canning and Mundaring water supplies, and although the connection may be used only once or twice in two or three decades. I believe it will constitute a valuable insurance against water shortage in the agricultural and mining areas.

The Premier: The consumption is becoming heavier every year.

Hon. C. G. LATHAM: When I first entered the House some 20 years ago I was told that the No. 1 pumping station was pumping all the water that it could pump, whereas every year an increased quantity of water has gone through. I believe even now we have not reached the maximum pumping capacity of the plant. I do not often commend the Government, but I do commend it on this occasion, for establishing reserve supplies along the pumping lines. It was an extremely wise precaution. Whilst there may be a certain amount of waste because of these reserves, it is necessary to have that insurance against the break-down of the pumping plant, and they also relieve the No. 1 and No. 2 pumping stations. I saw some of these reserves recently when on the goldfields and on the way back. The Government cannot go far wrong by spending loan funds on water supplies. In many of our best areas farmers cannot provide permanent water supplies for themselves. I refer particularly to the Wagin district, which is quite a good pasture country. It is impossible to sink dams or tanks there more than 9 ft. or 10 ft, in depth without striking salt In many instances one cannot go below 8 ft. before striking salt water. Because of the high evaporation in the summer there is no permanency about these tanks. This year the rainfall has been very meagre and water supplies are far from plentiful. Underground supplies cannot be

obtained in the areas I have in mind. There are only small tracts of country where it is possible to get stock water in the agricultural areas. They are confined almost entirely to the granite outcrop areas and the long slopes of sandstone country. Outside of that, the possibility of getting water is remote. I know that large sums of money have been spent in the endeavour to obtain water, but without success. The only alternative is for the Government to supply it. Because of that 1 offer no objection to the increases asked for under that heading. We have served the city well in the past by the amount of money we have spent there, and I suppose during the next decade or so it will be necessary to spend still more, but we cannot have a big city that is not backed by a prosperous country, and the only way to bring that about is to have extensive water supplies for stock raising. Where we have suffered most in this State is in respect of those who have been solely wheat pro-The present policy is sound and will be endorsed by members on this side. I regret that the agricultural vote has been so much cut down. I am very disappointed over that. Whilst I admit there is a financial arrangement with the Commonwealth to provide temporary supplies to the farmer, I should like to have seen more done in the way of investigation work through the Agricultural Department. A great deal of scientific exploration is still necessary to counteract stock diseases and pests. New pests are constantly coming to light. I know that the C.S.I.R. is doing wonderfully good work, but we have to do a certain amount of work ourselves because of the peculiar problems that confront us in this State.

The Premier: We pay for most of those investigations out of revenue.

Hon. C. G. LATHAM: That is a wise procedure.

The Premier: We are thinking of switching some of it over to secondary industries, and giving them a chance.

Hon. C. G. LATHAM: I will have something to say about them later. The estimated expenditure for the year is £2,080,958. The Premier was at some pains to explain that the cash expenditure for the year will be only £1,778,000, which will be about £200,000 less than it was last year. This provides for a deficit of £250,000. I hope we can assist to reduce that amount. We hear comments about New South Wales and

other States having increased their deficits. I am not concerned about them. That is their own business. What we have to do is to be careful that we do not build up deficits unless we have backing for them. That is the trouble. I hope we shall not incur any unnecessary expenditure.

The Premier: What about lending the Government your support regarding the traffic fees?

Hon. C. G. LATHAM: I shall not discuss that matter. Surely we are not to have another argument on that question this year!

The Premier: We are.

The CHAIRMAN: Order! That matter is not under discussion at present.

Hon. C. G. LATHAM: I do not know that that will help materially, because I understand it is the intention of the Premier, by any means, fair or foul, to secure the money for interest.

The Premier: No, it is for interest reduction.

Hon. C. G. LATHAM: The Premier cannot have it every way. Last time the purpose was to provide interest on money borrowed for road construction——

The Premier: Which caused the deficit.

Hon. C. G. LATHAM: Everything goes towards building up the deficit. I cannot quite understand one statement made by the Premier during the course of his speech. He said—

While we may be getting a little further into debt, we are aware that we are making provision, by way of sinking fund, for a sum representing three or four times the amount of that indebtedness. In these circumstances the financial position is not so embarrassing as a cursory glance at the deficit would perhaps indicate.

I cannot understand that statement. The amount set aside for sinking fund purposes is small compared with the amount borrowed. I think the amount last year was £384,000. I do not know that the figure is quite so large.

The Premier: It is considerably more than that. You will find it mentioned in the Revenue Estimates. I think it was about £600,000.

Hon, C. G. LATHAM: But the Government pays only half of that amount.

The Premier: No fear!

Hon. C. G. LATHAM: Yes, it does. The figure mentioned in the Revenue Estimates is £481,561 for 1939-40. So I was not as

far out as the Premier was. When the Estimates show that that amount has been set aside, I presume it refers to the State's share only. The Commonwealth Government made available about, I should say, £384,000. That does not represent three or four times the amount of the annual indebtedness. Of course, the Premier may have referred to the deficit itself.

The Premier: That is so.

Hon. C. G. LATHAM: Certainly we borrow an amount far in excess of our interest, so we are not really improving our position.

The Premier: No, but we are not slipping back to the extent that many people think because there is a deficit of £250,000.

Hon. C. G. LATHAM: No, I admit that that is covered. If we did not make provision by way of sinking fund contributions, the position would be much worse. I have heard people say that no sinking fund provision should be made in connection with our railways because of the high maintenance charges. That would not be right at all. If an oil field is discovered in Western Australia, our railway system will not have the revenue-earning capacity it possesses to-day. Naturally the railways will be of some service, but their revenue-earning capacity will be greatly decreased.

The Minister for Works: If we strike oil, we will not bother about that phase.

Hon. C. G. LATHAM: Yes, the Minister will be concerned about it. Of course, the State must have a sinking fund. From time to time. I have pointed out that we have really little control over our finances. The position is even worse now seeing that recently, under an arrangement arrived at between the Prime Minister and the State Premiers, an officer known as the Co-ordinator of Works has been appointed. True, he does not have any say in the allocation of money, but he interests himself in the allocation of expenditure on certain works. That may be a wise move, but I should say the Co-ordinator of Works has not given very careful consideration to some works on which expenditure is to be incurred in this State. Of course, I can offer some excuse for him because he has only recently been appointed to his position and his examination of the schedule must have been rather cursory.

The Premier: He was supplied with information regarding the object for which works were to be carried out.

Hon. C. G. LATHAM: I noticed that the Premier stated it was this officer's duty to examine the programme of Commonwealth works for defence purposes and Stateworks for civil purposes. I have not yet been able to persuade the Premier of the necessity for the appointment of one or two efficiency officers who would be able to check unnecessary expenditure. To save money wherever possible would be amply justifiable.

The Premier: Any increased expenditure is carefully scrutinised at present.

Hon. C. G. LATHAM: I know the Treasury officials do some work of that nature, but those officers cannot engage in outside checking. When I was on the goldfields recently I was impressed by a statement made to me indicating how much money was saved each year on expenditure on the mines. If the management of a mine can take the necessary steps enabling it to save-considerable sums annually, how much more could the State, which spends yearly from £4,000,000 to £6,000,000, apart from wages and salaries, expect to effect in savings?

The Premier: We have three Treasury inspectors.

Hon. C. G. LATHAM: But they do not go into the country areas.

The Premier: Sometimes they do.

Hon, C. G. LATHAM: But they merely check salaries and wages. If those inspectors were to go on to various works, they would probably find means by which considerable savings could be effected, and. certainly their employment on such work. would be amply justified. I know what the practice is. A department requires a certain amount of money for some purpose, and a minute is accordingly sent to the Minister. He is not in a position to check it, and so the expenditure is incurred. Probably it may be for penditure on some machinery. Αt time, such machinery may lving idle elsewhere and could easily from department transferred one another, thus saving the expense involved. When looking through the loan expenditureauthorised in the various States, I noticed that' the smaller States were to get larger authorisations proportionately

with Victoria and New South Wales. I know that is on account of the Commonwealth money spent in those two more densely populated States. When members look at Return 33 in the Commonwealth Grants Commission's report for last year, they will be surprised to note how the figures are mounting up. When I look at the indebtedness of Western Australia per head of the population, I almost shudder.

The Premier: The indebtedness on public utilities in other States is not included in their figures.

Hon. C. G. LATHAM: I am aware of that.

Mr. Marshall: I thought you said the sinking fund covered that.

Hon. C. G. LATHAM: Not the increased loan indebtedness; no one would suggest that.

Mr. Marshall: I understood you to say so.

Hon. C. G. LATHAM: No. The figures show that the indebtedness per head of the population in the Commonwealth and the several States is as follows:—

	£	8.	đ.
Commonwealth	 57	1	5
New South Wales	 131	0	0
Victoria	 95	10	3
Queensland	 125	8	8
South Australia	 182	15	4
Western Australia	 205	2	7
Tasmania	 111	8	4

That gives an average for the Commonwealth and States of a per capita indebtedness amounting to £186 0s. 10d.

The Premier: That represents statutory obligations.

Hon. C. G. LATHAM: I admit that in Western Australia practically all the public utilities are the responsibility of the State, whereas elsewhere in Australia they are not. When we ask people to come to Western Australia to establish industries, they will peruse these figures and may become alarmed. When they see those figures, they will realise that the taxation in this State must be considerably higher than elsewhere in Australia, and that would deter them from the investment of money in secondary industries in Western Australia.

The Minister for Works: You know that in the other States there are a number of boards.

Hon. C. G. LATHAM: Yes, there are the various harbour boards.

The Premier: And electricity undertakings.

Hon. C. G. LATHAM: And some of them are operating at a loss.

The Premier: But their figures are not included in the other States' per capita indebtedness.

Hon. C. G. LATHAM: Quite so. Next I wish to refer to expenditure incurred by the Government, more particularly at Midland Junction. I think the action of the Government has been wrong. Recently the Director of the Finance Branch of the Commonwealth Munitions Department, Mr. Nixon, was in Western Australia. I was interested to read the comments by the Minister for Railways on a statement made by that officer.

The Premier: It was hardly a reasonable statement.

Hon. C. G. LATHAM: I think it was quite reasonable. At the same time, I did not appreciate the fact that Mr. Nixon made his statement when he was leaving Western Australia; it should have been made when he first arrived. The Estimates contain provision for the expenditure of £35,000 on the construction of an annexe at the Midland Junction Workshops. The Commonwealth is to provide for the expenditure of £15,000 and to find the interest on that sum. Eventually the annexe will become part of the Junction Workshops. The Minister attempted to justify the Government's action and his comments rather bewildered me. Although the expenditure is said to be in anticipation of the manufacture of munitions, I cannot understand the Minister's statement except that it will be necessary to increase the buildings and plant at the Midland Junction Workshops in the future. That may be quite sound.

The Minister for Railways: And it is.

Hon. C. G. LATHAM: In the report that appeared in the "West Australian" the Minister said that the Government's policy had been justified by results. But there have been no results regarding the manufacture of munitions.

The Premier: The Minister was talking about the manufacture of rolling stock.

Hon. C. G. LATHAM: I will read the report so that the Premier will understand the position. It was as follows:—

ENGINEERING WORKS.

The Government's Policy.

"Justified by Results."

In a statement he made before he left Perth to return to the Eastern States, Mr. E. V. Nixon, director of the finance branch of the Munitions Department, said that the department desired to give Western Australia whatever, work it could do, but that the policy of the State Government of concentrating the major part of its engineering work in its own State workshops had deprived private enterprise of encouragement to build up engineering workshops. Questioned yesterday, the Minister for Railways (Mr. E. Nulsen) said that the Government's policy had been justified by the results achieved.

"The Government's policy," Mr. Nulsen said, "is to make the railway workshops self-contained so that they can do all the work necessary for efficient running of the railway system. To that end, we have provided up-to-date machinery and equipment so that not only locomotives but boilers, trucks and rolling stock of all descriptions can be manufactured at the workshops. There is no place for private workshops to do work on behalf of the Government, from an engineering standpoint, as it is our policy to have sufficient apprentices in training in engineering so that the requirements for skilled tradesmen can be met."

The results in regard to costs, he added, had justified the Government's policy of providing machinery and plant for meeting all its own requirements. All the work required for the Railway Department could be done by the department more economically and more efficiently than private enterprise could do it, and, in the case of private enterprise, there would be spasmodic calls on plant for other purposes.

I have not suggested for one moment, nor has anyone else, that the Railway Department should not undertake this work at the Midland Workshops. What I want the Committee to appreciate is that the Commonwealth Government has informed us. rightly or wrongly—the only information we can get is from the Press reports-that £500,000 is available for the manufacture Western Australia. of munitious in want to point out the danger of what the Government is advocating. The Government knows very well that in this State there are engineering works that are employing only one-third of the men they employed 12 months ago. Those firms have already in existence, buildings that are not being used, and the Government is adopting a selfish attitude in saying that the whole of the work shall be done in the Midland Workshops.

The Premier: No.

Mr. Raphael: Take a look at South Australia and wake up as to what is being done there.

The CHAIRMAN: Order!

Hon. C. G. LATHAM: The hon, member has only just come here and wants to interject. I wish he would either stay away altogether or else rise in his seat and make a speech. That is the proper way to show his electors that he is here sometimes.

Mr. Raphael: I am busy on examinations.

Hon. C. G. LATHAM: I am inclined to ask the Premier to close the session as quickly as possible so that the hon. member may get on with his examinations.

Mr. Raphael: I will finish them to-morrow.

Hon. C. G. LATHAM: I am perfectly well aware of what is taking place in South Australia. I do not want the Government to think that the Midland Workshops is the only concern that can do this kind of work.

The Premier: No.

Hon. C. G. LATHAM: Let us spread the work. I could take the Premier to West Perth and East Perth and show him establishments that could employ quite a number of men. Their machinery is very efficient though not quite as efficient as that at the Midland Junction Workshops because it is not of such an extensive character. I have never complained about the Midland Junction Workshops not being well equipped. They have to be up to date because they are the only engineering workshops in Western Australia that can do some of the jobs that have to be done. But for the existence of the Midland Junction Workshops, private individuals would require to have some of their work done outside the State. manufacture of munitions—and I speak very feelingly on this matter-should be spread as much as possible. In the event of an attack, the greatest danger spot we have is at Midland Junction, where the army supply stores are located. I do not want to scare anyone, but to centre everything in one place is dangerous. If the £1,500,000 is available, why not get the representatives of the engineering establishments together?

I do not know what that committee is doing and I object to not being given any I object also that when information. leading men come from the Eastern States, civilians are invited to meet them at the Palace Hotel to hear their story, whereas the Leader of the Opposition in this State is never asked to go along to learn what is being done. I take this opportunity of publicly protesting against such discourteous treatment. Continually men come from the other States and impart certain information and while a committee of private individuals is invited to hear what those men have to say, not one member of Parliament, with the possible exception of certain Ministers, knows what is going on. I consider I have some responsibility to the electors of this State and have a right to be informed of what is taking place. I am not permitted to go to the Midland Junction Workshops.

The Minister for Railways: What is to stop you?

Hon, C. G. LATHAM: Civilians are not allowed to go there.

The Premier: You would be very welcome. I would be glad to arrange for you to pay the workshops a visit.

Hon. C. G. LATHAM: The courtesy should be extended to me or to anybody else who may occupy the position I hold, of affording an opportunity to learn what is going on.

Mr. J. Hegney: We can arrange for you to visit the Midland Junction Workshops to find out for yourself what is going on.

Hon. C. G. LATHAM: Very little, I imagine. The building is nearly finished, but with regard to the manufacture of munitions, tradesmen are not getting a fair deal.

Mr. J. Hegney: They are working shifts.

Hon. C. G. LATHAM: Many men suitable for munitions work are on the dole or on road work.

The Premier: No.

Hon. C. G. LATHAM: Surely there are qualified men who are available though perhaps they are not on the dole.

Mr. Raphael interjected.

The CHAIRMAN: I must ask the member for Victoria Park to keep order.

Hon. C. G. LATHAM: The member for Victoria Park has such a raucous voice that it is difficult not to hear him. The Government is doing good work in training fit-

ers and turners at the Technical College, but I want the services of qualified people to be utilised as quickly as possible. quicker the works are in operation, the quicker shall we be able to prove to the rest of Australia that we are doing our I have offered to do all I can to help and so have members of the National Party; in fact, everyone is willing and anxious to assist. But I would point out the need for the decentralisation of munition We have been told what is happening in the Indian Ocean, and other places. not far from our coast. We should be in a serious position if a plane were to drop two or three bombs on the Midland Junction I want the Government to workshops. tell the House why it is not able to avail itself of the services of engineering establishments that are employing only a third of the number of men previously employed.

The Premier: We have no orders to give them: it is a Commonwealth matter.

Hon. C. G LATHAM: I understand the whole of this money has been allocated to the State Government.

The Premier: No.

Hon. C. G. LATHAM: I must apologise for my lack of knowledge and for the ignorance I am exposing, but it is not my fault. I have read about people from the other States being entertained, but I have not been invited to hear what they had to say, and so I am not aware of what is going on. When Mr. Nixon and others come here, a number of private individuals gather together and the visitors talk to them, but a man holding an official position such as I hold is not asked to attend the meeting and listen to what is said. The Government is laying itself open to a good deal of criticism.

The Minister for Labour: You must blame the Chamber of Manufactures.

Hon, C. G. LATHAM: A lack of courtesy has been displayed. I do not want to pry into their workshops; I have a fair idea of what is going on. But I consider that when Commonwealth officials come here, the people's representatives should have some knowledge of what is being done, and should be taken into the confidence of the officials. I had intended writing to the Prime Minister to point out that the Leader of the Opposition in this State has some standing, and that I do not intend to have

the Opposition ignored. During the recess I shall make inquiries to ascertain the powers of that committee. I think Mr. Law is the chairman; but who appointed the committee?

The Premier: The Commonwealth Government appointed Mr. Law, and asked us to nominate members.

Hon. C. G. LATHAM: The Government nominates some people and the committee sits, but I do not know what it is doing. I suppose it has nothing to do with us.

The Premier: Oh yes!

Hon. C. G. LATHAM: We have a responsibility to the people of this State and we should be taken into the confidence of this committee. I do not like this business of taking people from outside and putting them into responsible positions as advisers to the Government. I have always contended that we have men in this House with wide experience whose services would be more beneficial to the people of the State than those of one-track professional men. I could pick out men from both sides of the House willing to give their services free to assist the war effort.

Mr. Needham: What is wrong with the present committee?

Hon. C. G. LATHAM: I do not know what it is doing.

Mr. Needham: It is not being paid.

Hon. C. G LATHAM: It is probably not doing anything. I do not know what it is doing, and I do not want to be too critical because it may be performing a useful service.

Mr. Needham: You had better make some inquiries before you speak.

Hon. C. G. LATHAM: Where from? Mr. Needham: From the committee.

Hon. C. G. LATHAM: I want to know what its position is, and I think the people's representatives should be taken into its confidence. I asked the Premier to call the House together earlier this year because I wanted every member desirous of helping in any way-and we are all anxious to render assistance-to be given an opportunity to do so. We know our nation is up against it, and if we can lighten each other's burdens, we should do so. If we can lessen the period of the war by one day, if we can save one life, we should do it. Though we are prepared to do all we can, we are not invited to do anything. We are not taken into the confidence of the Federal Government. The State Government may take the members of its party, but it certainly does not take members on this side of the House, into its confidence.

The Premier: I assure the Leader of the Opposition that I will be only too happy to give him any information he desires.

Hon. C. G. LATHAM: I do not like confidential information. If a man tells me something in confidence, it has to be treated as confidential; but, when people ask what is being done, I want to be able to tell them. At present I have to admit that I do not know. Mr. Law or someone else might know, but I do not, and that is a very unenviable position in which to be placed.

The Premier: If you consult the department, you will obtain quite a lot of information.

Hon, C. G. LATHAM: I understand it is proposed to give a fair amount of financail assistance for the establishment of secondary industries. I want to ascertain from the Government whether its policy is to assist people to begin an industry that has already been established by someone else.

The Premier: No.

Hon. C. G. LATHAM: I am very glad to have that information because I have been told that the Government is financially assisting some people to enter an already established industry. That is very unfair. I would like to have a talk with the Minister for Labour on this matter. People do not mind having State money advanced to enable them to carry on a concern. They do not care whether they make a loss in those circumstances because they do not lose their own money. At the same time, they may be impoverishing a company already engaged in the same industry, but having no financial backing from the Government.

The Premier: We are assisting the establishment mostly of new industries.

Hon. C. G. LATHAM: If that is the case, I have no fault to find. The Government's idea seems to be to throw on the banks the responsibility of doing a little more than was done when the party I represent was in office. I agree that to recover money advanced is very difficult, but I can commend the Government for the new idea of guaranteeing the money with the bank. There is a double investigation inasmuch as both the bank and the Government officials make an inquiry into the possibilities of industries

it is proposed to subsidise. I want to see secondary industries established in this State. I am quite sure that primary industries will make a recovery immediately normal trade between the nations is re-established. I do not know how far distant that time is, but I hope it will be soon. In the meantime we must plan for the future of our young people and the future of those who return from the war.

In every way possible we must all assist to establish industries, both primary and secondary. Let us do away with this programme of road works. I know that the necessity of finding fresh jobs for workers as soon as existing work is finished gives both the Minister for Works and other members of the Government a headache. It is necessary that men should see something more promising ahead of them. That can be achieved only by their being absorbed into industry of a permanent character. course, we must have road workers but they also would feel more secure under a different system by which they would not be shifted from place to place. We need to assist in the establishment of industries but in doing so we must make sure that the people investing money will have an opportunity to get it back. I know what competition has to be faced from the Eastern States. People engaged in manufacturing industries there are in a much better position than are people similarly engaged in this State. We must try to put our house in order and give encouragement to business men to come to this State with their money, and when they do come we must purchase the goods they produce and so induce them to continue in industry and to manufacture a still better article.

The Premier: You are making a very good speech.

Hon. C. G. LATHAM: No. I am not slating the Government sufficiently. When I speak in the country the Premier will not commend me.

The Premier: I think you are taking a very broad view.

Hon. C. G. LATHAM: This is probably the last important speech I shall be called upon, as Leader of the Opposition, to make during this session. I want the House to feel that those of us on this side appreciate the Government's difficulties. I believe that in its own way the Government is

doing the very best it can for our industries. Its problems are great. I feel particularly sorry for the Minister for Lands. who will have to visit his electorate knowing what he must face from people who cannot help themselves. I wish it were within our power to do more to assist the Government to relieve the position. Only by working out some plan for the future shall we be able to afford relief to those in distress. We may have to pass legislation distasteful to people holding securities. 1 am afraid the Government will not live up to its responsibility in that regard. I am afraid there will be a shirking of that task. It cannot be the responsibility of those of us on this side of the House. When we were in office we attempted remedial measures but they did not have a good reception.

The time is not far distant when there will have to be some alteration. It is no good demanding sacrifices from only one section of the community; that is not satisfactory. That will not solve our difficulties. We must share and share alike. People who have done very little in the long run will have to give away something just the same as others are doing, and they might as well face up to the fact at once. I was pleased to read some of the comments in the report of Mr. Fyfe, the Royal Commissioner on the Pastoral Industry. I am not afraid of what will happen in the future. Everything will turn out all right provided we give people an opportunity to make good. If we can only induce the masters of the situation, that is, the financial institutions, to give those in distress a fair deal, we shall soon return to a period of prosperity such as we experienced in years gone by. Those of us on this side of the House do not intend to place obstacles in the Government's path. We will help in every way we can. Our object is to voice only such criticism as is fair. If I overstepped the bounds of decency in that respect, I did so without any intention to harass the Government. I conclude by expressing the hope that in the of the money available loan funds the Government will be careful to engage in undertakings that will provide interest and sinking fund and will do something to assist in the progress of the State as a whole.

MR. BOYLE (Avon) [8.50]: The Loan Estimates disclose an increase over the previous year of about £250,000. This represents the deficit from last year and not new money. Under our present system of loan and deficit financing, extra £70,000 annually is placed on our interest bill which will in a short time account for 50 per cent. of our entire State revenue. This is another step in the progress of finance under the system by which we are working at present. We are now paying, I believe, about 40 per cent. of our entire income in interest charges alone. The Government is not responsible for that, but the people have to pay, and it means that the time when we shall reach the finish is getting appreciably closer. I notice that a new factor was injected into the preparation of the Loan Estimates by the presence of a gentleman called the Co-ordinator of Public Works. I understand he is a Federal official.

The Premier: Not now; he has left the Federal Government.

Mr. BOYLE: As Co-ordinator of Works, he must be paid by someone.

The Premier: He was asked by the Commonwealth to carry out a public duty, as many other men have been asked.

Mr. BOYLE: I am not criticising his work.

The Premier: He left the Government employ.

Mr. BOYLE: He is an able man, but the position hampers the freedom of the State in the expenditure of loan money.

The Premier: There is no doubt about that.

Mr. BOYLE: And we shall suffer grievously because of it.

The Premier: You know why we did that. We wanted to conserve all the money we could for the Commonwealth.

Mr. BOYLE: I understand the reason, but I now begin to look for the effects from which we are bound to suffer. There seems to be a concentration of expenditure in certain areas by reason of this co-ordination. I am looking at this matter from the point of view of the State. The concentration of expenditure will be disastrous to parts of the State outside the metropolitan area, not only in Western Australia but where the same principle is followed in other parts of Australia. The defence expenditure in Mel-

bourne is exciting the envy and spitefulness of Sydney interests. That is now coming to Western Australia. In the metropolitan area we have a concentration of expenditure that is out of all proportion to the population and the results achieved.

The Minister for Works: You will find it is not so.

The Premier: Of course it is not.

Mr. BOYLE: I am talking about the Loan Estimates. The sum put down for railways this year is £302,000 against £99,000 last year.

The Minister for Works: Is that metropolitan expenditure?

Mr. BOYLE: The Premier says that £33,000 is for new rolling stock.

The Premier: That goes into the country.

Mr. BOYLE: It goes into the country on wheels, but is not made in the country. I am referring to the cost of those works that are contemplated in a particular place. The Premier said when the rolling stock was manufactured it went into the country.

The Premier: Of course, it does.

Mr. BOYLE: Yes, but what will come back from the country in it?

The Minister for Works: Wheat!

Mr. BOYLE: Our wheat production has been knocked down to 28,000,000 bushels per annum. That will have an effect on railway revenue. We are building up in the metropolitan area, and yet there is going to be a reduction in wheat output down to 28,000,000 bushels.

The Premier: That has not yet been decided.

Mr. BOYLE: It must have been decided, because the plan has been made. According to the Press reports, we are to be limited to 28,000,000 bushels per annum.

The Premier: No!

Mr. BOYLE: For the past eight years our average production has been 31,500,000 bushels, and that wheat has been carried on the railways.

The Premier: Marketed for export?

Mr. BOYLE: Yes. That has been the average for the past eight years. Now we are to be cut down to 28,000,000 bushels. As a result of the plan of restriction, the railways will seemingly lose in freight £70,000 a year. That will be a serious matter for the Premier. Midland Junction is claiming £75,000 for the new annexe.

The Minister for Railways: The amount is £35,000. That is a necessary expenditure.

Hon. C. G. Latham: The Commonwealth Government said it would be £15,000.

The Premier: That was for ramshackle temporary buildings.

Mr. BOYLE: I listened to a cross-fire between the Leader of the Opposition and the Premier with regard to employees at these works. In my district there is a patternmaker, who was one of Dorman & Long's men. He has excellent references and is in full health. He has repeatedly applied for work at the Midland Junction workshops. but has been told there is nothing for him, notwithstanding the apparent shortage of skilled labour. I understand that patternmaking is the commencement of all heavy industry, engines, etc. This man is unable to get employment at Midland Junction. hope the concentration of work will be the means of employment being found for men of that type. Decentralisation of these works is the policy in the Country Party. I have heard members of the Government speaking in electorates of the necessity for decentralising employment from the metropolitan area. Let me take the railtown of Merredin, in my way electorate. where railway workshops are not established. I think 180 railway men are employed there, including 80 locomotive men. In the whole establishment there are only two fitters, and yet it is a railway junetion town! I have seen locomotives hauled out of Merredin and sent to Northam and Midland Junction for repairs. There is a concentration at Midland Junction, and the outer centres are being deprived of reasonable workshop accommodation. It is not a sensible thing to have only two overworked fitters at Merredin to look after worn-out locomotives. I am glad the Premier has provided for ten "S" class locomotives, locomotives now in use account for the late arrival of many trains. Hot-boxes and breakdowns are more frequent than should be necessary. Railwaymen have told me that the engines they have to man are in bad condition. It would help considerably if at Narrogin, Geraldton and Merredin workshops were established to do running At Merredin we have two overworked fitters who are called out at all hours of the night to make repairs of a minor nature. We see and hear much about the expansion of the Midland Junction workshops, and yet we know that the outside railway centres are being staryed.

The Minister for Railways: Are you opposed to the expansion at Midland Junction?

Mr. BOYLE: I would not say that, but I have not yet been invited to inspect the works there. It is understood that they are very well equipped. I understand also—and accept the statement—that the employees are most efficient workmen. But why a locomotive should be drawn from Merredin 160 or 170 miles to Midland Junction for repairs, I do not understand.

The Premier: That is an exaggeration.

Mr. BOYLE: It is not an exaggeration. We are now evidently, with the aid of the Co-ordinator of Works, to have an extension of these works. There is an amount of £120,000 provided for the East Perth Power House. The capital expenditure there is enormous. I do not say it is unnecessary, but there appears to be no difficulty in getting such sums of money for the extension of existing works of that type.

The Minister for Railways: All essential. Mr. BOYLE: I do not challenge that for one instant, but works are equally essential at other places. Where there is established work doing its job, proposed expenditure on it could be decentralised to other areas. As the Premier has remarked, rolling stock is not being fabricated at Midland Junction for any purpose other than to convey goods from the country. Unless we are producing those goods, we are only engaging in the production of deadsea fruit. The expenditure on Goldfields Water Supply is a very pleasing feature of these Loan Estimates. I will say for the Government that it has endeavoured to maintain that tremendously important link at a high degree of efficiency. The whole of the section has had practically to be re-made. The idea that it is not a payable proposition will of course not bear investigation. Taking one thing and another, the Goldfields Water Supply right through, if one looks at the payments into Consolidated Revenue on the whole scheme, which are pretty considerable, has proved a profitable undertaking. I think the payment was about £60,000 last year, after interest and sinking fund had been met. The total accumulated deficit would be about £530,000.

The Minister for Works: About a million pounds.

Mr. BOYLE: That must have been caused by the renewal of the pipeline.

The Minister for Railways: It has been caused by fresh work.

The Minister for Works: Interest and sinking fund are not paid on the £1,800,000.

Mr. BOYLE: From my reading of the reports, the only source of information available to me, it appears that there has been fresh loan expenditure. In that regard the Government has shown commendable foresight, especially in making the connection to the Canning scheme, which I am pleased to note will be completed much earlier than had been anticipated. That should prove a highly profitable concern for the Government. The pumping of 2,000,000 gallons of water will not, I hope, be a permanent job.

The Minister for Works: The expenditure on it is an advantage to the country.

Mr. BOYLE: That is one of those distortions of fact that might go down in the Minister's electorate.

The Minister for Works: It is not a distortion at all.

Mr BOYLE: If there were not a demand for that water outside where the money is being spent, it would be little use to incur the expenditure. That water, of course, is destined for as far afield as 300 or 400 miles. That is and has been one of the greatest factors in, shall I say, the agricultural areas throughout the Eastern districts. Very few people realise that. growing responsibility in that regard to-day is that between Northam and Southern Cross there are 500,000 sheep being watered. Like the Leader of the Opposition, I regret the reduction of expenditure on the Agricultural Vote. It seems difficult to understand why the vote should be cut down from £206,000 to £166,000. I suppose the Co-ordinator has been at work here.

The Premier: That is because of the clearing operations in the South-West.

Mr. BOYLE: If the clearing operations in the South-West have been completed, plenty of room can be found in the agricultural areas of the State to catch up with work that has been neglected. I think the reduction of the vote is entirely a retrograde step. The expenditure is the one really safe expenditure in Western Australia.

The Premier: The amount has been going up every year.

Mr. BOYLE: After all, the secondary industries of Western Australia are not very firmly established, and are up against tremendous competition from the Eastern States. Our agricultural industries, as I have pointed out here before, even with depressed prices for wheat and wool are providing £12,500,000 a year. Butter is considerably less—£780,000. And then expenditure is stinted or kept down in respect of the Agricultural Vote. I do not think that is wise. We marketed about 40,000,000 bushels of wheat from Western Australia, and that represents £8,000,000 at ports. Wool is worth £4,500,000. That is a total of £12,500,000.

The Premier: I do not think you are right.

Mr. BOYLE: I do not think there is any room for difference of opinion. The price of wheat must be taken at ports-3s. 111/4d. at Fremantle. That is nearly 4s. per bushel. Taking the value of the wool on top of that, we shall not be far short of the figure I have given. I noticed recently that the Premier has been East with the Minister for Lands, and that there has been a fixation of a stabilised price for wheat at 3s. 10d. per bushel f.o.b. I do not wish to detract from the work of the Premier or the Minister for Lands. They did an excellent job in that regard; but of course the main work done is that of those men who have fought for years to get a stabilised price for wheat.

The Premier: Whom have they been fighting?

Mr. BOYLE: I regret to say they have been fighting every Federal Government Australia has had, whether Labour or of any other political complexion. I happen to know that. I have been in a position to know. No Australian Government has ever met the wheatgrowers of the Commonwealth fairly and squarely regarding the price of their commodity. I remember an interview with Mr. Scullin just after he had left He then showed me the proposals which the Labour Government had. However, that Government was out of office. It was a price of 4s. f.o.b. for all wheat grown in Australia, and any price over the 4s, would be half-and-half to the Commonwealth as a redemption fund for providing the 4s. and to the grower for producing the wheat. But of course the opportunity was then past. However, what I consider more important is that the price level is understood to be fixed for 10 years as from 1941-42.

The Premier: No. There is nothing about that

Mr. BOYLE: Surely all this labour has not been for the fixation of the price level for one year!

The Premier: That cannot be done under the Commonwealth National Security Regulations. I do not say the price will not be fixed for 10 years, but there was nothing decided about it at the time.

Mr. BOYLE: The farmers are convinced that the fixation of the price level is for 10 years in order to stabilise the industry.

The Premier: I never heard the matter mentioned.

Mr. Doney: Was no period mentioned at

The Premier: No.

Mr. Doney: Are we to take it for granted that the price level is only for one year? The Premier: For the year after next.

Mr. BOYLE: I hope the Premier will use whatever influence he has—and it should be considerable—to see that a period of time is fixed for the price level. From the wheatgrowers' point of view this is a period when one feels a little confidence in the future. There is something in the price of 3s. 10d. at ports. It amounts to 3s. 1d. at the siding, which is below the cost of production as fixed by the Royal Commission on wheat, namely 3s. 2<sup>1</sup>4d. Still, the 3s. 1d. price level has been fixed on the information available.

The Premier: It is bread and butter.

Mr. BOYLE: This House has agreed upon a State price of 3s. 4d. at sidings. However, that price level will be of little value if the rising tide of cost of production overtakes it. We have an instance of that in regard to superphosphate prices. The increase in that respect means a loss of 1d. per bushel on a 12-bushel average. Not many imposts like that are needed to rob the wheatgrower of the value of the present fixed price. Price level fixation is far more important than people imagine. It is not a figment of the

imagination. One can go back a hundred years and find what has been aimed at in this regard. I notice that in 1927 two men put their fingers on the spot. That was before this depression, in the days when we thought there would never be any more trouble in the world, when we were getting 5s. and 6s. a bushel for our wheat. In 1921 we got 9s. 2d.

The Premier: That was the time you ought to have got out of debt.

Mr. BOYLE: That was the time we got into debt. I remember also that a little before that time the Labour Government suggested in this House that the maximum price of wheat be fixed at 5s. per bushel, in order to prevent the farmer from profiteering. I will quote from Mr. Reginald Mc-Kenna, the Chairman of the Midland Bank, because he is an orthodox banker, not a so-called revolutionary type of monetary reformer—

History has shown that apart from perhaps wars and religious intolerance no single factor has been more productive of misery and misfortune than the high degree of variability in the general price level. This may sound like an extravagant statement, but so far from being of the nature of a demagogic outburst, it is clearly demonstrable from the course of events in the various countries ever since money became an important element in the life of civilised communities. A stable price level is a thing to be desired, second only to international and domestic peace.

#### Sir Josiah Stamp has written-

A statement after dinner that the change in the price level in the last three years has increased the burden of the national debt a thousand millions or added an invisible shilling to the income tax, is treated on much the same level as an interesting anecdote—it is not challenged, it does not "bite." I do not believe that more than one business man in a hundred, on opening his newspaper, observes the monthly fall in the price index, with a sinking heart, or any consciousness of its effect on the nation's fortunes. When I have said quite seriously, as I have done on a number of occasions, that the problem of price levels is the most important single problem of our age, I have been accused either of exaggeration or flippancy. "What about trade depression in the basic industries, unemployment, labour unrest, class hatred, high taxation, and the rest?" My answer is that the problem of the price level is fundamental to a solution of them all.

That is what we are endeavouring to do, to obtain a payable price level. Two industries in Australia obtained a payable price level long before wheat had the fight it is having to-day, and it is a fight for its existence. It is to establish a price level which will enable

farmers to remain on the land. With the fixation of a price level the Government must realise that it must not oppose any attempt at compulsory reduction of the mortgage debt of the farmer. The two things must go Those debts were incurred when wheat was 5s. per bushel at the siding; now wheat is definitely stabilised at 3s. 2d. per bushel at the siding. That is a reduction of practically two-fifths, and it is essential that the farmer's debt should be reduced proportionately in order that he may feel secure. I cannot understand why the Government opposed the compulsory reduction of the mortgage debt of the farmer. Let us consider the sugar industry. That industry obtained the safety of a payable price level owing to the foresight of the men who controlled it. The sugar production of Australia is 800,000 tons per annum, of which Australia consumes 315,000 tons. 400,000 tons being exported. The sugar agreement, fostered by the Commonwealth Parliament, is worked on an over-all price. From authoritative figures supplied by the Queensland Sugar Board we learn that 400,000 tons of refined sugar was exported at £8 6s. per ton. The home consumption price averaged £33 5s. per ton. The whole erop realised £15 7s. 6d. per ton, of which 70 per cent, went to the grower and 30 per cent. to the mills and refineries. That meant prosperity for the persons engaged both in the production and the manufacture of There are 8,000 licensed sugar growers in Queensland and their land has appreciated to £200 per acre. I offer no objection to the licensing of wheatgrowers, because I think that position has been forced upon us. If we are to have a payable price level, we must have control of the output of wheat. To secure that, we must license the men engaged in the production of wheat and we must take out of production land which is not producing proportionately to its place in the scheme of things. Of the 14,000,000 acres of wheat land cropped in Australia today 3,000,000 acres produce six bushels per acre and less; and of the 3,000,000 acres, -1½ million acres produces three bushels and If we take out of wheat production 3,000,000 acres, we shall have left 10,000,000 or 11,000,000 acres, and if we allow for that area an average of 10 bushels or 11 bushels per acre, we shall get down to the 140,000,000 bushels that apparently is the goal aimed at. I have said repeatedly in this House that our marginal areas must

be taken out of wheat cultivation altogether. The Minister for Lands did not agree. I hope the Government will not make the mistake of permitting commercial wheat growing in the marginal areas.

The Premier: No.

Mr. BOYLE: I know that plans have been put forward which provide that wheat shall be grown in connection with the pastoral industry which it is proposed shall be carried on in the marginal areas. I bave advocated in the Press and in this Chamber that commercial wheat growing in the marginal areas should not be countenanced, because it would bring down the average and would adversely affect our commercial wheatgrowers. Butter is an industry that in 1926 was in a parlous condition. was in that year that the Paterson plan came into operation; it was, of course, a con-Effect was given to it tributing plan. from 1926 to 1934, but the plan was not drastic enough, it could not be properly Therefore, in 1935, the Dairy policed. Products Act was passed ,and this was later invalidated by the decision in the James dried fruits case. I might say that that was one of the worst frame-ups to which the producers of Australia have been sub-Unquestionably, the money to fight that case was found by the merchandising interests of Australia.

Hon, C. G. Latham: Assisted by the Government of the day.

Mr. BOYLE: I mean the foreign wheat merchandising organisations, Dreyfus, Bunge, and firms of that kind. They exploited us to the limit; there is no question at all about that. We had the same people to fight in the dried fruits case, which we lost. I understand the Government of Western Australia expended a large amount of money in order to obtain that decision against us.

The Premier: No.

Mr. BOYLE: I did hear that some amount of money was so spent.

The Minister for Works: By your political allies.

Mr. BOYLE: My political allies are those who will work for the protection of the agricultural industry, not for its exploitation. I am not wrapped up with those men who have made millions, while the producers have starved on their holdings, and to-day are, financially, serfs and bondmen. The sugar industry, as I have said, has

obtained a price level, and so has worked out of the position in which the wheatgrowers find themselves. same remark applies to the butter industry. We must bring down the mortgage debt of the farmer to an amount in proportion to the price which he will receive for his products. We exported 100,000 tons of butter and we consumed in Australia 100,000 tons. The grower in Australia receives the benefit of the Australian market, while the money received from overseas--which is considerably less than the consumer in Australia pays-helps to maintain a price level for the industry. is a fruitful field before the Government. Recently, with others, I made a tour of the Albany district, which is not new to me, because I spent eight years there, from 1912 to 1929. I know the possibilities of the district, but to say that I was amazed would be to put it mildly, because there is a new and scientific method of cultivating the land there.

The Promier: You must have gone there at the right time.

Mr. BOYLE: We did not wait for the good time of the year. We were invited to go there in September, when, fortunately, the weather was pleasant.

The Premier: Too fine, perhaps.

Mr. BOYLE: We found persons there doing work which the Government should be doing. They were solving problems that are State problems, and they were setting about the solution of those problems with a magnificent spirit. Their land was not being ploughed up as it was in the old days, bringing the sour soil to the top. The Albany district is mostly low-lying in the areas extending towards Denmark, although some districts are hilly. The country we saw being cultivated was lush country. We saw the work of our great Dr. Teakle. I call him great; he is a product of Western Australia and a good son of the State. We saw his plots there; we saw that by the addition of 5 lbs. of sulphate of copper to the acre the transformation he had wrought; and we saw by the addition of a little cobalt to the country the removal of the terrible cattle wasting disease. In short, we saw, notwithstanding the limited money available the district. the commencement of what I regard as a new era of agricultural development. This is the

point we must consider: this war will not last for ever. How long it will continue, God knows; but the soldiers now walking about the city will ultimately be returning to Western Australia. Are we going to treat them as the 1914-18 men were treated? I do not care to talk about the scandalous treatment meted out to those men. We know that in 1927 Mr. Justice Pike, in his capacity of Royal Commissioner, wrote down the debts of those soldier settlers by £9,000,000. He would not have done so had those men not been placed in the position of incurring those debts uneconomically. The Government can make preparations to settle our men when they return in that portion of Western Australia extending from Albany to the South-West, where we have another Victoria, Our State's share of Australia's production of butter is only 3 per cent. Britain was importing £50.000,000 worth of butter annually, of which only £26,000,000 worth came from British Dominions. foreign countries that exported butter to Britain are now under the German heel. If we won the war to-morrow, the destruction wrought in those countries could not be made good for the next 20 years, so this is our opportunity to get a greater share than a miserable 3 per cent. of Australia's butter production.

It is a remarkable thing that in the past eight years, referring again to the wheat price level, we have had only two years in eight when the price exceeded that amount. For six of the eight seasons our farmers have been subjected to heavy loss. In 1932 the siding price was 2s. 91/4d.; and in 1933, 2s. 21/2d. as against 3s. 21/4d., which we will say is the cost of production. The following are prices for the subsequent years:-1934, 2s. 01/2d.; 1935, 2s. 63/d.; 1936, 3s. 6¾d.; 1937, 4s. 3½d.; 1938, 2s. 9¾d.; 1939, 2s. So the fixation of a price level will be backed by all the goodwill that we can give the Government. I agree with the Leader of the Opposition that there is one solid foundation upon which we can build, and that is the agricultural industry. depression and various other troubles are but passing phases, and I am sure that the adoption of a saner outlook by Governments will lead to a consolidation of the position.

There is another matter to which I wish to refer and that is the possibility of using concrete for road surfacing. I am sure the

Minister for Works has given this matter a good deal of attention. Recently I had the pleasure of being invited by the Minisfor Industrial Development to see pipe-lining the work of concrete ing undertaken at the cement works at Rivervale, and I was particularly struck with the remark of one of the directors that the men then employed would before long be out of work. He went on to say that the building trade was not what it had been, and so forth. To me it seemed shocking that we cannot give those men some assurance of continued work. I realise that the big job of constructing the Canning Dam has been finished and perhaps no other large work of the kind is contemplated. Still. we are using bitumen for surfacing our roads and there is anxiety about shipments, I was assured—I have no means of checking the statement—that concrete makes cheaper and better roads than does bitumen.

The Minister for Works: You were not assured by the Director of Main Roads.

Mr. BOYLE: No, by the chairman of directors of the cement works, who admittedly might have been regarding the matter from his own angle. At any rate, he said he was prepared to stand up to his statement. He said that concrete roads were not only cheaper but were also more durable than bitumen roads.

The Minister for Works: Who said that?

Mr. BOYLE: Mr. Law. Why not give that gentleman and the Director of Works a chance to put up their cases so that we, as laymen, might have something to work on. A fine work is being done at Rivervale, and seeing that the Minister for Industries is doing his best in very difficult circumstances, surely there must be some means of testing out the statement in order to ascertain the facts.

Mr. Fox: There are concrete roads in America.

Mr. BOYLE: Of course there are.

The Minister for Works: For a concrete road £7,000 a mile compared with £4,000 for bitumen.

Mr. BOYLE: I suppose the Director of Works is entitled to say that the cost of a concrete road would be £7,000 a mile.

The Minister for Works: One man has given an estimate; the other has made a guess.

Mr. BOYLE: The point is worth investi-We have miles of bitumen roads in Western Australia, admittedly good roads, but every ounce of bitumen used has been imported from abroad. Investigation would satisfy us who are anxious to support the Government in securing an extension of local industries. It seems strange that the director of the cement works should say that concrete roads were cheaper and better. Of course the Minister for Works may know differently. I do not know whether the Minister for Industries is aware of it. However, if these employees are put off, the work of the Government will be a good deal stultified. In a matter of this kind, the Government will find no lack of support from this side of the House.

I appeal to the Government to consider the decentralisation of loan expenditure in the State. It is useless for the Premier or anyone else to say that so much has been spent on roads and so much on regrading. There is no actual economic value to the people in the part of the country where such expenditure is made, apart, of course, from the facilities provided for transporting It does not mean that any their goods. more people live in that part of the country. The practice under the existing system is that the men leave on Friday night and return on Sunday night, and thus the expenditure of money in those places where such work is being carried on is not what it used to be. What I desire to see is a more permanent system of decentralised works, such as workshops at our railway centres that can do the requisite repairs, and the encouragement of other means that would lead to the permanent employment of people in country areas.

MR. SAMPSON (Swan) [9.35]: I was much concerned to hear the remarks of the Leader of the Opposition regarding what appears to be a policy of secrecy by the Government about what is being done. Surely it should not be necessary to make a special appeal to the Premier in order to learn what is proposed in the matter of adding to the Midland Junction Workshops, establishing munition works and other undertakings. Unless some special reason exists, this information should be made available to the public.

The Minister for Works: It has been.

Mr. SAMPSON: It should be made available in Parliament.

The Minister for Works: It has been.

Mr. SAMPSON: The Minister heard the Leader of the Opposition make a statement and did not deny it. A reasonable objection has been voiced. The information should be made available to the public. If it exists in the form of a report, the report should be tabled and the public thus taken into the confidence of the Government. There should be no need to ask for the information. Certainly there should be no need to go to the Premier and request particulars of some such matter. Of course, if the information is confidential, the Premier could not disclose it to the public. Therefore I join with the Leader of the Opposition in expressing regret that an institution like the State Parliament should have occasion to complain of the policy of secrecy that appears to actuate the Government.

The Premier: A public statement has been made of the contracts entered into between the Commonwealth and State Governments.

Mr. SAMPSON: When objection was raised by the Leader of the Opposition, he was advised to see the Premier at any time and talk the matter over. I say Parliament is the place where the information should be made available.

The Premier: It was made available when I introduced the Estimates. You were not here.

Mr. SAMPSON: It is not only remarkable but also rather flattering to me if the Premier can recall that I was absent on that particular occasion.

Mr. Doney: I noticed that the member for Swan was making interjections while the Premier was speaking.

Mr. SAMPSON: Perhaps the Premier would not recall that fact. Whether I was present or not, the information should be tabled so that the public may have knowledge of it, provided it is proper that the public should be informed.

The Premier: The public has been informed.

Mr. SAMPSON: But the Leader of the Opposition has protested to-night. To assure me of something would not be very flattering to the Leader of the Opposition when the assurance was not given to him. I hope

there will be no occasion to voice this complaint again. If the matter is one that can properly be disclosed, the public should certainly be informed.

On various occasions I have expressed appreciation of the action of the Minister for Railways in recommending to the Premier certain extensions of electrical current. I was hoping that during the course of these Estimates the Minister for Railways would be good enough to tell us something of the actual construction of those extensions. I know the Premier is anxious to make extensions of electricity cables in different centres which have been approved, and I hope that now many months have passed it may be possible for a statement to be made. The people affected anxious, and the secondary industries are concerned because if the electric current is made available there will be in the outer suburban districts many small factories established.

The Minister for Railways: There is a shortage of copper wire.

Mr. SAMPSON: I thank the Minister for that explanation, and am hopeful that he may have advice as to when this essential will become available.

Mr. Cross: Perhaps you are able to tell us when the price of paper will come down in Norway.

Mr. SAMPSON: The hon, member interjecting wants to trade with the enemy. The silly old man should know there is plenty of paper available for reasonable needs, and that Norway was taken over by the enemy some considerable time ago. latter I really do not think is a piece of private information, and probably the making of the statement here will do no injury. I add that the interjection no doubt was made in all courtesy and therefore I will say no more about it. I do appreciate the efforts being made by the Railway Department, and especially those efforts whose object is to develop trade. I will say without any reservation that the adoption of business principles by the Railway Department is a far better thing today than it has ever been before. department does go after business, and when it gets the business spares no effort to give clients satisfaction. However, I think the department should review the

outer suburban and perhaps other timetables. I have made mention of the matter here previously. Undoubtedly many trains are run when there is no justification. It means that however hard the Minister and the Commissioner may strive to make departmental accounts balance, that is impossible. When unnecessary or superfluous trains are run, income cannot balance expenditure.

One outstanding work dealt with in these Loan Estimates relates to Water Supply and Sewerage, for which an amount of £924,500 is provided. That is a splendid undertaking, and in connection with it I am particularly pleased that the Canning dam is to be connected up with the Mundaring reservoir supply. I have already expressed to the Minister for Water Supplies my hope that it may be possible to supply Kalamunda with water from that pipeline. The pipeline passes over Greenmount, and I am hopeful that from that point a close estimate may disclose that water can be made available to Kalamunda. Kalamunda is one of the very few centres, if not indeed the only centre, in the outer suburban districts for which supply has not been made. I am doubtful whether it has been decided definitely to abandon the proposal of adding to the height of the retaining wall of the Mundaring Weir. I know that from time to time the water which comes down into Mundaring reservoir is of such great volume that many scores of millions of gallons are lost. higher wall would do something to prevent that loss.

It is surprising to learn that in connection with the site of public buildings, concerning which so much discussion has taken place in this Chamber, in connection with which there has been a select committee. and which it has been decided shall be on a portion of the Government House gardens, a huge mass of sand which had been carted to the gardens is now being taken away, or some of it carted away. That is a most remarkable thing. There may be some explanation of it. I daresay there is. But, tlie sand having been taken there, I do not understand why it should now be taken away. Surely there is someone in charge of the work.

The Minister for Mines: We are making a good profit on the sale of it.

Mr. SAMPSON: Then practically it is the one State trading concern that is proving a success. I could amplify that by referring to the miserable returns secured from the State hotels; but I do not know that I would be quite right in doing so at this juncture, though there is some money on the Loan Estimate for State hotels.

The Minister for Mines: The price of beer is going up to-morrow.

Mr. SAMPSON: That is no matter for jubilation either on the Minister's part or on mine. But there is the position. Why is this sand having been carted to the site, now being removed?

The Minister for Mines: Where would you put it?

Mr. SAMPSON: I would never put it at all. I would have let it remain where it was, or where it had been placed.

The Minister for Mines: It had to be carted out of the gardens.

Mr. SAMPSON: Not at all. This is not a question of foundations. The low-lying ground is being filled up in order to provide a foundation. Surely the Minister remembers the numerous occasions on which reference was made to the instability of the foundation, which necessarily must rest in what is more than less a swamp. However, many hundreds of loads of sand were carted there, and now some of the sand is being carted away. It sounds like "Alice in Wonderland" or some fairy story that this should be happening. Surely it is not one of the side lines of the Minister for Industries, who, having moved the sand to a certain point, then proceeds to move it away again? Let me hope it will not be brought back and that this time what is being done will be right. I do not propose to say any more. I am glad there is some money to be spent, and I hope it will be disbursed wisely. With regard to the moving and removing of sand, no such claim could be made.

MR. THORN (Toodyay) [9.51]: I support the appeal to the Government by the Leader of the Opposition to see that, as far as possible, munition work is decentralised. I fully appreciate the fact mentioned by the Premier that the Leader of the Opposition would be quite welcome to

inspect the Midland Junction workshops, if he so desired. I have had that privilege on many occasions, and I know the workshops constitute an excellent institution that is a great asset to Western Australia. would have to travel far to find a better lathe-shop than the one at Midland Junction. I appreciate the importance of the Midland workshops, but I also agree that when we are at war the necessity arises, from a defence point of view, to decentralise important work as much as possible. reports in the Press, I know that tenders have been let to private firms, but, nevertheless, the appeal by the Leader of the Opposition to decentralise the class of work he referred to was certainly apropos and should impress the Government with the need for action along those lines. Midland Junction is an important centre. Most of the railway lines converge there, while the Ordnance Stores, where the bulk of the military supplies are kept, are located at that If this State were attacked, I centre. should say that one of the most important centres from the point of view of probable enemy action, would be Midland Junction.

To me it is regrettable that we, as representatives of various electorates, are not able to take a bigger share in the responsibilities of the State. I have in mind what the Leader of the Opposition referred to when he spoke of the visitors to Western Australia, men in authority who are engaged in work associated with the Commonwealth war effort. I regret that we have not been taken more into their confidence. We, as responsible citizens, feel that we would be able to fill positions on boards set up from time to We are entitled to representation on those boards. We certainly would like to participate in the responsibilities associated with our war work. During the session, Opposition' members have indicated their willingness to co-operate with the Government in every way calculated to assist the Empire in the successful conduct of the war. We would certainly like to play a bigger part than we are doing at present. I trust that when the annexe at the Midland Junction workshops is completed-I understand it is nearing completion now-we will, with the application of the brains available, carry out successful work in augmenting the supply of munitions.

His usual appeal to the Minister for Railways for the extension of electricity supplies to his constituency was made by the member for Swan (Mr. Sampson). I am equally keenly interested in that subject, for in my electorate the people are crying out for this convenience, which is such a great aid to progress. The Premier has approved of the carrying out of certain works in my electorate, and I appreciate that fact very much. However, not long ago I read a report in the Press which supported the contention of the Minister for Railways that the necessary materials are not available to enable those works to be carried out. I spoke to the manager of the Tramways on the same question, and he supported that contention as well. Furthermore, a report appeared in the Press that the board controlling the supply of copper cables had issued a statement to the effect that it was hoped by the end of November or towards the end of the year, a commencement would be made ensuring supplies to State Governments that required such necessary materials, thereby enabling them to carry out their works programmes. I also noted that arrangements were being made for a shipment of copper from the United States of America. In those circumstances, one must be reasonable and realise that the Government, not having the materials at hand, cannot possibly carry out work already authorised. However, I trust the time is not far distant when the Government will be able to proceed with the various works I have in mind. The Government has a staff of electricians and others, and it is necessary for those men to be fully employed at their appropriate tasks. I hope that in the not far distant future, electricity supplies will be installed in the Swan electorate and in my electorate as well. Not only is electricity essential these days to aid the work of housewives; it enters into so many of our industries and helps to make possible progress and development. I am grateful to the Government for having constructed the road through to North Beach. The people in that locality have been waiting for years for that work to be undertaken. Moreover, the Government has extended the water supply from Scarborough to North Beach. In the circumstances I have nothing to complain I fully appreciate the difficulties with which the Government is confronted and, with other members on the Opposition side of the House, I shall be only too pleased to co-operate with Ministers as far as possible to assist them in carrying out successfully the work that lies ahead.

MR. McLARTY (Murray-Wellington) [9.59]: I suggest to the Government that consideration be given to the advisability of hurrying the completion of the construction of the Stirling Dam, I make that suggestion because, as members know, there is urgent need at present for the supply to the British Isles of foodstuffs that can be produced in our irrigation areas. present time, all the condensed milk that the Nestle's factory can turn out is required for export; the factory is unable to get sufficient milk to meet its requirements. butter ration in England has been seri-If we could only secure ously reduced. water in the district, we know that our butter and other dairy products could be increased enormously. The channeling of the irrigation areas that will be served by the Stirling Dam will be completed before the dam itself is finished, but it will not be possible to use the channeling, because the dam is an earthen one and water cannot be stored in it until it is completed. urge upon the Premier the advisability of completing the construction of the Stirling Dam sooner than it can be completed under present conditions. I understand that to complete it will take another three years, or three summers after the present summer.

The Premier: Three years.

Mr. McLARTY: I am informed that if another drag line could be procured, if would hasten the work. I make the suggestion to the Premier in the hope that he will give it consideration. I desire also to refer to the need for the extension of electricity supply to parts of my district. The Minister for Railways, who I know is sympathetic, visited the Mundijong-Serpentine district and was impressed with its possibilities. Although that is a considerable time ago, no move has been made up to the present to supply the current. Minister will recall that the people of the district were led to believe that their requests were so favourably received that they thought it would not be long before the extension scheme would be put in hand.

ask the Minister again to consider the extension of the scheme to the Oaklands portion of the Byford district. The current is already supplied to Byford, and it would not cost a great deal to extend it to the closer dairying areas.

I am sorry that the vote for public buildings has been considerably reduced. course, I fully appreciate the difficulties of the Treasurer in these times. the reduction means that schools and hospitals urgently needed in country districts will not be provided. I cannot help thinking sometimes that these difficulties could be overcome if there were closer co-operation with the Federal authorities. I have heard several speakers to-night mention coordination of works. There is at present being erected at the internment camp in Harvey a hospital which is to cost £3,500. I am told that the internal fittings of that hospital will be equal to some and superior to the remainder of the hospitals in State. It is difficult for the man street, if I may use that term, to understand why that amount of money can found for a hospital in an internment camp.

The Minister for Health: Hear, hear!

Mr. McLARTY: Hospitals are urgently needed in my district. Surely some scheme could have been devised whereby this amount of £3,500 would be expended upon a permanent hospital in the district. That hospital could have catered for the needs of the internees.

The Minister for Health interjected.

Mr. McLARTY: I am glad the Minister has been trying to do something; but he had such a logical argument that I am surprised the Defence Department did not fall in with his view. This hospital has been mentioned to me by people in the district. They have said, "Although this district is in urgent need of improved hospital accommodation, we have the Defence Department spending £3,500 on a hospital which will be pulled down on the declaration of peace." I have no more to say, except that I trust the suggestions which I have made to the Government in regard to the completion of the Stirling Dam and the extension of electricity supply to the areas I have mentioned will receive favourable consideration.

MR. CROSS (Canning) [10.7]: It seems to me, when I see an increase in the Railways and Tramways Vote from £99,000 to £302,000, that apparently the Government is at last awake to the need for extensions in some departments.

Mr. J. Hegney: Hear, hear!

Mr. CROSS: I am hopeful that the Government will inaugurate a trolley bus service for South Perth.

Mr. J. Hegney: And for Inglewood.

Mr. CROSS: The Government has ordered half-a-dozen trolley buses, which should arrive in this State very soon. The need for a trolley bus service to South Perth is unquestionably greater to-day than it has ever been. It is essential that Loan moneys should be expended upon works that will be reproductive; and, in my opinion, this new service would prove to be payable from its inception. I would like the Minister to confirm my suspicion—

Member: Suspicion is right.

Mr. CROSS: -that at least the Government will put this particular work in hand. People travelling to Perth from South Perth waste more time in travelling than do the residents of any other suburh. Perth residents cannot be expected to put up with this great waste of time, particularly when one takes into account the short distance from South Perth to the city. constituents complain that on an average they waste a quarter of an hour each trip on the loop on the single line. It is imperative that action be taken in the matter. I would like an assurance on point from the Minister when he replies. There is another matter to which I wish to draw the attention of the Government and that is in connection with the Kent-street central school. When that was opened it contained eight rooms and they were full on the first day. A month or two ago I asked the Minister some questions relating to the school. I pointed out that in view of the need for children attending that school to pass into higher standards, a certain number would have to go elsewhere and consequently would altogether attend no fewer than three schools in three years. That is not helpful to their education. The Minister said it was not the intention to move the children elsewhere. As there will be a fairly large number starting at the school when the new term begins, I would

like to know what action is being taken to accommodate them. It may be that some action has been approved, but the people, not only in South Perth but also in Victoria Park, are anxious to know what is proposed.

Another ground for complaint is that some of the children are not receiving the technical education at the Kent-street school that they should receive, because certain technical classes have had to be omitted on account of insufficient accommodation. The consequence is that children leaving the Kent-street school to attend the Jamesstreet school find that they have lost one year's technical training. Imperative action is needed to provide more rooms at the Kent-street school. While it is true that other centres such as Fremantle and Midland Junction may require schools, I am of the opinion that when a central school is established in any part of the State, it should be fully equipped to do the work for which it was erected. It is of no use providing eight rooms in a school when a dozen are necessary. Such a procedure can result only in chaos and dissatisfaction. are the two main points to which I wished to refer. The most important is that relating to trolley buses for South Perth, because unless the Government, which controls most of the transport south of the river, is prepared to provide a more satisfactory service, it may as well let private enterprise undertake the task.

MR. J. HEGNEY (Middle Swan) [10.12]: The Loan Estimates submitted by the Premicr on this occasion contain some interesting information. One observation he made was that there had been a downward tendency in the rate of interest on loans. That is all to the advantage of the State and the Commonwealth. Replying to interjections, the Premier stated that during the last war 6 per cent. was charged on loans raised in Australia for war purposes, and people are still paying for the money so Of course some of the loans have been redeemed. It is to be hoped that the interest rate will be kept down. Reference was also made by the Premier to the fact that the works programmes carried out by the various States have now to be closely scrutinised by a person called the Commonwealth Co-ordinator of Works who confers with a State co-ordinator.

function of State Parliaments seems to be increasingly circumscribed and in a sense circumvented by the Commonwealth authorities and it seems the time is coming when there will be no need for State Parliaments because they will have little or no say regarding matters of vital importance.

The manufacture of munitions was referred to by the Leader of the Opposition. I render tribute to the Premier for the efforts he has made during the past two years to have munitions manufactured in Western Australia. This matter has been discussed in the Labour Party rooms and representations were made to the Premier from the executive of the A.L.P. and from the men of the engineering works at Midland Junction, asking him to try to persuade the Commonwealth authorities to allow some of this work to be done here. Tardy recognition has now been given to the Premier's advocacy, an amount of money having been made available for munitions manufacture in Western Australia. It has been pointed out that £50,000 is to be spent on an annexe at Midland Junction Workshops, where machinery is to be installed for the making of munitions. There has been criticism of the proposal to spend the money at Midland Junction, but I know of no better place where it could be spent than In workshops. no engithose neering establishment in this State are there better lathe and turning machines capable of undertaking the manufacture of The machinery at Midland munitions. Junction is used for the manufacture and repair of locomotives, but while it has been said that they are up to date, many better machines could be installed, and I have no doubt the intention is to provide superior lathe machines to turn out higher-class The Leader of the Opposition menwork. tioned the need for decentralisation and of carrying out some of this work in the met-I do not perceive much ropolitan area. advantage in establishing works in the metropolitan area. In the event of an attack Midland Junction would not be in any worse position than most of the munitions factories and workshops in Eastern Australia. Sydney Harbour, Cockatoo dock, Garden Island and all places where dockyards are established and where boats of the Australian Navy as well as merchant vessels will be docked and repaired, are established in vulnerable centres in New South Wales and Victoria.

Mr. Doney: That does not mean that we should not establish munition works in safer places here.

Mr. J. HEGNEY: The small amount of money available should be spent at Midland Junction, seeing that the agitation for the establishment of munition works came from the men there. If it is a fact that engineering workshops in the metropolitan area have plenty of space and machinery available, the organisation of work in those centres can probably be undertaken later on. Constant representations have been made to the Federal authorities for Western Australia to be given some share of the defence expenditure, especially so far as the manufacture of munitions is concerned, but I do not consider even now that there will be any equality because the lion's share is going to New South Wales and Victoria. have asked for a small share of the defence expenditure so that our engineering workshops may be developed and our skilled men given employment. If we cannot employ them they will migrate to the Eastern States and find work in the factories there.

Mr. Berry: Are not they doing that already?

Mr. J. HEGNEY: Yes, to an extent. The engineering works in the Eastern States are well canipped. I know because during the last war I worked at Cockatoo Island and Garden Island and other centres. Island has the best equipped works in the Commonwealth, possessing high-grade engineering plant. Only a few years ago the Government in power handed that over to private enterprise and did not take any interest in it at all. However, it is now being developed and used in the manufacture of munitions and the repair of merchant and naval vessels operating round our That is where all the repair work is carried out by skilled tradesmen. land Junction is an industrial and it is our duty to foster When the war is over strengthen it. we shall have a decent building in which to attend to the rolling stock necessary for the development of this great State. There has been need for extensions at the Midland Junction workshops, but the difficulty has been to provide the funds. Here is an opportunity to get the extensions and undertake the manufacture of munitions and thus provide work for a large number of skilled tradesmen. When the war is over, the building and machines will be available for use for peace-time purposes.

I am particularly interested in the announcement that a slipway is to be constructed at Fremantle. This will be an important addition to the facilities provided at Fremantle. I understand that the slipway will be capable of accommodating boats up to 2,000 tons. As we have not a dock capable of dealing with large vessels, I regard the provision of the slipway as a step in the right direction. The provision and operation of the slipway will certainly provide employment for many men.

I wish to plead for an improvement in the water service at Swan View. This is a growing centre. Many of the men employed in the Midland workshops live there and have small allotments which they are developing so that when they retire they may be self-supporting. Many other people are engaged in various forms of primary industry, but they are handicapped in their efforts by the inadequacy of the water service.

Mr. Sampson: It is non-existent in many parts.

Mr. J. HEGNEY: On the higher levels and particularly in the hot months of the summer, not much more than a trickle of water is obtainable. This is very unsatisfactory, and an improved service should be provided. The work of constructing a conduit to connect the Canning and Mundaring reservoirs is important because it will not only ensure an adequate supply to farmers along the great eastern line and to miners and other workers in goldfields centres, but will also afford a better supply for the Maylands, Bassendean and Midland Junction areas. We all sincerely hope that we shall not experience another disastrous season like the present one. If we do, the Government will probably be faced with serious difficulties in the matter of water The construction of this link between the two main reservoirs, however, should obviate much of the difficulty in the event of another dry season being ex-I wish also to raise the question of connecting the South Belmont State school with the water main which now passes the block. Some months ago the Minister for Works received a deputation from the district and agreed to extend the service to the district provided the local authority guaranteed to meet the estimated deficiency. The Belmont Road Board agreed to do so and is meeting the deficiency. The main, as I have mentioned, passes the school. Last year the local authority had to arrange for water to be carted to the school. The department should certainly see that the service is extended to the school.

Mr. Seward: Are not there any tanks at the school?

Mr. J. HEGNEY: Yes, but the supply of water is very low.

Mr. Seward: What about the country?

Mr. J. HEGNEY: I agree with the hon. member as to the difficulty with tanks in a dry season.

Mr. Seward: What is the difficulty?

Mr. J. HEGNEY: Owing to the low rainfall this year one tank is already empty. It seems ridiculous that the school should have to depend upon tanks when the main passes the school. Certainly the school buildings and the master's residence should be connected. The estimated cost of the work, I understand, is about £57. I congratulate the department upon having improved the electrical feeder cable to Inglewood to increase the voltage so that the tram service to Inglewood can be speeded up. time has arrived when that line should be extended. A good deal of development has taken place beyond the present minus. representations have been and the transport authorities for made to permission to inaugurate a bus service to the settlement. The department should need meeting alive to the for the requirements of the people living beyond the terminus. The line from Dundas-road to Salisbury-street should be duplicated and then extended beyond the existing terminus. Difficulties are experienced with the railway service midway between Maylands and Bayswater. For years I have urged that a siding should be constructed between those The maintenance cost scems two stations. to be the difficulty, but this could probably be overcome by providing a trolley bus midway between Maylands and Bayswater and thus assist the development of a progressive district. Representations have been made with a view to seenring further transport facilities for the district, and I urge the department to give consideration to the matter. An agitation has arisen for the establishment of a technical school at Midland Junction. A new one has been built in Perth, and one is to be built at Fremantle. The time has arrived when similar consideration should be given to Midland Junction. Possibly more apprentices are trained at the Midland Junction workshops than anywhere else in the whole State. The necessary area of land is available. Although Midland Junction is not in the Middle Swan electorate, but comes within that of the member for Guildford-Midland, I am interested in the proposition. It is time a modern and up-to-date technical school was built in that town. I hope if any money is available, the Premier will give consideration to this question. I commend him for the statement he made to the Committee when introducing these Estimates. It was highly informative. I know he stated that many members might he disappointed because their electorates were not fully provided for, but he did give us some interesting information. I am sure that the works it is proposed to undertake will be of advantage to the State.

Mr. DONEY: I move— That progress be reported. Motion put and negatived.

[Mr. J. Hegney took the Chair.]

MR. DONEY '(Williams-Narrogin) [10.31]: My chief concern is as to the likely expenditure of loan moneys on school buildings. It is conceded by all members that our first consideration in these times must be for works relative to defence requirements. I submit to the Premier, however, that next in order of priority is the expenditure on school buildings, additions and the It seems to me that from the very small amount set aside for purposes such as this, the Government does not share that view. I have searched through the report of the Education Department for last year and the Loan Estimates for this year without finding the information I sought. hope the Premier, in his reply, will give the information in as much detail as he can. From other sources I learn that the amount that is likely to be spent on school buildings this year is about £20,000. That seems to be a miserably small sum. I believe that the normal annual expenditure over the years in this direction has been about £60,000. That shows up the proposed expenditure for this year as being absurdly small. We all realise that economics are necessary, but I suggest that too much economy should not be exercised at the expense of the normal expenditure on school buildings. One cannot help noticing, as mentioned by the member for Swan, the considerable sums that are to be spent on State hotels. The member for Canning sees in the difference between the expenditure on railways and tramways last year of £99,000 and the expenditure of £302,000 this year, an expenditure on trolley buses.

Mr. Cross: Only some of it.

Mr. DONEY: Is that so! It would appear in any event that schools are being shabbily treated. Apparently the member for Middle Swan is also having trouble in his electorate over drinking water because it has to be carted, a minor temporary occurrence that occasions no suffering. The Committee is not much impressed by yarns of that kind. Some of us have lately toured various parts of the country, only to find there was no water at all. I am afraid the member for Middle Swan is likely to be disappointed by the attitude of the Government in respect to the cartage of water in his electorate. When the Premier was introducing these Estimates I asked him what amount had been ear-marked for school buildings. He said he understood that was embodied in the £72,000 set aside for buildings generally. It would thus appear that the £20,000 I have already mentioned is likely to be the limit of the amount available for that purpose this year. I hope the Premier in his reply will give more detailed information concerning that item.

MR. WATTS (Katanning) [10.35]: I should be remiss if I did not say a word or two in connection with a matter of interest to the electors I represent, although it would appear from the Loan Estimates not to be of great interest to the Government. I refer to a much discussed place known as Albany. I find on a perusal of the Loan Estimates and of the other interesting information associated with them that there has been no Loan expenditure on the port of Albany since 1922. The sum of £50,000, which I understand was spent on certain

dredging work, was included in the expenditure at that time. In 1912, 1913 and 1915, a sum of £65,000 was expended largely, I understand, on the extension of the deep-sea jetty.

The Minister for Mines: To what place are you referring?

Mr. WATTS: To Albany.

The Minister for Mines: To Albany? I though you were speaking of Nornalup.

Mr. WATTS: I hope that will come some day. The Minister may wonder at my referring to Albany. I point out, however, that the Katanning electorate reaches to within 27 miles of that port, and that for some reason it contains what is known as the Albany zone. Why the Albany zone should be placed practically within the boundaries of the Katanning electorate has always astonished me. It appears to me that a much larger portion of the Great Southern country extending some miles north of the boundary of the Katauning electorate might readily have been included in the Albany zone, with advantage not only to Albany but also to the people who live in that area.

Mr. Doney: A great deal of coastal country is involved.

Mr. WATTS: That is so. I have explained why it is necessary for me occasionally to interest myself in Albany. The expenditure on the deep-sea jetty was, I believe, incurred as an alternative to a proposal advanced by representative citizens of Albany for reclamation work upon the foreshore with the intention of making Albany harbour more suitable than Nature made So far as I can gather, as a result of the expenditure, there has been little if any improvement to the natural conditions that existed when Albany was first discov-It is a matter of ered by white people. great regret to me that that should be the position. This arm of the deep-sea jetty has served nothing like the purpose that wharf accommodation, even on a small scale, would have served. In my view, and I believe in the view of a great many other people who have far more knowledge of the port than I have, that expenditure has been largely wasted. I might add that the jetty proposition put up by the then Minister—this of course is some 28 years agowas not proceeded with to the extent intended, with the consequence that the work which was done was even more inefficient

than the original proposal. But now we come again to the fact that nothing has been spent out of loan moneys on that port The need for its for the last 18 years. development, so far as the people of my district are concerned, is becoming more and more appearent. At odd times I have referred in this Chamber to the question of bulk handling of wheat. Now we are in a position in this Albany zone, as it is known, of having facilities for the handling of wheat at sidings but having no such facilities for the silo-ing of that wheat at the port. In consequence, unless some provision is made in that direction, it is apparent that the trade of Albany, which is regarded as normal in the way of wheat even by those who created the present zone, is quite likely to be deflected to some other place, for the reason that it will be extremely difficult to handle wheat in bulk unless it can be handled with the proper facilities.

The situation is that a departmental committee was appointed by the Minister for Lands last year to investigate this question and report upon it. I understand the committee reported that it was advisable to instal bulk handling silos or terminals at However, the committee did not, Albany. I admit, state any time as to when that work should be proceeded with, the reason being that the difficulties of finance had to be Ample time has been afforded considered. since the committee reported, approximately seven months ago, for some consideration of this financial question; and, so far as I can gather, no money has been made available for the purpose and there is no present indication that any facilities are to be pro-If they were to be provided as port facilities go in Albany at the present time, they would simply duplicate what has occurred in other places, making the expenditure of handling the wheat from the rail to the ship much greater than it need be, because of double or perhaps triple handling being required owing to the jetty being the sole means of getting trucks to the ships' side in this instance and loading wheat or any other commodity into them. If there is going to be any continuation of this policy of leaving Albany development alone, it will re-act not only on the people who are making a living in agriculture and other industries in the hinterland of that port but also, and most seriously, on men who are members of the local lumpers' union and others

who gain a living indirectly from the work done at the port, because they will have less and less work to do. If there is any justification for leaving the port of Albany unattended to, without improvements, without regard to the needs of the countryside, without taking advantage of the most valuable natural asset that the State has, then I should perhaps understand that these men would have to go without work and become more and more miserable and downcast year by year. But there is no need for it. There is a definite demand for the facilities. There is every reason why, in proportion to the population in those areas and the industries carried on there, the port should receive a reasonable amount of expenditure. However, it does not get it. On behalf of the people I represent, and ignoring for the moment the people of Albany, I must register some protest on this occasion.

But to return to these men of the lumpers' union. I was in Albany a little while ago and was fortunate enough to be able to have a few words with one or two of the They informed me that in four lumpers. months the total amount of cargo that had been handled by the men engaged in the inof lumping there was 2,270 tons. They said that the average work by mcmbers of the Albany lumpers' union, of whom there are approximately 150 I understand, was 52 hours during that period, and that a maximum of 70 men had been employed at any one time. It will be seen that the amount the men were earning, when comes to consider that the ordinary pay is 2s. 101/2d. per hour, or double that amount for the rare overtime that is worked; the amount earned might almost be described as infinitesimal, and certainly was not sufficient to keep body and soul together. of course cannot leave the place. They have made their homes there, and have their families there; and such interests as they have are in Albany. So they want to work there. I admit that they occasionally get relief work of various kinds, and that some effort is made to assist them in that direction; but, be that as it may, they are entitled, as the people of the Albany hinterland are entitled, to have the satisfaction of that the port in which they live and work gets that fair share of business which belongs to it. But the port is slowly slipping back, and cannot get the fair share of business which is its due, because the necessary facilities are not there. According to these Loan Estimates the total expenditure on the Albany Harbour is £167,000, of which the last portion was expended, as I have said, 18 years ago. Without being at all deprecatory of any other port, I find that the port of Bunbury during that same period has had expended on it a matter of £250,000. Also, in the same period the port of Geraldton has received expenditure to the extent of the better part of £800,000. In the case of the port of Fremantle, the expenditure in the same period must be close on a million sterling.

And so, taking those figures into consideration, it is apparent that there has been a considerable neglect of Albany, neglect not justified by the development that has continued in the hinterland of that port or by reason of the expenditure on other Western Australian ports. On behalf of the people I represent, and also because I believe it to be a fair proposition that the port of Albany should receive more consideration, I definitely ask the Government whether it will give favourable consideration provements to this port at the earliest possible time. I submit that it would be a mistake to put, for example, bulk handling terminals on the land at Albany at present time and run the wheat out to the jetty, as would have been done, because that would require double handling, and sometimes treble handling, which are an expensive and most inefficient method of dealing with products. At the same time I say it is essential that the wheat grown in the Albany, zone, and I believe the wheat grown beyond the limits of the present Albany zone, should be shipped through that It is neither reasonable nor profitable that the wheatgrowers of the district should be liable to a further charge for excessive freight which will have to be paid by them if their product has to be taken elsewhere. In addition, I understand that last year between 30,000 and 40,000 cases of fruit from Mt. Barker were loaded at Fremantle. What sense is there in allowing that state of affairs to grow up?-and it is growing up. If we are to believe there is any measure of justice—as I am prepared to believe-in those who have the government of this State in their hands at present, I feel certain all that is required is that this matter should be brought torward more frequently and more forcibly under their notice. It is because of that, notwithstanding the lateness of the hour, that I decided I would not miss this opportunity to say a word about this matter. It would be possible to enlarge considerably on this topic, but I shall satisfy myself by asking the Government to give consideration to the port of Albany, with a view to expenditure on it to make it suitable for the handling of the produce of the district behind it and for the benefit of those people who have to make their living there, people who in the past have made quite a substantial living out of the work of the port, but whose opportunities for securing work, for one reason or another, but principally I believe because of neglect to spend money on providing the requisite facilities, are becoming less and less. If that is to continue, I fear for their future. Decent men and women who have their all in that port, and do not feel inclined to shiftno one should ask them to do so-are in the position of not being able to get sufficient work to keep body and soul together except by way of relief work, and that, as everyone knows, is not a proper course to ask such people to adopt. They should receive the advantage of the opportunities available in their district, given better transport facilities, and the only trouble is that the facilities at present existing are not sufficient to provide those opportunities. Therefore I hope that the Premier and those associated with him in the Government will be inclined to give this matter more favourable consideration than it has received in the past.

Mr. HILL: I move— That progress be reported. The Premier: No.

Motion put and negatived.

MR. HILL (Albany) [10.53]: When addressing himself to the Vote, the member for Katanning (Mr. Watts) referred to the port zones. I wish to draw attention to the fact that when the boundaries of the port zones were fixed, one factor only was taken into consideration—railway mileage. If members take the trouble to study the various reports prepared from time to time and compare them with reports from other countries, they will find that railway mileage is not the trouble here but the immensely

heavy interest bill that has to be paid. is not economy to save 6d. in mileage and to pay 2s. in interest. Our troubles in Western Australia are due to the enormous borrowing we have indulged in and to the fact that we have not gone to sufficient pains to pay back the money so borrowed. In his remarks, the Premier referred to the semigovernmental institutions in the other States, A few weeks ago I had the pleasure of talking to the chairman of the Melbourne Harbour Trust. That gentleman is associated with the management and administration of a trust which must pay 20 per cent. of its total gross revenue into Consolidated Revenue. Melbourne is a manmade port and costs £100,000 a year for dredging. All Government goods are bandled free of wharfage charges, as also are its exports. In spite of those facts, the Melbourne Harbour Trust, although it has spent £10,000,000 on the port, is only paying interest on a little over £5,000,000. If our railways were in the same happy position, and had paid off 40 per cent. of their liability, we could secure a reduction of 15 per cent in railway charges. If our ports were in the same position we would enjoy reduced charges to the extent of 25 per cent. If that were achieved, the cost of production would be considerably decreased. Our trouble is that we have no transport or port administration in Western Australia. I shall not deal with transport matters at the moment. Although we have spent £7,500,000 on our ports, we have no port administration. The Fremantle Harbour Trust is responsible to the Chief Secretary; the port of Perth to the Premier; the Bunbury Harbour Trust to the Minister for the North-West.

The Minister for Mines: That is decentralisation!

Mr. HILL: It is not decentralisation by any means.

The Minister for Labour: Certainly it is. Mr. HILL: I will deal with that phase later. To achieve efficiency under such conditions is absolutely impossible. No wonder our ports made a loss of over £61,000 last year. The Minister for Mines referred to decentralisation. Western Australia is the worst State in the Commonwealth from the standpoint of centralisation. We represent the largest self-governing community in the world, and yet if a 6-in. gun were mounted in King's Park nearly half the population

of the State would be within range. The member for Middle Swan (Mr. J. Hegney) referred to the need for a dock at Fremantle. I would like to go back to 1910, which year I remember very well.

Mr. Withers: Why not go back to the granting of responsible government?

Mr. HILL: Our blunders commenced then. Incidentally I was going to leave Bunbury alone but in view of the hon. member's interjection I shall not do so. In 1910 Lord Kitchener was in Albany, with the object of inspecting the port. Lord Forrest was also present, and I remember his saying, "Albany has been neglected in the past, but a change is coming." Unfortunately for Western Australia in particular and Australia in general, there was a change in the Federal Government, and a Labour Administration assumed office. What happened?

Mr. Needham: It was the best thing that happened for Australia.

Mr. HILL: A Western Australian became Minister for Defence and Senator George Pearce, as he was then, paid a visit to Cockburn Sound. The Fremantle people entertained him and he was asked to authorise the construction of a naval base at the Sound. Admiral Sir Reginald Henderson was brought out from England to report on the proposal. I have heard that there were two Admiral Hendersons. One, Wilfred Henderson, was regarded as among the best men in the British Navy. The only thing I have heard about Sir Reginald Henderson is about his visit to Australia, and when he arrived at Fremantle he was practically told he was to establish the naval base there. I do not know what occurred but when he was in Albany for the purpose of inspecting the port there, he sent a telegram stating that it was unnecessary to inspect the Cockburn Sound as Albany was in every way suitable. About a million pounds were spent at Cockburn Sound and yet today we have only a white elephant, instead of having an efficient base for our ships.

Mr. Needham: The Henderson report was turned down by the Bruce-Page Government.

Mr. HILL: And that saved more expenditure. Before it was turned down-

Mr. Needham: A Labour Government did not turn it down. Mr. HILL: No, it was a National-Country Party Government that did so. The report submitted by Sir Maurice Fitz-Maurice was largely responsible for that course.

Mr. Cross: Where did you get that information?

Mr. HILL: Officers in the military forces are debarred by regulations from commenting on such matters but that does not prevent them from talking amongst themselves. Moreover, some information was published in the Press.

Mr. Needham: Not information, but defamation.

Mr. HILL: It was the truth. You, Mr. Chairman, urged the need for a dock at Fremantle.

The CHAIRMAN: The member for Middle Swan did that.

Mr. HILL: I have here the report that was presented by Sir Alexander Gibb and partners on a suitable site for a graving dock in Australia. I have read his report with great interest, because I had the pleasure of meeting many of the gentlemen mentioned in it. There is in Newcastle a dock lying idle to-day capable of lifting 15,000 tons. That dock has been offered to the Western Australian Government and could be brought here. But before I proceed further, I desire to make it abundantly clear that I would not support the State Government in any attempt to provide a dock in Western Australia, because it would prove to be a white elephant, as is the dock at Newcastle. That dock would require 60ft, of water. The following is a remark made by Sir Leopold H. Savile, K.C.B., on Fremantle, after having referred to the fact that the harbour had been dredged to a depth of 36ft, and that a floating dock would require a depth of 60ft .-

Any additional dredging, however, would be in rock of varying natures and degrees of hardness.

Obviously, to dredge down to 60ft. in the Fremantle Harbour would be extremely costly; and, obviously, maintenance costs would be exceedingly heavy. There would, however, be no trouble in dredging down to 60ft. at Albany. With reference to a graving dock, I shall quote paragraph 120, page 23, appendix No. 8, dealing with Fremantle—

In these circumstances, and as we anticipate some difficulty would be experienced in providing and maintaining approach channels

of the required depth at all states of the tide, we cannot recommend this port as suitable for the construction of the graving dock. Further, as previous experience gained in the attempted construction of a dock at Fremantle, and a general survey of the borings and strata in the vicinity indicate, the construction of a graving dock at this port might encounter serious engineering difficulties and no reliable estimate of its cost could be given.

I consider that is a definite turning down of Fremantle as a site for a dock. Albany has been mentioned. I discussed Albany, Fremantle and other ports of Australia at some length with Mr. Jacob when he was in Perth. Albany was not further considered for a dock, for the reason set out in paragraph 2 of the report, as follows:—

Repair shops sufficient to meet all conditions with the necessary facilities and skilled labour should be available at or within a convenient distance of the site of the graving dock, as it was proposed that only limited additional shops should be provided to meet the special requirements of capital ships.

That is the reason Albany is out of the picture as a site for a dock. Should the Government desire to secure a dock in this State, it should encourage the foundation of engineering shops at Albany. The member for Bunbury (Mr. Withers) was interjecting a few moments ago. I may say I thought of him when I was in the harbour master's office at Newcastle. The harbour master was telling me of the tremendous difficulties the board had at Newcastle. He said, "The silt is like pea soup, and consequently suction dredges are of no use." The member for Bunbury pointed out that that is one of the troubles at Bunbury. The harbour master at Newcastle said, "We are down to rock." That also was one of the troubles at Bunbury. The harbour master also said to me, "Our trouble is that we are too close to Sydney. Were we another hundred miles further north, the position would be different." That is the great fault with Bunbury; it is too close to Fremantle and will never be used as a port for the South-West.

Mr. Withers: Why are you so concerned about Bunbury, if it will never be used as a port? I am not jealous about it.

Mr. HILL. It is my duty to protect the taxpayer.

The Minister for Mines: Hear, hear!

Mr. HILL: In 1938-39, about 600,000 cases of fruit were exported from Fremantle

in \$2 ships. Of those ships, 22 took about 120,000 cases. Those boats could easily have called at Bunbury. Ports in Western Australia are not looked upon as payable propositions. If members will turn to the Auditor-General's report they will find that the Bunbury Harbour Board owes the Government for unpaid interest over £300,000. Other reports laid on the Table show that since 1936 the Government has not received any revenue from that port.

I would like to refer briefly to the committee that visited Albany to report upon bulk handling at that port, or as the committee called it, the port zone. I have no intention whatever of reflecting upon the gentlemen who comprised the committee, Mr. Tindale, the chairman, is one of the most able and respected men in the State; but he had to accept, as a remedy for our transport troubles, that awful transport tragedy which we have in our port zones. The port zones of the Great Southern are costing us far and away more than they should, because they rob us of a modern port. member of the committee was a railway official; but it was not the responsibility of the Railway Department to provide interest and sinking fund on the ports. Another member of the committee was Mr. Braine, a member of the Wheat Board; that board did not have to pay interest and maintenance charges on the ports. That has to be paid by the general taxpayer. Still another member was a Treasury official. We did not have as a member a port administrator or a port expert. Had such a person been appointed to the committee, he could have explained to the Treasury official that the Albany harbour is the best milch cow the Treasurer has in Western Australia. is a jetty at Albany about 50 years old, the maintenance charges on which amount to £1,700 a year, or enough to pay interest at 4 per cent. on over £40,000. If £40,000 were judiciously spent at Albany, a decent berth could be provided for bulk handling, and considerable saving would be effected by having the silo alongside the ship, which would amount to more than is saved in railage by having two ports. It has been said the cost at Albany would be higher than it is at any other port in the State. That is all bosh. The cost at Albany would be cheaper.

Mr. Cross: Why not bring Albany to Fremantle? Mr. HILL: It is pathetic to observe how some people consider that Western Australia consists only of Fremantle. If members will take the trouble to refer to reports, they will learn that in 1938-39 the loss at the port of Geraldton was equal to 3s. 6d. per ton. That loss had to be borne by the taxpayers of the State. The loss at Bunbury was equal to 2s. per ton; whereas Albany, in spite of its inflated loan liability, practically made ends meet.

On my way back from Brisbane, I travelled with one of the Queensland members of the House of Representatives. We were talking about ports when he said to me, "Our trouble in Queensland is that we have too many ports; there is of course the tragedy of Rockhampton, of which Gladstone is the natural port. Rockhampton is the Bunbury of Queensland. It resembles Bunbury in many ways. There is the same silt problem. Gladstone will gradually swallow up Rockhampton. I would like you to read the report of the Queensland Transport Royal Commission on the question."

Mr. Fox interjected.

Mr. HILL: Although the hon. member represents a port, it is very evident he does not trouble about port administration. He cannot see that the Fremantle Harbour Trust to-day is used as a taxing machine to fight that everlasting and costly fight a hundred miles away. He is probably unacquainted with the fact that Bunbury is a very convenient starting point for a blitzkreig against Perth, Fremantle and Midland Junction. I often think of a remark made by a New South Wales Senator, who was at my home, and said to me, "So far as I can see the people of Perth and Fremantle are so busy talking about the unfair treatment they receive from the Commonwealth that they cannot see that they are giving to the outlying parts of this State far greater cause for complaint." We have only to consider the amount of money not spent on the southern part of the State since the Collier Government took office to see that the remark was fully justified. Within the last few months I have been from one end of Australia to the other. No other part of the Commonwealth has been so favoured by Nature as the southern end of this State We have the finest climate in the world.

Nature has done more to assist us with our transport problems than it has done elsewhere, but we are short in one respect and that is in regard to minor elements in our ground. The Minister for Mines was at Denmark on Saturday and heard of the wonderful results being attained by the introduction of those elements. My plea is that the same consideration should be extended to the southern end of our State as this Parliament would like to receive from the Federal authorities.

Vote put and passed.

. Votes—Railways and Tramways, £302,000; Harbours and Rivers, £102,250; Water Supply and Sewerage, £924,500; Development of Goldfields and Mineral Resources, £51,000; Development of Agriculture, £166,500; Roads, Bridges, Public Buildings, etc., £372,954; Sundries, £55,004—agreed to.

This concluded the Loan Estimates for the year.

Resolutions reported and the report adopted.

House adjourned at 11.14 p.m